

REPORT OF STUDY GROUP

On Agrarian Classes

I. INTRODUCTION

1. The terms of reference of the Study Group were to submit a report on “agrarian classes and the changes that have occurred” in them. The Study Group was constituted in the context of the decision of the Central Committee that “concrete study should be undertaken to understand the changes that have occurred in the socio-economic conditions since liberalization.” The terms of reference further specified that

the study should cover the impact of the neo-liberal policies and the changes that have occurred in various classes and the differentiation within them. These changes have a bearing on our tactics, slogans and development of the movement.

2. The significance of the agrarian question in India lies not merely in the fact that nearly 70 per cent of India’s population lives in rural areas (an important reason in itself), but in the fact that the agrarian question is the axis of the people’s democratic revolution, and its overwhelming significance will remain as long as the people’s democratic phase continues.

3. Nevertheless, over the past two decades, rapid and complex changes have taken place in the countryside, changes that have had a profound impact on different aspects of rural economy and society. In India, although there are continuities between the era of globalisation and liberalisation and preceding periods, it is clear that, since 1991, the class policies of the state in rural India have distinctive new features.

4. In general, the new policy regime is identified with

- reversing land reform, and accelerating, through legislation, the takeover of agricultural land,
- change in the policies of administered agricultural input costs and output prices,
- cutting back public investment in rural physical and social infrastructure,
- moving towards the privatisation of public facilities for marketing and storing agricultural products
- severely weakening the institutional structure of social and development banking,
- lowering barriers on agricultural trade in agricultural commodities, and removing quantitative restrictions on the import of agricultural products,
- weakening the public infrastructure for storage and marketing,
- cutting back the public distribution system, and
- undermining national systems of research and extension and mechanisms for the protection of national plant and other biological wealth.

5. In general, the relatively unfettered entry and exit of capital as finance is a key feature of the policy regime since 1991. A key feature of policy has been to concentrate on reducing the fiscal deficit, almost entirely through expenditure reduction. This policy compulsion has meant sustained attacks on and reduction of state support to agriculture and the peasantry.

II. ASPECTS OF THE PRODUCTIVE FORCES IN AGRICULTURE

6. Before examining agrarian relations further, we shall briefly review certain aspects of the development of the productive forces in the post-liberalisation period.

7. Deflationary neoliberal reforms have had a significant negative effect on the growth of the productive forces, but not in a uniform manner across crops, periods and regions. The slowdown in the growth of the productive forces is evident over the period 1991 to 2004, and was especially stark between 1997 and 2004. The key factor has been a sharp cutback in state support to agriculture in the form of price support, credit, research and extension services, public investment in agriculture-related infrastructure (including irrigation, storage facilities, and the production of fertilizers and seeds). Other factors include the impact of the WTO agreement and the global decline in primary commodity prices. After 2004, there has been a different trajectory, with productive forces advancing relatively rapidly between 2004-05 and 2008-09, and faltering somewhat thereafter.

8. These trends are reflected in the rates of growth of output as well as yield (output per unit of land) of major crops, and in the growth of farm mechanisation. A comparison of growth in the output and yields of major crops shows that these were much higher between 1981 and 1991 than between 1991 and 2010, with cotton being an exception. The decade from 1994-5 to 2004-5 witnessed a growth rate of 0.6 per cent per annum in crop agriculture, with non-food crops registering a decline of 0.1 per cent per annum and food grain crops growing by 0.7 per cent per annum. The period 1997-2004 showed the slowest (but nonetheless positive) growth rates of input use, output and yields for all major crops other than cotton. However, farm mechanisation showed sustained growth, and some non-cereal crops other than cotton — such as pulses, oilseeds and horticultural crops — did better than cereal crops. There was a noteworthy revival of growth in the outputs and yields of crops across the board between 2004-05 and 2011-12, but there have been mixed signals thereafter. The recovery since 2004 has been driven by a combination of factors. Among them were, first, an increase in public investment in irrigation and other agriculture-related infrastructure; secondly, better price support for at least some crops (though still inadequate to meet the cost incurred by poor and middle peasants), and, thirdly, a variety of incentives for mechanisation and expansion in credit provision that primarily benefited landlords, big capitalist farmers, and rich peasants in the agrarian population, and corporate capital, domestic and foreign.

9. The growth revival in agriculture was thus a highly unequalising process, with the majority of the agrarian population — mainly poor and middle peasants and rural workers — benefiting very little and often losing in net terms. Moreover, it is dependent on sustained state support, which is most unlikely to be forthcoming. The absolute decline in public investment in agriculture since 2009 suggests that

the recovery is fragile and, with severe austerity policies being imposed since 2011, the growth of productive forces, essentially driven only by the profitability considerations of domestic and foreign monopoly capital, will slow down, though the dominant agrarian classes will continue to accumulate surpluses and invest (within the limits of their relative bargaining power in the bourgeois-landlord class alliance).

10. There are three implications of the nature of growth of productive forces described above that are relevant here. First, the productive forces continue to grow under a neoliberal dispensation, even if in fits and starts. It is incorrect to assume that the dominance of international finance capital makes the growth of productive forces impossible (or near impossible). Secondly, we must recognise the highly unequal character of the growth of productive forces under neoliberalism as well as its fragility, given presumed fiscal constraints. Thirdly, we must recognize the continuing distress of the majority of the agrarian and rural population that neoliberal growth entails, reflected dramatically, for instance, in the tragic phenomenon of continuing farmers' suicides on a large scale. The number of farmers' suicides was close to 275,000 during the period from 1997 to 2012.

11. Thirdly, we must recognise the continuing distress of the majority of the agrarian and rural population that neoliberal growth entails.

III. UNEVEN DEVELOPMENT, REGIONAL DIVERSITY

12. The all-pervasive proliferation of capitalist relations in agriculture and the rural non-farm economy is clearly the major trend with respect to the relations of production in rural India. At the same time, agrarian relations are marked by national, regional and local diversity, and by extreme unevenness in the development of capitalist relations of production and exchange. India is a vast and living example of the rule that capitalism penetrates agriculture and rural society in a myriad ways.

13. The principle "seek truth from facts" has been a hallmark of the agrarian studies of classical Marxism and beyond: while we study economic trends and trends in agriculture for society *as a whole*, our understanding must be moulded also by *local* conditions and forms of agriculture. Such sensitivity to local conditions — to agronomic and ecological conditions, to farming systems, to local social relations, to the history of land tenures, and to what Lenin called the "*scale and type of agriculture*" on individual farms — must characterise our study of agrarian relations. Variations in agrarian relations are not just a matter of differences in the level of development of the productive forces leading to some regions being more or less "capitalist" than others; the crucial feature of capitalist development in agriculture is, as Lenin wrote, that "infinitely diverse combinations of this or that type of capitalist evolution are possible." If this formulation was true of old Russia (or old China), it is true too of India, where the material forces constituted by backward ideologies of hierarchy and status add immensely to the "peculiar and complex problems" arising from spatial diversity.

IV. CLASSES AND CLASS DIFFERENTIATION IN THE COUNTRYSIDE

Introduction

14. Central to the Marxist definition of the agrarian question is the identification of the nature of classes that arise on the basis of the development of capitalism in agriculture. With regard to this objective as well, our task must be two-fold: on the one hand, to establish certain general theoretical categories and criteria in order to distinguish classes in the countryside, and, on the other hand, to identify classes *in situ*, that is, in the specific agro-economic and social circumstances that prevail in different regions and localities.

15. The three main sets of criteria that have classically been used to differentiate classes in the countryside are: the ownership and control by households of the means of production (particularly, though not exclusively, land); the relative use of different forms of family and hired labour (particularly, though not exclusively, in the process of production in agriculture), and the surplus that a household is able to generate in a working year. It is immediately clear, of course, that these are factors that have changed greatly over time and vary greatly over space, and are influenced by circumstances within the village and without.

Landlords and Big Capitalist Farmers Socio-Economic Characteristics

16. This class is the main pillar of the class power of the ruling classes and the state in the villages.

17. Landlord households — now almost entirely capitalist landlords — own the most land and generally the best land in most Indian villages, and the members of landlord households do not participate in the major agricultural operations on the land. Their land is cultivated either by tenants, to whom land is leased out on fixed rent or share, or by means of the labour power of hired workers. Landlord families are, in general, historical participants in the system of land monopoly in the village.

18. There is a second, and newer, constituent part of the ruling class in rural India. Big capitalist farmers also do not participate in the major manual operations on the land. The main difference between them and landlords is that the former did not traditionally belong to the class of landlords. Some of them came from rich peasant or middle peasant families that had a tradition of family labour, whose members, in fact, actually worked at major manual tasks even in the present or previous generation. Such families have been beneficiaries of post-Independence agricultural and rural policy and have been at the gaining end of the process of post-Independence differentiation in general. They invested the surplus they gained from agriculture or other activities — including money-lending, salaried employment, trade and business — in land. Agriculture was or became the focal point of their activity, and the basis of their economic power. Thus, while the foundation of the class position of landlords was inherited property and status, the foundation of the class position of capitalist farmers is the development of the productive forces and accumulation, particularly in the post-green-revolution period.

19. In general, capitalist farmers of this type belong to the “intermediate” or “cultivating” castes (or even from traditionally dominant castes). Although their position in the ritual hierarchy may not be equivalent to the traditional dominant or ritually “superior” castes, big capitalist farmers are also entrenched in positions of social and political dominance.

20. We term the biggest landholders in this category “big capitalist farmers.” Their landholdings are in the same size bracket as that of the landlords, as are their incomes and overall ownership of the means of production and other assets. This segment is in the process of fusing (or, indeed, has fused) with the landlord class to form, in their unity, the chief rural exploiting class in the countryside. Notwithstanding differences in the modes of surplus appropriation and accumulation as between landlords and big capitalist farmers and differences in their historical evolution, they may now be considered a single pillar of the state in rural India.

21. Although the foundation or basis of the power of the class of landlords and big capitalist farmers is control over land, land is not the only resource controlled by it, nor is land its only or even its major source of wealth. Many landlords and big capitalist farmers are also involved in lucrative business activities, including, for example, money-lending, grain mills, dairying, trade and speculation in food grain and other agricultural, horticultural and silvicultural commodities, manufacturing, real estate, construction, cinema theatres, petrol pumps, lodging houses, transport, the sale and lease of agricultural machinery, proprietary educational institutions (educational entrepreneurship is a new and important source of income and social control for this class), receiving incomes from financial assets, and so on. Such families seek entry into the institutions of state power – panchayati raj institutions and the higher legislature, the bureaucracy and police, and the legal profession – and are generally the first to take advantage of opportunities for higher education and modern organised-sector employment. A crucial feature of this class is its control (manifested through support for different bourgeois parties) of the political machine in rural and semi-urban localities. Given its role in state power, this stratum is the mainstay of the power of political parties of the ruling classes in the villages, and the class to which all bourgeois parties turn to deliver them the rural vote.

22. This class may directly exploit the others in villages in many ways: by means of wage exploitation, the extraction of rent, interest on loans, and in the process of agricultural storage and trade. In addition to dominating the ownership of land, this class dominates the institutions of the state that exist at the village level, has superior access to credit and physical agricultural inputs, to the means of privileged schooling and higher education, and to organised sector employment. It exercises important influence over the delivery of all government schemes in rural areas, including those intended for the poor, often directing funds from such schemes to themselves.

23. Landlords and big capitalist farmers dominate not just economic, but also traditional and modern social and political hierarchies in the village. It is essential to remember that — to quote E. M. S. Namboodiripad — “landlordism is not only an economic category but also social and political.”

24. Field studies show that, in rural India, the *concentration* of ownership of land, other agricultural assets, and agricultural and non-agricultural incomes and earnings, has intensified. Data from the village surveys conducted by the Foundation for Agrarian Studies (data from villages in six States – Andhra Pradesh, Uttar Pradesh, Karnataka, Rajasthan, Madhya Pradesh, and Maharashtra — are summarised here) indicate that the share of the value of all assets owned by all households in a village (land, other productive assets, and other assets) owned by the top 5 per cent of households varied between 40 per cent and 60 per cent of

assets owned by all village households, while the share owned by the bottom 50 per cent of households was between 1 per cent and 15 per cent of total assets. With regard to inequality in the distribution of land holdings, even official data for ownership and operational holdings computed from National Sample Survey (NSS) data show very high levels of inequality, and actually show an *increase* in inequality between 1960-61 and the most recent data. With respect to village data on land holdings in 13 villages in six States, in 9 villages, the top 5 per cent of landowners owned between 40 per cent and 54 per cent of the land owned by all village households while the bottom 50 per cent owned between 0 per cent and 6 per cent of land. In the other 4 villages, the top 5 per cent owned between 20 and 35 per cent of the land, while the bottom 50 per cent of households owned between 10 per cent and 18 per cent of the land.

25. The unit price of agricultural land has increased many-fold since the 1970s, and so has the real net income per unit of land gained by rich farmers.

26. Although landlords and big capitalist farmers own the most and the best land in rural India, they do so in completely changed conditions with respect to the *scale* of production and the *extent* of individual big farms. Estates of the extent that existed at the time of Independence, or even through the 1970s, when large landlord households held hundreds or even thousands of acres of land, are generally a historical phenomenon of the past. There are, of course, large regional variations in the sizes of the largest ownership holdings of agricultural land in different parts of the country. Further, while the big capitalist farmers and landlords together constitute the principal rural exploiting class, it must also be recognised that every single village in the country may not have a direct representative of the class resident or present in it.

27. There is no doubt about the dominant economic, political, and social power of the class of landlords and big capitalist farmers. At the same time, as capitalism advances, as new avenues for gaining incomes open up for the rich (and, at the other end of the spectrum, for the poor), land becomes less and less the sole or the most important determinant of economic power. In such circumstances, the all-encompassing oppression by the landlord class and its domination of every aspect of the daily life of peasants and manual workers in the old way becomes weaker, and the degree of daily dependence of peasants and workers on landlords and big capitalist farmers in the village correspondingly less.

28. There are vast regional differences in the degree of direct, village-level economic and socio-political exploitation of the peasantry and workers by landlords and big capitalist farmers. The people of a village are bound to the rural rich in different ways everywhere, and multiple bonds continue to exist between the exploiter and exploited. However, the degree of village-level exploitation and oppression, and the nexus of exploitation vary enormously: less exposed, for example, in Mandya or Kolhapur districts or the Vidarbha region, and more direct in Sri Ganganagar district or the Bhumihar-landlord-dominated regions of Bihar.

29. The overthrow of the class of landlords is a common *strategic* demand for the peasant and rural worker movements. Nevertheless, the great variety in the forms of direct exploitation and oppression of the people by this class is such that our mass organisations must shape their demands and movements against this class in a manner that takes into account concrete *local* conditions. In particular, demands relating to redistribution of land as a slogan for action on the ground and

its seizure must take into account the specificities of land ownership and control in specific areas.

30. In a situation where the hegemony and dominance of landlords and big capitalist farmers derives from their overall control of a wide range of economic activities and institutions in villages and their surroundings (and not solely or mainly from village-based exploitation), we cannot fight this class on the issue of land alone. The difficulty of mobilising the peasantry and agricultural workers to dispossess landlords of their land is very clear to activists of our kisan and agriculture workers movements. While recognising the centrality of the land question, and the importance of the demand for comprehensive land reform, we also recognise that even the demand to identify, occupy, and redistribute ceiling-surplus land has become a demand that is not realisable — for a variety of subjective and objective reasons — in many areas at the present moment.

31. To reiterate the point: we cannot achieve the basic tasks of development for the people, and an end to the worst forms of class, caste, gender and other forms of social oppression and of socio-economic deprivation without destroying the class power of the landlords and big capitalist farmers, that is, the stratum that consists of the top 5 per cent of the rural population. At the same time, this does not mean that in every local situation (or most local situations) we can inspire the people in a particular village or locality to take physical possession of the land and the assets and property of the 5 per cent or raise the issue of dispossession of the landlord as an immediate demand. In short, we need fresh thinking on how to fight a class enemy of this type.

Manual Workers

Socio-Economic Characteristics

32. At the other end of the spectrum of classes involved in agricultural production is the class of manual workers, whose major income comes from working as hired workers on the land of others and at tasks outside crop production.

33. Rural manual workers labour at all types of tasks in the countryside, agricultural and non-agricultural. A typical male worker may work in the fields, at roadwork, NREGA labour, and may migrate for farm and non-farm work during the year. Diversity in employment is more restricted for women, for whom both farm and non-farm work is less diverse than for men. The most important types of migrant non-farm manual work available to women workers are brick-making and construction work (tasks for which migration is generally not female-specific, but at which women work with the men with whom they migrate) and domestic employment.

34. It is no longer possible to separate a stratum of agricultural workers from non-agricultural workers in rural India – the typical rural manual worker in India today can be characterised more as a “miscellaneous worker in rural society” than solely as a farm or non-farm worker.

35. In general, manual workers work on a wide range of tasks, and the set of skills necessary for most tasks in, say, a village are found among most manual labourers in that village. Most manual workers are casual workers who work at daily-rated tasks or for piece-rates. Some, however, are annual workers: farm

servants who do agricultural, non-agricultural and some domestic tasks for a single employer for a monthly wage (and generally on an annual contract).

36. Manual workers can also have other sources of income. These can include, for instance, animal husbandry, petty vending, domestic work and miscellaneous low-remuneration jobs in the private sector.

37. For historical reasons, in most regions, a majority or a large proportion of Dalit households and households belonging to other region-specific oppressed castes, belong to the class of manual workers. Nevertheless, since manual work remains the rural occupation of last resort, manual labour tends to be the most caste-heterogeneous class in village society.

38. Today, many manual workers are landless, the legacy both of historic exclusion from land ownership and of modern processes of differentiation. Manual workers may also cultivate, as owners or tenants, small plots of agricultural or homestead land, and it is often difficult to draw a clear line between this latter section of agricultural workers and the poorest sections of the peasantry. There are also workers, such as *siri* workers, in, for instance, Haryana or Sri Ganganagar district in Rajasthan, who combine in themselves features of share-tenant and long-term worker. The extent to which manual labourers are landless (and the general degree of landlessness in village society) can, of course, vary widely. In general, landlessness among manual workers is higher in areas of relatively high irrigation (particularly surface irrigation) and high population density than in dry areas with low population densities (although there are interesting and important exceptions to the general rule).

Rural Employment

39. The total earnings of manual worker households are dependent on the number of days of employment and on the levels of daily wage rates received by them. If we consider agricultural employment, the pervasive feature of the lives of agricultural labourers is under-employment. Official data significantly over-estimate the number of days of employment in rural India. As such, the only reliable sources of information about the number of days of employment are primary surveys of villages. Recent village surveys conducted by the Foundation for Agrarian Studies indicate that the average annual number of days of agricultural employment for rural workers does not exceed three months. Women, on an average, received fewer days of employment per year than men, the number of days of agricultural work not exceeding 70 days in a year. These figures show wide all-India variation. The total number of days of farm and non-farm wage employment obtained by individual workers in 9 villages surveyed in 4 States (Andhra Pradesh, Uttar Pradesh, Rajasthan, and Maharashtra) varied between 105 days in Rewasi (Sikar district, Rajasthan) and 185 days in Mahatwar (Bijnor district, Uttar Pradesh) for men and 65 days in Ananthavaram (Guntur district, Andhra Pradesh) and 120 days in Nimshirgaon (Kolhapur district, Maharashtra) for women.

40. In the absence decisive interventions by the State, market forces have failed to generate an adequate number of days of employment for workers in rural India. Even those rudimentary interventions of the state in rural areas that assist in employment generation are now being weakened or reversed.

41. Within agriculture, a number of changes in the methods of cultivation have contributed to a reduction in the demand for labour. In most food crops, the introduction of mechanisation has reduced labour absorption for male workers. In crops where herbicides have been introduced, female labourers have been affected by a reduction in the demand for labour as a result.

42. Inadequate levels of public investment in agricultural infrastructure, such as irrigation, have held up the possibilities of any increase in employment opportunities in cultivation. Irrigation increases employment in crop agriculture through multiple cropping and shift to labour-intensive irrigated crops. In the absence of any substantial investment in the expansion of surface irrigation and groundwater irrigation, employment expansion within agriculture has stagnated, if not fallen.

43. A substantial increase in public investment in real terms in agriculture is a necessary condition for the expansion of agricultural employment in rural India.

44. Opportunities for non-agricultural employment in rural areas have been inadequate, and poor in diversity and skill requirement. The availability of non-agricultural employment in the villages has always been more for men than women.

45. The possibilities of upward mobility for agricultural labour households in rural areas, particularly the Dalits and Adivasis, have been extremely limited in the context of slow growth in rural employment. The rapid growth of migration of various kinds from villages to nearby urban areas or cities is a direct consequence of the inadequacy of both agricultural and non-agricultural employment in rural areas.

46. The proletarianisation of the peasantry and the crisis of employment among manual workers have had important and clear consequences for women's work in rural India.

47. Work available to women is severely constrained by the existing gender division of labour and is less diverse than the employment available to men. In general, the number of days of work available to women has been shrinking and is substantially lower than the number of days of work available to men. The slump in rural employment and the relative decline in demand for labour in the cultivation of most crops (there are some exceptions, such as cotton harvesting), affected women far more than men. The absence of diversified opportunities for non-farm labour has also affected women more than men.

48. As in other aspects of rural life, the specific trajectory of women's employment varies widely across agro-economic and agro-ecological regions.

49. In certain areas, men have found non-farm employment, including jobs that involve migration. This has led to women (and children) being consigned to the drudgery of family labour on peasant farms and to wage labour in rural areas (examples from recent village studies come from West Champaran district in Bihar and Sikar in Rajasthan). In such localities, feminisation of the labour force can take multiple forms: women workers may predominate in the labour force, and women manual workers predominate in the female work force. In other areas, with the advance of mechanisation with more and more time-rated tasks being converted to piece rates, and with piece rates being monetised, crop operations are performed by large groups of workers among whom men predominate. Large groups of male contract workers take over even those tasks in which women predominated earlier.

50. There is an important and self-evident policy conclusion that emerges from the data on employment conditions among rural workers. It is that whether the village is one that is characterised by relatively advanced agriculture, or by drought-prone conditions, enhanced state-financed schemes that create employment in a range of productive tasks, farm and non-farm, are essential if the long periods of joblessness in a working person's year are to be filled.

51. Employment generation programmes of the government in the rural areas constitute an advance, but are not enough to ameliorate the crisis of employment in the rural areas. We note, in this paragraph and the next, certain salient features of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). First, the MGNREGS is an important target of attack for the landlord and rich peasant sections in the villages. In many States, the wage rates fixed under MGNREGS are lower than the statutory minimum wages. Yet, the government has regularly succumbed to the demands of the richer rural sections to not raise the wage rates under MGNREGS. Secondly, the conservative fiscal stance of the central government has contributed to the dilution of the scheme's objectives. The budget allocations for MGNREGS have fallen in real terms over the years. Across India, wages amounting to about Rs 4500 crore remained unpaid to workers in July 2014. The average annual number of days of employment for households registered under the MNREGS has averaged between 43 and 46 days between 2010-11 and 2013-14. Thirdly, there is a demand from the ruling party itself, as exemplified by the statement of the Rajasthan Chief Minister to weaken the legal guarantee for employment under MGNREGS and convert it into just a scheme. More recent reports suggest that the government wants to restrict the programme to selected blocks, which would, in fact, amount to a violation of the National Rural Employment Guarantee Act itself.

52. Our mass organisations need to strengthen the MGNREGS, initiate measures to ensure a minimum of 100 days of work to each worker, (that is, to workers rather than households), ensure implementation of all the clauses pertaining to wage payment, introduce compensation for delayed payment of wages, and urgently to make funds available to pay wage arrears. In order for the scheme to be further effective in improving livelihoods, the state must be compelled to index wages paid under the scheme to the rate of inflation and revise them regularly, and to ensure that they on no account fall below the prescribed minimum wage in each State.

Rural Wage Rates

53. Four major features of wage rates in rural India are of note here. First, wage rates in rural India are, in absolute terms, low. This can be demonstrated with a simple calculation. An analysis for 17 villages showed that in the majority of villages a family of five (a male worker, a female worker and three dependents) would require more than 600 days of employment at currently prevailing wages in order to obtain earnings equivalent to the equivalent of the dollar-a-day poverty line. To illustrate, in the village of Harevli in Bijnor district of Uttar Pradesh, at current wage rates, a family with two workers would need employment for a total of 626 days. In other words, if wage rates do not rise, men and women in manual worker households will each have to work for more than 300 days in a year in order

to cross the poverty line. These are clearly impossible numbers. First, the means to ensure such levels of employment are clearly not available, and, secondly, represent levels of drudgery and hard labour that are almost impossible to cope with. The calculation also shows that 100 days of employment, even if provided by MGNREGA, would not nearly suffice to ensure a poverty line level of earnings for a large majority of rural labour households. Secondly, wage rates are characterised by enormous regional disparities. At one extreme, the daily wage rate (examples here are of wage rates at the main daily-rated, cash-paid operations) for men in Kerala at present is about Rs 600-650. Taking 20 villages surveyed by the Foundation for Agrarian Studies, the wage rate for men (considered at constant December 2012 prices) varied from a low of Rs 82 in Gharsondi village, Gwalior district, to Rs 195 in Rewasi village, Sikar district, (which was characterised by high labour emigration). Among women, the wage rate was as low as Rs 30 per day in the summer of 2012 in Katkuian village, West Champaran district, Bihar. Thirdly, wage rates are characterised by extreme gender disparity. The daily wage rate for women was only 30 per cent of the daily wage rate for men in Katkuian village and 40 per cent in Ananthavaram village, Guntur district. In most villages, the ratio was about 50 per cent, though the ratio did go up to 60 to 80 per cent of the male wage rate in some villages. There was also an exceptional case of Rewasi in Sikar district, where, as a result of male-specific migration, the wage rates were roughly equal. Fourthly, the share of wages in kind (grain payments and cooked-food components in wages, for example) in total wages is declining in most parts of India. Wages in kind no longer exist or are insignificant in some regions.

54. Data from the official series Wage Rates in Rural India (WRI) indicate that rural wage rates have risen in the recent past, in particular from 2004-05 onwards. WRI is a source of data on monthly wage rates at the State level for 11 farm operations and 7 non-agricultural operations. According to these data, real wages for male unskilled workers grew at 4 per cent per annum between 2004-5 and 2011-12. Wages grew fastest in the period 2007-8 to 2011-12. In this period, male wage rates for unskilled labour grew at 7.6 per cent per annum. Female wage rates also rose after 2004-05 and more rapidly than male wage rates. To illustrate, wage rates for weeding (an operation performed almost entirely by women), grew at 6 per cent annually between 2004-5 and 2011-12. This recent rise (according to official sources) in male and female wages rates in rural India, however, has to be seen in perspective, that is, in the context of a long period of stagnation – even according to official data — in rural wages. At the all-India level, there was no change in female wage rates and a very small rise in male wage rates between 1999-2000 and 2004-05.

A Question of Organisation

55. As we have written, rural manual workers are engaged in a variety of jobs and can no longer be regarded as primarily engaged in *agricultural* wage labour. The general characteristics of rural manual workers, are, nevertheless, distinct from those of fully urban proletarians. First, almost all rural manual workers participate, in different degrees, in agricultural work. In the villages surveyed in recent years by the Foundation for Agrarian Studies, about 90 per cent of rural manual workers participated in some way in agricultural wage labour. Secondly, the work calendar

of rural manual workers covers a wide range of disparate tasks in different locations, rural and urban. Thirdly, the major employers of rural manual workers in local labour markets are from the dominant class of *rural* exploiters.

56. It is perhaps time to think in terms of formulating the common demands of this category of workers, regardless of the specific tasks they may be engaged in at any point in time. Such demands could relate to minimum rural wage rates in different rural occupations and to the terms and conditions of employment in different tasks. Demands can also be raised for a guaranteed number of days of employment, for universal, free and compulsory school education, for access to decent levels of health care, housing, drinking water, sanitation and so on. A possible instrument or organisation in order to achieve this purpose is a Rural Workers' Union. The specific form of the organization and its design can be flexible, taking into account concrete local conditions, which will vary from State to State.

The Peasantry

57. Peasant households, whose members work on all or some of the major manual operations on the land, constitute the sector of petty producers that lies between landlords and big capitalist farmers on the one hand, and manual workers on the other. While peasants have shown great resilience as a social category, having existed continually under different historical social formations, the hallmark of the modern peasantry is its subjugation to markets dominated by big monopoly capital, domestic and foreign.

58. The populist (and eventually reactionary) image of the peasantry is of a homogenous rural group. Marxism recognises that the peasantry is neither homogenous nor a single class; on the contrary, it is marked by great heterogeneity, and is differentiated into socio-economic classes. The analysis of peasant differentiation and the identification of criteria to distinguish classes among the peasantry is specifically a *Marxist* concern – no other system of social or political thought gives this issue the same centrality in theory and as a guide to practice.

59. The main criteria for differentiating classes among the peasantry have been the following:

- ownership and control of the means of production and other assets,
- the ratio between the sum of number of days of family labour, and the number of days of labouring out of members of the household in agricultural and non-agricultural work on the one hand and the number of days of labour hired in by the household on the other,
- rent exploitation, that is, rent received or paid by the household,
- net income of the household, making separate note of the gross value of output from agriculture and the investment in agriculture per hectare, and
- the sources of income of the household.

60. The extent of participation of working members of peasant households in the labour process in agriculture depends on the nature of land use and cropping pattern in each village, and on economic and social status. In every village, cropping pattern and technological processes are such that there are substantial variations in labour absorption per crop, and the relative ratios in which family

labour, exchange labour (if it exists at all) and different types of hired labour are deployed. In particular, the wetland cultivation of rice and of certain other crops in India are characterised by substantial employment of hired labour by *all* sections of the peasantry. Patterns of labour deployment also vary with caste and religious community, and with traditional gender roles, particularly between different castes. It is clear also that as (i) agricultural mechanisation advances and covers more and more crop operations, or (ii) occupational diversity within households becomes greater, or (iii) agricultural tasks themselves become specialised or based on specialised skills, it becomes more and more difficult to differentiate between peasant classes according to whether or not they labour out.

61. Rich peasant households have the highest levels of ownership of means of production, particularly land and other productive assets, while, at the other end of the spectrum, poor peasants hardly have any productive assets at all other than small plots of land.

62. Similarly, incomes can vary from high surpluses based on relatively heavy investments among the rich, to subsistence and even negative incomes among the poor.

63. In general, the character of rich peasants has changed. The prevalence of a rack-rented rich peasantry, deeply in debt to the landlords, and thus a potential ally of the movement led by the poor peasantry and agricultural workers, has receded. In other words, the contradiction between the rich peasants and landlords and big capitalist farmers is far more blunt than it was until the 1970s.

Tenancy in the Contemporary Period

64. Official data on tenancy are utterly inaccurate, as they do not capture informal tenancy contracts in any meaningful way. According to official statistics, only about 6.5 per cent of the operational holdings of households in rural India is leased in. Survey data, on the other hand, show that while there are large variations in the incidence of tenancy across regions, on the whole, the incidence of tenancy can be substantial in specific regions.

65. Other than in States where the Left has been in office, tenancy contracts are almost invariably unregistered, oral and short-term.

66. Tenancy contracts across the country are marked by great diversity and complexity. With changes in cropping pattern and technology, forms of tenancy have changed and new tenancy arrangements have emerged in many areas.

67. Some extremely exploitative forms of tenancy have survived and intensified in certain villages where agriculture is characterised by high productivity, mechanisation, and, in general, high levels of development of the productive forces. The paddy-growing regions of southern coastal Andhra Pradesh, or *siri* cultivation in parts of Haryana and Rajasthan, or seasonal tenancy among Dalit poor peasants in Bijnor district in western UP are examples of such areas. In Haryana, the introduction of specific forms of mechanisation was associated with increases in rent. When landlords began to provide water from tubewells or provided tractors for field-preparation, they raised rents as well. In coastal Andhra Pradesh, rents on paddy lands rose with productivity. In fact, a comparison of recent survey data from Ananthavaram village in Guntur district with studies made by Comrade P. Sundarayya shows that landowners extracted almost the entire increase in

productivity of paddy that took place between 1974 and 2005-6 in the form of increased rent.

68. In some areas, lease contracts combine features of tenancy with unfree forms of hired labour. We have mentioned the example of *siri* workers above; another example is from sugarcane-growing areas of Bijnor district in western UP, where landlords lease out small plots of land to farm servants for the cultivation of paddy after sugarcane is harvested.

69. Although both small and large landowners participate in the tenancy market as lessors and lessees, there are significant differences in the terms of contracts on which they obtain land across classes and social groups. In general, Dalit, landless, and poor peasant households obtain land on high rents, often rack-rents. These tenancy contracts can be interlocked with employment and credit transactions. On the other hand, the rich lease in land on relatively easy terms, either from non-residents, from friends and relatives, or from poor landowners. Such “reverse” tenancy – that is, the phenomenon of small, poor landowners leasing out land to rich cultivators – can be substantial in areas where poor landowners are unable to take advantage of technological transformation because they do not own means of production or have access to funds for investment. The decline of public services – for example, of public irrigation in old canal-irrigated areas and a consequent dependence on privately owned tubewells – has contributed to creating conditions in which poor landowners lease out land to rich cultivators.

Peasant Incomes

70. As a consequence of the new trade regime, Indian agriculture has been exposed, in a new and unprecedented way, to volatility in the international prices of food and non-food crops and, in the case of several commodities, prolonged periods of steep decline in prices. The most important policies of the Government of India in this regard are, of course, the removal of quantitative restrictions on the import and export of a very wide range of agricultural commodities, including wheat and wheat products, rice, pulses, edible oils, other crops, and seeds, and substantial cuts in import tariffs on crops. New incentives and support to exports of agricultural commodities will inevitably have an impact on land use and cropping pattern, as will the decision to “decanalise” and allow and encourage private agencies in the agricultural export sector.

71. The period of liberalization has been characterised by unprecedented intervention by large corporations, domestic and multinational, in the provision of agricultural inputs, including all types of fertilizers, seeds and plant protection chemicals.

72. The Minimum Support Prices (MSP) announced by the Government to ensure remunerative prices do not compensate for the actual costs of production incurred per unit of output by middle and poor peasants for most crops in a majority of States, and come nowhere near the levels proposed by the National Farmers’ Commission. Further, the weakening of the procurement mechanism has ensured that the poor and middle peasantry do not benefit from the MSP in most parts of the country, and that large sections of them are forced to make distress sales to private traders. The neoliberal regime is further scaling down public procurement and the crop basket that is under the purview of price support.

73. The impact of these policies on incomes from agriculture has been highly differential across regions, crops and classes. While a large majority of peasant households get meagre incomes, the incomes of landlords, big capitalist farmers and a section of the rich peasants are substantial.

74. Village data also show up a phenomenon that is new in its extent and scope, and has serious implications for the future of the peasantry: data showed that a new section of households (mainly poor peasants) actually have *negative* crop incomes. Unit level data from the cost of cultivation surveys conducted by the Ministry of Agriculture have become available and, according to recent research, also show negative incomes from crop cultivation for a section of cultivators.

75. Not only do the data show that aggregate incomes from agriculture are highly unequal across cultivator households, they also show that there are large variations in the costs of cultivation and profitability across crops, and, for a given crop, across regions. Variations in the profitability of crops across different classes are substantial. In general, farm-level data show that, given the concentration of land and other means of production in their hands, landlords and rich peasants are able to keep production costs lower than middle and poor peasants. In contrast, the poor peasants are forced to buy inputs at a higher unit price than the rich, and to pay rents for land and machinery. With more efficient input use, and better access to markets, landlords, big capitalist farmers and rich peasants also receive a higher income per unit of production than middle and poor peasants.

Proletarianisation of the Peasantry

76. An important aspect of the differentiation of the peasantry is proletarianisation, particularly of the poor and middle sections of the peasantry.

77. The most widely observed form of proletarianisation is, of course, loss of land by the peasantry. Depeasantisation has been accelerated by present policies of land acquisition by the state, the rural rich, and the corporate sector.

78. Another aspect of proletarianisation is the large-scale phenomenon of wide sections of the peasantry being drawn into the market for hired labour while broadly preserving their peasant status.

79. Farm-level studies have shown that, even on the farms of small and medium peasants, the share of family labour expended on the farm was, in many cases, less than the share of hired labour employed on the farm. In any case, in every village, large sections (and often the majority of workers) of poor and middle peasant households worked as hired workers on the farms of others and at non-farm tasks. It is no longer possible to distinguish the middle sections of the peasantry from the poor only on the basis of whether or not they labour out.

80. In general, costs of cultivation have risen to levels that make it impossible for peasants to earn a livelihood without labouring out, often heavily. We note here also that mechanisation has had a very big impact on the volume and pattern of the seasonal deployment of family labour. Other than in very backward areas, tractor-based operations predominate in land preparation, and motor-pump technology predominates in groundwater irrigation. In most of the country, some form of mechanisation predominates in threshing, and harvesters have come to play an important role in wheat harvesting. Paddy transplanting is being mechanised in certain parts of the country (for example, in Tamil Nadu). The combined effect of

these has been that inputs of family labour have widely been reduced in specific operations in cereal production in many (though not all) parts of the country. Further, when mechanisation occurs, agricultural operations are less staggered than previously, and the demand for labour peaks too steeply to be met by the deployment of family labour alone (for example, if harvesting on a field can be done over a week or more, a family can do it; if it is to be done over two days, it requires hired labour). It is also true that machines displace human labour and workers who are employed are often machine operators rather than the traditional manual workers in agriculture. This development further implies that capital operates in a bigger way than before in the input and output markets in which the peasantry participate.

81. If the labour power deployed by a poor peasant household in a year is divided into three parts – family labour on the farm, farm work for wages, and non-farm work for wages – the share of the first element in the total is low, and, in many villages, less than 50 per cent.

82. The market for hired labour has broadened; more sections than before are participating in it. In many villages and rural areas, the proportion of the aggregate number of days of wage labour in agriculture performed by members of households that are primarily peasant households is relatively high.

83. It is noteworthy, in this context, that poor and middle peasants, taken together with manual workers, generally constitute 60 per cent or more of all households in villages. In most villages, it is difficult to draw an exact line that distinguishes the poor peasantry from manual workers.

84. An observation by Lenin on the part played by the peasantry in the general labour force is of particular relevance here. In a discussion of the “significance of these masses of proletarian ‘farmers’ in the general system of agriculture,” Lenin noted that, in the first place, they represent historical continuity (or “kinship”) between pre-capitalist and the capitalist systems of social economy. In the second place,

the bulk of the “farmers” owning such insignificant plots of land that it is impossible to make a living from them, and which represent merely an “auxiliary occupation,” form part of the *reserve army of unemployed* in the capitalist system as a whole. It is, to use Marx’s term, the *hidden* form of this army. It would be wrong to imagine that this reserve army of unemployed consists only of workers who are out of work. It includes also “peasants” or “petty farmers” who are unable to exist on what they get from their minute farm, who *have to* try to obtain their means of subsistence mainly by hiring out their labour.

85. A key aspect of our work in the countryside must be to help the poor and middle peasantry fight the neoliberal policies that impoverish them. At the same time, members of the study group also noted the need to explore the possibilities, where feasible, of co-operative efforts by the peasantry to enhance economies of scale in order to use technology effectively, and to enhance their bargaining power vis-à-vis input-sellers and output-buyers.

Classes in the Rural Non-Farm Sector

86. Traditionally, the major sections of the village or rural population not directly associated with crop production were, first, artisans and others employed at traditional caste callings, people such as carpenters, masons, blacksmiths, potters, weavers, and persons belonging to traditional service castes. In the present period, this section has declined in numbers, and in the time that they spend at traditional tasks in the working year.

87. Secondly, there were small traders and self-employed persons, including small shopkeepers, owners of eating-places, owners of bicycle and other vehicle repair shops, electricians and others.

88. There are important new occupations in rural areas. First, there are new sections of small, medium, and large producers: owners of dairies and poultry farms, for instance, and other production units. These may be worked by their owners with family labour, with family and hired labour, or solely with hired labour.

89. Secondly, there are now larger traders and merchants located in villages. A significant new element among village-level merchants are input traders. In the present phase of development, as government-funded agricultural extension weakens, the role of the input-dealer in recommending chemical inputs, including plant protection chemicals, is often a very significant determinant of costs incurred by big cultivators. There are also "service providers" (including landlords) who lease out machinery.

90. Thirdly, there is a salaried "middle class" section in the village. These are generally salaried persons in the state sector – that is, government and quasi-government employees, teachers, and others – but also persons in other non-state salaried jobs. An observation made in the Study Group, based on the experience of West Bengal, was that the closeness of the rural middle class to the rural poor is not the same as in an earlier phase of the development of the rural movement. The contemporary non-agricultural middle class is influential in shaping rural opinion, but no longer shares the aspirations of the rural poor or seeks to struggle for their liberation in the manner that was observable in earlier times, at least in some parts of the country.

91. Fourthly, there is a section of rural workers who work in government schemes at the village level. Prominent among them are workers in ICDS-related schemes, the mid-day meal programme and some programmes of the National Rural Health Mission (NRHM), for example, ASHA. By contrast to the preceding category, this is a section in the village today whose members can be (and are being) organised by our mass organizations, and can play a progressive role vis-à-vis the peasantry and rural manual labour.

92. Fifthly, there is also a section in rural areas and semi-urban and small-town areas that is made up of the rural rich – persons who have gained, in recent years, wealth and power in small and medium manufacturing and agro-based production, real estate and construction, trade, services, and as rentiers and remittance-receivers. These are direct beneficiaries of government policies, contracts and concessions in the post-liberalisation period. The rollback of institutional credit as part of neoliberal reforms has also created a category of moneylenders, not always subsumable under the main rural exploiter categories.

93. These five categories discussed in the five preceding paragraphs may or may not include households who have ownership or operational holdings of

agricultural land. They are characterised, however, by the fact that the chief source of income of the individual or household concerned is not from crop production.

Social Oppression Based on Caste, Tribe, Gender, and Other Social Distinctions

94. The issues of caste, tribe, gender and other forms of social exclusion and discrimination based on hierarchies of status are intrinsic to the agrarian question in India.

95. Exclusion and discrimination by social group can take different forms. Such discrimination may take the form of direct violence, killing and physical harm. Exclusion and discrimination can take the form of *direct* discrimination, when there is a direct attack on the freedom of victims of social discrimination in day-to-day life. Our organisations such as the Theendamai Ozhippu Izhakkam (Untouchability Eradication Movement) in Tamil Nadu and the Kulavivaksha Vyatirekha Porata Samiti (Organisation for the Struggle Against Untouchability) in Andhra Pradesh have recorded some of the criminal and barbaric forms in which direct discrimination is still practised.

96. As pervasive as direct discrimination is deprivation based on generations of exclusion and neglect, leading, for example, to systematically lower levels of education, health, housing, work, and social status of members of oppressed groups.

97. Each form of discrimination, or aspect of cumulative deprivation, can have a myriad of consequences for the freedom and livelihoods of its victims. The nature of property rights, for instance, determines not only the ownership of land and other assets, but has consequences for incomes, livelihoods, and other aspects of social standing and well-being. Village-level patterns of land sales, mortgage and other forms of the transfer of property are nowhere entirely free of non-market forms of exclusion and discrimination. Caste implies a division of labour and a distribution of assets that is determined outside the market. It is an important determinant of access to quality housing and sanitation, and, consequently, to safe and healthy environments and lives. To take yet another example, cumulative deprivation and active discrimination with respect to education and mobility jeopardise freedom in a basic way, and also have an immediate instrumental effect on wages and occupational mobility and occupational status.

98. In addition to economic exploitation and deprivation, women face barriers to economic independence, and to full, equal, and independent participation in social and political life, and are the victims of the worst forms of obscurantism, gender prejudice, and violence in rural society.

99. Agrarian relations among the Adivasi people are an important aspect of the agrarian question in India.

100. With regard to the people of the Scheduled Tribes, it is possible to make, for descriptive and analytical purposes, a distinction between Adivasi households that live as a segment or group in multi-caste villages where regular seasonal lowland agriculture is practised, and villages that can be characterised as "tribal villages," often located in "tribal regions," in which Adivasi households constitute the overwhelming majority (or totality) of households (the reference here is

particularly to areas other than the States of the North-East, whose characteristics are distinct).

101. Data from the first type of village show the people of the Scheduled Tribes to be — in terms of incomes, education, housing, formal sector employment, and a host of other development indicators — consistently the worst-off group in a village. With regard to the latter type of village, they are (and are located in regions that are) still characterised by underdevelopment of a special kind, manifested in levels of technological change and economic growth, human development and social infrastructure, and people's livelihoods and incomes, that are qualitatively lower than in non-Adivasi villages. These villages are also distinct with respect to farming systems. In such villages, the most important household assets are often essentially non-tradable commodities: agricultural land (over which title is often informal), huts and livestock-sheds.

102. In India today, the practice of agriculture as traditional craft can be said to survive, above all, in the Adivasi villages of the country. Farming is generally restricted to kharif cultivation, and low levels of technological change have resulted in relatively low levels of production and productivity. There has been one consequence of the absence of technological change that has made tribal villages something of a repository of agricultural crop and seed diversity. A wide range of seeds and crops has been preserved by means of traditional methods of mixed cropping. This has been observed and recorded in different parts of India. In Badhar, a tribal village in Anuppur district in Madhya Pradesh, for instance, some 42 crops, covering a wide range of cereals, pulses, vegetables and oilseeds, were grown in 2008, mainly as mixed crops, or in kitchen gardens.

103. The continuing role of *gathered* sources of subsistence is a distinctive feature of Adivasi household economies. For example, in an earlier time, the tribal people of Dungariya village (Udaipur district, Rajasthan), surveyed in 2007, gathered mahua flowers, tendu leaf, honey, other fruit, flowers and medicinal plants from the forests and hunted partridge, grouse, hare, deer and wild boar. They also collected firewood and wood for house construction and ploughs and rudimentary household furniture, mainly cots. Today, collection is mainly of wood (firewood and wood for small-scale construction and implements) and mahua flower. Other forest products, collected in small quantities but important for subsistence, are resin, bamboo, fruit (including dates), grass, honey, and castor.

104. Recent research from secondary and other sources points to further features of change among Adivasi populations. First, there has been increasing proletarianisation among the Scheduled Tribes. This is reflected in greater landlessness and the increased deployment of labour time as hired workers. In fact, it can be said that the Adivasi population of India — as peasants, subsistence-seekers from forest and other common property resources, rural manual workers and unskilled urban migrants — are the most impoverished of the rank and file of India's reserve army of labour. Secondly, capitalism is transforming rural tribal economies. A distinct feature of differentiation here is that, in tribal areas, the beneficiaries of the accumulation and concentration of land holding that occurs as a consequence of differentiation are not drawn from among the tribal people themselves, but people from outside tribal communities altogether.

105. Although the vast majority of people of the Scheduled Castes and Scheduled Tribes do manual work in the informal sector, a small section works at

non-manual tasks in the urban and rural formal sector, for example, at salaried jobs, as shop assistants and employees in the service sector, and at other occupations in which the conditions of employment are less degrading and status-poor than the conditions of employment in jobs in the informal sector. Although this section is relatively small in number, its social significance should not be underestimated. The workers employed here are in jobs to which the young aspire, and they are seen as pace-setters and opinion-makers, particularly for the young.

106. Our mass organisations and party must be champions of struggles against social discrimination and must be identified by the people as being the organisation to which the people turn whenever and wherever there is an act or episode of social discrimination. At the same time, we must also be in the forefront of the struggle to combat other forms of social deprivation — legacies, for instance, of underprivileged educational, health and housing facilities, and of the consignment of people of victimised social groups to specific (and often pre-ordained) places in the work force and the division of labour.

107. Our struggle against group discrimination and deprivation has to be proactive and uncompromising. At the same time, we must not lose sight of the need to build *unity* among the working people, a task made infinitely more complex by the fact that members of intermediate and other castes who are also among the working people are often *social* oppressors. In a country riven by medieval forms of social differentiation, only the Communist Party can provide a clear alternative to the disruption of people's unity brought about by identity politics, while simultaneously fighting against social discrimination.

Migration for Work from Rural India

108. Migration for work from rural areas has a long history in India, and has been, historically, an integral part of the development of capitalism in the country. In general, migration for work has increased since liberalisation. This is the general observation by activist and social scientists. Much of the increase in recent years is likely to be in temporary migration, that is, where the migrant does not settle permanently at the destination. The official data on migration, the most recent being from the NSS conducted in 2008, do not adequately capture the phenomenon of migration. A particular drawback of the official data is its inadequacy in capturing short-term migration, and the complete absence of data on very short-term migration and also repeated rounds of such short-term migration.

109. Although both rural-rural migration and rural-urban migration have increased, the share of rural-urban migration has now displaced rural-rural migration as the highest of all streams of migration (this is not, of course, to understate the continuing significance of rural-rural migration).

110. In general the most significant (that is, with respect to number of migrants) States and regions of origin of rural migrant workers are eastern Uttar Pradesh, Bihar, Jharkhand, West Bengal, and the States of North-East India. In addition, there are pockets of migration from regions of all other states. Until the 1980s, West Bengal was a major destination for migrants from the major areas of origin. Migration from the same areas to the agriculture regions of Punjab and Haryana, and to northwestern and western India, which advanced particularly after the spread of rice cultivation in the Punjab-Haryana belt, was the major

geographical trend through the 1990s. In recent years, the major migrant stream from these States has turned southwards, with Kerala, Tamil Nadu, Karnataka, and the erstwhile Andhra Pradesh as destinations.

111. The main work-status category into which migrant workers fall is that of casual work, followed by self-employment. The main occupations are construction, mining and manufacture, and services. If the official data on migration are generally inadequate, they are more so when dealing with women migrants. Among women migrants, the major reason for migration is marriage migration, and separating the data on different types of work migration is more difficult than in the case of data on male migrants. Nevertheless, it does appear that, although the numbers of women migrating for work is, in absolute terms, lower than the corresponding numbers of men, the rate of increase of women migrating for work in recent years has been higher than among men (because it began on a lower base). For women workers as well, the overall data indicate that the major areas of work are construction and services, and the workers are predominantly casual workers and then self-employed workers.

112. Social barriers to single-women migration remain, especially in the states of the North. An interesting feature of the data is that the radius of marriage migration has increased. In part this reflects low sex ratios in the States and regions of the North-West, to which marriage migration of the women from the East has increased.

113. The extent of migration will continue to increase in the years ahead, especially with infrastructure development gaining pace. It is therefore very important that our Party and mass organizations analyse concretely the magnitude and directions of migration, the problems that migrant workers face in various parts of the country, and the condition of migrants' families in their home villages, in order to be able accurately to frame demands and issues relating to their labour and livelihoods.

Worker-Peasant Alliance

114. Current trends in peasant differentiation and proletarianisation and in migration open up new possibilities for building unity between rural workers and poor and middle peasants. Such trends also open up new possibilities for building the worker-peasant alliance as an instrument in the resolution of the agrarian question. The worker-peasant alliance envisages direct support by the working class as a whole to the struggles for the class demands of the peasantry and rural workers. In the years to come, we must seek to build this alliance in new and imaginative ways. It can be built, for instance, through struggles to extend employment guarantee to non-agricultural employment in rural and urban areas; to universalise the public distribution system in town and country; for housing for the poor and access to basic amenities such as water, sanitation, and domestic electricity; to universalise school education and basic health care; and to combat caste, gender, and other forms of social oppression.

V. CERTAIN FURTHER NOTES ON THE POST-1991 SITUATION

115. Since 1991, when accelerated policies of globalization and liberalization were put in place, a series of laws, rules, regulations, orders, and other policy measures have been implemented that seek directly to change the correlation of class forces in rural India in favour of the rural rich, and in favour of the big bourgeoisie and their imperialist allies. These include policies to facilitate the entry of big capital into different points of the finance, production, storage and distribution cycles in agricultural and non-farm activity in rural India, and affect the ownership, control and modes of utilization of different aspects of social infrastructure as well.

116. Neoliberal policies and measures as well as several new government schemes and programmes have been significant in the areas of credit, domestic and international trade in agriculture, role of corporate capital in agriculture and land use and food security. We provide below brief notes on each of these aspects of the neoliberal period.

117. These developments have implications in the areas of education, health, poverty and other dimensions of human well-being. The policies and schemes and their consequences for people also offer possibilities for political intervention and mobilization for resistance. We explore this aspect in relation to income poverty, education, health and household amenities as indicators of well being.

118. The other new aspect of the last two decades and more is the emergence of climate change as an important issue with implications for agriculture and for disaster management. This is dealt with in the final section.

Rural Credit

119. The decade of the 1990s was one of a reversal of social and development banking. There was a sharp fall in the growth of the flow of credit to agriculture, diversion of agricultural credit away from small and marginal farmers and a strengthening of the hold of moneylenders on rural debt portfolios. The limited revival of agricultural credit since 2004 is marked by huge inequality with respect to the beneficiaries of that revival. About one-fourth of the increase in agricultural credit in the last ten years is on account of an increase in "indirect" finance going to commercial, export-oriented, and capital-intensive agriculture and to business corporations. There has been a large increase in the number of big individual loans advanced by banks. Between 1990 and 2011, the share in direct agricultural credit of loans of less than Rs 20,000 each fell from 92 per cent to just 48 per cent while that of loans of more than Rs 10 lakh each increased from just about 4 per cent to about 23 per cent in 2011. These large loans were advanced primarily to finance the new activities, such as large agribusiness-oriented enterprises. In 2011, about 33 per cent of total agricultural credit and about 26 per cent of direct agricultural credit came from bank branches located in urban or metropolitan centres.

120. After 1991, there was a sharp fall in the share of long-term agricultural loans, and a concomitant rise in the share of short-term agricultural loans, in total agricultural credit. Consequently, the portion of agricultural credit used for fixed capital formation in agriculture became smaller.

121. Primary Agricultural Credit Cooperatives (PACS) are often considered the window of the formal credit system to which the toiling sections of the peasantry have the most access. The ability of state governments to come to the rescue of the peasantry through interventions in cooperative credit is being eroded by

centralising initiatives of the central government and the RBI. The UPA-2 government, by accepting the Prakash Bakshi Committee recommendations, sought to undermine the foundations of India's Primary Agricultural Credit Cooperatives by seeking to convert them into "banking correspondents" of commercial banks, barred from accepting deposits and reduced to being intermediaries between commercial banks and their customers. Over 90,000 PACS in India would be affected by such a policy, which, in the event, has temporarily been withheld in response to joint protests by united struggles of peasants, bank employees and cooperative workers. The threat to the societies, however, continues.

122. Nevertheless, the revival of formal credit with all its limitations and built-in inequalities did play a role in the recovery of agriculture after 2003-4.

Trade Liberalization Issues

123. The WTO came into existence in 1994 when developing countries faced a unipolar world dominated by US imperialism, following the setbacks to socialism in the former USSR and Eastern Europe. A number of highly intrusive agreements relating to agriculture, services, intellectual property, and dispute settlement procedures have been forced upon the developing countries, severely limiting their sovereignty in the process, while the imperialist countries seek to carry on business in the manner they wish. Over the last two decades, there has been some shift in the balance of forces within WTO but imperialism is still dominant. India's neoliberal regimes have largely submitted to the pressures brought on them by the imperialist countries, but in recent years there has been some contestation, sometimes in alliance with China, Brazil, South Africa and other developing countries. India's agrarian economy and peasant incomes have been significantly affected by the WTO disciplines. With the share of imports and exports of goods and services in GDP rising from 14 per cent in 1991 to close to 50 per cent, the WTO impact has been severe.

124. From the 1990s, export controls on almost all the crops were gradually phased out by the Government of India. Quantitative restrictions on the imports of commodities such as wheat and wheat products, rice, pulses and oilseeds were removed from 2000 onwards. Tariffs on the imports of most crops declined significantly, and were kept much below the bound levels of tariffs India had agreed to in the WTO. Between 1990-1 and 2011-2, India's agricultural exports grew at an annual rate of about 13 per cent, while agricultural imports grew at about 21 per cent. The increased alignment of domestic and world prices after trade liberalisation also effectively imported the volatility of international prices – formed in highly monopolistic market environments – into Indian agriculture.

125. While the imperialist countries have marginalised WTO whenever it suited them, they have been trying to push through the so-called Singapore issues, first raised in Doha in 2001, of trade facilitation (TF), government procurement, competition policy and investment protection. In the Bali meeting in 2013, they sought to force the TF agenda and India, after some posturing, ultimately allowed the rich countries to link food security and sovereignty issues to the TF issue. India has only temporarily protected its public stockholding programme. Under US pressure, India agreed to a temporary reprieve, instead of walking out of the deal, thus yielding ground on TF. Bali is further evidence of the vacillation of our ruling

classes in relation to imperialism. Even while appearing to fight it, ways are found to compromise with it at the expense of India's people and those of other less-developed countries.

126. Our Party is opposed to the unequal Agreement on Agriculture (AoA) as an instrument that serves the interests of imperialism at the expense of the people of less-developed countries.

127. The Free Trade Agreement (FTA) with Sri Lanka and India-ASEAN FTA have had an adverse impact on cultivators of commercial crops such as rubber, coffee, tea, pepper and coconut. Along with the India-EU Free Trade Agreement there are 56 other FTAs with various countries and regional groups in the pipeline, including agreements with the USA, Japan, and Israel. Our peasantry will be put into a direct competition with highly subsidised agriculture, and dumping from these countries will seriously affect the livelihoods of millions of peasants, dairy farmers and the fisherpeople. The central government has entered into such agreements without consulting State Governments or Parliament. It is important to campaign among the rural masses against these harmful policies and actions.

Corporate Capital, Agriculture and the State

128. The neoliberal regime has been actively assisting Indian and foreign big capital in their efforts to acquire land and exploit India's mineral and other natural resources. Acquisition and conversion of agricultural land as well as forest land for SEZs, mining, industries and urbanisation is taking place. The SEZ Act provides tax concessions to big capital, denies workers' rights and facilitates land acquisition by business corporations for speculative real estate activities. Large numbers of people are being dispossessed of their land without proper compensation, resettlement or rehabilitation. The Right to Fair Compensation and Transparency in Land Acquisition Act facilitates rapid take-over of land and does not guarantee fair compensation and effective rehabilitation and resettlement. The present Government is trying to further facilitate corporate land acquisition and further weaken the rights given to land-losers under the Act.

129. Protests are taking place across the country against land acquisition and we should intervene wherever possible in order to ensure that such acquisition is based on the principle of prior and informed consent, just compensation, rehabilitation, and resettlement within the framework of a rational land use policy.

130. The dilution of land ceiling legislations and the entry of foreign and Indian big capital into the real estate sector can cause significant changes in land use and cropping pattern without reference to the needs of society as a whole. If land use policy is to be equitable, environmentally sustainable, and protective of national food sovereignty, it cannot be left to the logic of profit maximisation and to corporate interests.

131. In India, the medium of corporate interventions in agriculture, domestic and international, has been through contract farming rather than direct corporate farming. Though area under contract farming today is a small proportion of net sown area, there is significant contract farming in certain areas and specific crops – such as potatoes in West Bengal and Punjab, and soya bean in Madhya Pradesh. Our line must be one of ensuring that the state provides adequate support and protection to the peasants entering into contract farming arrangements. Our mass

organizations in rural areas must also take the initiative to enhance the bargaining power of the peasants in this regard as well in the purchase of inputs by them.

132. The other area where corporates seek to directly intervene is to take over public facilities in storage and marketing. There is an attempt to unbundle and acquire the facilities of the Food Corporation of India (FCI) and to replace regulated markets of agricultural produce by markets not under administrative control of public authorities.

133. When business corporations do enter the rural sector, the class that serves as the conduit for their entry is the class of landlords and capitalist farmers.

Food security

134. Food security is a key issue for a significant proportion of the Indian population in both rural and urban areas. It can be analysed in terms of three dimensions: availability, access and absorption. Availability of food at the macro level is a function of production, stocks and net imports. At the local level, it depends critically on transport infrastructure and market integration. Access to food is primarily a matter of purchasing power, and is therefore closely linked with the issues of access to productive assets and livelihood opportunities. Within the household as well as in the larger community, access is also characterised by gender inequality. Absorption is critically dependent on the availability of sanitation and safe drinking water to ensure biological utilization of the food consumed.

135. Neoliberal policies had a severe impact on food security in all its three dimensions, especially between 1997 and 2004. Availability of food grain, a proxy for food availability at the macro level, worsened in per capita terms between 1994-95 and 2004-05, with food grain output growing at just 0.7 per cent per annum compound while population was growing at not less than 1.6 per cent per annum. With a sharp rise in PDS prices, slow growth of employment, rising costs of health and education and cuts in subsidies for energy and other infrastructural services, the availability dimension, dependent on purchasing power of the people, also worsened during this period. Finally, with cutbacks in public investment in relative terms and the focus on expenditure reduction as the main mode of containing fiscal deficits, there were severe shortfalls in ensuring the provision of safe drinking water and sanitation facilities that would have helped improve absorption.

136. The food security trajectory since 2004-5 has been somewhat different. Taking *availability* first, between 2006-7 and 2011-2, there was a consistent rise in both output and yield of food grains, except for the drought year of 2009-10. Though there was a dip in food grain output in 2012-3 to 250 million tonnes, from 259 million tonnes in 2011-12, the estimated output for 2013-14 is 263 million tonnes. Overall, there has been an increase in the availability of food grain in India after 2006-7 onwards. Per capita daily availability of food grain, which declined between 1994-5 and 2004-5, rose from 422.4 grams in 2005 to 462.9 grams in 2011, only a modest increase and well below the earlier high of 504 grams per day.

137. There was some improvement in the *access* dimension of food security as well. The passing of the National Rural Employment Guarantee Act (NREGA) and its implementation through the NREGS played a crucial role here as did the more rapid growth of the economy between 2003-4 and 2007-8.

138. The evidence from the three National Family Health Survey (NFHS) rounds (1992-3, 1998-9 and 2005-6) showed that there had been no significant improvement in nutritional outcome indicators such as the proportion of children 5 years or younger with anaemia or under-weight for age or in the proportion of women aged 13 to 49 years with anaemia or with chronic energy deficiency. But we do not have such data for India after 2005-6. There are official data on two input indicators for absorption: the proportion of households with access to safe drinking water and the proportion with access to a toilet. The rather modest improvement between 2001 and 2011 in the official data in respect of these two input indicators cannot be a cause for celebration, given the woeful overall nutritional status of a majority of the Indian people.

139. The growth of the economy under neoliberal reforms has not significantly improved food and nutrition security. Such improvements as have occurred have been the result of public expenditure and state intervention under the pressure of Left political forces and others for the cause of food security. The evidence we have on nutritional outcomes shows considerable deprivation among children, women, Dalit and Adivasi people and Muslims. The campaign of agitations and mass movements on the issue of food and nutrition security need to be sustained, including in its social and gender dimensions.

Government Schemes

140. Popular struggles have forced the government to provide people some entitlements, such as those provided by the MNREGA and the Forest Rights Act. Popular pressure has also resulted in some expansion of the mid day meal scheme and the ICDS. In all these instances, opportunities exist to mobilise people to ensure that they receive their entitlements and for further political advance. In the same way, schemes relating to agriculture such as the Rashtriya Krishi Vikas Yojana, Agricultural Technology Management Agency, National Rural Livelihood Mission, National Food Security Mission and a host of other schemes and programmes provide opportunities for struggle to ensure that they benefit the peasantry and rural manual workers. They could become important sites of political mobilization if we intervene effectively.

Cooperatives and Other Initiatives

141. An important way to enable the small and middle peasants in their struggle against neoliberal policies is to help them secure the power of scale. With this in view, formation of SHGs and cooperatives of peasants in the fields of production, processing, value addition and marketing must be explored wherever the objective conditions are favourable. Mechanisms for enabling the peasantry to enhance farm productivity through interaction with the scientific fraternity must be explored.

Poverty

142. The Government of India uses consumption expenditure rather than incomes to arrive at estimates of income-poverty. The estimation of poverty in India is thus based on a very narrow definition of poverty. The definition takes into account

neither basic indicators of decent living nor uncertainties in production and employment. In the current regime the purpose of poverty estimation has changed from understanding long-term poverty trends to allocating funds and quantifying numbers of “eligible beneficiaries” for targeted welfare programmes. The same income criterion of poverty is applied to determine eligibility for subsidised foodgrains, housing, subsidised domestic electricity connections or microcredit for self-employment. The purpose of the poverty line has become entirely exclusionary, a standard to exclude large sections of the population from public welfare programmes. There has also been a constant endeavour to deflate the poverty line to undercount the officially “poor.” Our standpoint should be that the official poverty line is a line of destitution and that it is completely unacceptable to use this line to identify or reject beneficiaries for welfare programmes.

143. There has been no consistent decline in income-poverty over the period of neoliberal reforms. It is also important to emphasise that the much slower progress in reducing rural poverty despite high rates of GDP growth in the last two decades and more is a direct outcome of policies that have sharpened rural inequality while limiting pro-poor policy interventions on grounds of “fiscal prudence.”

144. Field data from FAS surveys show that, in village after village, significant proportions of the rural population belonging to manual worker and poor peasant households live in severe deprivation, and would be considered very poor in any civilised society.

Education

145. An aspect of the socio-economic backwardness of rural India is the continued deprivation of a vast segment of the Indian population with respect to education and science. The failure to introduce universal, free, compulsory school education on a national scale represents one of the great failures of the post-Independence state. Obscurantism and superstition, often brutal in their manifestation, continue to rule many aspects of rural life, obstructing the progress of the people in general, and of the worst victims of social oppression, including women, in particular.

146. Neoliberal reforms have involved the privatisation and commercialisation of education at all levels, starting from pre-school. The UPA government’s promise of increasing the combined expenditure of central and state governments on education to 6 per cent of GDP was not kept, with the figure not even reaching 4 per cent. The Right to Education is more or less farcical, with no serious financial commitments or legislative follow-up made by the Union government.

147. With economic development, some progress in literacy rates and school enrolment and attendance as well as such indicators as mean and median years of schooling have improved, but slowly. Even according to the Census, which systematically understates illiteracy, 273 million Indians were illiterate in 2011. Large gaps remain with respect to every indicator of educational achievement as between the rich and the poor, caste Hindus and Dalits, Adivasis, and Muslims, men and women, and urban and rural areas. Data from village surveys done by the Foundation for Agrarian Studies show massive educational deprivation across the board, other than for the richest 5 to 10 per cent of households. Half or more of adult women have not had even one year of formal education in practically all the villages surveyed. Except for one village (out of fourteen for which data are

processed), there was not even universal school attendance among those aged 6 to 14 years. The constitutional promise of eight years of free and compulsory education remains unfulfilled. Neither universal literacy nor universal school attendance is anywhere near being achieved, except among the richest (largely non-Dalit, non-Adivasi and non-Backward Class Hindu) households.

148. Available evidence from surveys of learning outcomes among those with some years of school education shows that these are also very poor across the country. High GDP growth rates in the last two decades and more have not led to any significant reduction in educational deprivation, especially among the exploited classes, oppressed social groups, and females in rural areas. A key focus of our work in rural areas must be that of addressing educational deprivation among the working people.

149. Evidence from States such as Tamil Nadu indicates falling enrolment in government schools. Parents are being induced to send children to private schools of uncertain quality, incurring significant costs. The state fails to strengthen infrastructure and provide adequate numbers of trained teachers to ensure good learning outcomes. We must put forward the slogan, "Strengthen Government Schools, Ensure Quality Education."

150. Higher education has been among the worst victims of crass commercialisation, authoritarian centralisation and rampant corruption. The skeletons tumbling out of the cupboard of the Medical Council of India (MCI) and AICTE (All-India Council for Technical Education) as well as the proliferation of unregulated and corrupt private institutions in tertiary education charging huge fees, denying all democratic rights to students, teachers and staff, and providing very poor education at very high costs are issues that have an impact on rural households as well, and must be addressed by the Party.

151. Given the levels of educational deprivation in rural India, the unwillingness of the State to increase public investment in education adequately, the rapidly rising out-of-pocket costs of even school education, and the poor quality of education offered by both government schools and unregulated private providers, the Party and mass organizations in rural areas must take up issues of education and mobilise the economically deprived and socially oppressed sections of the population for a better educational system.

Health

152. Over the years, there has been improvement in such health indicators as life expectancy at birth, infant mortality rate and maternal mortality ratio. However, the improvement in as well as the values of these indicators varies considerably across states and by residence (rural vs urban) as well as by gender. There are significant differences across social groups, though the evidence on these differences is not readily available.

153. There has been a small expansion of health facilities and services in the public sector over the period of neoliberal reforms. This expansion has been inadequate in relation to needs and in relation to the resource mobilization possibilities that are available but not exploited by the bourgeois-landlord state. The promise of the NCMP of UPA I that the combined expenditure of central and state governments on health will be increased from around 1 per cent of GDP to

between 2 and 3 per cent of GDP remains unfulfilled, though there has been an increase in absolute levels of expenditure on health over the period of neoliberal reforms.

154. The recognition of such progress as has occurred in respect of health indicators and health infrastructure and facilities in the public sector over the period of neoliberal reforms does not by any means imply glossing over the serious negative consequences of neoliberal reforms in the health sector. One key consequence of neoliberal policies has been rising health expenditure for households. This hits the rural poor especially hard as they suffer in terms of proximity and ease of access to a health facility as well as in terms of the rising share of health expenditure in their total incomes. Besides, they have limited access to health insurance of any kind. Even according to official data, the percentage of rural households reporting any out-of-pocket (OOP) expenditure on outpatient health care rose from 61 per cent in 2005 to 79 per cent in 2012. Between 2000 and 2012, the proportion of rural households reporting such expenditure rose from 51 per cent to 73 per cent for the poorest 20 per cent, from 58 per cent to 76 per cent for Scheduled Caste households and from 67 per cent to 83 per cent for Muslim households. Monthly out-of-pocket spending on health per member of rural households has been rising rapidly and was almost 60 per cent higher in 2012 than in 2000. Rising health expenditures, both in absolute terms and as a share of household expenditure, is a factor in the crisis of livelihoods that the mass of the peasantry as well as manual labour and artisanal households in the countryside face. This should be an important point of mass mobilization for our Party and mass organizations, especially in the countryside and among the urban poor.

155. Current policy has further marginalised preventive health in health policy. Progress in respect of the provision of drinking water, sanitation, and nutrition remain woefully inadequate. We need popular campaigns for primary, preventive and promotive health care and for special attention to addressing caste, gender, rural-urban, and regional inequalities in health care.

Household Amenities

156. The Universal Declaration of Human Rights 1948 states that “everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family.” The situation in rural India today with respect of housing constitutes a grave violation of this right. According to the Census of 2011, 65 million rural households lived in structures with a katcha roof (made of temporary materials like thatch), 79 million had katcha walls and 106 million had katcha (usually mud) floors. The conditions of housing of Dalit, Adivasi, and Muslim households were much worse than of households from other social groups. More than 95 million rural households lived in congested environments, that is, with more than two persons per room, the norm recommended by the International Labour Office for workers’ housing.

157. A house is not merely a roof and four walls, but must have provision for toilets, drinking water and electricity. Village survey data from 15 villages across six States were used to calculate the number of houses that met the following criteria: a house made of pucca roof, walls and floor, with two rooms, a source of water

inside or just outside the premises, electricity and a functioning latrine. In the villages surveyed, 94 per cent of the houses in which Dalit households lived, 96 per cent of the houses in which Muslim households lived and 100 per cent of the houses in which Adivasi households lived failed to meet the specified criteria. Among other social groups, 78 per cent of households lived in houses which did not meet these criteria. In short, in terms of adequate housing, an essential requirement for health and well-being, the picture is one of large-scale and generalised deprivation, even after more than two decades of the “high” GDP growth that neoliberalism claims. Issues of shelter and amenities need to form an important part of an agenda of political work in rural areas.

Climate Change, Agriculture and Rural Disaster Management

158. A new and significant source of concern for agriculture arises from the threat of climate change. This can have a serious adverse impact on agricultural production as a whole and on the lives of the peasantry and rural manual labour and their livelihoods in particular. An important likely consequence of climate change is the increased likelihood of extreme climate events, or natural weather-related calamities of greater severity. These have already become scientifically evident in some parts of the world.

159. Climate change can have a number of effects on agricultural production, in a number of direct and indirect ways, including effects on moisture availability, pests, weeds and nutrient availability, all of which can negatively affect agricultural production. A 2.0 degree Centigrade rise in temperature in the growing season of wheat can shorten it, resulting in a loss of yield of about 0.75 tonnes per hectare. Similar results are known for a number of other crops. In India, average annual temperatures have shown a steady increase, ranging from 0.8 deg Centigrade to 1.2 degrees in different parts of the country. However no major change, caused by global warming, seems to have occurred as yet with respect to the Indian monsoon. Some local changes in rainfall patterns and changes in total monsoon rainfall in 3 out of 36 meteorological sub-divisions in the country have been noticed.

160. Has climate change already had any serious impact on agricultural production in India? The answer, in the main is no. There are a few cases, however, where some impact is visible. Apple production in Himachal Pradesh has moved significantly to higher altitude districts, since winter temperatures in lower altitude districts have increased. This has led to a decline in crop productivity and quality in the latter districts. In West Bengal, in tank-based carp fisheries, the spawning season has significantly lengthened, by more than a month, leading to greater productivity, due to the rise in temperatures in the months before the onset of summer. However, further temperature increases could create losses in the summer months. Climate change may have had a role in the levelling off of rabi wheat productivity growth in Punjab, Haryana and Uttar Pradesh after 1995.

161. Under the prevailing production relations in the agrarian economy, climate-related disruptions affect the small peasantry much more than they do the landlords and rich peasants. So do natural calamities and economic disruptions. While recognising the seriousness of the potential impact on the peasantry of the effects of climate change, we must highlight the fact that the solution to the

problem lies in the transformation of agrarian relations, and adequate support by the state for the peasantry.

162. Sustainable agriculture should not be identified with small-scale agriculture. Small production must not be romanticised either as more efficient or as environmentally more sustainable. Any vision for sustainable agriculture must include both economic viability for peasant production as well as environmental protection, while recognising the need for growth in productive forces in agriculture through changes in production relations and increased investment. This understanding of sustainable agriculture must also guide our approach to issues raised by the Gadgil and Kasturirangan committees.

163. While calamities and disasters have occurred in earlier periods as well, the fact that climate change significantly increases the probability of the occurrence of extreme events makes the issue of rural disaster management even more urgent. The impact of such calamities – whether natural or man-made - on agricultural production and the manner in which different sections of the rural population are affected depends significantly on the prevailing economic and social order. In India, floods alone affect an average (from data for 1953 to 2011, provided by the Central Water Commission) 32.43 million people every year, the area affected on average amounting to 7.225 million hectares. Within this, the cropped area that suffers damage amounts on an average to 3.789 million hectares every year. The greatest cropped area affected in a year was in 2005, when more than 12 million hectares were flooded. For many other indicators of impact, such as the total area affected, the number of people affected, number of lives lost, number of cattle lost, and number of houses damaged, all the peak years are in the late 1970s. This suggests that while loss of lives and loss of cattle and other such losses are relatively lower, the extent of crop production affected continues to be high.

164. India's record in mitigating the risk of natural calamities and in compensating adequately the loss in agricultural production is poor. Compensation for losses in agriculture are not adequate. Moreover, tenants are routinely denied any compensation. There is no compensation in general to rural labour for the loss of labouring days. The poor and middle peasants and the rural manual labour disproportionately suffer the consequences of natural calamities.

165. National Sample Survey data suggest that rural households disproportionately suffer from flooding due to inundation by river or sea-water. The incidence of houses with plinth level zero or close to it being much higher in rural areas, the incidence of flooding is correspondingly higher. Among those affected by flooding due to river or sea water inundation, those from the lowest monthly per capita expenditure sections suffer the most.

166. The provision of relief in disaster situations, of adequate resources for recovery and rehabilitation, and of adequate measures for disaster risk reduction are all of serious concern to the rural masses. However, it is important to note that the disproportionate impact of disasters on the poor in the countryside does not imply that the cause of their loss of well-being is purely environmental. On the other hand, it is the structure of the economic and social order in the countryside that causes disasters to have a disproportionate impact on the poor.

167. We must be with the people and assist them as much as we can in disaster situations. We must also campaign effectively to educate people on the links between the occurrence of and devastation caused by disasters and their greater

impact on the poor and neoliberal policies that pay little heed to mitigation, prevention, and genuine environmental concerns.

VII. SUMMARY AND CONCLUSION

168. This report attempted to describe and analyse the changes in socio-economic characteristics of the major agrarian classes in India, particularly after the accelerated introduction of policies of capitalist liberalisation and globalisation in 1991.

169. We first summarised some of the major overall changes introduced as a result of neoliberal economic policy regime. [paragraph 4]

Productive Forces

170. The report then discusses recent changes in the development of productive forces in the countryside [paragraphs 6 to 10]. An important aspect of this section (and the running theme throughout the report) is that the agrarian crisis is *differentiated* as between classes, crops, regions, and also periods of time. It has affected, above all, the vast masses of poor and middle peasants and manual workers across the whole period. Broadly speaking, the data show that the period from about 1991 to 1997 constituted the first period of liberalisation, when a raft of new policy measures were introduced. The period from 1997 to about 2004 was the worst period for the economy and the people after liberalisation, when the impact of the lagged effects of the policy changes of the previous period combined with years of bad harvests and a general decline in international commodity prices to create an unprecedented crisis in the countryside (ironically, these were the years that the BJP termed "Shining India"). The period after 2004 saw some revival of agricultural indicators, and the rural economy was also affected by policies influenced by the pressure that the Left was able to exert. Growth after 2004, however, has been grossly *unequalising* growth, characterised by sharp and increasing disparities in the countryside and elsewhere.

Class Structure

171. We then took up, for separate discussion, the socio-economic characteristics of the most important classes in the Indian countryside.

172. The development of capitalism in the countryside is uneven – and the uneven development of capitalism has, indeed, exacerbated in the era of globalisation – and although agrarian relations are characterised by the extension of features of archaic institutions and social formations into the present, the overriding feature of the period under consideration has been the extension and intensification of capitalism in rural India.

Landlords and Big Capitalist Farmers

173. We identified the class of landlords and big capitalist farmers as being the main representative of state power in the countryside. There are two major constituents of this class. The first are those whose position in the land and rural

economies derived originally from their inherited wealth with respect to land and status (that is, those who came from historically landlord families). The second are those who have been beneficiaries of post-Independence capitalist development, and whose present position derives from the development of the forces of production in rural India. These two sections – capitalist landlords and big capitalist farmers — are in the process of fusing (in fact, have fused) into a single class in the countryside. This class owns the most and the best land in India's villages. While the power of this class derived originally from their position with respect to the ownership and control of land, today they derive their wealth and position from a wide array of sources in the villages and nearby urban areas, including animal resources, small and medium manufacture (including agro-processing) moneylending, trade, services, private education and health facilities, construction, real estate, and other economic activities. They dominate public institutions, bending these to their own advantage, and, in general, dominate the machinery of bourgeois political parties. This class has strong links and often overlaps with the richest sections of the non-agricultural classes in the villages as well as towns [for the characteristics of this class, see paragraphs 15 to 27].

174. The fact that land is no longer the sole, or even dominant, source of income and economic activity for the class of landlords and big capitalist farmers has important implications for our movements, particularly for the struggle for the seizure and distribution of landlords' land. The report suggests that we need fresh thinking on how to fight a class enemy of this type. In a situation where the hegemony and dominance of landlords and big capitalist farmers derives from their overall control of a wide range of economic activities and institutions in villages and their surroundings (and not solely or mainly from village-based exploitation), we cannot fight this class on the issue of land alone. While recognising the centrality of the land question, and the importance of the demand for comprehensive land reform, we also recognise that even the demand to identify, occupy, and redistribute ceiling-surplus land has become a demand that is not immediately realisable — for a variety of subjective and objective reasons — in many areas at the present moment [paragraphs 28 to 30].

Manual Workers

175. Hired wage workers, agricultural and non-agricultural, constitute the vast class of rural manual workers. The main points of the report in this respect are as follows. First, hired workers in agriculture and hired workers in non-agricultural tasks no longer constitute two distinct sections of rural workers. Wage-workers in agriculture work in a wide range of non-farm tasks as well, including as migrant workers in urban areas. [paragraphs 32 to 35]. Rural workers nevertheless retain a partial agricultural and rural character, and are, in important respects, distinct from the urban proletariat [paragraph 54]. Secondly, wage rates in rural India are, in absolute terms, low. They are marked by very wide regional differences and by sharp gender discrimination [paragraphs 52 to 53]. Thirdly, the average number of days of employment actually received by rural workers is abysmally low, particularly for women [paragraphs 41 to 51]. Fourthly, taken together, low wage rates and inadequate days of employment per worker make for very high levels of poverty and deprivation among manual workers.

176. We have suggested that the Party seriously consider the creation of a *rural* workers' union. Such a union will draw on workers of all types and occupations in the countryside, taking up a range of issues – including those of livelihoods and living standards, including wages and employment, and of caste, gender, and other forms of social exclusion and oppression. These struggles will bring them in confrontation with the state as well as its major representative in rural areas, the landlords and big capitalist farmers and other sections of the rural rich [paragraphs 54 to 55].

Peasantry

177. The peasantry are not a single homogenous class. The report discusses the criteria on the basis of which peasant classes can be differentiated. [paragraphs 57 to 61]. Certain salient features of change in different classes among the peasantry have important implications for our movement. First, a large section of peasant households derives a significant part of its income from non-farm sources, from petty self-employment, salary employment, and wage labour. Secondly, mechanisation and changes in farming practices and technology have, in most parts of India and a wide range of food crops, diminished the extent of family labour on farms.

178. Thirdly, a new and profound aspect of the agrarian crisis is the crisis in peasant incomes from direct crop production. Our village data suggests that, in the post-liberalisation phase, a substantial section of poor and middle peasants incur losses from farming. In the context of the capitalist mode of production, the term “crisis” has been used by Marx and Marxists to signify an interruption in the process of reproduction, in particular, of *capital*. The agrarian distress of the neoliberal period does imply a serious interruption in the process of reproduction of the farm economy for a large proportion of cultivating households, as has been convincingly demonstrated by village-level studies [for peasant incomes, see paragraphs 69 to 74].

179. Middle and poor peasants are inherently disadvantaged by the small scale of petty peasant production. Under the present regime, it is not possible for them to ensure adequate incomes from agriculture without decisive intervention from the state to bring down input costs and raise output prices, provide the poor with enhanced agricultural extension services, and ensure post-harvest storage and marketing facilities.

180. Fourthly, peasant differentiation as manifested in proletarianisation has proceeded rapidly in recent years [paragraphs 75 to 84]. Proletarianisation has taken the form of direct depeasantisation, that is, the alienation of large sections of workers, and poor and middle peasants from the land. The increase in landlessness in rural India is a reflection of this aspect of proletarianisation. Proletarianisation has also taken the form of widening of the market for hired labour. Vast new sections of the poor and middle peasantry now participate as hired wage workers at farm and non-farm tasks in rural and urban areas.

181. Tenancy has taken new and complex forms in the present period [paragraphs 63 to 68].

Sectional Deprivation

182. The issues of group discrimination, oppression, and exploitation are an intrinsic part of the agrarian question in India. The agrarian question cannot be resolved without a destruction of the systems of oppression based on caste discrimination and untouchability, and on discrimination based on tribe and gender. The system of socio-economic class in rural India does not exist independently of caste discrimination and other forms of group deprivation [paragraphs 93 to 106].

183. The report also noted that, while our struggle against group discrimination and deprivation has to be pro-active and uncompromising, we also must build *unity* among the working people. In a country riven by medieval forms of social differentiation, only the Communist Party can provide a clear alternative to the disruption of people's unity brought about by identity politics, while simultaneously fighting against social discrimination [paragraphs 105 and 106].

Migration

184. The report dealt in some detail with the phenomenon of migration of rural workers for different types of work [paragraphs 107 to 112]. The extent of migration will continue to increase in the years ahead, especially with infrastructure development gaining pace. It is therefore very important that our Party and mass organizations analyse concretely the magnitude and directions of migration, the problems that migrant workers face in various parts of the country, and the condition of migrants' families in their home villages, in order to be able accurately to frame demands and issues relating to their labour and livelihoods.

Worker-Peasant Alliance

185. The combination of impoverishment as a result of low crop incomes and large-scale proletarianisation opens up new possibilities for the worker-peasant alliance in the countryside [paragraph 113].

Other Issues in the Post-Liberalisation Period

186. Since 1991, a series of laws, rules, regulations, orders, and other policy measures have been passed that seek directly to change the correlation of class forces in rural India in favour of the rural rich, and in favour of the big bourgeoisie and their imperialist allies. These policy measures, which cover a very wide range of economic and social issues, have been significant with respect, for example, to credit, domestic and international trade in agriculture, the role of corporate capital in agriculture, and land use and food security. These developments have implications for education, health, poverty, and other dimensions of human well-being. Some of these issues have been discussed in this report: rural credit [paragraphs 118 to 121], trade liberalization issues [paragraphs 122 to 126], corporate capital, agriculture and the state [paragraphs 127 to 132], food security [paragraphs 133 to 138], government schemes [paragraph 139], cooperatives and other initiatives [paragraph 140], income-poverty [paragraphs 141 to 143], education [paragraphs 144 to 150], health [paragraphs 151 to 154], household amenities [paragraphs 155 to 156], and climate change, agriculture and rural disaster management [paragraphs 157 to 166].

187. The struggle for future development and growth and for the progress of our Party in rural India will have to be informed by a clear understanding of objective conditions in the countryside. Such an understanding, in turn, must be based, in part, on concrete and objective study of the productive forces in the countryside, changes in the characteristics of rural socio-economic classes and other social groups, and changes in the relations of production. This report attempts to take a very small step in that direction.

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