

Bridging the Divide

The political economy of organizing informal workers in India

Sudhir Katiyar, Centre for Labour Research and Action

Any mass movement to abolish classes, which does not engage in a direct fight against the caste system, will not achieve its objective. The reverse is also true.

This note seeks to explain the inability of the vast masses of the unorganized workers in India to organize for their rights. It argues that the division of the working class into formal and informal parallels the historical divide between the supposedly upper castes and the Sudras and Untouchables who comprised the manual workers. The working-class movement remains restricted to the formal sector. Inability or the unwillingness of the Left to mobilize these vast sections of workers reinforce the historical critique of the Left in India that it failed to address the caste divide. On the other hand, the identity-based politics that has emerged as the main vehicle for social justice over last 50 years, has not addressed the working-class issues. It has remained focused on caste-based discriminations in social life and reservations in Government jobs for an educated elite because of the class nature of its leadership. This historical divide between the two major emancipatory political formations and their respective inability to analyze and address the caste – class correlation, constitutes the main barrier to the unfinished agenda of democratization of Indian society. A strong movement of the unorganized workers provides the opportunity, and has the potential, to bridge this historical divide and democratize the society.

The large proportion of unorganized workers in the workforce and their miserable work conditions pose a conundrum in an otherwise vibrant political democracy that is India. The Central Government set up a commission in 2004 to explore work conditions in the informal sector. National Commission for Enterprises in Unorganized Sector (NCEUS) undertook an exhaustive study of informal workers and came out with a series of reports. The Commission defined informal worker/employment as “*Unorganized workers consist of those working in the unorganized sector or households, excluding regular workers with social security benefits provided by the employers and the workers in the formal sector without any employment and social security benefits provided by the employers*”. The Commission estimated that the informal workers constituted up to 92 per cent of the workforce in India in 2004-05 (NCEUS report 2004). This figure has remained unchanged over the last two decades. The latest report on employment in India reported that informal workers constituted up to 90 per cent of the workforce in India in 2022 (ILO and IHD 2024:26). The workers in the formal sector receive decent wages, have an eight-hour work day with paid leave, access to social security, and protection of labor laws. In contrast the informal workers are frequently not even paid statutory minimum wages, that are anyway pegged at very low levels. The workers often work 12-hour shifts without any paid leave, under dangerous conditions meeting frequent accidents, have no social security, and do not have protection of labor laws.

The situation has worsened with increasing incidence of ‘circulatory labour’ as a means of labour deployment. Workers migrate from the relatively underdeveloped pockets to the developed areas for short-term deployment, sometimes with their whole families, constituting what has been termed by Bremen as ‘footloose labour’ (Bremen 1996) for the whole duration of their working lives. Major sectors of the economy, especially those requiring manual workers, are primarily populated by such circulatory labour. These include agriculture, brick kilns, construction, mining, small factories, and large segments of the service industry. Circulation of labour is pushed not only by the differential availability of economic opportunities between the developed and the underdeveloped regions of the country but also

by a clear employer preference for migrant workers. This workforce is not amenable to traditional organising that focuses exclusively on the more stable workers and their workplace. The migrants' workplaces are dispersed, deployment is on a seasonal basis and the workers are dependent on the employers in many ways – for loans, residence at the workplace and for support at the destination because there is no other source of such support in a distant land. That circulatory labour come from the historically deprived sections of Indian society – the scheduled castes, the scheduled tribes and the most backward among the Other Backward Castes (OBC) – adds another layer of vulnerability. The result is that working conditions for the majority of the circulatory labour are similar to those prevalent in the early years of industrialization – long hours, unsafe working conditions, leading to frequent accidents both fatal and non-fatal, child labour, debt bondage, sexual harassment at the workplace and trafficking. It is difficult to reconcile such working conditions with a modern, 21st century democracy.

India has a rich history of the working-class movement with several trade unions and national-level federations. However, these primarily represent the formal sector workers. Labour unions, with some notable exceptions, have historically concentrated on advancing the interests of those whom they represent in organized industry, on whom the law confers the right to engage in industrial action, and have ignored unorganized workers without this right (Bhowmik 1998). Attempts to include unorganized workers in their constituency have been perceived by unions to pose a danger to the meagre benefits that they have succeeded in wresting for their own members. Large public sector and corporate establishments have a small core of permanent employees surrounded by a large mass of contract workers performing almost the same tasks as the permanent workers at a fraction of their wages. In few cases where the contract workers have unionized to demand higher pay, the unions of permanent workers have rarely supported these struggles. Even in cases where sections of unorganized workers have been organized as is the case with construction workers in some places, these unions do not look at seasonal migrant workers as prospective long-term members because they keep changing every season offering little chance of regular membership. The local workers also resent the ingress of migrant labour as it lowers the prevailing wage rates (Aleyamma 2017). Employers prefer migrant workers as they are more pliable and willing to work longer hours.

The existing form of the labour movement thus remains irrelevant to the large majority of Indian workers (Harris et al 2001). So what explains this huge dichotomy in the working class? Going beyond the utilitarian rationales given in the previous section, the dichotomy is sustained by the class-caste divide between the two classes of workers. The formal sector workers are likely to belong to the upper caste strata of Indian society while the migrant workers come from the bottom of the caste hierarchy (Ghandy 2011). This dichotomy has its roots in the social structure of Indian society; the caste system wherein manual work has been performed by the castes lower down the hierarchy – the Sudras and Untouchables - while the white-collar jobs have been preserved for the upper castes. This caste segregation has been reproduced in the modern capitalist economy, where the upper castes work in the formal economy, while the lower castes undertake manual work in the informal sector. The co-constitution of class relations and social oppression based on caste, tribe, gender and region is entrenching Dalits and Adivasis at the bottom of social and economic hierarchies (Lerche et al 2017). The inability of the Indian Left to address the caste question has been the subject of numerous debates and cited as one of the key causes behind its inability to strike roots in large parts of the country. Marxists have tended to avoid caste as an analytical category (Harris et al 2001).

However, this failure is equally matched by the refusal of the caste-based identity movements – the majority of the informal workers come from traditionally oppressed sections – to address issues of the working class in their discourses. Caste is the main transactional identity in the Indian democracy, with a flowering of identity or caste-based politics. Indian political parties can be described as coalitions of different caste groupings and sometimes even of a single caste, rather than expressions of different ideologies. With the emergence of a middle class in some of the larger oppressed castes, these castes have organized to challenge the hegemony of the narrow stratum of the upper castes that have historically held power. The process was led by Ambedkar, who marshalled the *dalit* communities and was able to secure reservations for them even before Independence. The publication of the Mandal Commission Report in 1989 was a watershed in Indian politics as major sections of the Indian society, classified as Other Backward Castes, demanded reservations in Central government jobs. These identity-based movements have been strong enough to acquire political power in many large states of India and even nationally for a brief period. As Left has retreated, the identity-based politics has emerged as the main vehicle of social justice. Indian electoral politics in the current era is often described as a struggle between Mandal and Kamandal, the former representing caste-based mobilization of historically oppressed castes and the latter a majoritarian religion-based mobilization that seeks to ride over the caste-based divisions through an overarching Hindu identity backed by the powerful castes. The recent parliamentary elections, where the ruling dispensation suffered a jolt, bear testimony to the continued relevance of this conceptualization.

However, the identity-based oppressed caste parties have not incorporated working-class issues in their politics, with some exceptions. The focus has been primarily on reservations in government jobs, the assertion of identity and resistance to social oppression. This is surprising considering that the first political party floated by the flag bearer of such politics, Baba Saheb Ambedkar, was Independent Labour Party. These two political strands – the Left and the Oppressed Castes Movement – have not come together even though they both have the same constituency. One oft-cited reason is the adversarial relationship between the Left leaders in Mumbai and Ambedkar before Independence that arose from the negation of the caste question by the mainstream Left in India and Ambedkar's own moorings in a different (non-Left) ideological paradigm (Teltumbde 2000). However, the differences from almost a century before are not sufficient to explain present political practices. The inability of the caste-based movements to incorporate working class issues seems more a reflection of the class base of the leadership of these movements and political parties. The leadership comes primarily from the middle-class that has emerged because of the reservations. There has been a class differentiation within these castes with the emergence of a literate educated middle-class that has been able to secure social security and access to modern living, exiting the need for manual work. While this class continues to mobilise along caste lines, its own class interests do not enthruse it to adopt a pro-active stance on working-class issues faced by the manual labourers. This has limited the emancipatory potential of such politics and left it open to ingress by the dominant reactionary politics amongst sections of the oppressed communities.

The political development trajectory has once again brought the country to a juncture where the oppressed communities are mounting a serious challenge to the historical hegemony of the ruling class caste alliance. The Central government is seeking fundamental reforms in labour laws to make employment more flexible, rationalise the myriad laws, with claims to extend social security to the hitherto excluded segments. The reforms are facing entrenched opposition from the formal workers' movement. However, given the lack of organisation amongst the informal workers, the largest chunk of the working class remains absent from

this debate. At this crucial juncture, both these inability – the continued inability of the organized workers movement to organize the informal workers and that of the identity-based movements to factor in the working-class issues – need to be discussed and addressed. A strong movement of the unorganized workers provides the opportunity, and has the potential, to bridge this historical divide and complete the unfinished agenda of democratization of the country. Such a movement will have to factor in both caste and class divides. It will have to attack the caste system that keeps the working class divided. It will also have to address the class formation withing oppressed castes and in the process forge a solidarity beyond narrow boundaries of caste identities.

References:

Bhowmik, Sharit. 1998. “*The Labour Movement in India: Present Problems and Future Prospects.*” Indian Journal of Social Work 59(1):147–156.

Breman, Jan. 1996. *Footloose Labour: Working in India’s Informal Economy*. Cambridge: Cambridge University Press.

Ghandy Anuradha, “*Caste Question In India*” by Anuradha Ghandy; Scripting The Change: Selected Writings of Anuradha Ghandy, edited by Anand Teltumbde and Shoma Sen. Daanish Books, Delhi, 2011

Harris – White Barbara and Nandini Gooptu, *Mapping India’s World of Unorganized Labour*, Socialist Register 2001

<https://socialistregister.com/index.php/srv/article/download/5757/2653/7684>

ILO and IHD, 2024. *India Employment Report 2024*

<http://www.indiaenvironmentportal.org.in/files/file/India%20Employment%20Report%202024.pdf>

Lerche Jens and Shah Alpa, *Conjugated oppression within contemporary capitalism: class, caste, tribe and agrarian change in India*, The Journal of Peasant Studies, Volume 45, 2018 - Issue 5-6: Special Issue on Agrarian Marxism

<https://www.tandfonline.com/doi/full/10.1080/03066150.2018.1463217#abstract>

Mythiri Prasad - Aleyamma, 2017. *The Cultural Politics of Wages – Ethnography of Construction Work in Kochi*, Contributions to Indian Sociology 51, 2 (2017): 163–193 SAGE Publications

National Commission on Enterprises in Unorganised Sector 2009. *The challenge of employment in India – An informal economy perspective*

Teltumbde Anand, *Theorising the Dalit Movement: A Viewpoint*, 2000

<http://www.ambedkar.org/research/THEORISING%20THE%20DALIT%20MOVEMENT.html>