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**Moving Mud, Shifting Soil:  
Change and Development in Wage Labour Livelihoods  
in Uttar Pradesh, India**

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## Acronyms

BDO	Block Development Office	IRDP	Integrated Rural Development Programme
BJP	Bharatiya Janata Party	JRY	Jahwar Rozghar Yojna
BLAC	Bonded Labour Abolition Campaign	MP	Madhya Pradesh State
BPL	Below Poverty Line	MSP	Minimum Support Price
CFTS	Cashpor Financial and Technical Services	NH	National Highway
DM	District Magistrate	OBCs	Other Backward Castes
DPAP	Drought-Prone Areas Programme	PACS	Primary Agricultural Co-operative Societies
EAS	Employment Assurance Scheme	PWD	Public Works Department
FCI	Food Corporation of India	RGCP	Ram Ganga Command Project
GoI	Government of India	SC	Scheduled Castes
GoUP	Government of Uttar Pradesh	SDM	Sub-Divisional Magistrate
IDPM	Institute for Development Policy and Management, University of Manchester	ST	Scheduled Tribes
IHD	Institute for Human Development	UP	Uttar Pradesh

## Glossary

<i>Brahmin</i>	The highest caste group, landowners in the region (priests)
<i>Bigha</i>	A measure of land equivalent to two thirds of an acre
<i>Casbah</i>	A road-side village or peri-urban settlement
<i>Chamar</i>	Traditionally leather workers and thus considered polluting, classified as SC by the government along with other 'untouchables'
<i>Charvah</i>	An attached labourer who looks after cattle (usually the son of a <i>harvah</i> )
<i>Dalit</i>	The political term for a member of a SC, formerly known as 'untouchable' or ' <i>harijan</i> ' in Koraon
<i>Dharkar</i>	A low caste group (basket weavers)
<i>Gram Pradhan</i>	Elected representative of a <i>panchayat</i> (a village and its surrounding land)
<i>Gram Panchayat</i>	Village council of elected representatives
<i>Harijan</i>	Gandhi's term for the 'untouchable' castes or <i>dalits</i> , also the local term used in Koraon
<i>Harvahi</i>	An 'attached' labour contract between ploughman (known as the <i>harvah</i> ) and landlord
<i>Jajmani</i>	Ritual and other services provided by specialist castes to village elites
<i>Kahars</i>	A low caste group who migrated from central Bihar in 1970s (water carriers)
<i>Kharif</i>	The main agricultural season (June–Nov) during which paddy is cultivated
<i>Kol</i>	The main tribal group of the region
<i>Kushwahas</i>	One of several lower-middle caste groups who migrated from central Bihar in 1970s
<i>Kuta group</i>	A group of labourers who work piece-rate on the farm
<i>Lakh</i>	One hundred thousand
<i>Meths</i>	Informal, village-based labour gang leaders
<i>Patel</i>	A middle-high caste group, landowners in the region
<i>Pals</i>	Traditionally herdsmen classified as Other Backward Caste by the Government
<i>Purdah</i>	A veil
<i>Rabi</i>	The second agricultural season (Jan–Apr) during which wheat and gram is cultivated
<i>Rajputs</i>	A high caste group, landowners in the region
<i>Tehsil</i>	The smallest administrative unit of the government for law and revenue collection
<i>Tola</i>	Hamlet
<i>Yadav</i>	One of several lower-middle class groups who migrated from central Bihar in 1970s (herdsmen)
<i>Zaminder</i>	Landlord contracted to raise tax (derived from 'tenants' or peasants) for the British Colonial Administration

## Abstract

Like most of India's farming regions, Koroan, in the south of Allahabad District, Uttar Pradesh, has no significant industries and local wage opportunities are largely confined to agriculture and its related infrastructure. As such, farms, canals, roads and buildings are the work-sites on which the poor depend. Drawing on a small survey of two villages (undertaken between November 2001 and February 2002), this paper reviews the role of agriculture and rural infrastructure as employers of unskilled labour. It sets out the trends in supply (quantity) and terms (quality) of labour opportunities in agriculture and off-farm works. It presents the types of labour contract in use at present, and who among different labouring communities is working in each. Through historical interviews, it reviews the origins and the likely future of these changing contractual arrangements.

From the mid 1970s heavy investment in irrigation and other inputs kick-started intensive agriculture in Koraon. Combined with a populist process of land distribution, this shifted irreversibly the terms and requirements of labour on the farm. By the mid 1980s labourers had higher wage aspirations and were in a better position to negotiate from their exposure to off-farm government work. Many had acquired their own plots and no longer relied on wages to fulfil basic grain needs. Farmers, compelled to meet the workload and seasonal rhythm of their newly cleared and watered farms, were busy buying and hiring tractors and seeking labour solutions which could provide them the numbers required when necessary.

The research adds to existing evidence that the terms of labour on the farm are influenced more than anything by the availability of off-farm work nearby. This is partly because it raises income expectations and reduces the dependence of workers on the farm. But it is also because it increases the risk, to farmers, that labour might be unavailable when it is most required. *Kuta* groups (or labour gangs working farms on a piece-rate basis) have spread rapidly in the region because they provide a win-win solution to labourers' higher aspirations of income, autonomy and respect, and farmers' requirements for large numbers of reliable labourers at specific points in the year. It is the proximity of alternatives, more than political awareness or an increase in labour demand, which has driven this change.

The report maps the shift from attached and 'moral' relations extending across generations to untied and fixed-term or piece-rate contracts, and from local daily labour to migrant labour from neighbouring Madhya Pradesh. In this way it mirrors processes reported elsewhere in northern India. But the study suggests that labour contracts became more clearly defined, not as part of a general progression from 'pre-capitalist' to 'capitalist' agriculture but when alternative options grow sufficiently to provide labourers a negotiating position. The onset of relations often referred to as 'capitalist' occurred not with redistribution or change in social organisation but with an influx of resources (off-farm wages) which – for a brief period – was to benefit the labour class as much as the farmer. In Koraon, interlocked and attached contracts do not themselves appear as a means of perpetuating inequality and exploitation, but rather as a response (by farmer and labourer) to an economic environment where both labour and unskilled work opportunities were scarce. When scarcity went, so did the contract.

The backdrop to change in labour relations is an accompanying shift in the pattern of land ownership and transactions. Irrigation (and to a lesser extent land reform and distribution) has led to a situation where almost all arable lands have already been cleared for cultivation. Migrant farmers have settled in the region, families have divided and new marginal farms have emerged on donated plots; Koraon's average farm size is decreasing fast. Farming one's own land is becoming easier (with tractors and family members); the number of farmers with reasons to hire out land is reducing.

Yet in spite of the premium value of land farmers don't sell. They hold on to land for prestige and food security in uncertain times.

In this context, unskilled labourers in Koraon face an uncertain future. With reduced local off-farm options and reducing on-farm demand, the conditions which led them to higher wages and bargaining power are no longer in place. Whether or not the burgeoning numbers of small farmer-labourers can make a respectable living will depend on the revitalisation of the agricultural sector, the continued growth of the private sector (beyond construction and petty trade, to new services and non-farm industries), and the resolve and determination of labourers to move further afield to regional cities to bring remittances back to their families.

# 1 Introduction

Contrary to the arguments of promoters of self-employment (such as the IRDP, its successors and several microfinance programmes), the livelihoods of the rural poor are influenced more by the availability of nearby, accessible and relatively well-paid wage opportunities than by the promise of self-employment. Self-employment (or micro-business) is neither the principle nor the preferred route out of poverty (while it may be a sensible route from near-poverty to modest wealth). By contrast, the potential for accumulation afforded by extended wage opportunities is high and a means to acquire the assets and security needed to contemplate subsequent business and livelihood risks.

Where there are no significant industries (as in most of India's farming regions) wage opportunities in the local labour market are largely confined to agriculture and its related infrastructure. As such, farms, canals, roads and buildings are the main work-sites of the poor, the mainstay on which they depend. Through a small case study of two villages in Eastern Uttar Pradesh, this paper reviews the role of agriculture and rural infrastructure as employers of unskilled labour. A labour perspective is provided on the era of heavy subsidy and support which propelled Koroan belatedly in to a second stage 'Green Revolution' (1975–85) and the declining investment and gestural reform which has characterised the sector since the late 1980s. As India's agricultural sector emerges from the neglect and partial reform of the 1990s into a new decade of reflection, it is hoped that debate will remain focused on agriculture's capacity as a 'pro-poor' growth engine and an employer, and on the policies of employment and protection which are required to complement a growth-oriented framework.

Koroan Block lies in the extreme south of Allahabad District, Uttar Pradesh (UP), on a dry rocky plateau, bordered on one side by Madhya Pradesh and on the other by Mirzapur District. It is considered one of the most backward and marginal areas of a district otherwise rich in fertile land around the basins of the two great rivers (Ganga and Yamuna) which run its length. Much of Koroan is a rocky plateau which extends along UP's southern border, into MP and Bundelkhand. Three quarters of Koroan's 250,000 population is Schedule Caste or Tribe<sup>1</sup> and just under half is categorised as Below Poverty Line (BPL) by the standards of Government of India (GoI).<sup>2</sup> With a density of just over 200 people/square kilometre, Koroan is sparsely populated (only 35% of the average for UP State).

Koroan's relative backwardness has been gradually redressed since the fertility and productivity of the region was transformed by the construction of a canal irrigation system from the Ban Sagar Dam Project, operational since the late 1970s. Most farms are theoretically fully irrigated, but who accesses canal irrigation first and in a timely manner nonetheless reflects local political economy and spot 'droughts' and 'floods' are frequently experienced by small and marginal farmers. During the major *kharif* season (June–November) rice is grown on all irrigated land and lentil (intercropped with jute), millet and other resilient grains on non-irrigated land. During the *rabi* season (November–March) wheat is grown on irrigated land and gram and maize on both irrigated and

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1 The Government of Uttar Pradesh (GoUP)'s definition of SC included Kols and other 'tribes' until 2000 when the BJP government in Lucknow created a new category of ST (Scheduled Tribes) for the first time in the State.

2 According to Koroan Block Development Officer (BDO), the GoI uses the following standards to define BPL: All families with less than Rs22,000 total annual income. Annual income is estimated according to the following norms: Rs600/acre unirrigated land; Rs1,200/acre irrigated land; Rs1,500/milk cow and Rs50/day for wage labour. Wage labourers are assumed to access daily wages for 6 of 12 months in the year. As this report suggests, many assumptions in these norms are faulty and the general effect is a bias towards small and medium farmers and against wage labourers.

non-irrigated. Irrigation, alongside the other components of this 'Green Revolution'<sup>3</sup>, have encouraged broad-based migration into the region, notably from Bihar and MP.

The contemporary shape of land ownership reflects aspects of recent history: of caste-based agrarian relations, in-migration by wealthy Bihari peasants, generational division in landed families and the government's campaign of distribution to the landless, all of which will be explored in the following chapters. The situation today can be summarised as follows:

- Better-off farmers (owning more than 10 acres or an average of 32 acres)<sup>4</sup> who rely on hired labour while playing a supervisory role and sometimes driving their tractor. They may also give out land on a leased or sharecropped basis. In caste terms these larger farmers are mostly Brahmins, Patels and Rajputs. In the sample this group was a minority of 17%.
- Small and marginal farmers (owning less than 10 acres or an average of 3.6 acres) some of whom lease/sharecrop in additional land and most of whom will supplement their farms with seasonal business and/or wage labour. The caste composition of this group is extremely mixed, dominated by Kols (35%) and a variety of Other Backward Castes (OBCs) (30%) with a minority of Muslims, Harijans and General Castes. In the sample this group was the largest group at 52% of sample.
- Landless people who have never received land from the government (especially in the case of Muslims) or who have never been able to claim it due to on-going litigation. Others may have received land but have lost it through sale or appropriation by family members. These families seek to secure grain through on-farm labour or sharecropping land in if possible. They also trade, do other wage labour and engage in piece-rate work. Landless people were 31% of the sample, mostly Muslims with a small number of Kols and Harijans.

This study is concerned with the poorest among the second group as well as the third. Where farms are too small, unreliable or unproductive, people turn to sources of wage labour on and off the farm. On-farm wage labour includes the variety of contractual relations through which land is farmed over the annual cycle, during the major *kharif* crop and the secondary *rabi* crop. Off-farm wage labour includes the opportunities in construction and repair of roads, canals and buildings offered by the government and private sectors around the village and in regional towns and cities. It also includes less significant types of unskilled work such as stone-breaking in quarries.

Such wage work obviously exists alongside several other off-farm options which villagers pursue. Some of these are skilled and specialised (such as carpet-knotting, tailoring or acting as an agent for a brand company) and are thus not open to those who have not received sufficient schooling or training. Others are small businesses (such as mobile trading, bicycle repair services or running a taxi service) which require capital and the capacity to bear risk which the poorest don't have. An exception is bidi-rolling, a piece-rate and relatively unskilled activity with few barriers to entry. But the paucity of wages and sickness of the industry mean that – even for the minority of skilled and full-time rollers – it does not provide income adequate to effect a shift in poverty status. It is generally pursued by poor Muslim women (in *purdah*) and elderly men. It is for these reasons that attention is focused on unskilled wage work in construction and repair, while presenting these other options as part of the wider context.

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3 These wider components include: increased and subsidised finance for farmers, improved supply of seeds through government outlets, subsidised and easy-access fertiliser through Primary Agricultural Co-operative Societies (PACS) and tie-ups between banks and distribution agents for agricultural equipment (notably tractors).

4 These categories (e.g. 'better-off farmer' and 'medium farmer') derive from the larger sample survey of 65 households in the two villages undertaken between August 2000 and October 2001 for IDPM.



The paper draws on research in two villages in Koraon Block. Barahulla village has a population of about 3,500 (or 1,300 voters) of which an estimated 900 do wage labour (on- and off-farm) as part or all of their livelihood.<sup>5</sup> Barahulla is 10 km from Koraon town towards NH7 (Mirzapur-Rewa) close to the border of neighbouring Mirzapur District. The major castes of the village are Kols (23%), Brahmins (21%) and Harijans (16%) while Rajputs and several Other Backward Castes feature prominently. The village has been in the orbit of several infrastructure development projects but remains relatively remote from market and urban centres thus limiting the labour opportunities available close to home. Research was undertaken in two of the village's 12 hamlets, among Kols, Brahmins and a mix of OBCs.

Kushphara village – fast becoming a *casbah* (or peri-urban roadside centre) is only 2 km from Koraon on the Manda road. It consists of two parts totalling an 8,000-strong population (or 3,000 voters) of which an estimated 1,800 do wage labour as part or all of their livelihood. Muslims (33%) dominate the village and are among the poorest. Kols, Patels, Brahmins, Kushwahas and Harijans are also significant. Kushphara's economy is ever more intertwined with that of Koraon, a town of 25,000 growing rapidly in response to an emergent middle class, due to its strategic position as a trading and business centre in a triangle of three major highways<sup>6</sup> and its recently upgraded status as a *tehsil*. Research was undertaken along a single dirt road of the village which takes us through three or four hamlets, predominantly of Muslims and Kols with a few OBCs and higher castes.

This study is based mostly on a small survey of 18 labourers, eight landlords and 12 other individuals (called 'satellites') whose experience and careers position them as resource people for the agriculture and construction sectors (they included *Gram Pradhans*<sup>7</sup>, grain traders and labour contractors). Among the labourers, two thirds were Kol with the balance a mix of Harijans, OBCs and Muslims. Among the landlords, just under two thirds were Brahmins and the rest Patels.

The research was undertaken over four months from November 2001 to February 2002 in the wake of a larger research project for IDPM.<sup>8</sup> The IDPM research focused on financial management and behaviour but its approach provided the opportunity to build close relations with respondents through repeated visits over a total of about 16 months. It was because of these existing relationships and contextual knowledge it was felt that it would be possible to do meaningful work based on a relatively small sample. Of the 32 respondents surveyed, 20 were labourers or landlords with whom the researchers already had close and trusting relations.

The selection of these respondents derives from the IDPM project. Selection of villages and hamlets was guided by this study's requirement of caste and livelihood mix as well as the need to cover a higher proportion of poor people than might be typical. However, the selection of households within villages and hamlets was random. Once selected, households were wealth-ranked by residents, a process reviewed and adjusted by the researchers at year end. This study set out to answer the following questions:

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5 Using the electoral list as a proxy for adult working population, this estimate of total labourers (and that for Kushphara in the next paragraph) is based on assumptions that most people from certain caste groups (such as Kols, Harijans, Muslims and Dharkars) do wage labour and most people from other caste groups (such as Brahmins, Rajputs and some OBC castes) don't. Since they are based on numbers of adults (more than 18 years) these figures do not include working children.

6 NH7 (Mirzapur-Rewa), NH27 (Allahabad-Rewa) and the main route from Mirzapur to Allahabad.

7 The *Gram Pradhan* is the statutory head of the village elected directly by the population every five years. S/he chairs a council of village representatives (the *Gram Panchayat*) also directly elected. Since 1995 (with an Amendment to the Constitution) *Gram Pradhans* have enjoyed greater powers devolved from Central and State Government in planning, fund-raising and the management of schemes for the village. While they are supposed to be apolitical, they are generally aligned (whether openly or covertly) with a political party.

8 Institute for Development Policy and Management, University of Manchester. The research was part of the Finance and Development Research Programme financed by the Department for International Development. Working papers and a bank of data arising from this project are available on the IDPM website at [www.man.ac.uk/idpm](http://www.man.ac.uk/idpm)

- What are the trends in supply (quantity) and terms (quality) of labour opportunities in agriculture and off-farm works which can be observed over the last 25 years in Koraon region?
- What are the roots and causes of these trends and what future trends are likely?
- What – in detail – are the types of labour contract in use at present, and who among different labouring communities is working in each type of contract and why?
- What are the origins and the likely future of these changing contractual arrangements?
- To what extent does experience from Koraon affirm the trends identified elsewhere in the labour relations literature, e.g. (i) of a shift from ‘moral/personal’ to ‘casual/commercial’ relations; (ii) from ‘unfree’ labour in a pre-capitalist system of subsistence production, to ‘free’ labour in a capitalist and mechanised system for the market?

The paper is laid out in the following sections. Section 2 presents the two key trends which set the context for contemporary labour relations in Koraon. Firstly, the distribution of land to a proportion of previously landless labourers from the period of Consolidation onwards (late 1970s). Secondly, the boost to agricultural development provided by irrigation, the subsequent in-migration of Bihari farmers and rising land prices between 1975–90. Section 3 examines the off-farm wage work options in more detail, during its peak around 1980 and its decline since then. It highlights the contribution of these off-farm labour options in changing labour relations on the farm.

Section 4 reviews the restructuring of on-farm labour, examining its three components of (i) the rise of *kuta* groups (or labour gangs working on a piece-rate basis); (ii) the arrival of new migrant labourers from MP and (iii) the decline in *harvahi* (or attached ploughmen). Section 5 looks at the future prospects of livelihoods in farming and wage labour. It reviews the potential of small and medium farming as a business for the farmer and as a sector which still appears to hold the key to wider economic take-off in the region. Finally, it takes a close look at the very poor and vulnerable and how their futures are shaping up in the new wage economy.

## 2 The Roots of Change: Land Distribution and Development

Koraon today is in the lull-ful wake of dramatic change which occurred between the early 1970s and early 1990s. It must be understood in the context of this period of transition and of the lull which followed during the 1990s to the present. In this section two major thrusts are discussed, originating in the mid 1970s, which appear to be the roots of change in labour relations which followed. Firstly, the government's distribution of land to previously landless people reduced permanently their compulsion to achieve grain security through their labour. Secondly, the expansion of the irrigation network meant a huge expansion in the availability of relatively well-paid work off the farm and a change in the configuration of labour requirements on the farm.

Following the UP *Zamindari* Abolition and Land Reform Act (1950)<sup>9</sup> and its various amendments, there were three types of landlord in the region: (i) *ex-zamindars* who had retained some of their estates; (ii) tenants and servants of former *zamindars* and feudal lords who had acquired title to land and rights of transfer, and (iii) landowners independent of *zamindars* who paid tax directly to the British Administration (and then the Indian government).<sup>10</sup> The motive of the *Zamindari* Abolition Act was to eliminate intermediaries (providing them with compensation) and grant tenants (or 'actual cultivators') rights of ownership, inheritance and (in some cases) transfer. It is widely acknowledged that the Act has been successful in its first but not in its second objective. While former *zamindars* were reduced to a level with their larger tenants, the mass of small sub-tenants and sharecroppers (among them the lower caste and tribal groups of the region) not only remained landless but found that the new legislative environment made landlords averse to leasing land in any form.<sup>11</sup> In general, the post-*zamindar* world was great for the upper-tenants (who became among the most powerful landlords) but cruel for the lower-tenants.

In spite of a legal framework pitted against tenancy, landlords soon found ways around restrictions: both sharecropping and *harvahi* appear to have recovered during the 1970s and their recent decline is more a result of mechanisation and decreasing farm size than legal restriction. Likewise, in spite of the low land ceilings set by the Land Ceiling Acts of 1960 (between 16 and 52 hectares) and 1973 (further reduced to between 7 and 18 hectares), landowners were able to escape the implications of the Acts when they were implemented during Land Consolidation in the mid 1970s. This avoidance was facilitated by assistance extended by government officers to landlords in fixing the land records and arranging early transfers to children with inheritance claims and other relatives and servants who could be trusted in loyalty or ignorance.

The government's failure to appropriate significant land through the Ceiling Acts resulted in a much smaller supply than intended of good quality land for distribution to the landless through the populist campaign of the late 1970s and 1980s. A much greater proportion needed to be sourced from the traditional village commons; most of this was of poorer quality and, once appropriated, became unavailable for common village use.

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9 *Zamindars* were government-appointed intermediaries collecting tax from peasants and tenants on behalf of the British Crown. The system was regarded as exploitative because the tax rates (against which *zamindar* contracts were awarded) bore little relation to what farmers could raise or afford. As intermediaries with muscle, many *zamindars* had no incentive to invest, as long as they could raise the money required to take their cut and keep the contract.

10 A greater number of landlords in Barahulla appear to be of the first two types whereas in Kushphara they are of the third type. This reflects the greater social inequalities and feudal inheritance of Barahulla.

11 The UP *Zamindari* Abolition Act was the most radical of its kind, eventually granting full tenure and inheritance rights to cultivators, even those who had been farming the land for only one or two years. Tenancy itself was inseparably associated with exploitation and thus became illegal in all its forms. It is not surprising that farmers were reluctant to lease land and that they ultimately found ways around this and other legal constraints.

'Worthy sections' identified for land distribution were (i) SCs (scheduled castes), (ii) handicapped people (including widows), and (iii) war/army veterans. In spite of being one of the poorest communities in the region, Muslims were not given special priority and their cases were considered along with other 'general sections'. The first group were by far the most significant and estimates of the percentage of landless SCs receiving land from the study and neighbouring villages range from 50–70%. In this sample of 18 labourers (of whom 15 or 83% are classified as SC), 61% had received land donated by the Government of Uttar Pradesh (GoUP) between 1976 and 1990. While this proportion appears respectable, the process of distribution was clearly brought under influence of village elites. *Gram Pradhans* mandated to recommend families for land allocation and liaise with *tehsil* administration, were heavily pressurised by powerful families to 'facilitate' transfers of land to them. This was also a way for the *Pradhans* to secure their own benefit from a process from which they were legally excluded. The following excerpt of an interview with an ex *Gram Pradhan* of Kushphara illustrates the point:

Sat US Patel: It is against the widest political interests of *Pradhans* not to take bribes from influential families since this money is used to speed up and ensure the progress of all land request files (including poor applicants) through the bureaucratic passage from Sub-Divisional Magistrate (SDM), District Magistrate, Commissioner (the final authority) and Judiciary (when cases are brought under dispute).

By issuing fixed-term leases (rather than freehold) on distributed land, the Government of Uttar Pradesh (GoUP) retained the right to reclaim land for other uses if required, thereby providing a mechanism through which re-allocation could provide for those families in greater need than those to whom land was initially allocated. But it is clear that this facility is not being used to the benefit of the residual landless of the village. In the majority of cases, lessees have continued to use the land in spite of the cancellation of lease and the growing number of pending eligible claims. The handful of landless SC families interviewed who had not yet benefited from distribution are now being turned away following their enquiries, and told there is no more land available. Meanwhile the Muslim majority of Kushphara village, unrecognised as a 'worthy section' in the land distribution schemes, remains largely landless.

The significance of land distribution is highlighted by the dramatic increase in land prices which started in the late 1970s when the first tranche of land distribution had already taken place.<sup>12</sup> Before this time, few large or medium farmers were cultivating all their estates. As land was passed down to sons, farms were divided and land was cleared as labour became available to farm it; respondents suggest that land was still being cleared when irrigation reached the region.

For many (particularly in Barahulla) farming was approached as a means of providing grain for the family (even by those families who had potential for scale economies). Farmers had sown paddy during *kharif*, along with maize and lentil. During *rabi*, wheat was impossible and farmers planted just about anything in the hope that something would bear fruit. A local saying illustrates the main principle of rain-fed farming in the region: *Kheti kare gaja-baja, jo bhi lehe, vahi raja* (If you throw it all together something's bound to come up well). Animal husbandry on uncleared land was as important a livelihood as rain-fed farming and farmers were content to lease or sharecrop out land<sup>13</sup> as a means to manage labour capacity even at the cost of income.

The dramatic increase in demand for and value of land between the late 1970s and early 1990s largely reflects the impact of irrigation, but it was assisted by an influx of migrant farmers from Bihar. From the mid 1970s – two or three years before the canal network was due to reach the

<sup>12</sup> Many beneficiaries of land distribution report long delays in the time it took to acquire title and access to land which had been allotted several years before.

<sup>13</sup> Sharecropping was done in its contemporary form or as '*hisa-kura*' with all investment made by landlord and the tenant taking one third of the harvest.

region – Pals, Yadavs, Kushwahas and Kahars (all OBCs) from Bihar’s central districts bordering UP, migrated to the villages around Koraon and started to buy up as much land as possible mostly from high castes (Brahmins, Rajputs, Patels) close to the routes of the forthcoming minor canals. One migrant Bihari farmer of Barahulla estimates as much as 60% of all land sold in the village over this period was to Biharis. Today it is estimated that 15% of Barahulla’s population are Bihari migrants from this period with family landholdings ranging from 5–18 *bighas*.

The Biharis had evolved farming techniques for year-round irrigated land which focused on maximising yields over short periods on relatively small plots. The most significant of these techniques was paddy transplantation, said to have increased yields threefold and significantly increasing demand for labour. As Section 4 suggests, many farmers attribute the arrival of *kuta* group organisation to this changed technique in paddy farming.

By 1978, the second and more significant of the two irrigation networks serving the region was in place. Today Koraon region is served by two irrigation networks: (i) lift canals, transporting water from rivers, operational from mid 1960s but with limited and seasonal capacity; and (ii) major canals channelling water from dam reservoirs, with more-or-less unlimited capacity, operational since 1976. Combined with a huge increase in supply of credit to farmers through public sector and co-operative banks, improved access to subsidised inputs such as seeds, pesticides, fertilisers through government and co-operative channels, provided a huge thrust to the agricultural sector, with major implications for work opportunities and labour relations.

Two processes have been described which appear at the root of recent changes in labour relations: firstly, the widespread distribution of land to previously landless people and secondly the development of irrigation infrastructure which kick-started intensive agriculture in the region. Each process reinforced the significance of the other: the rise in land prices which followed irrigation means that beneficiaries of land distribution now sit on valuable assets and a relatively reliable ‘grain-basket’ on which they can depend for food security. Together with the off-farm work provided in canal construction, this has irreversibly improved the bargaining position of the landless sharecropper and marginal farmer as labourers on larger farms. These interlinked issues of off-farm work supply and changing on-farm relations are explored respectively in the next two sections.

Conversely, another effect of irrigation (and the mechanisation which accompanied it) was to reduce the land available on lease which took effect around the mid 1980s. As will be discussed further in Section 5.1, leasing land (especially share-cropping) is ever more complicated to arrange and sometimes comes with ‘favours’ to which tenants must agree in order to secure the contract. Thus it could be argued that it is more and more critical that residual landless families should have their own plots, but less and less likely that they will be able to secure them.

### 3 The Boom in Off-Farm Wage Labour 1975–85

The Koraon region has no indigenous manufacturing base. While trade and consumer services have increased steadily with the purchasing power of the region (providing opportunities for poor people as mobile traders, tailors, market traders, shop assistants, transport operators, musician, etc.), the casual wage labour opportunities off the farm are mostly in construction and earth moving. If this is less the case now it was certainly so during the wage labour ‘boom’ from the mid 1970s.

Labourers in Koraon region give the impression of a dramatic increase in off-farm labour from the mid 1970s, dominated by the construction of the canal network. But the magnitude of the change is better explained when it is realised that several sources of work were on the rise at the same time. The carpet sector was taking off, with contractors from Mirzapur and Bhadohi reaching out to remote regions, setting up and sourcing from units which could produce at a lower rate. There are several among Kushphara respondents who were themselves unit managers (managing 10–20 workers each) and, over the period, upgraded their living standard significantly from one which was previously based on *harvahi*, sharecropping or *jajmani* service to landlords. Secondly, the stone quarry in Drummondganj just 10 km from Barahulla village was a year-round last resort for labourers from the village, where work was poorly paid but easy to come by. Thirdly, Barahulla labourers also benefited from the construction of the National Highway (NH7) in the same period.

Prior to this boom, village labourers had depended to a lesser extent on off-farm labour further afield in regional cities and infrastructure projects which supplemented livelihoods in sharecropping, livestock, small service and on-farm labour to landlords. But over this period the range of options increased and, above all, there were options available on the village doorstep. There was no longer a need for many to travel so far to find dry season work. The period provided workers with exposure to different ways of working, different kinds of employers, and bred a new awareness of government rates. This, rather than the increased demand for labour on the farm, appears to be the most important reason for the improved terms of agricultural labour.

Today the situation has changed somewhat from the off-farm labour peak around 1980. Canal building has reduced, local road building has probably also tapered, but increased awareness and mobility connect labourers more easily to black road building sites further afield. Construction (of homes and other buildings) is rising and fast becoming the most significant and best paid source of work. The carpet sector plummeted in the mid 1990s and the Drummondganj stone quarry lost its license in 1990.

Table 1 explores the different types of work available in construction and repair of canals, roads and buildings in the public and private sectors. It summarises findings from the survey of 18 labourers. The first four rows outline the different types of government work available. While the larger of these – Public Works Department (PWD) and the Ram Ganga Command Project (RGCP) – are specialised bodies responsible respectively for the construction of larger roads and minor canals, smaller schemes such as Employment Assurance Scheme (EAS) and Jahwar Rozghar Yojna (JRY) have the principle objective of providing lean-season employment and are handled through the mainstream development administration (the Block Development Office and *Gram Panchayat*). More details of these government sources of work are provided in Annex 1.

**Table 1 Sources and features of off-farm labour in Koraon region**

Type	Average daily rate (Rs)	Description: construction of...	Period	Direct access through...	Indirect access through...	Supply Trend
<b>PWD (Public Works Dept)</b>	40	major black roads	Nov–June	registered contractors	<i>meths</i> used by contractors	up
<b>EAS (Employment Assurance)</b>	45	minor black and dirt roads between villages/ <i>Panchayats</i>	Nov–May	registered contractors	<i>meths</i> used by contractors	down
<b>RGCP (Ram Ganga Command Project)</b>	50	link minor canals from majors to fields from earth and cement	Nov–May	GoUP supervisors	informal labour leaders/contractors from village	down
<b>Other Public (Panchayat/JRY)</b>	58	small intra- <i>Panchayat</i> roads, road and minor canal repair	Nov–May	<i>Gram Pradhan</i> and publicity	neighbours	down
<b>Village earth-works</b>	40	bunds and earth moving and levelling for mud houses and farms	March–June	village-based clients	village labour leaders	constant
<b>Local construction (Koraon)</b>	60	brick homes and buildings	Nov–April	labour square, Koraon	as helper to skilled mason	up
<b>Local construction (village)</b>	60	...and repair of mud and tile homes	April–June	village-based clients	village labour leaders	constant
<b>Construction (Reg. cities)</b>	60	brick buildings in All'd, Mirzapur, Varanasi...	Nov–April	labour squares, cities	known contractors	up

Since the Minimum Wages Act of 1948, all government contractors are bound to pay the minimum wage (revised every two to three years). Since 1993 this regulation has also applied to the construction sector, whether public or private. Contractors and labourers in Koraon reported that the current official rate for road and canal construction and repair is Rs58/day (since 2001). But it appears to be quite normal (while illegal) for a small margin to be held back by the employing party and workers generally receive Rs50/day.<sup>14</sup> In addition, this rate is only applied to male workers, while women (in contravention of the Equal Remuneration Act, 1976) are paid the lower rate of Rs48/day ('officially') and Rs42/day (which they reported actually receiving). This daily rate is benchmarked to standard outputs which labourers are expected to achieve during a day's work. In the case of the RGCP this is 3.5 m<sup>2</sup> (or 10'x10') soil dug and shifted a short distance (adjusted to soil type).

Contractors report that the relatively high awareness of labourers in recent years makes it difficult to cheat on them. This awareness is an outcome of several factors, one of which is the increased accountability and transparency instituted since new powers were awarded to *Panchayats* (through amendment to the Constitution in 1995). RGCP officers for example, must now open a joint bank account with each *Panchayat* in whose territory they are undertaking work. Wages for village labourers are paid in to this account, monitored by the 'people's representatives' and are often distributed in public. Thus the scope for abuse by government officials has reduced. But it is no doubt partly in response to a general increase in labourer awareness that the government has become more vigilant in raising wages regularly. Workers come to know about official wage rates through radio, the Block Office, the *Panchayat* and politically active neighbours. Labourers have

<sup>14</sup> Some labourers are themselves aware of this discrepancy and it is likely that some bargaining with contractors to the government takes place to settle on a mutually agreed rate.

increased their awareness through exposure to other work sites and contracts further afield, facilitated by improved roads.

**Figure 1 An estimate of off-farm labour days available to a typical village**

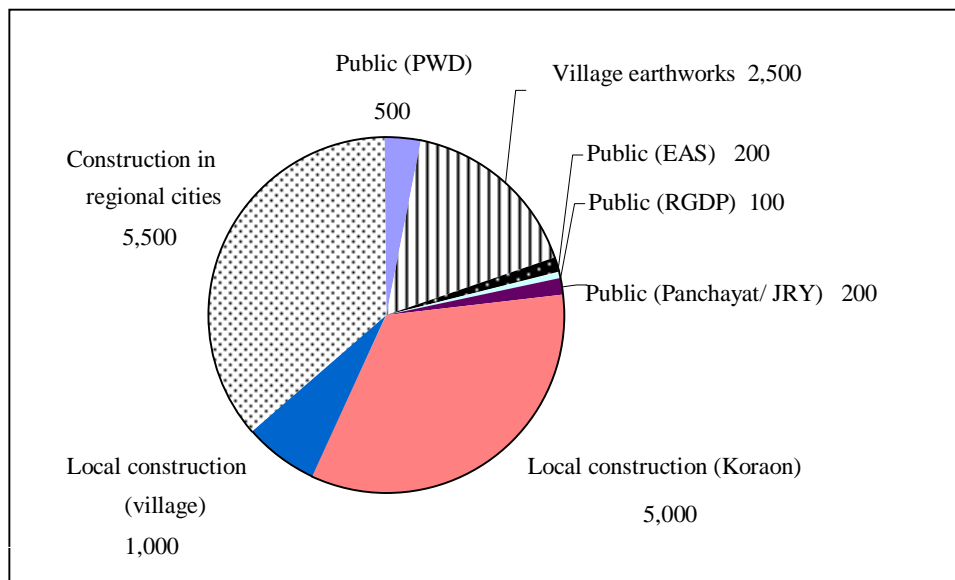


Figure 1 estimates the quantity of supply of off-farm wage work provided by different government and non-government sources. The figures around the pie are estimates of total labour days per year which would be on offer in the orbit of a typical village (with a labouring population of between 1,000–1,500). The estimates are based on rough benchmarks of contractors, village-level representatives and labourers.<sup>15</sup>

The chart indicates that the government's employment capacity through public works is around 1,000 labour days/village, an average of less than one day a year per labourer. This, even when compared to the availability of private construction work, is pitiful. While government was probably once the main supplier of off-farm work, this has reportedly been declining since 1995 and the completion of the main canal routes.

The effect is the concentration of a small supply of government work among a small number of labourers. The majority of labourers see government work opportunities only intermittently, perhaps every few years when a job needs to be done close to the village. The following excerpt from a joint interview with two Kol widows about their young adult sons voices a typical experience:

KBH12 and KBH15: Very occasionally off-farm work opportunities come up in or close to the village providing one or two weeks' work. This is good since wages are high but the supply is not enough to keep their sons close to the village. Even when work comes their sons have frequently been cheated by contractors.

Those who can rely on public works regularly are a well-connected and politically active minority. In both villages, the Harijans were among this group.

KBH15 Vyas Harijan: The Harijans are able to secure such labour opportunities because they have contacts and are politically aware ('the Kol people don't like politics'). When there is a

<sup>15</sup> For Construction in Regional Cities, an estimate of supply is not possible since it depends on what distance labourers are prepared to travel and at what cost. The figure of 5,500 days is thus a rough estimate of the quantity of work which labourers of a typical village might take up in a year.



new source of labour in the region the Harijans may hear of it and approach the contractor, or he may approach them.

As the quote suggests, access to such government work is a matter of hearing about jobs but also about knowing the subcontractors (the *meths* or informal labour leaders) who mobilise labour on behalf of government representatives. For the more ambitious, it is a matter of becoming a *meth* oneself. This was the case with one of the respondents, another Harijan from Barahulla:

KBH11 RK Harijan: In spite of the decline in off-farm work since its 'golden age' between 1975–80, RK is not worried about securing work since he feels his that contractors need him to raise labour to get jobs done. Acting as a subcontractor, RK mobilises between 10–30 labourers per job from several tolas (Harijans, Kols and Dharkars). He's known as a compulsive networker and is generally considered to be in a unique position in his community.

While it is unsurprising that the government is unable to supply work adequate to meet (or even make a dent in) the needs of the burgeoning labour class, it is worth noting a link between the management of such schemes and the number of labour days which the government offers. With loose contracting practices and poor supervision, the government has allowed petty corruption to flourish. The more intermediaries established, margins taken and corners cut in standards, the less labour days are provided. A young PWD contractor learned these lessons for himself:

Sat Chandramani Mishra (CM): When CM first started work he followed government norms (i.e. which materials to use in which proportion, standards for road output etc.) and found himself able to retain a margin of only 5% on his first contract of Rs2.25 lakhs. For his second contract the BDO (Koraon) made several suggestions (e.g. using a higher sand:cement ratio, decreasing the thickness of road and metal piping to be used in construction) and CM was then in a position to get the work done with 55% of contract value, leaving the BDO a cut of 40%. He realised his own margin was again only 5% but he wised up in future and ensured himself a better margin.

As Figure 1 shows, government works are no longer the most significant source of off-farm labour in the locality. It has been rapidly overtaken by three sources in the building construction sector: (i) construction in regional cities; (ii) construction in Koraon town; and (iii) local construction in and around the village.

Seeking work on construction sites of regional cities such as Mirzapur, Allahabad, Banares and Bhadohi is an increasingly popular resort for those labourers unable to secure work locally. Workers travel, usually in small groups, to cities between 60 and 300 km distance, making contact with contractors, waiting on construction sites or in the labour square until they are picked up. Such work is generally in no short supply but will depend on the distance labourers are prepared to travel to reach work centres, to 'shop around' and at what cost.

But even when work is secured, the strategy is fraught with hardship and risk. Firstly, there are inconveniences and problems in leaving home for substantial periods.<sup>16</sup> Young men who are the single breadwinners of a family usually find they can not leave. Secondly, there are risks of spending money fruitlessly – of returning home empty handed, of incurring living costs not sufficiently compensated by wages. Thirdly, there is emotional and psychological hardship in the alien work environment, the harsh treatment of labour contractors and the poor living conditions. Fourthly, there are health risks and hazards on building sites and in unsanitary living arrangements with other workers. Finally there are risks of losing everything earned when thieves work they way through the trains and buses carrying migrants home.

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<sup>16</sup> Typical travel periods to regional cities range from one to four weeks.

Because of all these factors, travel to regional cities, in spite of relatively good wages, is not the preferred option for most unskilled labourers. A more popular strategy is to latch on to the growing local construction sector, both in the village (especially in the case of Kushphara, rapidly becoming a suburb of Koraon). But in these cases barriers to access, related to skills and contacts, are quite significant. The following excerpts are from interviews with labourers who have managed to penetrate the sector (and in the second case become an employer of unskilled labour).

KBH13 Shyamnath Gosain switched from mobile trading to regular casual labour in construction sourced through the labour square in Koraon (and also assisted by his uncle, a skilled mason). After one to two years of sitting in the square his links with masons became strong enough to secure regular employment directly through them. He now earns Rs52/day for five to six months/year, each job lasting for 10–60 days. He estimates another ten or so labourers from Barahulla village are travelling to Koraon daily for this kind of work.

Sat Heeralal Nisad, from a small farming family, left school after three years due to poverty. He came in to contact with skilled masons in his village and worked for several masons as an apprentice over three and a half years. He then worked for another 18 months on a ‘beginner’s rate’ after which he says he became fully skilled. He is now one of ten or so skilled masons operating in Koraon and secures regular work for ten months/year at Rs165/day. He, like Koraon’s other skilled masons, hires two or three semi-skilled assistants regularly (at Rs52/day) and casual labour when required from Koraon labour square.

One of the most coveted types of off-farm labour is probably village house construction and repair. The village offers the cleanest and most pleasant environment where labourers have maximum autonomy and the convenience of their own homes close at hand. But this work operates only for a brief season and, again, provides enough work only to a small minority. Ramanand Harijan is one of the few:

KKP08 Ramanand Harijan (RH): In the lean season (April–June) RH builds houses in and around the village with a six- to eight- strong team of neighbours (all Harijans)...He has no problem mobilising labourers due to his ‘reputation for fair play and honesty’. He has avoided working in Koraon all his life and doesn’t wish to start now. His reputation in the village has meant he can usually secure enough work in the village itself.

Among those who wish to avoid distant travel and who can not secure quality local work, enterprising individuals seek to invent new income opportunities which are still rare or unknown in the region. One such respondent (KKP25 Gulab Kol) had recently started catching wild birds and selling them in Allahabad city market as pets for which he had earned an average of Rs70/day. But there is little evidence that such opportunities are emerging on any scale.

It has been shown that the climate of off-farm work improved considerably in the decade between 1975–85 as several sources of work reached the region simultaneously. Since then, the supply has reduced and is dominated less by public works than by construction for private property owners and developers. Some communities – in particular the Harijans – have sustained the supply of government work through political connections and networking. Less worldly people have sought to overcome skills barriers in construction and experimented with new sources of income which build on the region’s improved communication and infrastructure. In the next section we will show that the changed climate of off-farm work is as significant for its impact on the terms of on-farm work as for its direct benefits in income.

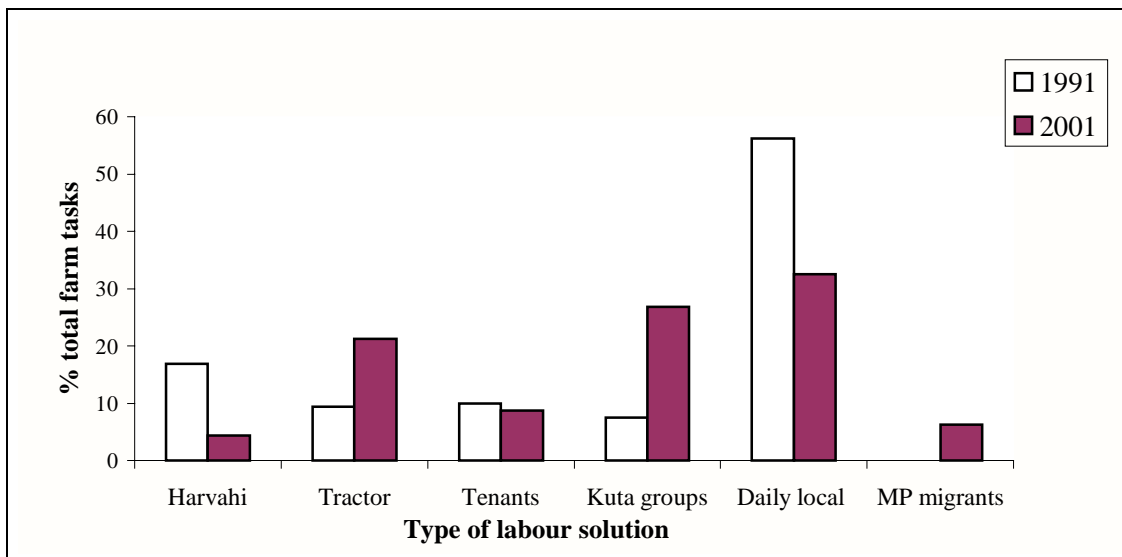
## 4 Restructuring On-Farm Labour

Thus far the paper has tracked the dramatic increase in off-farm labour opportunities which, together with land distribution, has opened options other than on-farm labour to the previously landless labour class. The origins of changes in labour relations on the farm can be traced to these trends, which occurred largely independently of changes in agriculture and farm management.

The changes in on-farm labour relations which followed had three aspects: (i) the emergence of piece-rate labour gangs (or *kuta* groups) as the principle form of labour organisation; (ii) the entrance of migrant labourers from MP, replacing local village labour; and (iii) the decline in attached labour (or *harvahi*).

Figure 2 attempts to summarise the changes in labour strategy or solutions used by farmers, by comparing estimates of ten years ago with the present. While 2001 figures are based on reported use of different labour solutions by farmers over a twelve month period, 1991 figures are based on estimates farmers made of the importance of labour solutions today compared to ten years ago.

**Figure 2 Change in labour solutions on the farm 1991–2001**



### 4.1 The rise of *kuta* groups

Farming success in Koraon is ever more a function of the timeliness with which tasks can be carried out. Whereas rain-fed farming allowed tasks to be distributed more evenly over a longer season (to hedge against weather risk by planting different crops at different times), contemporary irrigated farming is shaped by two shortened seasons (July–November and January–April) each of which has several moments of intensive activity. As Koraon's farmers got down to farming their newly irrigated plots in the early 1980s, they quickly faced labour bottlenecks. But when they turned to village labourers for help, they found them ever more recalcitrant.

Each of the study villages tells a slightly different tale of how *kuta* groups<sup>17</sup> first emerged. Residents of Barahulla report that the new form of organisation was introduced around 1993, at a time when relations between village landlords and labourers had reached a stalemate of non-co-

<sup>17</sup> A *kuta* group can be described as a flexible group of labourers (5–10 strong in number) who agree to work together on a piece-rate basis (usually per *bigha*) to undertake specific tasks for a farmer.

operation. Recognising their new-found worth, labourers had been bargaining for increased daily rates and landlords were facing unsupportable costs of mobilising labourers at the old rates. According to one account, deadlock prevailed for two years as 50% of farmland was left fallow. In the third year some landlords accepted the terms being offered by labourers now organised in *kuta* groups, while others sought out migrant labourers from MP to provide an alternative solution.

Harijan labourers in Barahulla had observed *kuta* groups operating in other villages (among relatives) and proposed it to landlords as a solution to the stalemate. *Kuta* groups were an acceptable arrangement to both sides, because they afforded a new respect to labour (freedom from supervision, more independence in conduct and a direct reward for hard work) and an effective solution to farmers' need of large numbers for specific tasks at different points over the year.

Today Barahulla's *kuta* groups work mostly in the *kharif* season, when labour requirements are most intense and can be condensed in to short periods. During *rabi*, a high proportion of labourers have their own farms to manage which need less intensive but constant supervision to ensure timely water. This must often be managed from the rain since irrigation is scarce. Further, off-farm labour options are more widely available during the *rabi* season, providing local labourers with alternatives.

In Kushphara the Kols tell a slightly different tale. They first heard of *kuta* groups following the suggestion of a farmer who employed Kol labourers regularly but could no longer raise the labour he required. He then suggested a group of regulars take four *bighas* of his land and farm it 'on contract' (i.e. be paid against output for each task). But it is likely that farmers in Kushphara (from a few years before those of Barahulla) were also facing problems mobilising recalcitrant labourers. The main pressure on farmers was reportedly the paddy transplantation. It was this process, more than any other, which required a combination of numbers and timeliness, pushing landlords to find new solutions.

While *kuta* groups do not generally do the job so well (critical in the case of paddy transplantation), most farmers have no choice but to use them since this is the only way they can secure the labour they require. In the study villages, *kuta* groups are hired for the following tasks: for transplanting paddy (covering 80–90% of the task at rates between Rs350–Rs400/*bigha*); harvesting paddy (covering 50–70% of the task at rates between Rs200–Rs300); weeding (50% of the task at rates between Rs150–Rs200) and harvesting wheat and other *rabi* crops (50% of the task at rates between Rs170–Rs210). Table 2 summarises the rates for daily wage workers and *kuta* group workers in each village and compares the cost per *bigha* of these alternative labour strategies.

**Table 2 Comparing daily wage and *kuta* group costs in two villages**

Task and means	Barahulla village		Kushphara village	
	income/day (Rs)	cost/ <i>bigha</i> (Rs)	income/day/ (Rs)	cost/ <i>bigha</i> (Rs)
<b><i>Kuta</i> groups</b>				
Paddy transplanting (at 7 workers/ <i>bigha</i> )	50	350	57	400
Weeding (at 4 workers/ <i>bigha</i> )	38	150	50	200
Paddy harvest (at 5 workers/ <i>bigha</i> )	50	250	60	300
<i>Rabi</i> harvest (at 6 workers/ <i>bigha</i> )	30	180	37	220
<b>Average for <i>kuta</i> groups</b>	<b>42</b>	<b>233</b>	<b>51</b>	<b>280</b>
<b>Daily Labourers (local, migrant and tenant)</b>				
Paddy transplanting (at 10 workers/ <i>bigha</i> )	30	300	35	350
Weeding (at 6 workers/ <i>bigha</i> )	20	120	30	180
Paddy harvest (at 7 workers/ <i>bigha</i> )	25	175	35	245
<i>Rabi</i> harvest (at 9 workers/ <i>bigha</i> )	25	225	35	315
<b>Average for daily labour</b>	<b>25</b>	<b>205</b>	<b>34</b>	<b>273</b>

Table 2 shows that labourers in *kuta* groups can earn more than 150% what they receive as wage for a day. On the other hand, farmers pay only about 10% more to *kuta* groups than to daily wage labourers to get the job done. While *kuta* group workers are paid more, the increased speed with which they work gives farmers almost the same value for money. By reorganising themselves into *kuta* groups, labourers have forced up daily rates but also conceded to raise their own productivity. The table also shows the difference in daily and piece-rates between the two study villages. While *kuta* group rates are almost 20% lower in Barahulla than Kushphara, daily rates are more than 25% lower. The difference reflects higher wages generally in Kushphara, indicative of the larger numbers of off-farm labour options, the proximity of Koraon, the higher value of assets and the marginally higher cost of living.

Table 3 below shows the significance of this difference between villages for overall returns in farming. The table looks at the relationship between size of farm and the average cost of labour paid by farmers for the sample of eight farmers in two villages. Four of the five farmers with significantly lower costs (between Rs640 and Rs780/*bigha*) are in Barahulla and this is the case in spite of relatively small farm size in some cases. The two farmers with the highest labour costs are both in Kushphara.

**Table 3 Relationship between farm size and labour cost**

Village	Name of farmer	Farm size ( <i>bighas</i> ) <sup>18</sup>	Cost of labour/ <i>bigha</i> (Rs)
Barahulla	KS Pandey	180	643
Barahulla	BP Tiwari	9	699
Barahulla	Ganesh Shukla	160	705
Barahulla	SB Shukla	50	775
Kushphara	Sarvjeet Singh Patel	15	777
Barahulla	RG Pandey	20	1020
Kushphara	Rama Shankar Singh	14	1114
Kushphara	US Patel	40	1124
<b>Average cost of labour for Barahulla (Rs/<i>bigha</i>)</b>			<b>768</b>
<b>Average cost of labour for Kushphara (Rs/<i>bigha</i>)</b>			<b>1005</b>

But there are factors other than village (and farm size) which influence the cost of labour. One of the most significant is whether farmers have ‘privileged’ labour strategies, i.e. are able to avoid the high cost for *kuta* groups for at least some of the time. As well as being the largest farmers in this study’s small survey, KS Pandey and Ganesh Shukla also have access to cheap and regular labour in the form of tenants or others who rely on the landlord for social security support, and in return are available to him ‘on priority’ at lower than market rates.

In general, farming appears to run on tighter margins in Kushphara, where daily labourer rates almost equal those of *kuta* groups. One reason for this could be the higher dependence of Barahulla labourers on farm labour which helps to keep rates down. While the ‘golden era’ of off-farm work gave Barahulla’s labourers a powerful bargaining chip, their dependence on the farm has ultimately remained high and has probably increased since the early 1990s. At the same time they are more likely to seek land (on a leased, sharecropped or *harvahi* basis) from landlords who are also more likely to make land available. Land and labour markets are generally more interlocked in Barahulla than in Kushphara. Lack of alternatives to agriculture, together with the survival of several large farm estates, reinforce the interdependence of landlord and labourer on each other.

<sup>18</sup> A *bigha* in Koraon is equal to two thirds of an acre.

## 4.2 The influx of migrant labour onto local farms

In Kushphara, the rising trend of alternatives to on-farm labour has continued (while changing in character) since the boom in off-farm work tapered after the mid 1980s. This has pushed farmers to reach for a permanent solution which releases their dependence on local labourers, who prove ever more unreliable as they treat on-farm work as a last resort. The solution that Kushphara's farmers have found (for the last six years or so) is to import migrants from MP (Kols and Harijans from Hanumana and other districts). Groups of 20–50 labourers are conveyed each season by the village's large farmers and stay for several weeks, earning on a daily basis at the standard daily rate of Rs35. Residents estimate that there are currently about 1,000 migrant labourers for the *rabi* season and a smaller number during the *kharif* (when local labourers are more disposed) against a local labouring population of 1,500. Since farmers must bear all conveyance expenses as well as food, assistance with medicine etc., the cost of MP labourers works out slightly higher than that of local daily labour but lower than *kuta* groups.

Nonetheless Kushphara's farmers are in little doubt that the migrants are offering the best deal: they (i) work longer hours; (ii) are reliable/available with certainty (since they're away from their village and can not be distracted by domestic matters); (iii) require less supervision; and (iv) can be mustered in the numbers required. In addition to all this they ensure a downward pressure on local wages which suits the landlords.<sup>19</sup> Farmers and labourers in Kushphara agree that the trend is set to continue. While only a handful of farmers in Barahulla venture out of the region to source labour, this is nonetheless an emerging trend here.

How should the arrival of migrant labour in the region be interpreted? It could be seen as a response of farmer-businessmen, unable or unwilling to pay local rates because they face tight margins, high costs in mobilising labour, or simply wish to monopolise the surplus they generate. On the other hand, it could be a positive indication that a proportion of the region's labour class is no longer dependent on local farms for work but can sell their labour for higher rates, with greater 'freedom' and respect than is possible in the 'moral' context of their own village.

Both these appear to be true to some extent. Farmers are generally positive about the trend of labourers from MP flowing in to the region. They remarked that it is because of them that the sector can grow (thus implying that to pay the rates locals demanded would have crippled their own capacity to invest). One respondent went so far as to say that the new migration challenged the trend towards Naxalism (which preys, he said, on politically aware, disgruntled labour in a backward economy). For their part, *kuta* group labourers are clear that their bargaining power has been checked by the migrants and the number of on-farm labour days reserved for locals is decreasing each year. Yet they know this indicates the greater value on-farm labour holds for the migrants than for them. Migrants told us that in Kushphara they're paid double what they would receive in their village. One labourer even felt migrants may have a positive impact on local wages because they allow farmers to intensify farming and create a kind of race between the large farmers who can afford to import labour and the smaller farmers who tend to remain dependent on local *kuta* groups:

KKP25 Gulab Kol: Smaller farmers (who rely on local labour) struggle to keep up with larger farmers who can get things done quickly more easily because they have migrant help, and this puts a premium on time which the smaller farmers must pay for.

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<sup>19</sup> This closely supports findings from Bardhan and Rudra's study of 80 villages in West Bengal (Bardhan and Rudra, 1986).

### 4.3 The decline of *harvahi*

Accompanying this upward trend in the demand and price of on-farm labour is the decline of *harvahi*. *Harvahi* can be defined as a contract between landlord and labourer (known as the *harvah*) which is not time-bound, frequently passed from father to son and ‘attaches’ labourer to landlord throughout the year, principally to plough his field but also for any other tasks required. The labourer’s family also works for the landlord on a ‘priority basis’ but at market rates. For this service the labourer receives a plot to farm (or an equivalent sum of grain, usually one or two *bighas* depending on land quality) and a grain payment for each day worked (usually 2 kg wheat, less than half the market daily rate). He may also be assisted with inputs to his *harvahi* plot (particularly in the form of free use of the landlord’s oxen team) and receive meals for each day worked.<sup>20</sup> He may also receive some payment in advance.

Twenty years ago *harvahi* had been widespread in the region, ensuring landlords reliable coverage of the most strenuous of farm tasks, ploughing, usually with an oxen team. The contract ensured timeliness since the *harvah* could not use the landlord’s oxen to farm his *harvahi* plot until he had completed work on the landlord’s own fields (Ghate, 1984). *Harvahs* often provide landlords with the added benefit of a secure retinue of daily workers and of *charvahs* (those who look after livestock) in the form of the *harvah*’s family members. Where work opportunities are scarce however, this could be more of a benefit to the *harvah*’s family than to the landlord.

While they must be ready to work for the landlord whenever required (and thus lack mobility), most *harvahs* report that they work for their landlord for only 70–80 days/year. The balance is taken up farming the *harvahi* plot and working for others on a daily basis. The contract is enforced through delayed payment (the bulk of which is paid after each harvest), family ties and loyalty. But it was also traditionally enforced by the commitment of *harvahs* to stay in a contract which secured work where work was scarce and because it was the only way to ensure food security for the family and assistance with lifecycle costs and emergencies.

It is observed that, while advances may be common within *harvahi* contracts, these are not generally used as a means to enforce the attached contract. Rather, the *harvahi* contract or relationship provides a space in which interest-free loans against labour can be safely offered. This supports Bardhan and Rudra’s (1978) findings from their survey of 275 villages in eastern India. They showed that while credit transactions were widespread in relations of attachment, they were not essential, nor the main purpose of such relations. This is perhaps in contrast to the carpet sector where the bulk of wages are paid in advance which indicates a deliberate strategy by unit managers to retain skilled labour in an environment where it is scarce.

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<sup>20</sup> *Harvahi* contracts are also associated with wider benefits to the *harvah* which are hard to quantify and might include access to the landlord’s fields for fodder, help with lifecycle, emergency expenses and advances in grain or cash.

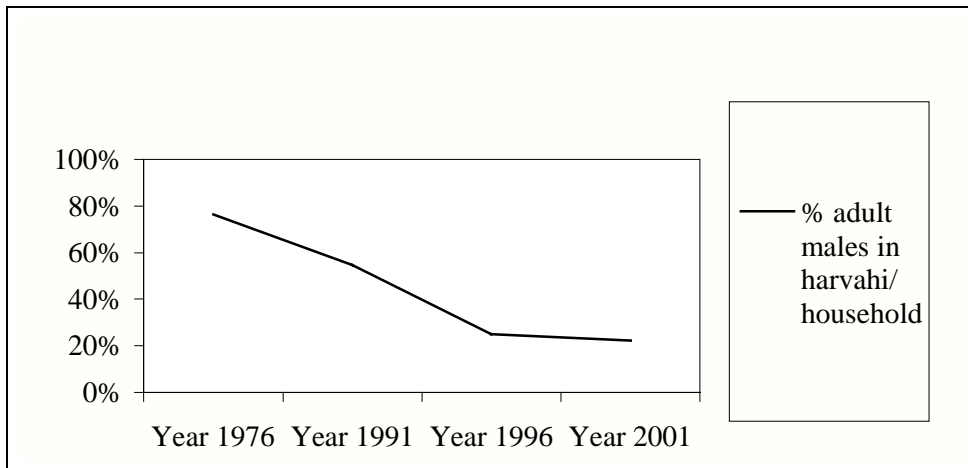
**Figure 3 Decline of *harvahi* in 18 labourer households**

Figure 3 illustrates the dramatic decline in *harvahi* which has occurred in the region over the last 25 years. While in 1976 more than three quarters of adult males in this sample labourer households were in *harvahi*, today this has reduced to less than one fifth.

As seen in the previous sections, recent changes provided two key reasons for labourers to leave *harvahi*: (i) the allocation of land to previously landless people meant they could ensure food security through their own farm, leaving them free to pursue casual labour at higher daily rates; and (ii) the increase in overall supply of work (and particularly higher value off-farm options) reduced the attraction of the work security which *harvahi* provided.

By most accounts, *harvahi*'s decline had very little to do with the Bonded Labour Abolition Campaign (BLAC) engineered by the Congress Government in the wake of the Bonded Labour Abolition Act (1976) and reaching the region in the mid 1980s. In Barahulla Kol *harvahs* are said to have deliberately avoided labour officials, keen not to disrupt mutually beneficial relations with landlords who stood to be penalised in the Campaign. By contrast, Harijans in the same village, linked to a wave of *Dalit* activism, used BLAC as a focal point for a wider movement which also promoted *kuta* groups. BLAC provided a legitimacy to the language of rights, respect and empowerment which was already emerging and the Harijans learned to see *harvahi* as beneath their prestige. This account shares something in common with Srivastava's (1999) of Jaunpar. He describes the anger of Brahmin landlords against Chamar labourers as related as much (or more so) to issues of status as the economics of their farms. It was the presumptuous behaviour of the Chamars (boosted by land distribution and new off-farm labour options) which really infuriated the Brahmins.

Ramanand Harijan, an ex-*harvah* from Kushphara, illustrates this change of outlook:

KKP08: *Harvahi* was useful during his troubled youth but he could do little more than feed himself and it became unacceptable in the changing conditions. '*Harvah* carries no prestige. It's like allowing oneself to become a personal servant'.

More than 30 Harijans in one hamlet (Patparia) of Barahulla are said to have quit together, inspiring others to quit all around them and leaving many advances unpaid. One Harijan reflects on the changes since then:

KBH11 RK Harijan: 'Politics is still with us, while it has subsided. Many landlords still try to persuade Harijans to join *harvahi* again. We oppose such submissive strategies. If someone's in a crisis and is considering such a solution, they should come to me and I'll show them an alternative'



From the farmers' viewpoint the most direct reason for the decline in *harvahi* was the introduction of tractors for ploughing from the early 1980s. Access to tractors has been facilitated by cheap finance packages which allow farmers to pay over one or two years and a rent market with tractor owners hiring out their machines by the day to smaller farmers. Whereas the need to secure labour for ploughing made it economic even for medium farmers to retain *harvahs*, it is now logical only for a small minority of large farmers. In fact, when the *harvahi* contract is closely examined, it is an expensive deal from the landlord's point of view. While he must pay a 'retainer' for the whole year, he uses only 80 or so days of the *harvah*'s time.<sup>21</sup>

Large farmers still value *harvahi* because it provides labour 'on call' for small works throughout the year and enables farmers not to suffer shortages or the hassle of acquiring daily labour which they would otherwise face. While *harvahi* still exists then, the character of work has shifted from ploughing to a mix of on-farm, farmyard and domestic tasks (even tractor-driving) and has become less strenuous. It has also become expensive for farmers, relative to 10–15 year ago (or prior to irrigation) because of the increase in land value which comes as part of the contract. The opportunity cost of farmers giving up good land which they can quite easily farm themselves is now very high. It is for this reason that there appear to be signs of a trend towards payment in a lump sum of grain instead of lease of a plot (while this trend cannot be verified). This would support Ghate's (1984) findings from Ghazipur on residual *harvahs*.

In this changed context, it is hard to see *harvahi* relations as exploitative as some writers (e.g. Srivastava, 1989) have suggested. Relatively speaking, *harvahi* is a better deal than it used to be from the labourers' viewpoint. For the farmer, *harvahi* has become a luxury which few can afford. In this changed scenario, some instances can be seen of farmers using *harvahi* to leverage other kinds of attachment which appear to bring greater economic benefit than is derived from *harvahi* itself. Kamla Shankar Pandey (KBH03), one of Barahulla's largest landlords, says he keeps his five *harvahs* (all of whom are Kol) not just because of work load but because it helps to maintain a priority relation with the Kol community in general. In the same way he makes scarce land available on a lease or share-cropped basis. The Kols are his tenants and provide him with a ready supply of daily labour at half the daily 'market' rate, a key to the success of his farm (refer to Table 3). But traditional ties are waning and several families have stopped sending members to work for their landlord. By maintaining loyalty and dependence through *harvahi*<sup>22</sup>, KS Pandey tries to keep them willing to work for cheap. The growing reluctance of landlords to hire out land could be said to bring *harvahi* and sharecropping contracts closer together. Landless and marginal farmers chase scarce land while landlords make both contracts conditional on other favours.

To conclude, labourers and landlords have together adjusted to the new compulsions of the farm and the increased aspirations of labourers. *Harvahi* is no longer appropriate for either side in the changed context. From the farmer perspective they have adjusted to the compulsions of intensive and irrigated farming with partial mechanisation through tractors; from the labourer perspective the acquisition of small plots of their own and the availability of alternative work have, in most cases, reduced the rationale for entering *harvahi*. While *kuta* groups ensure labourers a higher return, they compensate farmers with higher productivity. At the same time the profit squeeze faced by farmers in Kushphara has encouraged them to look to migrants as a cheaper and long term solution to the labour problem. The next section looks at what the future trends might be, for farmers, labourers off the farm and for vulnerable groups who are less well positioned to cope with the 'new deal' in wage labour.

21 A typical *harvahi* contract might cost a landlord as follows: (income from 1 *bigha* fertile land at 12 quintals of grain = Rs5,400) - (investment in 1 *bigha* land = Rs1,650) + (2 kg wheat or Rs10/day worked at 75 days = Rs750) = Rs4,500. Spread over 75 days, this is Rs60/day or double the cost of daily labour.

22 Other than hiring out land, there are other minor ways through which KS Pandey tries to buy their loyalty: through providing social security in crisis, interest-free loans, a health service.

## 5 Wages and the Farm: Livelihoods for the Future

While Section 3 showed that the boom in off-farm labour options has had a lasting and far-reaching impact, many of these options have been drying up since the mid 1980s. For the majority of labourers today, off-farm work is not to be relied on. In the words of one respondent:

KKP31 Lalloo Ram Kol: 'Chasing off-farm work opportunities over on-farm is risky (in spite of higher wages) because it's unpredictable and there's never enough to go round'.

Securing government work is a matter of connections for the labourers and one of political lobbying for *Gram Pradhans*, keen to upgrade their villages and provide employment. As Barahulla's *Gram Pradhan* put it (currently lobbying his friend, the Union Minister, to finance a black road building scheme which promises 3,500 labour days for his village) 'it's all down to whether friends in influential positions can raise money or not... and nothing is certain' (Sat SB Shukla). Private construction sites are now the principle off-farm employer for unskilled labourers, but they face barriers to entry, hazards and costs associated with the place of work. The further from home they go, the greater the opportunities but the higher the risks and inconvenience.

This decline in off-farm works is set against a backdrop of stagnation in other non-farm options. The decline of the carpet sector in the early 1990s<sup>23</sup> led many carpet 'refugees' to seek livelihoods in casual off-farm labour and mobile trading, thus increasing competition for limited opportunities.<sup>24</sup> As yet there are no other significant industries to have emerged to fill the gap. But there are a handful of respondents – previously *harvahs* or carpet-weavers – who have successfully moved in to services for Koraon's growing middle class (for example, wedding bands and tailoring).

Figure 4 presents the consolidated annual labour portfolio of this survey of 18 labourers during the year 2000–1. It shows that the bulk of the labourers' calendar is still on the farm (56% of days). While terms of work have improved, wages average half the minimum wage and work available may continue to reduce as farmers seek new solutions through migrant labour and mechanisation. The chart also shows that despite its almost unlimited supply, construction in regional cities is hardly a preferred source of work (only 5% of days, due to the stress, health and cost-of-living factors discussed above) and an opportunity which many are not in a position to take.

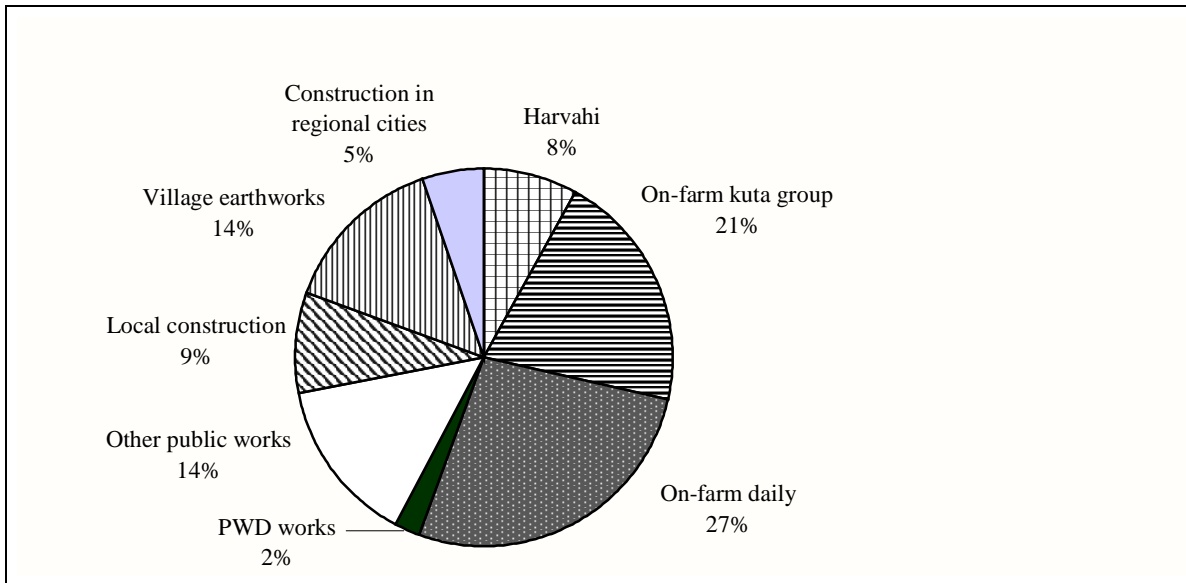
In sum, with the on-going decline in off-farm wage labour, few alternatives in non-farm livelihoods and a stagnating agricultural sector, livelihood prospects for the poor don't look too bright. The emergence of new options, which can absorb significant numbers of labourers, is likely to depend on the continued growth in agriculture, trade, industry and value-addition which builds on its foundations.

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<sup>23</sup> One respondent estimated a decline in the last five years from 10,000 to 1,500 knotters operating in scattered units for Koraon-based contractors.

<sup>24</sup> The experience of Cashpor Financial and Technical Services (CFTS) Pvt Ltd, a microfinance institution operating in the region, is instructive. While assisting many erstwhile labourers in to new trading livelihoods, Cashpor also helps to raise competition. Recently, it has re-oriented towards peri-urban centres (such as Koraon and Drummondganj) where the customer base for trade (including government officers, wealthy farmers as well as villagers) is more robust.

**Figure 4 Labour day portfolio of 18 labourers Sept 2000–1**



### 5.1 A future for small and medium farming

Whether agriculture continues to grow will depend on the capacity of farmers to innovate, to grow new crops and move beyond local grain markets. Labour strategies, finance and land markets, as well as linkages and government support, will all play a role in shaping this.

In terms of techniques and capacity to innovate, Bihari migrants stand out (by all accounts) as managing their farms better and more commercially than local farmers with similar landholdings. With an average holding of around 8 *bighas*, Biharis are not large farmers but appear to carry out more intensive production than others with similar holdings. They do this by squeezing several cycles into the year, double cropping, transplanting and focusing on vegetable farming (not indigenous to the region before their arrival).

Other than perhaps for Bihari migrants, the indications from the research are that innovation (particularly to new crops) is low in Koraon. This could be for reasons of culture or habit (i.e. techniques are not known, markets are not familiar etc.); it could relate to government policy (some writers, in particular, Sen (2001) have suggested that the minimum support price (MSP) policy of the government has thwarted innovation because it acts as a disincentive to grow anything but wheat and paddy); or simply that the risks of innovation remain too high for farmers to take at present.

While the large farmers in this sample (with between 10–130 acres) clearly benefit from scale economies to an extent, they benefit even more from ‘non-market’ privileges (related to labour solutions, finance, market access and influence over government officers) which keep their costs low and their yield and sales price high. These are briefly elaborated below.

Firstly, as shown in Section 4, large farmers are more likely to arrange cheap labour solutions through tenant or priority labour which helps them to avoid the cost of *kuta* groups. Secondly, large farmers have unhindered access to cheap credit, which means they can raise the capital to invest more cheaply and easily than is possible for small farmers. The rate paid is important here because

farming has a slow gestation and operates on tight margins. While the situation is improving, institutional finance is still largely confined to those with around 10 acres or more.<sup>25</sup>

Sat SB Shukla: Even if they can't make a regular or significant profit, the credit facilities provided by the government make it far easier to find the money for investment than it was before. Farmers would share-crop out or sell land earlier because they couldn't raise the money to farm it, whereas they can now.

Thirdly, only a minority of large farmers can make sales through the Food Corporation of India (FCI)'s purchase points at the Minimum Support Price (MSP) of the government. This price generally sits about Rs1/kg above the prevailing market price. Fourthly, small and medium farmers who lack political influence and whose fields are not so well positioned, are less able to control weather and water risk.

**Table 4 Output versus expectations on marginal farms of labourers 2000–1**

Series	Name of family head	Community	Cultivation	Land owned (bighas)	Expected income (Rs)	Actual income (Rs)	Actual as % of expected income
KBH02	Dangar	Kol	Own	2.5	10,000	6,700	67
KBH04	Laljee	Yadav	Own	3	6,500	0	0
KBH06	Nachkau	Yadav	Own and share in	5	10,500	3,500	33
KBH08	Rahathu	Kol	Own	1	2,500	800	32
KBH11	RK Harijan	Harijan	Own	20	17,000	6,500	38
KBH12	Sakha	Kol	Own	4	2,000	170	9
KBH13	Siddhanath	OBC	Own	1	1,900	700	37
KBH14	Tolan	Kol	Share out	2.5	1,700	800	47
KBH15	Vyas	Harijan	Own	15	18,000	0	0
KKP08	Ramanand	Harijan	Own and share in	3	4,000	900	23
<b>AVERAGE</b>				<b>5.7</b>	<b>7,410</b>	<b>2,007</b>	<b>27</b>

These various 'privileges' which large farmers can secure constitute a favourable business environment additional to the scale economies they already enjoy. They thus have little incentive to innovate (in spite of having the financial muscle and capacity to bear risk).

Conversely, Table 4 suggests that small and medium farmers are even less likely to innovate because of the high risks and low returns they bear. The table records actual income against expected income (i.e. an estimate of typical yield made before the start of the farming year) for small and medium farmer-labourers for the year 2000–1 (considered a particularly bad year for farming). The table shows that actual returns among small and marginal farmers were just over a quarter of expectations, at just over Rs350/bigha. This is in contrast to wider data for large farmers in the two villages who were generally able to raise the crop they expected. Thus, in a bad year,

<sup>25</sup> Sinha and Patole 2002 (forthcoming as an IDPM Working Paper) reports in more detail on the lending patterns of Koraon's financial institutions.

larger farmers are able to raise investment to mitigate risks and ensure yields, while this is usually impossible for small and marginal farmers.

Even more striking perhaps is that expectations (or estimates of average yield) among larger farmers were also conservative, at around Rs1,500/*bigha*. Given the family labour involved and the extremely high value of land, this is a poor return. Even in a good year a farm would not be expected to return more than 5% of its value each year (i.e. land priced at Rs60,000/*bigha* might return Rs3,000/*bigha*). At this rate of return (and allowing for inflation) it would take an investor 25 years to recover his investment (and that if every year were a good one).

But for those with a more innovative and commercial logic, what are the chances of acquiring land (on purchase or lease) to run larger commercial farms? Irrigation and mechanisation, as well as divisions in families and increasing population pressures, have led farmers ever more to cultivate their own land rather than leasing or sharecropping it out. While a land rent market was traditional to Koraon's rain-fed farming system, it is now all but extinct. Following a flurry of land transactions after the arrival of the canal network (fuelled by migrant Bihari farmers), the market now is distinctly 'sticky' with very few farmers buying (due to prices out of all proportion to returns from farming), selling (keen to hold on to land for security, prestige and their descendants) or leasing (since they can easily manage to farm themselves). This has two major implications. Firstly it prevents landless people from farming altogether.<sup>26</sup> Secondly, it makes it harder for other farmers (frequently with excess capacity in the form of a tractor or family labour) from leasing in more land to acquire economies of scale. Those who do acquire land sometimes report having to provide extra 'small services' for free or to work on a priority basis for their landlords. This supports findings from other studies in Eastern UP (for example Lerche, 1999) where landlords no longer have sufficient incentives to make land available on rent.

Landlords in Koraon are particularly reluctant to give land on share-cropping, while are more content to give on lease. They report that sharecropping arrangements are messy and cause tension. It is likely that, in a context of higher investment and higher risk in farming, sharecropping (where the landlord stands to lose too much from the carelessness of a sharecropper) is no longer suitable. This is backed up by the fact that the Bihari migrants, renowned as good farmers, report they can get whatever land they require on a lease or sharecropped basis. It is possible that share-cropping, if it survives, will become more like *harvahi*, with labourer having additional obligations to the landlord to make it worth while for the latter's to hire out land.

With large farmers lacking incentive, and others lacking capacity to innovate and invest, the indications are that the agricultural sector will continue to stagnate rather than to grow and progress. For many landowners, the farm provides a means to ensure food security and is not approached as a growth business. It is perhaps for this reason that the Biharis are the only ones who appear to be making the first indicative moves to sell up their land (for around ten times its purchase price of 20 years ago) and move 150 km away to a region in MP soon to be irrigated by the Ban Sagar Dam. They are also the only ones who can secure land to rent systematically. This suggests that farmers avoid leasing and share-cropping out land not only because they are willing and able to farm themselves but because they don't trust local farmers as tenants.

For local farmers, land carries a symbolic and security value. It is a source of prestige, a son's inheritance and still remains the main asset against which capital can be leveraged from banks. Without confidence in the alternatives, they are loath to sell. Yet without more support, links and role models, they're unlikely to make the most of the land they have.

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<sup>26</sup> As seen in the last section, landless people unable to access land on rent are a ready supply for *harvahi*, since entering in to a *harvahi* contract may be the only way such landless households can access land to farm. This is discussed further in 5.2

## 5.2 A future for the poor and vulnerable

The new deal for on-farm labour has intensified productivity, created a more empowered (or ‘free’) work environment and pushed labourers to work harder, as it has increased incomes. *Kuta* groups represent a fundamental shift in relations between landlords and labourers, by making each transaction a time-bound and ‘stand-alone’ event. Many of the relations which were the earlier norm (*harvahi* and daily wage-based) were embedded in long-term commitments, reciprocity and recurring events. In such cases, to fully understand a single transaction, one has to dig deep in to the multiple links, conditions, histories of the relationship in order to paint the context of which the transaction event is part. With *kuta* groups, this is no longer the case.

An important corollary to this change is that advances, social security and help in an emergency can no longer be expected from landlords for whom one does *kuta* work. If a labourer has taken such assistance or may need to take in future, he will work on a daily ‘priority’ basis, or in cases of more extreme need, may get in to a *harvahi* arrangement. Those labourers who can’t manage without these supports thus stay outside the *kuta* system.

In addition to lack of security, it is clear from conversations with labourers that several find it hard to manage *kuta* work:

KKP31: ‘Laloo and Sonapati choose not to work in *kuta* groups... because it is hard work and requires discipline, to be punctual. They can be more relaxed for daily wages’

KBH12 and KBH14: Sakha and Tolan (two widowed female household heads in their forties) say they like working in *kuta* groups but find it tiring since work is continuous and intense. No-one, they say, can work non-stop in a *kuta* group.

But the alternative, on-farm labour on a daily wage basis, is no longer in such ample supply. As can be seen from the trends mapped in Figure 2, farm tasks are divided increasingly between tractors and *kuta* groups with the balance shifting from local to migrant labourers. It is possible that by lobbying to bring the bulk of work under the *kuta* system, labourers have reduced choice and bargaining power of the minority of more vulnerable labourers who stay outside it. This could be one reason why such labourers return to *harvahi* or other kinds of attachment.

There are several different types of people who stay in *harvahi* today. They often face regular income deficits, have chronic health problems in the family and have low capacity to deal with risk or shocks. They may be unambitious, valuing work and grain security above other aspirations of increased income and improved living standards. They may get into the relation in order to raise a lump sum for an urgent need. There are also reasons less immediately related to poverty and more to practical circumstance. A single adult male of a household will find it hard to travel for off-farm work or may have young/old dependants which he can’t leave. Many landlords also point out that *harvahi* today is a good deal for unskilled labourers who lack connections to secure supply of off-farm work. As one landlord in Kushphara said, ‘Sensible people who don’t have good alternatives, who want stability, who are more mature in age and not proud... go in to *harvahi*’ (KKP52).

There is some evidence that new kinds of ‘attached’ labour are emerging on the margins of the trade and service economy.<sup>27</sup> Two young men in the sample were working for two different grain traders at extremely low rates (Rs20/day). In both cases advances play a role in the contract and traders exploit the lack of alternatives of these vulnerable individuals who are unable to secure higher value work regularly and, when they do, find themselves frequently exploited by employers and

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<sup>27</sup> ‘Attachment’ might here be defined as relations where advances paid as part of the contract, where tasks and timeframes are open-ended and poorly defined, where wages significantly lower than market rates are paid and supplemented by social security support as and when required (again, poorly defined).

contractors. When they're not working in their attached contract, they resort to regional cities at higher wages (less than Rs60/day) but at high physical and psychological cost.

There are two possible ways to account for the finding that new types of attachment may be emerging. Firstly, by locking their labourers in with advances (and promises of social security etc.), entrepreneurs make business possible even on the squeezed margins of the economy (Srivastava, 1989). Alternatively, attachment and the low wages it facilitates is an opportunity which entrepreneurs take as long as labourers will allow. In Koraon there is still a ready supply of poor and vulnerable young men, ready to sign themselves up to such deals because the alternatives prove too hazardous and insecure.

Finally, there are several Kols in the sample who, while not in *harvahi* relations as such, remain 'semi-attached'<sup>28</sup> to KS Pandey (KBH03), their landlord and principle employer and one of Barahulla's largest farmers. KS Pandey is able to enforce his tenancy partly because of the low quality of land awarded to his Kol tenants (by GoUP) and their incapacity to raise sufficient funds to invest in their own farms. As off-farm work declines, the assured supply of on-farm work he can offer seems like the best option to several Kol residents. While he pays only half the local market rate (raised only last year from 2 to 3 kg wheat/day), he provides essential security benefits which are difficult to secure elsewhere. Once again, the wider context of social relations between the Pandeys and their Kol tenants helps to explain their loyalty:

KBH08 et al: Pandey is also their priest. He provides ritual services during births, marriages and deaths and never takes payment. Their *tola* is surrounded by his fields. They respect they are his tenants and wish to preserve the relation of interdependence between them. For this reason they never ask him directly to increase their payment. By contrast they frequently bargain with other landlords in the village.

The altered configuration of farming and on-farm labour relations has reduced the 'high-security, low return' options available with farmer-landlords in the village. While they were boosted by BLAC and an off-farm labour boom peaking in the mid 1980s, the poorest and most vulnerable now have no easy labour options. Some move in to new forms of attachment, others back in to *harvahi* (sometimes further from home where *harvahi* contracts are still the norm). Because the constraints these people face are real and common, it is likely that farmers in the study villages or others will find willing servants.

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28 Bardhan and Rudra's (1980) definition of semi-attached labour is useful here. A semi-attached labourer is one who '(i) is expected to have continuity of association with a particular employer, (ii) [whose] contract duration is more than just a few days and (iii) has the freedom to work for other employers for the major part of the year'. He works for the employer when the latter 'requires his services and he receives payment only for those days of work' (p.1479).

## 6 Conclusion

From the mid 1970s heavy investment in irrigation and other inputs kick-started intensive agriculture in Koraon. Combined with a populist process of land distribution, this shifted irreversibly the terms and requirements of labour on the farm. By the mid 1980s labourers had higher wage aspirations and were in a better position to negotiate from their exposure to off-farm government work. Many had acquired their own plots and no longer relied on wages to fulfil basic grain needs. Farmers, compelled to meet the workload and seasonal rhythm of their newly cleared and watered farms, were busy buying and hiring tractors and seeking labour solutions which could provide them with the numbers required, at the time they required them.

This research adds to the existing evidence that the terms of labour on the farm are influenced more than anything by the availability of proximate, off-farm work (Lerche, 1999; Srivastava, 1999; Bhalla, 2000; Dev, 1996). This is partly because it raises income expectations and reduces the dependence of workers on the farm. But it is also because it increases the risk, to farmers, that labour might be unavailable when it is most required. *Kuta* groups have spread rapidly in the region because they provide a win-win solution to labourers' higher aspirations of income, autonomy and respect, and farmers' requirements for large numbers of reliable labourers at specific points in the year. It is the proximity of alternatives, more than political awareness or an increase in labour demand, which has driven this change.

The research also mirrors other reports of a shift 'from caste-based or personally bonded labour, sometimes secured by debt, frequently extending across generations, to long- and short-duration credit contracts apparently with no such tying; from informally defined and open-ended obligations to formal contractual arrangements' (Byres, 1999: 13). The shifts in contracts described would broadly fit with this: from *harvahi* to *kuta*, from local daily labour (often embedded in long-term relations of dependency) to migrant labour from MP.

But these findings fit less comfortably with a general Marxist progression from pre-capitalist to capitalist relations of production, from 'unfree' labour in a 'moral' economy to free or 'commodified' labour in a market economy. Neither do they cohere easily with more populist ideas of exploitation (such as those which guided BLAC during the 1980s). This study shows that labour contracts became more clearly defined (in timeframe, tasks and remuneration) when alternative options grew sufficiently to provide labourers with a negotiating position. The onset of relations often referred to as 'capitalist' occurred not with redistribution or change in social organisation but with an influx of resources which – for a brief period – was to benefit the labour class at least as much as the farmer. Conversely, relations often referred to as 'pre-capitalist' (such as the *harvahi* contract) were indeed sustained partly by patterns of ownership (particularly of land). But the poorly defined, 'extra economic' and interlocked character of such contracts is not in itself the means by which contracts are sustained and inequality reproduced across generations. In Koraon, such contracts are more so a response (by farmer and labourer) to an economic environment where both labour and unskilled work opportunities are scarce. When scarcity goes, so does the contract.

The backdrop to these changes in labour relations is an accompanying shift in land ownership and transactions. Irrigation (and to a lesser extent land reform and distribution) has led to a situation where almost all arable land has already been cleared for cultivation. Migrant farmers have settled in the region, families have divided and new marginal farms have emerged on donated plots; Koraon's average farm size is decreasing fast. Farming one's own land is becoming easier (with tractors and family members); the number of farmers with reasons to hire out land is reducing. Yet, in spite of the premium value of land (out of all proportion to the returns it provides), farmers don't sell. They hold on to land for prestige and food security in uncertain times.



In this context, unskilled labourers in Koraon face an uncertain future. With reduced local off-farm options and reducing on-farm demand, the conditions which led them to higher wages and bargaining power are no longer in place. While a proportion have acquired small plots, a large minority (perhaps a quarter of all villagers in the region) remain landless and are less and less likely to acquire land at this stage. Even if they can raise capital to lease, few farmers are willing.

Whether or not the burgeoning numbers of marginal farmer-labourers can make a respectable living will depend on the revitalisation of the agricultural sector, the continued growth of the private sector (beyond construction and petty trade, to new services and non-farm industries), and the resolve and determination of labourers to move further afield to regional cities to bring remittances back to their families.

In this process of transition, the government's role is complex and multifaceted. The government was a key work-provider from the mid 1970s and, by introducing alternative labour options, standard rates and piece-rate norms, it has contributed to the wage increases which have moved gradually through the region. From the late 1970s, the government's land distribution campaign (even while it was partial, discretionary and corrupted) has had significant impact in allowing beneficiaries to contemplate 'labour risks' (i.e. to seek higher rates, in cash rather than grain and further afield) which were inconceivable to a household with no assured supply of grain.

With a much reduced capacity to finance infrastructure and employ labour, the government's role in contemporary Koraon is drifting towards ambivalence. It appears ever more as a set of agents and individuals seeking to maintain the status quo of privilege for a land-owning and political elite. Through its management of contracts, interference in the grain market, failure to sustain infrastructure investment (water and power) and continued ownership of financial institutions, the government maintains large farmers in a position of privilege which reduces their incentives to innovate and invest. In such a context, it is hard to see how agricultural growth can sustain or replicate the rates it reached in the 1980s. Until more equitable support is offered and incentives towards new crops developed, it seems unlikely agriculture will be the growth engine required to absorb the growing labour class.

## Annex 1 Details of Government public works and employment schemes operating in Koraon

Public Works Department (PWD), Government of Uttar Pradesh (GoUP): handles 70% of road building in the State, focussing on larger black roads. Work is managed by contractors appointed to PWD by GoUP who are allocated a region (a sub-district) in which they should focus, but are free to work anywhere in the state. Contractors bid against each other through closed, competitive tender. Following recent increases in government diligence, all bids are reviewed at three levels (thus enforcing competition, reducing costs and corruption) and random checks have become more frequent (making it more difficult to compromise on government construction norms). There are eight registered contractors based in Koraon serving the Jamunapar (or south-of-the-Jamuna) part of Allahabad District, each of whom can provide eight or so months of work for at least 30 labourers.<sup>29</sup>

To hire village labour, PWD contractors work through *meths* – village-based ‘subcontractors’ or labour gang leaders. Unlike other sources of government work, they do not liaise with village *Gram Pradhans* and often have a small retinue of regular labourers (from their village) with whom they have trusting relations. Most contractors pay 50% during work and balance on completion (and sometimes pay advances especially for farming) but villagers report that they frequently pay short or late or not at all. While the independence of PWD contractors from locally elected representatives (and indeed from the region) leaves more space for short-changing the workers, the management of contracts per se is probably more rigorous and less corrupt than other public works.

Ram Ganga Command Project (RGCP), Land and Water Resources Department, GoUP: the Koraon Block office is part of a wider project of the state government established in 1976 to deliver canal irrigation to farmers from the Ram Ganga reservoir. For Koraon Block the project has a target of 140 km of mud and 35 km of cement canal to build each year from a budget of Rs60 *lakhs* but rarely meets these (especially the cement canal target) since there is always fund shortages. A typical job will last two to three months and employ 20–30 workers of a village and with four to five such jobs in a year, the project is able to provide only 3,500 labour days/year (or two months’ work for about 80 labourers).<sup>30</sup> The block office staff are hopeful that the project will secure access to the Drought-Prone Areas Programme (DPAP – a centrally sponsored scheme being implemented in the state) which would increase its employment capacity more than tenfold to 40,000 days/year (or two months work for about 900 labourers) for a minimum of five years. Labourers are paid weekly in cash. Small advances are occasionally given in crisis but this is rare.

Minor public works – Employment Assurance Scheme (ERS) and Jahwar Rozghar Yojna (JRY): unlike the public works projects described above, both these schemes were set up with a motive to provide employment as well as to develop community infrastructure. EAS actually promises 100 days/year assured employment to unskilled labourers in the dry season but has of course been unable to deliver anywhere close to this. The balance 30% of road building in the state are handled largely through these two schemes. EAS handles narrower and shorter black roads (of less than 2 km in length), managed by local contractors registered with and supervised by the Block Administration. JRY manages dirt link roads within villages and *Panchayats* and is managed by *Panchayats* publicising works and paying wages direct to labourers. The leverage of block level bureaucrats in EAS and JRY appear to make them especially susceptible to corruption and large proportions of funds (as much as 40%) get converted to rent or ‘speed money’ for the cascade of bureaucrats able to stake a claim. While contractors and *Pradhans* say that these types of work are reducing due to funds shortages, the figures show that only a small percentage of funds allocated to such schemes are ever drawn down and are thus diverted at a much higher level.<sup>31</sup>

<sup>29</sup> PWD also provides limited work for skilled wage labourers (at Rs75/day) for stone and paint work along road edges.

<sup>30</sup> These figures could not be verified.

<sup>31</sup> For the year 1993–4 allocated funds for JRY in UP were Rs 1 billion but offtake was only 18% of this.

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