

## Book Review

**Tom Barnes (2015) *Informal Labour in Urban India: Three Cities, Three Journeys*. London and New York: Routledge.  
ISBN 9781138492264. 202 pp. Paperback £37**

*Reviewed by Garima Singh, Tata Institute of Social Sciences, India*

Tom Barnes has written a captivating piece on disproportionate development. This book makes a valuable contribution to the field of capitalist development and the growth of informal labour in contemporary India. It sets out to understand in minute detail why informal labour has increased in India. It takes a critical, longer-term view of the Indian economic transition by focusing on employment and livelihood within India's massive informal economy. Barnes argues that India has specific historical, institutional and cultural characteristics that have influenced its capitalist development. National characteristics such as the interaction with the world economy and government efforts to lift the restrictions on trade and industries have also played a role. Barnes argues that rapid growth in India is the result of mass employment in the informal sector, a condition very different from Western and other Northeastern countries. India as an agrarian-based country has experienced growing inequality and social class differentiation. People have started migrating in search of jobs due to the inability of agriculture to provide a stable livelihood. This has resulted in a huge surplus of rural labour. Migration and ongoing rural–urban ties have shaped the employment practices of industries in India. The author takes a well-argued position that this contradictory process has been driven by uneven and combined development.

The book is organised into six chapters. In the first chapter, Barnes talks about India's informal economy, captures industrial development since liberalisation and suggests that it has been a case of uneven and combined development. He explains the origin of Trotsky's theory of uneven and combined development and how it can be applied to contemporary India in order to understand the informalisation process. In the next section, this chapter tackles various factors which have contributed to rising informal employment. Barnes says that Marxist political economy has influenced the radical interpretation of postcolonial development and that Trotsky's theory was an attempt to theorise an alternative logic of capitalist development of peripheral states in a Marxian perspective. Barnes claims that for the case of India there is a range of historically and spatially specific factors, including culture, geography and a military conflict which defines the country's "assimilated" feature of industrial capitalism. Later Barnes adds that India's uneven and combined development was also shaped by the country's top political leaders and economic policy-makers.

The second chapter introduces the major competing theoretical approaches to understanding informal enterprises, employment and labour. Barnes also looks at the inability of the state regulatory framework to keep pace with the intellectual debate undertaken by scholars and activists in this field. Lastly, he presents a Marxist theoretical approach and compares it to alternative approaches, and the extent to which it can play an important role in the development of policies and movements.

The methodology used in this work offers a means of testing theoretical claims about the

relationship between the development of capitalism, the structure of labour forces and the emergence of informal labour today. Barnes uses quantitative as well as qualitative data in order to achieve this. The major portion of secondary data has been captured from the National Sample Survey Organisation and Economic Census. Statistical data is supplemented with secondary sources from critical studies of informal labour and economic development. Barnes focuses on the relationship between economic development and class formation in India's three most important urban regions – Mumbai, Bangalore and New Delhi. Informality is understood here as an analytical categorisation of the disadvantaged, as the absence, relaxation or systematic avoidance of state regulation.

The third chapter provides readers with the case study on Mumbai. Most of the evidence suggests that industries there have been profoundly restructured in the last decades. Barnes argues that the historical decline of Mumbai's textile mills, the expansion of informal trading and manufacturing enterprises, reduction in the factory workforce or attrition through Voluntary Retirement Service (VRS) have occurred in response to the out-dated technology, industrial conflict and new strategies for capital accumulation and financialisation employed by the city's industrialists. This has happened in order to control the production process or to avoid labour laws. Barnes argues that the factories have been restructured through the informalisation of labour and, in a geographical sense, displaced manufacturing output from the factories of Greater Mumbai to the informal enterprises of outer and peri-urban Mumbai Metropolitan Region. The contemporary process of informalisation has incorporated forms of exploitation rooted in long-established regional social structures.

The fourth chapter presents the case study of Bangalore. Barnes explains how industrialisation in Karnataka's urban region during the period of economic liberalisation has involved a dual process. First, wage labour in informal enterprises represents the largest portion of recent employment growth; second, significant growth of wage labour has also been registered in large-scale organised-sector firms. The growth reflects the changes in the sectoral composition of the organised sector. It demonstrates an increase in the importance of privately owned information technology (IT), information technology enhanced services (ITES) and new manufacturing plants in relation to organised-sector employment.

The case study of New Delhi is discussed in the fifth chapter. Barnes argues that one of the important features of this analysis is that one finds different versions of informalisation in this single region. This chapter uses quantitative as well as qualitative data. The primary data used to explain informality in the National Capital Region (NCR) comes from Barnes' fieldwork in Haryana and New Delhi. It is based on semi-structured interviews conducted with workers, managers, trade unionists and labour contractors in Faridabad, Gurgaon, Manesar and Okhla. The fieldwork was conducted for seven months over different periods from 2011 to 2013. Barnes concludes the chapter by claiming that there is both "Mumbai-type" and "Bangalore-type" of informalisation in the NCR. The majority of the workers covered were in agricultural machine production, business services, export garments and hospitality industries. The evidence suggests that New Delhi's satellite cities of Gurgaon and Manesar represent new centres for global automotive manufacturing, call centres and finance. There was an expansion of large-scale production and employment with the expansion of informal labour. There is evidence of a systematic replacement of "formal" workers with "informal" workers, and there has been a significant rise in wage labour in the informal sector. In case of the garment industry, production has been relocated to the outskirts of the city. This has been complemented by home-based production in rural and semi-urban areas.

In the final chapter, Barnes summarises the findings of previous chapters and offers a

synthesis based on the conceptual and theoretical themes discussed in the first chapter. The main causes for informal employment involve the peculiarities of state-led development planning, class conflict, and trade and investment liberalisation. This has enabled Indian regions to transplant “advanced features” of the global economy (p. 149). At last, Barnes argues that an understanding of the changing structure of labour is a very important part of finding more effective strategies for the labour movement.

The book captures very effectively the journey of these three cities, as well as the journey of India in general. It beautifully captures how three cities have travelled pre and post liberalisation over a period of time. By using various types of statistical data, critical research, historical background, and dimensions of culture and space, Barnes shows how these three cities have travelled over time with different characteristics. The concepts and arguments are presented in simple and jargon-free language. The book never presumes upon the reader’s familiarity with concepts or subject matter. My only niggle is that Barnes has given very little space to the research design itself. He uses primary data in the case study of New Delhi but not for the cases of Mumbai and Bangalore. Within the case study of New Delhi, one is left wishing for the greater texture of the field – for example, the questions that have been asked, the data analysis method, etc. Barnes has used different research designs for the different cases; for example, he has used primary data only in one case and the other two case studies are based on secondary data. This is especially relevant for the comparison of case studies. In order to compare the cases, there must be some kind of similarity in the research design.

The book holds broad appeal. This book is relevant for the scholars of globalisation and labour, development studies, political economy and South Asian studies. It should be especially relevant to anyone curious about the informalisation of the Indian labour market.

## **BIOGRAPHICAL NOTE**

GARIMA SINGH is a PhD scholar at the Tata Institute of Social Sciences, Mumbai, India. She is in the final stage of her PhD and is writing up her research on the “Tripartite Relationship in the Indian Labour Market: Through the Lens of Decent Work”. Her thesis investigates the working conditions of non-standard workers in India within the analytical framework of decent work and the mode of operation of private recruitment agencies. It also examines the question of why organisations need placement agencies and the role these agencies play in the Indian labour market. [Email: [garima.bhutis@gmail.com](mailto:garima.bhutis@gmail.com)]