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Kamala Marius-Gnanou

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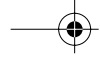
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Debt bondage, seasonal migration and alternative issues : lessons from Tamil Nadu (India)¹

*Kamala Marius-Gnanou**

Introduction

Debt bondage² in India is often associated with seasonal migration and extreme poverty. Actually, scheduled castes and scheduled tribes³ are over-represented among the poor and the landless : the all India average indicates that, typically, bonded labourers belong to Scheduled Castes (61.5 %) and Scheduled Tribes (25.1 %), and are male (97.5 %), married (72 %), illiterate (80 to 91 %). Most of bonded labour households are landless (63 %), mostly involved in agricultural work (80 %) [Government of India, 1991].

It seems important to observe the variants of bonded or unfree labour in the context of India's seasonal agriculture. It is now recognized that migration is an integral part of the survival strategies of the poor. Although researchers focused for a long time on rural/urban migrations – totally neglecting other forms of migration

1. The fieldwork was conducted with Venkatasubramiam (Research Engineer) from French Institute of Pondicherry.

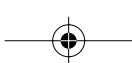
This study has been conducted thanks to the French Institute of Pondicherry – www.ifpindia.org – in Microfinance research program « Indebtedness, Vulnerability to Bondage and Microfinance » resp I. Guérin for the International Labour Organisation (Social Finance Unit).

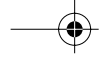
* Geographer, Associate Professor UMR Ades (CNRS/Bordeaux3), University of Bordeaux – k.marius-gnanou@ades.cnrs.fr.

2. In India, the bonded labor system [abolition] act of 1976 gives an official definition of bonded labor and of debt bondage. Here we use a simplified version used by the International Labour Organisation. One is in debt bondage if:

- S/he has an outstanding loan /advance from the employer in cash and /or in kind
- Due to this, s/he or any other member of the family is forced to work for the same employer – credit as an element of control over the labor
- S/he is paid less than the market wages for the work done because of a loan / advance – exploitative working conditions including longer working hours
- S/he lacks freedom to move around and change employers due to the loan / advance and may be forced to sell the produce to the employer at a lower rate.

3. Scheduled Castes (SCs), ex-untouchables and Scheduled Tribes (STs) are Indian communities that are explicitly recognized by the Constitution of India as requiring special support to overcome centuries of discrimination by mainstream Hindu society.





– rural/rural migrations have now become the subject of greater attention. While this point has won unanimous support, the impact of migration on relations of exploitation is still very much debated. The literature witnesses endless debates on the « voluntary » character or not, of this type of work relation.

Various studies [Jodhka, 1994] undertaken during the 1990s showed that this bondage system, at least in its traditional form, gradually fell into disuse, in particular in the green revolution areas. Capitalist farming, actually, necessitates the mobility of “free labour” that is not bound to landlords ; it has also, conversely, contributed to the reinforcement of debt bondage through a system of advance controlled by the labour broker or jobber. In our study the relationship between employers and cane cutters is indirect because the latter are recruited through jobbers (*maistries*), which avoids the risk of recruitment and reduces the cost of transportation and the search for a job. In this paper we investigate the link between debt bondage and seasonal migration, with particular attention to landless migrants such as cane cutters. Our objective is to determine whether debt bondage is positively correlated or not to seasonal migration.

In India and Tamil Nadu, sugar cane is grown by large farmers from the dominant agricultural castes, who also dominate the sugar cooperatives. Migrant workers, who cannot find sufficient work to sustain themselves throughout the year in their own regions, migrate to harvest the cane over eight months or so of the year.

With a production of 28.3 million tonnes in 2006-2007⁴, India is the second largest producer of sugarcane in the world after Brazil. This sector supports over 50 million farmers and their families⁵. In 2007, the domestic sugar consumption was estimated to 20 million tonnes. In spite of a better regulatory environment since 1993, sugar is still highly regulated at the central and state levels. The industrial production of sugar cane first started in the 70s with the green revolution under the impulse of sugar mills of the public sector organised as state cooperatives. However, the numerous dysfunctions of the public sugar mills (corruption, bad management, over production...) regularly provoked interruptions in activity, which did not encourage the producers to long-term conversion because of a lack of prospects.

However, from the 80s onwards the involvement of the private sector and of its capital has progressively changed the picture. The private sector then decided to resort to a migrant work force, the simplest way being to contact middlemen in zones traditionally productive.

This paper is based on three fieldworks conducted in February 2004, August 2007 and February 2008 in ThondiReddi Palayam, a hamlet located some 15 km from Villipuram. In 2004, most of the villagers were seasonal migrants. They leave the village for nearly seven months to States of Orissa and Andhra Pradesh. Out of nearly 200 inhabitants, three-fourths of them were seasonal migrants. The remainder

4. indiastat.com.

5. KPMG report in www.indiastat.com.

consists of old people, landlords, and people (mostly women) who used to own livestock and stay in the village. Labourers migrate for sugarcane harvesting with the entire family : husband, wife and children. This research involved informal interaction with maistries, migrants, landowners and mill officers.

It is divided in three parts : the first discusses some of the main theories on debt bondage, seasonal migration and sets out an analytical framework. Secondly, we describe our case study of debt bondage and seasonal migration in sugarcane industry with fieldwork evidence. Thirdly, we provide some alternative issues before concluding.

Debt bondage and seasonal migration : analytical framework

The progressive disappearance of the traditional forms of bondage

The labourer in bondage and the free wage labourer stand at two ends of a continuum of degrees of servitude [Ramachandran, 1990, p. 170]. By definition, a bonded labourer is one who cannot choose freely between alternate employers, and who cannot, in fact, work for any person other than his or her current employer.

In India, debt bondage is historically a typically rural phenomenon, which fell under a whole set of relations of rights and obligations between the masters and their dependents. This system falls under a more global system of hierarchy and interdependence between castes, while reflecting the very strong concentration of land in the hands of the higher castes. Jan Breman has extensively described this type of patron-client relation, and the reality that he describes in Gujarat seems quite similar to that described by the villagers of Tamil Nadu when they evoke the situation of their parents and grandparents. The names vary with the region : *Halis* in Gujarat, *Padiyals* in Tamil Nadu, *Admias* in Kerala, *Mulyias* in Orissa, etc. [Breman, 1979, p. 7] The terms employed allude either to the name of the caste or to the relation between the landowner-employer and the worker, with a more or less negative connotation, ranging from a patron-client relation to a master-slave relation. It should be noted that this is not really a question of employer-employee relation ; the payments received by the workers are not considered as a *payment* in return for their work, but rather entail in the *responsibility* of the « patron » [Breman, 1979, p. 17]. Various studies undertaken during the 1990s showed that this system, at least in its traditional form, gradually fell into disuse, in particular in the irrigated areas and those that were converted to cash crops [Jodhka, 1994]. This observation was made notably in Gujarat [Breman, 2003], in Uttar Pradesh, Andhra Pradesh and in Bihar [Byres *et alii.* 1999]. For example, in Andhra Pradesh, the farmers had on average 25 permanent workers (*jeetam*) in 1958, as compared with 10 in 1973 and 1 in 1995 [Da Corta, 1999, p. 86]. The same evolution is observed in Tamil Nadu : between 1985 and 1990, the number of *padiyal* (Tamil word designating bonded workers) reduced considerably. In the 1970s and even the 1980s, it was still customary for a farm of average size to have 3 or 4 *padiyals* [Marius-Gnanou, 1993]. The green revolution was accompanied by the phenomenon of

« absentee landowners » and by the dislocation of large properties (in particular those of the Reddiars, Nadis and Mudaliars) and, finally, by the emergence of a more intensive and more capitalistic agriculture, generally managed by the middle castes (Vanniar, Gounder) [Marius-Gnanou, 1993, p. 22] with no more intergenerational farm servants.

While this traditional bondage relationship tends to disappear, an important feature of contemporary agricultural bondage appears : many of the seasonal migrants are forced into migration by indebtedness.

New forms of debt bondage : seasonal migration through brokers

Theories of migration often shift between two extremes : the neo-classical approach which focuses on individuals maximizing economic gains [Harris, Todaro, 1973], and the approach of structuralists, who see migrant workers as being locked into the capitalist world system and having to move cyclically between domestic (pre-capitalistic) and capitalistic modes of production [Bhaduri, 1973 ; Breman, 1986].

We can ask ourselves one question : why do labourers migrate seasonally ? The answer to this question depends on social norms, religious and cultural factors ; according to Rogaly *et alii* [2001] migrants from West Bengal are all men because it is their duty to feed the household. In fact, migration is a question of job availability. Individuals migrate to the region where work is available and where they can earn enough money to improve their financial situation.

Breman [1996, p. 53] invokes the term « circulation », which, according to him, accounts better for these movements, both of short duration and from one place to another and/or from one sector to another (from one season to another or in the course of the same season, the migrants regularly change activities : agriculture, construction, daily work in an industry, brickyards, etc.), with regular returns to the native village. « Migration turns into circulation when the employment is of limited duration. A marked example of this is provided by seasonal workers who leave their villages, often accompanied by wives and children, to escape the agrarian cycle by working as cane-cutters or brickmakers » [Breman, 1996, p. 53]. Although these forms of circular migration have probably always existed, it is obvious that they have widely developed in the last decades because of the transport and communication facilities, changes in the modes of agricultural production and because of the development of industrialisation. No exact data exist making it possible to quantify the magnitude of seasonal migrations. The only available data are from the National Commission on Rural Labour (NCRL), but they are probably greatly under-estimated. NCRL puts the number of circular migrants in rural areas alone at around 10 million in 1999-2001 (including roughly 4.5 million inter-State migrants and 6 million intra-State migrants). According to NCRL, the majority of seasonal migrants are employed in cultivation and plantations, brick-kilns, quarries, construction sites and fish processing. In India, large numbers of seasonal migrants work in urban informal manufacturing, construction, services or transport

sectors, employed as casual labourers, head-loaders, rickshaw pullers and hawkers [Deshingkar, Start, 2003].

Several studies conducted by Breman in Gujarat and by Rogaly's research team in West Bengal analyse the causes for labourers to leave the place of origin. Their findings show that several influential socio-economic and cultural factors motivate departure. Poverty is seen as the main factor causing labourers to leave the village. Poverty, explained as insufficient income, is associated with a lack of decent employment opportunities within the village and with low salaries. Several other factors also emerge to explain under-employment in rural Indian economies : the introduction of machines in the production process, whether in agriculture or traditional manufacturing [Mukherjee, 2001], and bad climate, with a lack of rainfall in Tamil Nadu [Marius-Gnanou, 1993], and numerous floods in West Bengal [Rogaly *et alii*, 2001 ; Rafique, 2003]. There is not enough work for everyone, and the result is that those who are unable to find a well-paid job move away from the village to earn a living in other rural regions.

Some authors consider that migration, whatever its type, offers workers the opportunity to leave traditional patron-client relations. Rogaly *et alii* [2001] describe a situation in West Bengal that contrasts with that investigated by Breman [1996] in Gujarat : the former mentions a (relative) power of negotiation, for the workers were able to avoid the collusion among employers, while the latter had no manoeuvring room or possibility to express themselves or make demands. Other authors, on the other hand, underscore the fact that capitalist agriculture, just like industry, perpetuates certain forms of exploitation and creates new ones : the modern forms of exploitation would be the result no longer of the concentration of land but of the concentration of capital. Contrary to some prejudices, debt bondage would thus not be a relation proper to feudal or pre-capitalist societies [Kapadia, 1999, p. 447] ; Brass mentions in this respect the term "deproletarianisation". Breman considers that these new forms of bondage are the direct expression of new forms of accumulation [Breman, 1996, p. 168]. To view the relation of indebtedness as a simple advance – without taking into account the multiple dependencies thus engendered and the derisory wages that result – would only be the reflection of neo-liberal interpretations blind to the mechanisms of exploitation and reproduction of inequalities [Da Corta, 1999, p. 77].

The central question is not so much that of indebtedness, but the manner this indebtedness and the resulting dependency relations function [Mosse *et alii*, 2001, p. 71] Nevertheless, as Jan Breman underscores, indebtedness remains a fundamental aspect of capitalist modes of regulation : new forms of indebtedness give rise to new forms of bondage, which he also calls « capitalist » forms of debt bondage [Breman, 1996, p. 9, 56].

The "advance" (munpannam) system

This type of seasonal labour circulation has become increasingly common in India due to the green revolution, large-scale irrigation schemes and other forms of

modernisation of the Indian agriculture. For a long time, people used to migrate within short distances to harvest crops and dig irrigation canals before returning to their villages. Ideally, this type of capitalist farming, which certainly requires the mobility of « free labourers » who are not bound to a landlord, has contributed to reinforce debt bondage through a system of advance – “*munpannam*” – offered by the labour broker or jobber or *maistry*.

Labour is organised through a multi-tier system of contracting, subcontracting and piece rate which involves a hierarchy of labour brokers, jobbing recruiters, supervisors and labour gang leaders.

The jobber usually originates from the same caste as the team that he recruits for work in the sugarcane fields [Bremar, 1996], in brickworks, in diamond-cutting [Kapadia, 1995] or in power loom workshops [Neeve, 2001]. Jobbers are ideally from the same caste of the same taluk and village ; they are, in most cases, villagers who are better-off, and were formerly workers or supervisors. They control both the recruitment of their workers and their work in the plantations or in the factories.

The amount of money needed by jobbers to recruit members of their team is usually larger than the sum advanced to them by the factory. They have to complement it with a loan from a moneylender ; the workers are then charged for the high interest rate that they have to pay. During the season the debt often increases even further because the migrants borrow small sums from their gang boss.

This labour broker system frees the employers from having to enter into direct relationships with the workers. The employers benefit above all from the enormous savings, both in terms of money and organisation, provided by the labour broker performing the functions of recruiter, foreman, and camp boss.

However, while a well-established jobber may receive advances from the employers/contractors to whom he supplies labour, newly established recruiters have to risk their own capital to provide advances, or take out additional loans from moneylenders. In selecting jobbers, preference is given to those migrants who have already been involved in the plantations or factories for several years. The contractors/employers will only rely on jobbers and advance them money if they believe that they will come up with reliable, regular, hardworking and compliant labour gangs. Only a trusted jobber who is able to make generous advances acquires a dependable labouring group [Mosse *et alii*, 2001, p. 72]. The jobber slowly builds on his status. At the start of his career (*kijai maistry*), he is allowed to recruit a limited number of workers. If his work is satisfactory, he can bring along larger teams next time and become a *mel maistry*. A certain stratification exists within the jobber corps, and at the top, a small core can supply the largest teams, and are more trusted by the employer, compared to the smaller brokers who are dependent on the moneylender.

The workers are usually recruited on the basis of units (*pannai*) or sets of a dozen persons including husband, wife and other major or minor persons of the family. This contract system is usually highly segmented. In the detailed study of the seasonal circulation of unskilled workers in rural areas of Gujarat, [Bremar,

1985, p. 192], quarry workers are recruited from Bharuch districts, while the cane cutters are from the neighbouring state of Maharashtra. Because of this recruitment system, labour migration established a long-term stable relationship between the place of work and the area of recruitment.

A critical part of this process is the ability to bind migrating groups through big advance payments. Jobbers and labourers admit that their employers are trying to bind them and they describe their work relation as a situation of *kottadimai* or bonded labour. The labour broker is a major instrument in the realisation of this type of exploitation. However, we have to admit that most labourers in rural areas ask for an advance to survive during the slack season, it is included in the contract labour even in “free labour relation”.

We have to state that different types of recruitment offer different opportunities in the search for work. All the migrants are not recruited through *mounpannam* by jobbers, but can travel in groups or alone with experienced migrants and can exploit kinship connections. The kin network is a ticket to the urban labour market and to finding a regular job under better conditions [Marius-Gnanou, 2004]. Without social networks, migrants are more vulnerable to intimidation or non-payment of wages, and are unable to get out of debt or overcome a crisis. This kind of labour contracting can end when ever/workers’ unions fight against this system as in West Bengal [Rogaly *et alii*].

Case study : cane cutters in Tamil Nadu

Evidence from fieldwork : the village of ThondiReddi Palayam

ThondiReddi Palayam is a hamlet belonging to the *panchayat* (administrative unit) of Arpisiampalayam (855 households), located some 15 km from Villipuram. The classic structure of Tamil villages is found in this village : one part is reserved for people of caste, landowners (20 families) in this case ; apart from a few Vanniars, Naikers, the “dominant caste” is mainly comprised of Reddiyars and the other part – the *colony* – reserved for Dalits⁶ (here, it is Paraiyars, 170 families). Almost all the land is held by the Reddiyars, with rice and sugar cane as the main crops. The organization of the village rests on a very strong division of labour. The village has undergone numerous changes over the last twenty years and this strong “complementarity” has gradually been eroded, under the effect of different factors most of all, the gradual disappearance of the *Padiyal* : “many *Paraiyars* traditionally used to work permanently for a *Reddiyar* landowner and were their dependents” (*Padiyal*). The *Padiyal* would receive 70 Rs. per month and a bag of paddy per harvest (twice or thrice a year) ; he also receives daily a dose of arrack – a kind of locally produced liquor. He had to be available 24 hours a day, to take care of the

6. The word “Dalit is the term used by the untouchables” ; it means “held under check”, “suppressed”, or “crushed”, or, in a looser sense, “oppressed”. The terms Scheduled castes and scheduled tribes are also used in the Indian legal system to refer to this social group in India.

livestock and the irrigation and of course to work in the fields ; his wife was given the domestic work such as maintaining the garden and small livestock. She would receive one rupee per day and a bag of paddy at each harvest ; the children would also take care of the livestock and some of them would receive up to 2 Rs. per day [Viramma, Racine, 1995].

According to the villagers, this system was still widely dominant in the 1980s, before gradually disappearing. Some villagers consider that to be a *Paraiyar* is to be “attached” to a Reddiyar. As a Paraiyar summarized it in evoking their erstwhile situation : “we gave them our brawn, they – the Reddiyars – gave us money for rituals ; both needed each other, they are our “*andan*” (gods)”. On the one hand, the new production techniques – mechanization, new forms of irrigation – no longer require a permanent labour force. First adopted by the large landowners in the beginning of 1970s, the mechanization of agriculture has progressively extended to most of the production units, largely encouraged by various government incentives, especially the granting of tractors managed by the state cooperatives of the *panchayats*. This process of mechanization had become the norm by the end of the 1990s. On the other hand, the *Paraiyars* themselves, largely influenced by various movements demanding rights for Dalits, were numerous in refusing this system of dependence and now prefer looking elsewhere for a job, even if this means migrating. The new job opportunities and the attrition of the discriminations linked to untouchability has facilitated this process. The status of *Padiyal* (servile labourer) is now considered by many as a slave status (*adimai*), a notion widely popularized by the Dalit movements.

When the villagers are asked to compare what there parents experienced with the actual situation, many assert without hesitation that they prefer their new freedom : even if migration is difficult and the regularity of incomes very uncertain, the effect in terms of dignity is incomparable ; they feel that they are more highly esteemed by their new employers, the *maistries*. This new independence is also expressed in terms of political adherence : the Paraiyars are now free to choose their own party and many emphasize this point to convince us of their autonomy.

Moreover, the new attraction exerted by the urban poles, led a large number of landowners to migrate to Chennai or Pondicherry. Today, the *Reddiyar* quarter is almost uninhabited. Most have maintained ties and return from time to time, but few of them live permanently in the village. Some have sold part of their land. Many of them delegate the management of the cultivation, generally to a Vanyar or a Paraiyar.

All of these elements result in a drastic reduction in the need of labour for the *Paraiyars*, both in terms of number of people and working days.

The local agricultural labour force has been until 2005 essentially female : the tasks that require physical strength are done by machines, and in addition, the women accept to work for lower wages. This high feminization and jeopardization of agricultural work only illustrates a general tendency observed throughout India [Harris-White, 2002 ; Kapadia, 1999 ; Marius-Gnanou, 2004a].

Seasonal migration involved the majority of families until 2005: out of 170 families, it is estimated that more than three-quarters migrate each year. Some migrate to construction sites, but the majority to the sugar cane sector that is well-known to them, with three principal destinations : southern Andhra Pradesh (Chittoor, Anantapur and Cuddapah districts) from April to June ; eastern Orissa (Cuttack and Dhenkanal districts) from December to May and occasionally to Southern Tamil Nadu (Dindigul and Sivagangai districts) from May to July (map).

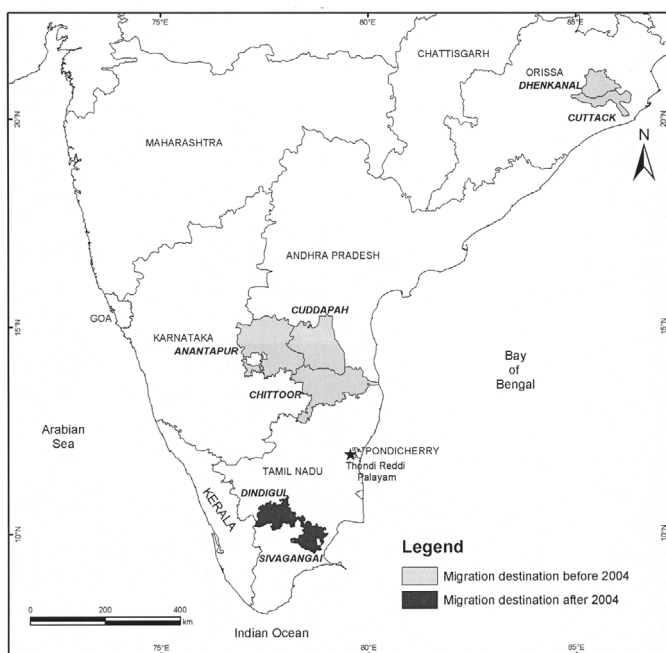


Fig. 1 – Segmented labour market: Examples of Sugarcane harvest

Orissa is a relatively recent destination (since around 1997), open by one of the main employers in the region, the Sakhti Group (one of the major refineries in Tamil Nadu, based in Coimbatore). This enterprise works in direct relation with the producers to whom it provides the inputs, the fertilizer and the labour for the harvest. Why to recruit Tamil labourers when Orissa is more than 1 000 km distant with available labour ? On the one hand, cutting sugar cane requires a minimum know-how of which the Oriyas have little because sugar cane has just begun to be developed there. The Tamil represent approximately 60 % of the total labour force (the remaining 40 % consisting of locals) and are renowned for their rapidity. All those who migrated to Orissa were *Paraiyars*. A few Vanniar families were also involved in this type of seasonal migration, but they seldom went farther than southern Tamil Nadu : it is frequent that men migrate alone, leaving the family in



the village, but most of the Paraiyars very often migrate as a family, taking women and children along. On the other hand, and the *maistries* were very clear on this point, it is much easier to control the labourers when they are completely cut off from their original milieu : it is indeed very difficult for them to leave the place of work before the end of the season. According to the *maistries*, the “escapes” are, increasingly frequent, but the distance is a good way to re-establish a certain discipline. Even if they think highly of the system, the *maistries*, very seldom have nevertheless a choice. They are connected to an employer (for the most part, the Sakhti Group) and it is this employer who asks them to go to this or that destination. Initially the *maistries* were satisfied with this new destination : more generous incentives from the sugar mills, less pressure in supervising the workers because of the distance, while in the closer migration zones, the workers constantly ask to go back a few days to the village.

The workers are organized in groups of 12 to 14 workers (“*pannai*”) including the *kiz-maistry* and sometimes the female cook. The advances are individual (or rather familial), whereas the remuneration is collective and is based on the production of each *pannai*. The members of the *pannai* are generally from the same quarter, or even the same street. The collective work presupposes a minimum of understanding and trust, even if the *maistry* or his *kiz-maistry* is responsible for settling eventual conflicts.

The arduous work of cutting, cleaning and bundling the cane is carried out by groups of two or three workers, usually a couple of men, including sometimes a working woman. Moving with their families, they camp in the open fields with only a couple of poles and two mats, making an inadequate shelter, with no sanitary facilities. The sugar cane harvest is an extremely demanding physical work ; the working hours are generally fixed, around 12 to 14 hours per day (from 6:00 to 13/14:00 in the morning, then from 2:00 to 7/8:00 in the afternoon, with a slight shift towards morning during the hot season). According to the male workers, drinking alcohol (*arrack*) every night is necessary with such hard work.

Sickness or injuries due to machetes are common and can result in death. Nursing mothers have to care for their babies during the break periods of their work. The piece rate system is manipulated so that employees receive less than the minimum wage. Many of them, being illiterate, are cheated, in various ways, of the small amount that is due to them. About one third of the harvest workers are women, but payment for the work of a couple (*jyothi*) is given to the man, and the work done by women is not recognised separately⁷, except the work done by the female relatives of the *maistries* or female *kiz-maistries* ; few of them are involved in the recruitment of the workers or in the negotiations with landowners or cane officers.

Although harvesting is entirely controlled by the sugar mill owners, these workers are not deemed to be their employees, but recruited on a contract system through *maistries* (contractors) from the same villages. The factories advance

7. Breman, 1990 and Terink, 1995 have the same observations.

money to the *maistries*, who in turn advance money to the labourers in return for the commitment of a work for them during the next season. To retain labour, the employers withhold the greater part of workers' wages until the end of the season. This portion is forfeited if workers fall ill and find themselves unable to work. The wage is paid per ton irrespective of the number of hands that have done the cutting, so the abundant supply of labour allows flexibility in the production process and weakens the bargaining power of the workers. The monetary remuneration has been in 2003, between 120 and 130 Rs. per tonne ; on the other hand, the food is free in Andhra Pradesh and in Orissa. Initially, the workers were quite reluctant, but the incentive of an advance, the amount of which is higher than for Andhra Pradesh and Tamil Nadu, was determinant. For a large part of the year, from the beginning of the monsoon (July, when the advance has been given) till some time at the end of harvesting, the cane cutters are indebted to their *maistry*.

Because of the distance and the language, the dependence on the *maistry* is complete, and returning to the village in case of emergency (funeral, ceremony) is almost impossible. Until 2004, they did not have the choice ; they go where the *maistries* bring them. Initially, all these disadvantages were compensated partially by the amount of the advance.

Since 2004, the advances have been the same whatever the destination, amounting to around 20 000Rs per head and (40 000 Rs per couple for one year) even in Tamil Nadu compared to 2000Rs in 2004 (for 6 months). With a Tamil production and profits to the farmers (Mills pay 1100Rs/t in 2007 ; 800Rs/t in 2005) that increase again, the salaries are also much higher than in Orissa ; the minimum rate fixed by the state of Tamil Nadu has sharply increased during these last few years (240-280Rs/t in Tamil Nadu/150 Rs/t in Orissa). As a consequence, the *maistries* and therefore the workers have decided not to go anymore to Orissa or Andhra Pradesh. Today, the wage negotiation is done between the workers and the *maistries* officially registered by the sugar mills. In the village of our investigation, the *maistries* would get a loan of 100.000Rs-150000Rs from the Mills through the bank. This amount is utilised to a great extent for the distribution of advances to the worker. The *maistries* are renumerationed by the sugar mills on the basis of a bonus based on the production amount (10Rs/ton) and by a withdrawal from the workers' remuneration through a deduction from the harvest of each *pannai* (set). Each sunday, an amount of 500Rs for food is given by the *maistry* to the *pannai*. However, from one season to another or from one *pannai* to another, the harvested amounts are highly variable ; such variations stem from different factors : the quality of the cane production (fertilizer, irrigation...), the absorption capacity of the sugar mills, the number of places of harvest and their proximity ; some *pannai* change from one place to another 20 to 40 times during the year.

In 2008, the migrants of Thondireddipalayam, almost 300 people were ensured by their *maistry* to get a regular employment from November (after Diwali) to October and to have access to a big advance (40000Rs per couple) to allow them to save some money⁸. For example Anand, 34 years old, working as cane cutter since

8. Interviews conducted with migrant workers of Thondireddipalayma on August 2007 and February 2008.

the age of 16 has been in Orissa and Andhra Pradesh until 2004, now with his wife, he got an advance of 40000Rs on October 2007 which allowed him to buy a plot of 20000Rs near his village. He and his wife work all around the South Tamil Nadu for 11 months leaving their children with his parents who can contact them at anytime thanks to his cell phone. Thanks to the short distance (one night by bus), the dependence on the maistry is reduced and the workers can go back to the village whenever they want for funeral, festival etc...

Today, since the labourers can bargain their advances and their wages with the maistries, it is inappropriate to consider this system of advance as a debt bondage ; indeed they do not see themselves as unfree. If the freedom to move or to change the *maistry* exists, it is interesting to see through our case study that the freedom to bargain for better wages is also possible now. However, the wages (240-280 Rs/t in 2007) are distributed at the end of the season with the advance deducted. Because of this opportunity to get a big advance usually for family matters (wedding, dowry...), workers come back indebted for the next season and are in a cycle of permanent indebtedness. But many workers consider this advance as a loan which ensures them a job permanently.

Alternative issues : the National Guarantee Rural Employment Act ?

By recognising the existence of bonded labour, Tamil Nadu and most of all Villipuram district have been one of the first district to taking some action so as to limit seasonal migration and the role of jobbers by implementing the National Rural Employment Guarantee Act (NREGA). Coming into force in February 2006 in 200 districts (300 000 villages), this Act provides a legal guarantee employment to a limit of 100 days (7hours/day) to adult members (18-60 years) of any rural household willing to do unskilled manual work at the statutory minimum wage. It has been announced that the NREGA will be extended to the entire country from 2008-2009. The Gram panchayat registers households after enquiring and issues a job card. The job card contains the details of an adult member enrolled and his /her photo. A registered person can submit a written application for work (for a minimum of fourteen days of continuous work) either to panchayat or to Programme Officer [Drèze, 2004].

An adult who applies under the Act is entitled to being employed in public works within 15 days. A daily unemployment allowance has to be paid. The employment has to be provided within a radius of 5 km : if it is above 5 km extra wage has to be paid. The Act places an enforceable obligation on the state and gives bargaining power to the labourers ; they have durable legal entitlements. This act creates accountability ; by contrast, a scheme leaves the labourers at the mercy of government officials [Dreze, 2004]. In 2006-2007 the NREGA generated one billion person-days of employment. In the district of Villipuram nearly 70 % of all rural households have job cards. In rural areas, there is a massive potential for labour intensive-public works in the field of environmental protection and land management : watershed development, restoration of tanks and canals, land regeneration, roads construction... In July-August 2007, a very large-scale social audit was conducted in Villupuram district by an informal coalition of Non-Governmental Organisations (NGOs) activists, women's rights organisations and Dalits

rights groups called the « NREGA Watch Tamil Nadu » to assess the impact of the program on the people. « There we found much evidence of serious efforts to prevent the spread of corruption in NREGA. For instance, the government of Tamil Nadu has initiated an imaginative system of muster roll maintenance, whereby each labourer has to enter his/her signature or thumbprint in the muster roll every day by way of marking attendance. This ensures not only that the muster roll is available for public scrutiny at the worksite, as required by the NREGA guidelines, but also that large numbers of people actually see it every day. In this and other ways, much progress had evidently been made towards a leak-proof system » [Drèze *et alii*, 2008].

According to the President of the Panchayat of ThondiReddiPalayam, (who was for many years a maistry who controlled 500 migrant workers to Orissa), work is available on a substantial scale in almost every gram panchayat. For example, the president of the Panchayat has submitted a one-year action plan to the Collector⁹ including the number of man days guaranteed and the amount of money needed for deepening the ponds, restoring the tanks, the channels and the roads¹⁰. This bottom up process is an opportunity to activate and empower the panchayat raj institutions, because it will give them a new purpose, backed with substantial financial resources : in NREGA, the gram sabha¹¹ can get 10,21 millions Rs per year. In the earlier rural schemes, it was possible to spend only 300 millions Rs for the entire district.

Our fieldwork in August 2007 and February 2008 suggests that guaranteed employment has impacted the poorest among the poor, mostly women who cannot migrate for many reasons (young children, aged, single woman...) ; the participation of women increased significantly : women's share of NREGA employment is above 90 % in this village. As agricultural labourers in their village, they earn 30 Rs a day for five hours of hard work. Today they are happy to get the same salary as that of the men, -the full minimum wage of 80 Rs a day on NREGA to restore a tank or a canal or a pond. By ensuring some economic independence, NREGA can be a tool of social change and empowerment for these poor women. However, according to the BDO officers, the objective of 100 days of employment is not achieved in Villupuram district. It would appear that some « backward areas » in the most arid and drought prone regions or not accessible have done better in terms of days of employment than several of the « advanced » areas (accessible, near the city...). In contrast to NREGA, which guarantees only 100 days of manual works, *maistries* or labour contractors can provide more than 200 days of work in rural (sugarcane sector) and urban areas (construction sector) with advances. At the state level, in Tamil Nadu, Maharashtra or Gujarat, less than 100 000 households worked under the NREGA (less than 26 days of work). However, the person days of employment per district and households provided with employment were comparatively high in the « backward » states such as Madhya Pradesh, Orissa, Rajasthan,

9. In each district the Collector, who is also the district magistrate, is the principal representative of the administration.

10. Interviews conducted with the BDO officers in charge of NREGA on February 2008. In this BDO office we have consulted the Action plan for Arpisiampalayam (Thondireddipalayam).

11. All men and women in the village who are above 18 years of age form the Gram Sabha.

Chattisgarh (60 to 80 days of work). We agree with the coordinator, Richard Mahapatra¹², of the Centre for Science and Environment when he says. « Casual labourers prefer to bank on NREGA for more assured number of employment days and the programme has failed to articulate itself as more of a development programme than a wage employment programme » [Das, 2008].

Anyway, if the NREGA scheme is well implemented and regularly audited, it could ensure the livelihood of the poorest among the poor of the “backward” areas where alternative work is not available.

Conclusion

Our case study shows that the system of debt bondage masks a wide range of situations from the mild to the most severe conditions of labour. Our research points out also the diversity of the forms of bondage, the multiplicity of explanatory factors as well as the ambivalence of the advance system. Finally, the persistence of bondage is a consequence of a weak enforcement of labour laws, of regular conditions of work contract and migrant labour, which remain in large part unimplemented [Srivastava, 2005, p. 35].

However, the problem of debt bondage should be better contextualized : in our case Tamil Nadu is the third largest economy in India and the most highly urbanised state where unskilled labour is available through labour contractors. Furthermore, Tamil production and profits to the farmers have been increasing since 2004, the salaries and the advances are also much higher than in Orissa, as a consequence, the workers and their maistries have decided not to go anymore to Orissa. So, we can consider that the advance is not in itself a criterion of bondage, because as long as the workers can leave their jobber and/or can bargain their advance, they should not be considered unfree.

However, in spite of this evolution, we have to admit that the wages are still miserable and can lock the labourers in a debt trap. Another important condition of work such as minimum wages has to be provided to the worker. One ray of hope is NREGA, the first legislation that compels the State to provide a social safety net, for the poorest people and seeks to address the urgent issues of bondage, hunger and rural distress that afflict large parts of rural India.

In our sector where the advance is a key factor in the situations of bondage, if it seems impossible to remove the advance system (which is requested by the employers as well as the workers), on the other hand it can be possible to transfer the advance system to a third organization (bank or NGO) and to ensure the transparency of the work “contract”; this supposes a written contract involving witnesses, indicating the remuneration, the advance, the mode of repayment and the mutual obligations of each party and to convince the employers/middlemen, but also the workers [Guérin *et alii*, 2004, p. 98].

12. According to a study carried out across nine states.



At last, only a global approach can pretend to eradicate the problem of bondage progressively, involving public authorities, employers, job brokers, NGOs and international organizations.

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