

## Book Review

**R. Nagaraj and S. Motiram (eds.) (2017) *Political Economy of Contemporary India*. Delhi: Cambridge University Press.**  
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The political economy of India is at once so complex and contrary to popular expectations in social science that scholars of comparative development often squint in order to see parallels to more universal concepts and categories in the Indian experience rather than to critically engage with the complexity. Historians and anthropologists of Indian labour have long noted that key dichotomies – urban and rural, formal and informal, or worker and peasant – do not capture the fluidity across categories in an economy stuck in a permanent transition. This produces a challenge for the legibility of work when comparative scholarship expects workers to look and act a certain way. That challenge must be met by seeing labour in the broader context of changes and pressures in the Indian economy writ large.

*Political Economy of Contemporary India*, a volume edited by R. Nagaraj and S. Motiram, represents just such an intellectual effort. The collection grew out of a conference on the political economy of land, labour and infrastructure held at the Indira Gandhi Institute of Development Research in Mumbai in the autumn of 2014. It brought together political scientists, economists, anthropologists and sociologists, the majority from Indian research institutions, to address key questions in these areas but also to see interrelations between them. As such, even though the volume is not specifically on questions of labour, it represents a significant effort to place labour in the context of the particularities of India's emerging political economy in the twenty-first century. As such, quite apart from a number of excellent chapters on Indian labour discussed at greater length below, it should be of significant interest to those who wish to understand Indian labour in the greater political economy perspective.

The volume opens with a well-formulated and incisive overview by the editors of the traditions of political economy research in India since the decline and collapse of statism in the late twentieth century. This introduction enables readers to place in broader context more specific claims made in the different chapters. It then proceeds thematically, with groups of chapters on regional political economies, urban labour markets, and land and rural labour. Of the fourteen chapters in the volume, three engage labour directly, with several others touching on worker livelihoods in the context of other issues, from caste relations to infrastructure and land battles.

Nagaraj's substantive contribution surveys the current character of the public-sector workforce after programmes of economic liberalisation have significantly contracted the size and scope of government. Some of the key findings in this survey challenge old caricatures of government employment as bloated, unimportant and otherwise a barrier to the economic progress of India from the era before and during liberalisation. A first important feature is that government employees as a

proportion of population is not in fact a large group in comparative terms, representing only 4 per cent of the overall workforce; the Indian public sector grew until the 1970s and then contracted in a pattern that is common to both developing and advanced industrial countries. Second, more than half of the total workforce is at state and local levels, while the size of the federal workforce and that of public-sector enterprises and other parastatals, as reported by official statistics, has declined significantly since the heyday of statism. Third, these declines in public-sector employment have come from the contracting out of auxiliary services – transport, janitorial services, security, canteens – rather than the actual reformation of employment structures. Fourth, while public-sector wages have not increased relative to national income, non-wage benefits, the density of unionised work and related job security make public-sector employment quite valuable. Nagaraj then contrasts the conclusion from official statistics detailed above to the picture gleaned from the National Sample Survey (NSS), which shows a significant *growth* in public-sector employment in the 2000s, based on respondents' reported place of employment. Nagaraj goes on to note that most of these government employees are in fact on short-term contracts, which reflects the greater informalisation we see across the organised sector in India, where employees, rather than being given permanent status, are hired for particular tasks and services. Nagaraj concludes with some reflections on the essentially unreconstructed structure of the public-sector workforce. Even given dramatic shifts in the economy and new demands on public services in the context of “rights-based” provision of key social goods, politicians are loath to revise employment as bureaucrats are key informal players in electoral mobilisation and the political economy of patronage that is centred on the state. This chapter, though rather *sui generis* in the overall context of the volume, sheds an important light on an often neglected but socially significant portion of the workforce. It reflects that themes in overall employment in the formal sector in India – informalisation, outsourcing – are evident in government work as well. It goes on to state that the present position of government workers is deeply embedded in the most significant political economies in India, notably patronage, and therefore is unlikely to experience much change.

The other two chapters explicitly addressing labour represent a study in contrasts. Supriya Roy Chowdhuri's chapter moves from sectoral concerns to the strategies of labour after the liberalisation of the Indian economy and the related mass informalisation of work over the last quarter-century. Chowdhuri notes that traditional studies of labour relations assume the existence and power resources of powerful, encompassing unions with the capacity to force employers to accede to demands of remuneration and conditions of work. But given that the vast majority of workers in India are employed in informal conditions, they lack the capacity to organise collectively against employers. Studies within a new paradigm in labour relations in India, exemplified by recent books by Rina Agarwala and Emmanuel Teitelbaum, have shifted the focus to the state as the provider of welfare for workers, as citizens and voters, as a way of supplanting workers' traditional means of extracting concessions from capital. In this reading, workers are able to work at low wages with little stability or benefits because the state compensates them as both electorally important constituents and important for the industrial production that is necessary for the legitimacy of government. Yet Chowdhuri, in presenting the results of a survey of construction workers who migrated from rural northern Karnataka for work in Bangalore, is significantly less sanguine about the capacities of the state provision of services to replace traditional contention between labour and capital. She finds that workers are provided less than minimum wages with high instability of work, but at the same time they are not able to access social services – including housing, sanitation and primary education for

children – that are meant to be part of the politically salient provision of services by the state. This is significant because these workers are migrants from within the state and are thus theoretically important to Karnataka politicians. Welfare Boards set up with the express intention of supporting the livelihoods of construction workers have little contact and less impact on the lives of the workers, and NGOs, though active, do not represent an alternative in service provision. The chapter reflects on the fundamental point in political economy and politics more generally that representing workers' interests requires organisation and collective action that parties or NGOs are unable to accomplish. While a sobering assessment, Chowdhuri's research points to the limits of India's much-vaunted democracy to take the place of the harder work of organising informal workers.

Nandini Nayak's chapter on the implementation of the Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) in rural southwestern Madhya Pradesh comes to an opposite, more hopeful conclusion from that of Chowdhuri, however. Nayak follows the efforts of an *adivasi* or tribal assertion movement, the Jagruti Adivasi Dalit Sangathan (JADS), in pushing government and other institutional actors at local, state and federal levels to implement NREGA and provide statutory employment based on rights-based contention and engagement with a matrix of institutional actors. The relative success of JADS in Barwani District stands in contrast to the failure of Welfare Boards in Bangalore, but the differences are explained easily enough: poor rural labour in India never had successful interest representation, and NREGA seems uniquely adapted for mobilisation as rights-based social legislation that guarantees concrete goods – guaranteed work and related wages – from government coffers. When powerholders try to block the provision of these goods, the rural poor have political recourse to higher levels of the state to protect and implement their rights, as opposed to a more vague and more easily abused sense of social provision for electoral benefits aimed at particular classes of workers.

Beyond the chapters that specifically focus on labour, a number of other contributions would be of interest to any scholar who would like to understand greater trends in the Indian political economy that impact workers. Of these, one issue stands out, which is discussed by a plurality of the contributions. The public and private provision of infrastructure is understood to be a major constraint in economic transformation, but the acquisition of land for “infrastructure projects” and Special Economic Zones are also often implicated in battles over agricultural land against marginalised farmers who increasingly face power elites keen on capturing rents with the government's support. Given that many workers in India also pursue agrarian livelihoods and that agriculture is in a state of crisis, these regimes of accumulation and dispossession represent a significant threat to the livelihoods of anyone who is involved in agriculture. And given that Indian industry is notably capital-intensive and that high-value services are at the very core of jobless growth, the capture of land is unlikely to yield more employment over the long term. As a result, the current political economy in land and labour should not be understood in isolation from one another.

## **BIOGRAPHICAL NOTE**

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