CHAPTER III

LITERATURE REVIEW

Social research into employment and labour market focused on the attitudes and experiences of male workers till the late seventies of the last century. Actually, labour was gender neutral and basically homogeneous for all purposes in the writings of most prominent authors of these times. This was on the assumption that women were marginal to the central dynamics of employment relationships. The publication of Ester Boserup's pioneering work, 'Women's Role in Economic Development' in 1970 broke this tradition. Thereafter, extensive works appeared in the realm of female labour supply, and they all had a common goal i.e., 'to bring the margin to the centre' by shifting the focus to female workers (Banerja 1987).

The literature on rural labour and the labour market as such is also very rich and deals with innumerable aspects. Labour absorption in rural areas in agriculture and non-agriculture, changes in labour demand and supply on account of the rural transformation, wage determination processes in agriculture were issues that received considerable attention of scholars. Though it is quite difficult to scan all this documentation, it would be improper to ignore some of the relevant aspects that the earlier scholars have covered in their works. So we confine our review to those that pertain to rural employment structure, especially those of women. We can categorise the studies in this area into the following groups:

1) The extent of Rural Female Work Participation Rates (RFWPR) and the nature of its changes over the decades.
2) Rural employment structure and the changes in the sectoral distribution of workers.

3) Determinants of female non-agricultural employment in rural areas.

4) Employment status and changes in the status distribution of women workers.

In all these categories most of the prior studies discuss inter-state disparities and trends using either NSSO or Census data. However, there are also some studies that look into the inter-regional framework of certain states. But studies on disaggregation below the state and district level are few and rare exceptions. In this chapter the major hypotheses in the literature regarding the rural employment structure and process of diversification are examined. The variables used as determinants of diversification and employment status are also explored.

3.1 The Extent and Nature of Changes in Rural Female Work Participation Rates

In recent times, most of the developed countries have registered high RFWPR, which have also shown a substantial and secular increase, over the decades of the last century. In comparison the RFWPR in developing countries like India, are low and have been a cause of concern. For instance, in India it has never exceeded 35 per cent in any of the national level estimates, be it of Census or of the NSSO. More over, there has also occurred a pronounced decline of RFWPR for the country as a whole ever since the beginning of the 20th century. The empirical enquiries in India therefore primarily centred on these two aspects.
Economic statisticians and demographers tried to explain the phenomenon as a conceptual and measurement-related problem implicit in the identification of women workers. It was argued that the myth of low level participation would be exploded if work were defined in a broader sense of the term, to include some of the domestic work done by women. In fact a World Bank study on India termed this underestimation of women as "statistical purdha" imposed by existing methods of measuring women's work (World Bank 1991).

A number of studies, therefore, emerged discussing the definitions of work and worker, methods of enumeration, the possibilities of under enumeration and the problems of comparison in different survey periods of the official agencies. Their basic conclusion was that whenever wage and non-wage work co-existed and when female labour was expended on production of non-marketed products, official statistics failed in reflecting the actual participation rates (Agarwal 1985, Banerjee 1989, Bardhan 1977, Duvvury 1989, Nayyar 1987, Sunder 1981, Unni 1989).

In India the low-level FWPR became an issue of hot debate only after the publication of the 1971 Census. Besides, there also existed wide inter-state disparity in FWPR while MWPR had near uniformity everywhere. Writers who went beyond the statistical illusion tried to establish specific relationship between different socio-economic variables and FWPR (Dandekar 1982, Dantwala 1975, Dolakia and Dolakia 1978, Gulati 1975, Reddy 1975). But these macro level comparative studies failed to come up with concrete relationships.
Meanwhile Kalpana Bardhan made an effort to explain the low-level RFWPR by a two-way stratification of female work pattern, i.e. by status strata - stratification by social hierarchy and class strata - by asset inequality (1985). She found both sanskritisation and westernisation active behind RFWPR linking it to the integrated effect of patriarchy and capitalism. This holds true in the society taken as a whole. But women in rural areas in the lowest strata of society are not much bounded by patriarchy.

Based on the empirical evidences researchers have also tried to make inter-temporal comparisons. Delineating comparable NSSO/Census survey years they have provided conflicting interpretations on the trends of changes in RFWPRs. Some census-based studies reported long term and short term declines in female work participation (Bardhan, 1977, Krishnamoorthy 1970, Sen 1983). However, those studies using NSSO data argue that this decline cannot be substantiated (Unni 1989, Visaria 1994).

Since the 1971 Census figures are widely accepted as underestimates, comparisons were made always with 1961, 1981 and 1991 Census data. In the case of NSSO data, estimates on female work participation are available from 1972-73 onwards quinquennially upto 1999-2000. When it comes to the question of female workers and inter regional comparisons, NSSO estimates were found better than the Census estimates (Banerjee 1989).

In fact most of the earlier writings on work participation mainly concentrated on explaining, measuring and verifying the changes in these periods mainly at the national level and at the state level. Doubts were also raised on the adequacy of existing modes of data collection on women’s work
and the possible bias that is liable to creep in the whole process (Agarwal 1985, Anker 1983).

There are references to the work participation rates of Kerala in all the above mentioned macro level inter-state comparative studies. Among those that specifically concentrate on Kerala, the study of Mridul Eapen (1994) scrutinises both NSSO and Census data from the early 70s to 90s. She has found, the female work participation rates rather volatile, creating much uncertainty and instability in the labour market. Some degree of arbitrariness in enumerating the subsidiary workers is cited to be one reason for this. In other words, women subsidiary workers are supposed to withdraw from their occupations on account of their preference to be unemployed 'rather than engage in intermittent, low paid occupations'.

Gulati et al (1995) comparing the 1981 and 1991 Census figures express an almost similar view. The study concludes that the decline in part is due to the withdrawal of marginal labourers caused by the impact of the welfare schemes like the unemployment assistance and agricultural worker's pension in the state.

Kumar (1994) argues that the changes in the age structure have lowered the female work participation rates by at least 4 percentage points between 1981 and 1991. Being in the later stage of demographic transition, the population in the age group of 0-14 has fallen by around 6 percentage points (Irudaya Rajan et al 1994). Again, Kumar (1994) tried to explain how the female work participation rates are reduced by the changes in the demand for female labour.
Mukharjee and Issac (1994) and Mathew (1997) have studied the problem of educated unemployment in the state. Increase in educational facilities and the extension of free education up to secondary school and university level were supposed to be added factors in reducing the work participation rates especially of females.

Micro level studies are very much limited in Kerala. One of the previous studies is that by the Centre for Development Studies, Trivandrum on employment and unemployment (1977). The incidence of unemployment along with its socio-economic characteristics, and the interactions of demand and supply factors are subjected to inquiry.

3.2 Changes in the Sectoral Distribution of Rural Female Workers

In the structural transformation theory of Clark and Fisher a country is supposed to follow a development process in which employment shifts gradually from primary to secondary and later to tertiary sectors. These shifts are expected to bring additional economic growth since higher productivity levels distinguish the secondary and tertiary activities.

In India the principal sector of activity in rural areas still continues to be agriculture. But the non-agricultural activities are also assuming prominence with increases in its share over time. There also exist significant spatial variations in non-agricultural participation among the states of India. The RFWPR in non-agriculture is about 8 per cent in Rajasthan, and Madhyapradesh, whereas it is 40 per cent and 46 per cent in Kerala and West Bengal respectively (NSSO 2000).
Some studies based on the NSSO figures emerged in India in the 80s and 90s observing a rise in the proportion of male workers in the non-agricultural sector (Basant and Visaria 1999, Krishna Moorthy 1984). The rise had been too marginal in percentage terms for females and even this rise was overwhelmingly confined to agriculture (Banerjee 1989). An interesting paradox of rising proportion of agricultural labourers in the context of an overall decline was noted (Duvvury 1989).

A number of scholars like Ambannavar (1975) Prakash (1975) and Sinha (1972) have discussed the decline in female employment in the manufacturing sectors in the 70s. The most widely quoted case is that of Cotton Textile industry. Some of the reasons offered by these writers varied from factors such as stagnation, technological change, uneven pattern of growth, mortality, literacy rate and urbanisation. Women were also recognised as displaced owing to the acceleration of technological progress (Ghosh 1998). Most of these studies however used the Census figures to substantiate this point. But in the 80s and 90s a reverse of this trend was reported in studies which made use of the NSSO data. A significant increase in participation in the household industries of rural areas (Banerjee 1989) and gradual and steady increases in non-agriculture (Chadha 1993) were noticed. Sheila Bhalla (1993) has for the first time introduced a diversification index that measured the changes within the sectors. She came to the conclusion that in most states and in rural India as a whole the sector that has diversified fastest is the tertiary sector. The secondary sector followed and the primary sector had only slight changes within the sector.

As for the employment structure of female workers in Kerala, literature is scarce. Still as a part of the study on the general process of diversification
to non-agricultural activities in the rural areas, Mridul Eapen (1994) discusses at length the trends of non-agricultural female labourers in the employment structure. The rise in non-agricultural employment in the 70s and 80s in Kerala is explained to be due to the shift in the cropping pattern, process of commercialisation and increased construction activities assisted by the increased remittances from abroad. In a later study Eapen (1995) discusses the inter-district variations in non-agricultural employment between 1971 and 1991. But the study is confined to rural male workers.

3.3 Determinants of Diversification in Employment

In the existing literature the process of employment diversification in rural areas is discussed as a part of the process of economic diversification or rural industrialisation. A number of factors initiated are attributed to be behind this sectoral shift in employment.

In the first place, economic diversification was presumed to be a process led by agriculture by writers like John Mellor (1976). It was argued that a stable and sustained growth in non-agriculture requires a broad-based agricultural development along with macro policy for distributing the gains. The emphasis then was more on consumption and production linkages associated with agricultural growth. Many a hypothesis was formulated and tested in this regard to find a relationship between non-agricultural employment and agricultural development. The variables used as proxies for agricultural development were agricultural output per capita or per hectare, Gini index of concentration of operational holdings, area under non-food crops (as an index of commercialisation of agriculture), irrigated area etc. Using macro economic statistics mostly at the national level covering 15
major states, these studies employed regression techniques to reach meaningful conclusions. Nevertheless, almost all these studies focused on male non-agricultural workforce, as the increase in female employment in the sector was negligible in rural India and in most of the states.

Consumption linkages through increased income and demand of the rural rich were assessed in most of the national-level studies like those of Dev (1990), Unni (1991), Vaidyanathan, (1986). Some regional-level studies of a similar nature also were undertaken by Harris (1991) in some villages of Tamil Nadu and by Shukla (1994) in Maharashtra. The relationship of non-agricultural sector with production linkages was also examined by a number of scholars (Hazel and Haggblade 1991, Nachane et.al. 1989, Shukla 1992). Scanning the extensive literature in this regard we find that one likely conclusion emerges. Agricultural development has positive relationship with employment in the non-agricultural sector more due to the consumption linkages than the production linkages in rural areas. The policy suggestions that followed also reached similar conclusions. When there is disguised unemployment there should necessarily be employment diversification and the output growth in agriculture is to be translated into employment growth in non-agriculture.

Secondly, the process of diversification was postulated to be due to rural - urban linkages. The main factors identified behind this process were the rate of urbanisation, growth of infrastructural facilities, increased commercialisation of the rural economy and the social welfare programmes of the government. While some studies reported strong positive relationship between non-agricultural employment and urbanisation (Bhalla 1993, Eapen
Researchers in this field also have noticed the rising unemployment rates in rural areas, the increased nature of casualness among the workers and incidence of poverty as reasons for diversification. This resulted in the formation of another hypothesis commonly termed distress-induced diversification or residual sector hypothesis (Vaidyanathan 1986). Accordingly workers diversify because of distress and the sheer necessity of getting employed, when they fail to get absorbed in the agricultural sector or in the urban informal sector. The variables that suggested this push from agriculture were unemployment rates, percentage of wage labourers or landless labourers (Unni 1991, Vaidyanathan 1986) land-man ratio and the ratio of marginal holdings to total holdings (Eapen 1995) etc.

3.4 Employment Status of Women Workers

Literature on the employment status of women workers had often been theoretical rather than empirical in nature. Some of the earlier studies projected the view that economic development had a marginalisation effect on female employment. Popularly known as the 'female marginalisation thesis' this view argues that women are progressively marginalised from production in the process of industrialisation and economic development. This central idea is in reality drawn from the Marxist and socialist feminist writings and they consider that women's marginalisation is a product of capitalist organisation of production and use of labour. Many socialist feminists consider that capitalism and patriarchy result in women's confinement to home and to inferior jobs (Eisenstein 1979, Hartman 1979). The separation between
production and reproduction, under capitalism and the hierarchical structuring of capitalist enterprises give rise to segregation and marginalisation of women's work. Though basically drawn from a Marxist frame of analysis an agreement on this thesis is shared by other scholars as well, and in this sense it has gained wider acceptability in the academic circles.

A more recent analysis by modernisation theorists however refuted this view. Instead they predict a positive relationship between development and female employment. In other words, they hold that women are integrated into the labourforce as new job opportunities are opened up in industry.

Empirical evidences in India on the status distribution of workers point towards increased casualisation of the labour force (Mukhopadhyay 1992, Vaidyanathan 1986). These studies highlight a consistent decline in the share of self-employed and sizeable increase in the percentage of wage employed. Wage employment in most states of India takes the form of casual employment. As for the reasons for increased casualness the explanations vary. In general they speak of capitalist development in agriculture, land reforms, proletarianisation of the small and marginal landholders and inadequate opportunities for self-employment (Bardhan 1977, Bardhan 1978 & 1984, Rudra 1979).

Anyhow, both the issues of marginalisation and integration cannot be generalised. The empirical studies available suggest such a conclusion (Acevedo 1990). Because of regional diversities, even in cases where such an integrating trend is seen, it may not mean an improvement in the employment status. Much depends on the particular pattern of the development process in the country.
Acquaintance with all this literature on the process of diversification leaves the following impressions with regard to the research gaps:

The observations on sectoral composition of workers and sectoral shifts focus mainly on the country as a whole. Regional studies are only few and far between and even these pertain to explanations up to the district level. Further disaggregation beyond that is limited maybe due to the nonavailability of secondary data. So it is necessary that continuing studies at the village level be done to gather more insights into the process of diversification at the grassroots level and also to enrich the database. This is especially so in Kerala where no such studies exist.

Another notable feature of the studies reviewed is their silence on female non-agricultural employment. All these studies either take up the total work participation or male work participation in the non-agricultural sector. The low female work participation in the non-agricultural sector in most of the states and the nation as a whole and the fear of statistical inaccuracy have dissuaded some researchers from engaging in analysis involving women. However in Kerala these two reasons cannot hold good and one can with confidence attempt such an enquiry.

In all studies, except a few (Bhalla 1993, Eapen 1999) the non-agricultural sector is treated as having a homogenous group of activities and even though data are available on different types of occupations they are not utilised properly.
Though there are numerous studies on the determinants of participation in non-agriculture, not many have looked into the consequences of such a diversification. As a result of a change in the sector of employment, workers may either rise in economic status or they may get casualised. Studies on this aspect in Kerala are conspicuous by their absence.

3.5 Hypotheses

Taking into account the research gaps the present study focuses on the employment structure of rural women and its determinants bringing to light the hidden factors that necessitate their participation in activities outside agriculture. In this endeavor the employment status of women workers in the area selected for study is also subject to a thorough scrutiny. Consequently the following hypotheses will be tested in this study.

1) In Kerala the present employment structure favours the employment women more in non-agricultural activities than in agricultural activities.

2) Variables indicating development influence the process of diversification rather than those indicating distress.

3) There is diversity in the process of diversification itself in the three blocks.

4) The sectoral shift and the status shift in employment are not dependent.