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### Labor processes in rural Bihar: A set of survival strategies

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#### Abstract

This research is an enquiry into the rural labour process through a village study located in the Madhepura district of Bihar. Production condition and exchange relation intertwined with socio-economic hierarchy in the village creates a specific mix of labour processes as a set of survival strategies. Survival strategies of worker household is a response to unfolding distress due to neoliberal accumulation strategies.

Households dependent on agrarian income are largely of three categories Landowner cultivator, Tenant Cultivator and Agriculture worker. With the rising cost of cultivation, landowner cultivator is in the interest of diversifying their sources of income continuing with cultivation or leasing out land since the non-agrarian source of income is yet to assure. The village is largely backyard support for the landed class to search for a sustainable avenue outside the village. Tenant Cultivators household is holding back with subsistence farming using family labour to upgrade their status in the social hierarchy as a cultivator. Agriculture worker households are the largest group of households dependent on insufficient agrarian income surviving on the mix of unsustainable livelihood strategies through frequent circular migration between farm and non-farm activity.

**Keywords:** Survival strategies, rural labour, worker household, Bihar

#### Introduction

The rural labour process is a set of survival strategies (Bharadwaj, On the Formation of Labour Market, 1989) <sup>[2]</sup> invented by worker households in response to the unfolding accumulation strategy extant production conditions in the rural agrarian economy. Production and exchange relation in a rural agrarian economy is the major determinant of the rural labour process. Combining different forms of labour, diversifying labour use at the household level, condition of work, wages, as well as migration, comprises the major part of livelihood strategies of a rural labour household (Omkarnath, 1993) <sup>[10]</sup>.

Structural change in rural Bihar (Sharma & Rodgers, 2015) <sup>[12]</sup> has been characterised by changing production relations in the rural predominantly agrarian economy. This study is an enquiry into the rural labour process within an agrarian economy to understand the implications of changing production relations under a new accumulation regime (Gupta, 2010) <sup>[6]</sup>.

The study is based on household-level data collected through a primary census survey conducted during 2014-15 in Sakhua village located in Madhepura district of Bihar. The study village is identified as a typical rural agrarian economy through a multistage framework analyzing composition of District domestic product (DDP), composition of the workforce, workforce participation rate (Census, 2011) <sup>[3]</sup> as well as the cropping intensity of district and sub-district level data.

‘Sakhua’ is located in Dinapatti Sakhua panchayat at a 10 km distance from sub-district Murliganj in Madhepura district of Bihar. Madhepura district comes under the Kosi division, which belongs to the Agro-Climatic Zone-II, Northern East alluvial plain of Kosi river. According to census 2011, the total area of the village is 209 hectares and the total population is 1851 comprising 429 households whereas while surveying the village researcher could locate population as 1417 residing in 242 <sup>[a]</sup> households within the boundary of revenue village Sakha.

<sup>a</sup> Cross checking with census 2011, it was realized that large number of joint households are registered as separate household and absentee household are also included in census counting.

Out of the total village area 209 hectares, 195.6 hectares is used for cultivation as 'Net sown area' rest 13.4 hectares is non-agricultural land including the village settlement area. Almost half of the net-sown area (100 hectares) is irrigated land, half of which (50 hectares) is irrigated by canal irrigation and another half (50 hectares) by well and tube-well, rest of 95.6-hectare land is unirrigated land. The major crop grown in the Kharif season is paddy and Rabi seasons is wheat, and maize is the common crop grown in both seasons. Apart from these major crops few vegetables and bananas are also grown in the very limited area.

This paper is divided into six major sections. The first section, production condition in the village economy; analyses socio-economic positioning of the households on the axis of the social hierarchy of caste and economic hierarchy of land ownership and occupational structure to derive production relation in the village. Given the production relation, the second section is on exchange relations in the village determining labour process through labour exchange, tenancy relation and wage structure. This study has conceived three economic sectors: the farm sector of the village, the non-farm sector in and around the village and migration. The third, fourth and fifth section highlights the nature of labour processes in respective sectors of the village economy. The final section of the paper, based on the above discussion argues that the labour process is one of the important lenses through which fundamentals of the rural agrarian economy need to be looked upon.

### Production Condition in the Village Economy

Production structure in the village economy could be visualised within the social structure of graded hierarchy along caste, gender and class, which in turn let evolve the production relation not as a pure economic relation but as a social relation. This study is confined to a village without assuming independence of the village economy from the rest of the economy or political economy of Bihar.

### Social Structure of the village

Village society is organized around the caste system and even the settlements are designed according to caste hierarchy. Low land and flood-prone area having no proper facility for the standard of living are the common features of the household settlements of marginalized caste in the village. Caste as a major social hierarchy determines land ownership historically. The predominance of agriculture, distribution of land ownership are the important indicator of economic hierarchy in the village. Juxtaposing Social groups of caste with size-class<sup>[b]</sup> of landownership locates households in the socio-economic hierarchy of the village. Almost half of the household of the village belongs to the SC social group rest of the household are equally divided into OBC and other groups. SC household settlements have spread over three hamlets, one of which is settled at the one end of the village and the other two are far away from the main village. OBC households are settled in a hamlet on the other side of the village.

<sup>b</sup> Land ownership meaning land for cultivation and Size-Class is designed specific to the study.

**Table 1:** Number of Household in the different social groups and land size class

Land Size Class	Social Groups			
	SC	OBC	Others	Total
Landless	115	34	13	162
0-1 Acre	2	16	13	31
1-2 Acre	2	7	9	18
2-5 Acre	0	5	21	26
More Than 5 Acre	0	0	5	5
Total	119	62	61	242

**Source:** Field Survey (2014-15)

In the village out of a total of 242 households, almost 67 per cent of households are landless, 13 per cent are marginal landowners (0-1 acre), 7 per cent are small landowners (1-2 acre), 10 per cent are medium landowner (2-5 acre) and at least 2 percentage are defined as large landowner (5 acres and above). Sakha village is divided into three social groups; SC, OBC and Others. Scheduled caste present in the study village namely, 'Dom', Chamar, Musahar and Dusadh (Paswan). Out of these four castes, Dom and Chamar are still considered untouchables and they have no ownership of land other than the homestead land. Two castes Dom<sup>[c]</sup> household has hut kind of house at the bank of canal which is government land. Both caste Dom and Chamar comprising 13 are landless households. Out of 42 Musahar household, two households has less than an acre of land and one household is having land ownership between 1 to 2 acres. Only one Dusadh household has small land ownership between 1 to 2 acres. In the other backward caste group (OBC), Baniya (Vaishya) has the highest incidence of landlessness as out of 19 household only 3 households has marginal land ownership (0-1 acre). Yadav being one of the dominant OBC castes has improved ownership in the recent past due to political patronage and has 50 per cent of the incidence of landlessness (Sharma, Agrarian Relations and Socio-Economic Change in Bihar, 2005)<sup>[11]</sup>. Two of the other OBC caste Badahi (carpenter) and Nai (Barbar) being traditional jajmaani caste has no incidence of landlessness but Badahi household of which only two in number has marginal land ownership. Nai (Barbar) coming from the traditional jajmaani<sup>[d]</sup> caste has five households out of that, two has marginal land ownership and the rest three are small and middle (2-5 Acre) land ownership size-class.

Here land size class and social group are used as the axis for analyzing the share of ownership and operational holding to identify the structure of economic and social hierarchy. In the study village, total ownership holding is 176.20 acres and total operational holding is 159.27 acres. The largest share of ownership and operational holding is of medium (2-5 Acre) size in the village. Almost 70 per cent of ownership size is above two-acre. One-third of operational holding belongs to medium size class (2-5 Acre). In terms of share of ownership and operational holding, the 'Other' social group which is the Rajput caste in the village has the largest share (77%, 47%) of ownership and operational holding. SC

<sup>c</sup> Their primary occupation is rearing pig and weaving bamboo to make many important articles like Sup, Dagra, Biyan and Tokri for household in the village. There is very limited seasonal demand for these articles. Caste Dom is traditionally considered as scavenger, mat-weaving and basketry, drum beating, removal of dead carcass but these two households are not engaged in the traditional occupation.

<sup>d</sup> It will be discussed in detail in Exchange relation in village Economy section.

household own and operate the least share of total ownership and operation holding in the village. OBC group

has a 20 per cent share in land ownership and they operate with a 36 per cent share. (See table 2)

**Table 2:** Distribution of Ownership and Operational holding in the village

Land Size Class and Distribution of Ownership and Operational Holding		
Land Ownership	Share Ownership Holding	Share Operational Holding
Landless	0	19.51
0-1 Acre	10.39	17.69
1-2 Acre	17.1	18.34
2-5 Acre	51.72	31.44
More Than 5 Acre	20.79	13.01
Total	100	100
Social Group and Distribution of Ownership and Operational Holding		
Social Group	Share Ownership	Share Operational Holding
SC	2.24	16.78
OBC	20.38	35.86
Others	77.38	47.35
Total	100	100

Source: Field Survey (2014-15)

**Age-Structure of the Village Population**

The total number of households surveyed in the study village is 242 comprising 1417 population. The age structure of the sample informs that almost 59 per cent of the total population belong to the working-age (16-65 year). But this age structure is normative in the sense of categorizing the population as capable to qualify as working age in the legal sense. But the prevalence of child labour as well as old age working in the village insignificantly. (See table 3).

**Table 3:** Age composition of the village population

Age Group	Persons	Percent
0-6	252	17.78
7-14	296	20.89
15-65	834	58.86
Above 65	35	2.47
Total	1,417	100

Source: Field Survey (2014-15)

**Locating Labour in the Production structure**

Out of the total population 1417, on which having information about their occupation has been categorized, in the two categories of ‘Worker and Non-worker’, basically considering their engagement in economic activity to derive direct income. This classification has not considered a person engaged in non-income earning activity such as household work. Each individual is categorised as worker and non-worker in the sense of income earner and non-income earner. If a person (female/male/child) is working in household activity then it would not be considered as a worker in the income-earning sense as it would separate persons who hire themselves out for the earning income or work with their means of production to earn income <sup>[e]</sup>. Through earning criterion village has 560 workers and 857 non-workers.

Almost 59 per cent of person belongs to the working-age between 15-65 years but only 40 per cent can qualify as a worker as income earner category. Leaving Non-worker out,

the age structure of the worker in Table 4 shows that 93 per cent of workers fall into the normative category of working age whereas there is the incidence of child labour and old age worker as an income earner. The broader measure of workforce participation could be calculated for the village dividing no. of workers with a total population (560/1417=0.40) as 40 per cent. A narrower definition of workforce participation rate will be no. of workers divided by the number of persons between the age of 15 years to 65 years, which can be calculated (560/834=0.67) as 67 per cent. So, the worker population ratio which is a measure of dependency structure within the household informs us about 60 per cent of the population is non-earning and dependent on the rest 40 per cent.

**Table 4:** Age Structure of Worker

Age Structure	No. of Worker	Percentage of Worker	Cumulative Percentage
7 – 14	24	4.29	4.29
15 – 65	522	93.21	97.5
Above 65	14	2.5	100
Total	560	100	

Source: Field Survey (2014-15)

Gender plays a significant role in determining the earning position of a person in the village economy. Only 140 females could be categorized as a worker in our study, which is 25 percentages of the total workers. This is basically because lots of women especially from other social groups are not part of the income-earning workforce. In the study village, upper-caste women even from landless family have an almost negligible presence in income-earning activities (see table 5)

**Table 5:** Gender Profile across Social Groups of Worker

Social Group	Female	Male	Total
SC	38.13	61.88	100
OBC	14.55	85.45	100
Others	1.54	98.46	100
Total	25	75	100

Source: Field Survey (2014-15)

**Social Labour Process**

Caste structure in Sakhua village can be seen majorly

<sup>e</sup> Household work of women has not been categorized as work here considering not to be adding directly to the household income. Household work is very important aspect of human survival; In fact, rural labour process has been gendered in terms of work and occupations. However, study of that is beyond the scope of this paper.

operating as a determinant of labour-process in terms of occupational structure and access to livelihood activities. Hold of traditionally assigned economic activities to caste groups is yet to dilute fully.

Table 6 shows the scheduled caste social group in total has the highest 57 per cent of the worker in terms of the income earner and this percentage is lowest almost 20 per cent for OBC as well as around 23 per cent for other (*Rajput*) social group. In the SC group, *Musahar* is the most vulnerable having 21 percentage of the worker as income earners and *Dom* which is the lowest untouchable caste in the SC group solely working as a self-employed occupation of pig rearing has the lowest percentage of the worker as income earner (Mukul, 1999) [8]. Caste *Dom* can still be categorised as a caste having no access to the open labour operation like opting for agricultural occupation or casual labour operations because of the untouchability still prevalent in the study village. Caste *Dusadh (Paswan)* in terms of economic hierarchy in the village could be considered as having relatively better access to labouring activity within the SC group in terms of access to the labouring and land leasing-in. Having relatively better access to the means of production and labour market *Dusadh* traditionally have been the largest segment of the agricultural worker in Rural Bihar. *Musahar* and *Dusadh* in the SC group are not considered untouchables in a limited way and have relatively better access to the labour market than caste *Dom*. *Musahar* has relatively less access to the means of production than the *Dusadh* caste and is also the second-largest proportion of workers in comparison to other castes in the SC group.

*Yadav* caste due to the gains from political patronage in the recent past has also started participating in education and opting out of the labour market at a younger age. *Badhai* (Carpenter) numerically small in the village is one of the

specialized skilled groups having their means of production (tools of carpentry) have better access to the labour market and they also have marginal land ownership. Caste *Baniya* (merchant) as a caste group has largely been engaged in the specific occupation of merchant and shopkeeper. Most of the *Baniya* family are landless and self-employed in shop keeping and grain trading as well trading of agricultural input like fertilizer and diesel. *Nai* (Barbar) traditionally being *jajmani* occupational caste still engaged in traditional occupation largely. Few of the barber household has still managed to continue *Jajmani* relation and cultivate the land given in past for *Jajmani* services.

In the other category of the social group only the *Rajput* caste which is the dominant caste as well as landowner class in the village. A *Rajput* household has fewer members working as a resident in the village. Most of the family has their regular income earner worker outside the village. *Rajput* worker groups also include a large proportion of cultivators largely engaged in cultivation more in terms of supervision. Recently, with the tightening of the rural labour market, *Rajput* males have started manual work in cultivation in their field due to the rise in the wage rate and relative shortage of labour on the wage rate they could offer. So, the male member of the cultivator class has substantially taken over the less labour intensive work like irrigation and weeding, ploughing with the tractor, threshing of grain like activity. Whenever they hire labour they also work with them equally to save the labour cost in terms of engaging another labour. A *Rajput* landowner who could still not consider being engaged in the manual work in cultivation is largely leasing out their land at sharecropping and they do get involved in regular supervision to direct the tenant in terms of decision making like what to sow when to sow, irrigate and when to fertilize.

**Table 6:** Worker by Caste in Different Social Groups

Social Group	Caste	Worker	Percentage	Cumulative Percentage
SC	Dom	4	0.71	0.71
	Chamar	30	5.36	6.34
	Mushar	120	21.43	27.77
	Dusadh	166	29.64	57.41
OBC	Yadav	62	11.07	68.48
	Barbar	9	1.61	70.09
	Baniya	33	5.89	75.98
	Badhai	6	1.07	77.05
Others	Rajput	130	23.21	100
Total		560		

Source: Field Survey (2014-15)

### Occupational Structure in the Village

Based on self-reporting about a major source of earning, this study has classified village households into 6 occupational categories. These are 'Cultivators households, Agricultural worker household, Non-farm self-employed households, Non-farm wage workers, Regular salaried worker' and others: who could not be classified in any of the above

categories. There is a possibility that within a household every member could have a different occupation but household level occupation is largely defined in terms of the major portion of livelihood earning occupation. Analysis of the individual worker will inform about the occupation of an individual in terms of their primary occupation.



**Table 7:** Household type and social group

Household Type	Social Categories			
	OBC	Others	SC	Total
Agricultural Worker	2.60	-	97.40	31.82
Cultivator	35.29	41.18	23.53	35.12
Non-Farm Self Employed	41.18	29.41	29.41	7.02
Non-Farm Wage Worker	42.11	13.16	44.74	15.70
Other Households	57.14	14.29	28.57	2.89
Regular Salaried Employee	16.67	83.33	-	7.44
Total	25.62	25.21	49.17	100.00

Source- Field Survey (2014-15)

**Table 8:** Household type and land size class

Household Type	Landless	Marginal (0-1 Acre)	Small (1-2 Acre)	Medium (2-5 Acre)	Large (5 Acre and above)	Total
Agricultural Worker	100.00	-	-	-	-	31.82
Cultivator	29.41	27.06	17.65	20.00	5.88	35.12
Non-farm Self Employed	88.24	5.88	-	5.88	-	7.02
Non-Farm Wage Worker	92.11	5.26	-	2.63	-	15.70
Other Household	57.14	14.29	28.57	-	-	2.89
Regular Salaried Employee	33.33	22.22	5.56	38.89	-	7.44
Total	66.94	12.81	7.44	10.74	2.07	100.00

Source: Field Survey (2014-15)

Agriculture worker household is numerically almost one-third of the total number of household in the village, are landless and largely (94.40 per cent) belong to SC social group. Around 41 per cent of cultivator household comes from the Rajput caste and 35 per cent from the OBC group. This clear demarcation indicates how social structures are still determined through caste in rural Bihar.

### Exchange Relation in the Village Economy

Rural exchange is largely contingent upon the production structure aligned production relation operating under the framework of larger social relation in the village economy. The traditional exchange relation in rural Bihar was identified as the *Jajmaani* system (Wiser, 1936; Srinivas, 1955; Dube, 1955) <sup>[16, 13, 5]</sup>. In this system, rural societies were largely engaged and caste-based specialized occupation and used to exchange their goods and services on the principle of reciprocity. *Jajmaan* (customer) of goods and services used to pay back in kind of necessities in exchange. In this system, occupations were largely specialized on a caste basis. Each of the caste groups has specialized in a particular occupation was dependent upon their *Jajmaan* which usually comes from the landed proprietary caste. Payment for the goods and services exchanged for were oriented towards agriculture year and largely in kind. Money was not a frequent medium of exchange in the *Jajmaani* system. There was a system of giving a small piece of land for cultivation or a share of agricultural produce in lieu of services to service caste-like barber, potter and others. Remnant of the *Jajmaani* system could still be found in the village of today's Bihar, Barbar services in the village is still based on the old *Jajmaani* relation.

Rural Exchange processes in terms of major markets, (as mainstream economics consider it) output, land, labour, and credit are largely functioning through a power structure of the village economy. Scope of exchange and contract of exchange is being guided by intermediaries belonging to the upper and middle of the socio-economic hierarchy of village society. The group with a larger share in the village surplus would have more power in determining the exchange

relation in the village economy. Exchange relations are not usually determined through the bargaining process between the parties but by the superior decision-making process by the party (Intermediaries) enjoying asymmetric power in the village economy (Bhardwaj, 1994). Customary practices of exchange are largely determined through the village social hierarchy. The labour process in the rural economy is also determined through social and customarily established informal contracts. The middle class in the rural socio-economic hierarchy are largely decision takers rather than decision-makers and they aligned themselves to the decision-maker dominant class in terms of their production and exchange decision to hold on to their subsistence position. On the lower end socio-economic classes with no or marginal ownership of means of production, land, or any other productive asset largely engage in exchange merely out of compulsion of livelihood necessities. Landless or marginal cultivator households possessing no secure means of livelihood have to either hire them out or cultivate their small plot of land in the peak agriculture season with their household labour. In the lean season, they would largely be dependent on casual work or migrate to the non-farm opportunity at the urban centre. Few of them work as quotidian migrants in the nearby small urban centre. Landless agriculture workers opt for seasonal migration for agriculture works in the state having a different peak and lean season. In this condition of insecure livelihood, there is very little chance for having enough bargaining power while engaging in the exchange of their labour-power and the exchange relation here could be skewed in nature which is indirectly an outcome of production relation and resource position of the agriculture worker households.

Production relation is the important determinant of the type of exchange relationships in which a household will be vis-a-vis its resource position. Access to the market and scale of the transaction is limited by the resource position of the particular household. That is why multiplicity of exchange relation is obvious in the village economy which is essentially differentiated in terms of production relation and respective resource position. In terms of the labour-process village, the economy exhibits a large range of employee-employer relationships (Thorner & Thorner, 1962) <sup>[15]</sup> and

respective modes of wage payment or contracts. Exchange networks of the village have spread over the villages around and sub-district and District market centre. Few of the large producers have access to the district market in terms of the sale of their output and purchase of input for agriculture. Marginal, small and middle cultivators are dependent mainly upon the petty merchant intermediaries for their output sale. These grain and agri-output merchants come to the cultivator's house or field to purchase the output. Prices are agreed upon with the information on price from the local market. Merchants quote a price lesser than the price in the nearby mandi. For local exchange in the village, there is weekly 'Haat' in the village organized twice a week. All the local purchases and sales of vegetables and essentials happen in this market. There are a few other weekly markets organized in nearby villages as well. More of the sale and purchase of perishable items like vegetables, fish, meat, chicken and other daily essentials like rice, flour, salt, pulses and cloth etc. happens through these weekly markets. For their daily need villager also depends on a few grocery shops in and around the village. These grocery shops have their supplies from the sub-district market of Murliganj.

Large and medium cultivator households also purchase their monthly grocery from the sub-district market. For the purchase of agriculture input like seed, fertilizer, pesticides and Diesel required for irrigation and ploughing by tractor is largely bought from sub-district markets. There are few shops of fertilizer and diesel is also located in and around villages which also supply the input for agriculture on credit. Most of the output and input exchange is happening on credit for a few days, like when grain merchant buys output from cultivator will pay little or no amount at the time of purchase. The merchant will take a week time for selling the output and disburse the payment to the cultivator. Likewise, farmers buying input for the cultivation might pay after the harvest. There is no interest charge involved in these transactions but the price of input is usually higher than it is in the sub-district market as farmers purchase it on credit. There is a regular transaction relation between the cultivator and local seller of the market in terms of their need, the cultivator usually depends on the local input dealer and the input dealer in turn is also dependent on the cultivator in the village for their sale. So, short term credit for the sale and purchase of input and output is being offered by both parties.

Few input dealers in the village also purchase output from cultivators as grain merchants and marginal farmers are dependent upon them from the purchase of input and sale of output. This dependence structure can be seen in terms of the interlinked market but it is not so prevalent in the village. Many grain merchants are coming from outside of the village and buy output from cultivators and cultivators are not so bound to the sale of output only to the village merchant. Village level exchange relation is largely oriented through a different network of exchange and production with a lot of intermediaries working as an operator of these networks. These intermediaries of exchange relations

largely exploiting information asymmetry and communication create these networks for their benefit. Intermediaries do maintain a good social relationship with all households of all hierarchy in the village.

### Labor Processes in Agriculture sector

Sakhua production economy is predominantly agrarian as almost 70 per cent of the population depend on it for their subsistence. The amalgamation of both the operational holding structure as well as the occupational structure is the most sensitive way of analyzing rural society. Caste class duality in terms of the rural society of Bihar should not be confused as the economic interest of larger landless working classes are aligned to the major sections of the marginalized caste population. Questions on the duality of caste and class have been dealt with at length by various scholar's time to time (Chakraborty, 2001) [4]. Caste and class are so intertwined in the village that it creates a specific mix of labour processes. The household category of the 'cultivator household' is further classified into two categories; namely the 'pure tenant cultivator' and the 'owner cultivator'. Pure tenant cultivators are households whose primary earning source is cultivation, however, their ownership holding is zero. The 'owner cultivator households' are cultivator households that cultivate primarily their agricultural land, few of them also 'leased in' parcel of land.

The cultivator households in the village are 85. Out of 85 cultivator household, 32 household belongs to the landless category. These 32 households can be considered as 'Pure tenant' and the rest 53 can be categorized as 'Landowner Cultivator'. Most of the pure tenant cultivator household uses family labour for cultivation.

### Tenancy and Labour Process

Table.9, exhibits the extent of tenancy in the village. It shows 52.57 percentages of cultivators are a tenant and 37.6 percentages of cultivators are pure tenants (landless). Pure tenants as a share of total tenant cultivators are 61.5 percentages.

**Table 9:** Extent of tenancy in the village

Leased into operational holding	35.43
Tenant to cultivator household	52.57
Leased out to ownership holding	41.67
Lessor to landowning household	37.5

**Source:** Field Survey (2014-15)

Table 10 presents to share in 'leased in' and 'leased out' land by land ownership size category. It shows pure tenants are cultivating 55.07 percentage of total leased-in land and marginal landowners (0-1 acre) are cultivating 23.3 percentage of total leased-in land. The leased out land is primarily from medium landowners (2-5 acres) and large landowners (5 acres and above) their share is 66.73 percentages and 21.67 percentages respectively.

**Table 10:** Land ownership size class and share in 'leased in' and 'leased out' land

Land Ownership Size Category	Share of leased-in land	Share of leased out land
Landless	55.07 (32)	0 (0)
0-1 Acre	23.3 (11)	4.18 (4)
1-2 Acre	8.01 (4)	7.42 (5)
2-5 Acre	13.63 (4)	66.73 (18)
More Than 5 Acre	0 (0)	21.67 (3)
Grand Total	100 (51)	100 (30)

\* Figures in parenthesis are the number of households

**Source:** Field Survey (2014-15)

Table 10 gives a clear picture in terms of land leasing-in and leasing-out activity. 30 households leasing out their land and 50 per cent of that comes from more than the two-acre category. These landowners family is mostly migrated and settled in different parts of the country and world with different occupations. Few members of the family mostly old aged heads of the household stay in the village. Some of the family members who are settled in district headquarter or nearby visit regularly and supervise their cultivation work seasonally. As the village is surrounded by neighbouring villages and cultivation plots are having spread across the villages, so, land and transactions in terms of leasing in and leasing out is also happening across the village.

The phenomenon of the interlinked market (Bharadwaj, 1974)<sup>[1]</sup> can be seen operating in various degrees especially in the case of study village land leasing-in and labour hiring seems to be interlinked as to attach a worker family to the large landowner. Landowner cultivators resort to leasing out a small parcel of land to have a secure supply of labour on a predetermined wage contract. These labour services in lieu of tenancy have both components of unpaid and underpaid labour services. Tenurial conditions play an important role in interlinking the market as well as decision-making processes. The tenant generally follows the decisions of the landowner in terms of what to produce, how to produce and for whom to produce. This interlinked market phenomenon impacts the position of the participant from one market being determined in another market. Especially for the labouring household engaging as a tenant in the land market lead to an unsaid commitment of labour services in the peak season when he could earn a higher wage than the ongoing wage rate.

Tenancy cultivation in the village is largely in terms of sharecropping where input cost and output are shared equally but the family labour of tenant cultivator households during lean season activity are either unpaid or underpaid. Labour/family labour during harvest season is being paid from the output in kind. This system of sharecropping is known as 'Batai' or 'aadhi' in the village language. Sharecropping contract in this village is largely in terms of half of the input cost like ploughing, sowing, irrigation, and fertilizer cost are being shared equally but the labour cost of initial major operation like sowing is being not shared. Operations like irrigation and sprinkling and small operations for which tenant family work are not being paid for by anyone. Again, at the time of harvest, the harvest wages are generally in kind in the case of the major crop. The kind wages of harvest is being given out of total production and there are conventional systems of wage payments in kind which do increase time to time but very rarely. In the interest of smoothening the supply of labour as well to incur less cost for labour landowners engage in tenancy. Strategically large landowner cultivator also hedge their labour supply for the field for which they cultivate by themselves.

#### **Agricultural labour Household and Agriculture Wages**

Out of 242 households, 162 households in the village were reported to be landless households. In those 77 households reported agricultural labour was the primary earning source. Land ownership along with social group locate the worker both in terms of their location in the social hierarchy of the village society vis-a-vis economic hierarchy in the village economy. As large as 80 percentages of landless workers

are located in the lowest rung of social hierarchy Scheduled caste in the village. This differentiation along the line of class, caste and gender with overtly skewed production structure need urgent attention. The mainstream theoretical apparatus of demand and supply will not be able to comprehend the rural reality.

Agricultural worker household in the village is operating in groups of households. These groups are largely organized based on family or kinship-based relations. Work assignments are contract or wage work engagement is being offered to the group which has some sort of proximity with the employer household. Like marginal and small farmer households maintain a sort of social relationships to their family, kin or neighbouring household for their worker need. They associate with the household through small labour exchange during occasions of need like marriages, festivals and other, which establish a tie in terms of their hired labour need during the peak seasons of agriculture. Village society operates through all kind of non-economic relation like family, kinship, caste and neighbourhood all these relations has serious implication for their household level decision for hiring in and hiring out labour services. For their survival household do depend on an exploitative network of the relation of exchange as well but otherwise, they have very little opportunity outside of those networks. Village level labour requirement is largely insufficient to provide an opportunity to secure their livelihood to the poor working household which pushes many of them to get hired on precarious terms of exchange.

#### **Wage Structure**

Labour exchange in the village economy as discussed in the previous section has large imperfections in terms of exchange relation and wages is the outcome of those imperfect exchange relations. The wage determination process could not be captured through the demand and supply mechanism of the labour market nor in terms of the bargaining process. Wages are largely determined through conventions, traditions and the information acquired from different locations of labour exchange. With the state-sponsored rural employment programme MNREGA, rural wages in India has got a floor for wage determination, and there has been the experience of rising rural wages. But a large part of agriculture wages is determined in kind which essentially will have less impact on these money wages determination process. The monetisation of agrarian wages is progressively on the rise in recent year (Kishore, 2004)<sup>[7]</sup> but harvest wages which is the most important component of agricultural wages is still determined and paid in kind.

There is two major agriculture operation sowing and harvesting which is the most labour intensive and are located in the peak agriculture season have seen a substantial rise in recent year but not as much as money wages for the labour in the non-farm operation and other agriculture operations<sup>[f]</sup>.

There is a rise of contract work in agriculture operation of sowing and harvesting. In terms of contract work on average, a group of 10 workers finish the operation of harvesting or sowing one acre of the field in a day working even more than 10 hours each and being paid the amount

<sup>f</sup> A spade worker paid money wages of Rs.250 per day for almost 8 hours work a day in the village non-farm, whereas the same worker earns on average Rs.100 and a kg of rice or one-time meal a cup of tea for a day work in sowing season.



Rs. 1000-1200. Which Comes to Rs. 100-120 per worker per day even the workday is longer than 8 hours.

Wages are determined for different farming operation differently, like for the preparation of the field, the cultivator generally hire a tractor for ploughing but with the ploughing, there is a need for a labourer per acre to do the spadework for repairing the boundary of the field and also ploughing corner of the field through spade where the tractor could not reach. This labourer is generally being paid Rs. 100 in cash and maybe a cup of tea for a day of spadework. After the field preparation for the sowing or transplantation in case of paddy cultivation. The wage for the worker is being paid according to the bunch of paddy saplings being transplanted. A worker is working in different operations at the same time. Firstly, they have to make a bunch of paddy saplings from the nursery and then all the saplings they made need to be transplanted by him/her in the sowing field. The plantation of each bunch of saplings has a wage of Rs. 5 -7. The amount of wage earned by a worker for a day depends on how many saplings a worker can transplant in a day. Again, here it is piece rate, so the working day might not apply to 8 hours but is based on the completion of work. Along with Rs. 5-7 /bunch there some component of wage in kind basically in lieu of a meal some grain usually rice, half a kilogram per person will be given for a day of sowing wage. This complicated wage structure changes could not change based on some labour demand and supply mechanism but largely based on the notion of subsistence (Stirati, 1994) <sup>[14]</sup>. There is nothing like each day's supply and demand for labour decides the wages. This wage rate could only vary between Rs. 5-7 depending on the requirement of cultivator and worker and some impact of demand and supply. The sowing season is most busy during two weeks in the village and those two weeks could see wages of R.7/per bunch being paid otherwise early sowing or late sowing season could have the Rs. 5/bunch wage rate.

The question that how this Rs. 5/bunch to Rs. 7/bunch has been arrived at is largely driven by the notion of subsistence. As workers during the discussion said that 'We ask the wages according to the need of our stomach' (*Pet ke hisaab se majdori maangte hain*).

Next, Irrigation, weeding and a sprinkling of fertilizer and pesticides are the major lean season farming operation. For irrigation and fertilizer and pesticides sprinkling mostly male workers are hired. Irrigation workers work while pump-set or canal irrigation is in operation, he has to direct the water through spadework make channels and create layers for the smooth flow of water across the field. Fertilizer and sprinkling or pesticides along with spade worker of day labour where day's work could spread 8-10 hours usually in irrigation work is being paid Rs. 250 without food or Rs. 200 with Lunch. This wage rate has changed drastically in a few years as workers reported that till the year 2000 they used to be paid Rs. 75-100 for the same work.

Harvesting wages are largely paid in kind if it is wage rate work. Sometimes it is also contracted in piece-rate as explained above. Harvesting wage in kind is a share in the harvest in terms of the unprocessed crop. In the case of paddy harvesting, work spread over a week, firstly worker after cutting the crop just left spread in the field for a week then after a week they make bundles of the crop, and they are paid their wage share in proportion to those bundle of the crop like one bundle out of 8-10 bundle depending on the rate in the season as well as the village. Now, Worker will have a choice to choose the bundle for their wage out of

8-10 bundles. Previously it was 1 bundle out of 16 bundles then it increased to 1 bundle out of 12 bundles now it has come to 1 bundle out of 8-10 bundles, a cultivator reported. Each of these bundles after threshing could be converted into 12-15 kg of paddy depending on the size of the bundle. It is almost one-tenth share of output as harvest wage. Likewise, for each farming operation for each crop, there is a wage rate arrived through convention and notion of subsistence.

The exchange of labour services today is not at all organized through any physically established marketplace, as it could be seen in many cities where there is a dedicated place for the worker to assemble in the morning to get hired. The village does not have a dedicated place for the worker to assemble to get hired. To hire agriculture labour mostly cultivator goes to the labour household or their settlement area to ask them for labour services. Now a day's mobile phone also works as means of communication to inform about the requirement of the worker by the village cultivator. In the morning or a day in advance of the work cultivator goes to the workers household and ask them to be hired for the work in the field. There is a practice of wage-based hiring as well as contract-based piece-rate hiring. Depending upon the nature of work and employee and employer's choice terms and modes of labour exchange is decided. For agriculture labour there is still a relation is being carried out especially between the large landowner and agriculture worker that for agriculture seasons a group of agriculture worker household commit themselves to work for a particular landowner. This relation is largely being decided at the beginning of the season in terms of those agriculture workers who have sown the crop will have right to work till harvest because the final harvest wage is essential to have some share of harvest as their subsistence need. But the relation is not as binding as worker or landowner cannot opt-out from this. Since there are few large landowners/cultivators so, workers do compete to get hired in large cultivator's fields as they will have more amount of work during the peak season of agriculture.

With this complicated sort of wage determination process agrarian wages could not be conceived to be the outcome of the labour market process but the outcome large set of non-economic considerations, tradition and notion of subsistence which is historically and socially determined.

**Table 11:** Average wage rates per person per day (in Rs)

Farm Activity	Male	Female	Child
Spade Work	250	-	-
Sowing	100-150	100-150	-
Weeding (Half Day Activity)	-	50-60	30-50
Irrigation	250	-	-
Fertilizer And Pesticides Sprinkling	200	-	-
Harvesting And Processing	150-200	150-200	-
Non-Farm Activity			
Construction And Another Non-Farm Worker	200-250	150-200	-
Skilled Worker- Mason/Carpenter/Mechanic	300-350	-	-

**Source:** Compiled and calculated from the discussion with worker and cultivator during field-work (2014-15)

### Labor Processes into Non-farm sector

In the village, 75 households reported non-farm as principal earning sources. They are classified into Non-farm self-employed, Non-farm wage workers and others. Here, others are reclassified into Regular salaried Govt. employees,



Retired from Govt. employment (pension dependent) and traditional caste calling occupations.

Table 12 shows that 31 per cent of total households are dependent on earning from non-farm occupations. A large share (73 per cent) of these non-farm households are

dependent on the casual nature of hiring out or self-employed category. However, it exhibits a pattern of differentiation in access to various non-farm occupations in the non-farm sector dependent on the social background of the household.

**Table 12:** Non-farm household type and social group

Non-Farm Household Type	Social Group			
	SC	OBC	Others	Grand Total
Non-Farm Self Employed	5	7	5	17
Non-Farm Wage Worker	17	16	5	38
Regular Salaried Govt. Employee	-	1	1	2
Regular Salaried Private Employee	-	2	8	10
Retired From Govt. Employment (Pension Dependent)	-	-	6	6
Traditional Caste Calling Occupations	-	2	-	2
Total	22	28	25	75

Source: Field Survey (2014-15)

Regular salaried households in government as well as in the private sector are from the social category 'other'. As out of a total of 16 salaried non-farm households, 14 are from the social category of 'Others', being caste *Rajput*. Non-farm self-employed households are evenly distributed in all social groups of the household. SC and OBC households are the larger participants in hiring out as non-farm wage workers in the village. SC households in the village largely are excluded from the regular nature of Non-farm employment. Only 17 per cent of OBC Non-farm households are engaged in the regular nature of employment. Government sector regular salaried employment dependent household are only 2, one from OBC and one from Others (*Rajput* caste) social group. Retired from government employment which means pension dependent households in the non-farm income category household are 6 all from the *Rajput* caste

household. Which suggest that regular salaried government jobs dependent household are migrating permanently to the urban centre for the work and education of their offspring. On the whole, the labour process is largely casual and self-employed respectively.

Few of the non-farm activities operates inside the village largely construction work in terms of *kutch* and *pucca* houses, and other construction where wages are mostly in terms of money-wages but of course agriculture being the largest sector hiring workers in the village. Non-farm wage is also linked to the agrarian wage as workers and employers have a large set of evidence of wage rates in agriculture only. The casual need to labour especially for non-farm work like construction and household-related work also operates through groups of mason/contractor (*Rajmistri*, *Thekedaar*) and other networks.

**Table 13:** Non-farm household type and Land ownership

Non-farm Household Type	Number of Households	Land Ownership
Non-farm Self Employed	17	4.35
Non-Farm Wage Worker	38	3.16
Regular Salaried Govt. Job	2	1.35
Regular Salaried Private Job	10	8.48
Retired from Govt. Job (Pension Dependent)	6	20.89
Traditional Occupation	2	2.08
Total	75	40.31

Source: Field Survey (2014-15)

The landholding pattern among non-farm dependent households shows households who are primarily dependent on non-farm are have very low agricultural land ownership; Except the category of 'Retired from Govt. Job (Pension dependent) households. These households moved to government jobs as a lucrative income diversification strategy in the pre-liberalization era. Now also, their land is cultivated by the tenant and they are pension and rent dependent households.

Post-liberalization the non-farm sector has risen mainly in form of informal low paying contractual forms. It does not provide enough assurance to households to move from farm to non-farm fully, only non-landed households could move towards the non-farm sector. (See table 13)

### Migration

Bihar is very much known for large outmigration and this large migration has been understood as an index of progress

in terms of income generation and livelihood security. Migration in a way is also good for the assimilation of people across the culture and region and breaking the stereotyped notion of each other's existence. There is a certain issue with migration when it is distress driven not opportunity-driven. The growth of the urban informal sector might offer a higher wage rate but in terms of working and living conditions of the migrant and migrant family residing at source or destination, there is no guarantee of improvement in quality of life. Of course, migrants struggling for generations could be able to achieve some entitlement in terms of house or land in the city but that takes at least a generation of living in very sub-human conditions. Another issue regarding the working conditions is that migrant workers could receive a higher wage in comparison to their origin but in comparison to the local worker at the destination they are being preferred to be hired on a lower wage. The standard working hour and working

conditions are not being provided in the case of migrant workers usually. A large set of intermediaries working as

labour contractors also operate to exploit migrant workers instead of offering work to the migrant worker.

**Table 14:** Incidence of Migration from the Village

No. of Migrant Member in a Household	No. of Household	Percentage	Cumulative Percentage
0	84	34.71	34.71
1	121	50	84.71
2	27	11.16	95.87
3	7	2.89	98.76
4	2	0.83	99.59
5	1	0.41	100
<b>Total</b>	242	100	

Source: Field Survey (2014-15)

In the study village, 65 per cent of the household has at least one member migrating out for work. Out of those 65 per cent, 11 per cent of the household has the incidence of two members of the household migrating out. Other than incidence of migration it is important that what kind of outmigration is happening with the social profile of the migrant. In the study village, there is a trend of seasonal migration among SC and OBC households and other which is forward caste group Rajput has at the large incidence of long-term migration. Out of total seasonal migration 65.55 percentages are from the social group of SC and 30.65 from OBC. In long term migration, in that case, mostly household members usually settled permanently at the place of migration destination; the share of the social category of 'other' are 60.66 and the share of OBC is 16.13 percentages. The type of migration occupation of migrants gives a better picture in terms of the nature of the migration. As it is evident from table 15, the largest seasonal migrant group scheduled caste is migrating largely for manual work-based employment comprising of agriculture worker, *Mandi* (headload) worker as well as a construction worker. The highest migration as a student is happening from other backward caste groups (OBC). OBC also migrate more to work in the construction sector and factories. Rajput caste group have migration patten towards long term employment like regular salaried job, students and finally, there are many factory workers also comes from the Rajput caste (See Table 15).

**Table 15:** Migrant Occupation with their Social Group

Occupation Migrant	Social Group			Total
	SC	OBC	Others	
No Migrant	38.55	34.94	26.51	100
Agriculture Worker	90.74	9.26	0	100
Mandi Worker	94.12	5.88	0	100
Construction Worker	55.56	44.44	0	100
Factory Worker	36.36	36.36	27.27	100
Household Worker	100	0	0	100
Student	0	66.67	33.33	100
Casual Worker	35.71	50	14.29	100
Regular Salaried Govt.	0	0	100	100
Regular Salaried Private	0	9.52	90.48	100
Self Employed	9.09	18.18	72.73	100
Carpenter	0	100	0	100
Driver	33.33	33.33	33.33	100
Total	49.17	25.62	25.21	100

Source: Field Survey (2014-15)

### Discussion and Conclusions

The rural agrarian economy in Bihar is experiencing serious distress. Continued fall of share of primary sector in GSDP of Bihar, as primary sector largely is rural-based so; it could be assumed that the importance of 'rural' as an economic

space is losing relevance in terms of accumulation strategy of the state. The wave of commercialization that was initiated during the green revolution had a differentiated impact on the different regions of India. Further with the next wave of commercialization and with integration towards world market demand rural agrarian livelihood structure has been jeopardized asymmetrically. The recent growth (N K Singh, 2014)<sup>[9]</sup> in the economy of Bihar was the context in which this distressed village economy was studied during the phase of 2014-15.

Production condition in the agrarian economy of Sakhua village is in multidimensional transition. This transition can be seen through the labour process. Almost all 'Agricultural worker Household' were from scheduled caste social group. This means that economic hierarchy coincided with social hierarchy for so long. Landownership is still in the hands of caste Rajput landowners. With a lot of struggle, OBC social group has politically negotiated to arrive at a subsistence farming household position by 2014-15. Social relation in a broader sense is in hopeless indifference between social groups in the village.

The volume of cultivation activity is not enough to generate employment for all agricultural workers. The labour process in agriculture is in the acute crisis of infrequency and uncertainty associated with work and livelihood. Caste untouchability is still interfering in the exchange of labour. Labour process as a survival strategy for a rural worker household could be juxtaposed with accumulation strategy as exchange relation is so eschewed with caste-class biases this survival strategy could be considered a follower of accumulation strategy. Accumulation strategy can be equated with a growth strategy in current paradigms.

A large section of landed households and castes *Rajputs* are appropriating some surplus from agricultural land and moving towards petty non-farm accumulation strategy or permanent migration to urban areas in or outside Bihar. They are treating agriculture as backyard support in the current distress situation. This can be understood through a large separation between ownership and operation by the *Rajput* caste households. However, each landed household having a leg in urban spaces has improved the human capital part of their family but those who are living in the village are just saving income to create a space in the urban non-farm economy. Selling land is not an option as one leg of the family is still in the village to survive and social power associated with land still exist.

For subsistence cultivator and agriculture worker households in majority from SC and OBC groups, migration work merely as a 'hedge' to manage uncertainty in availability of work in lean agricultural season and lack of

return in cultivation. Non-farm and migration as livelihood strategies are circular to them than unidirectional. The extent of non-farm work is very limited and migration is short term and seasonal. Despite the severe distress in the agrarian sector, they have to fall back to cultivation on a small parcel of land they owned and on land leased in sharecropping and farm labour as a set of 'strategies of survival.

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