

# Economics and Politics of Some Emerging Fault Lines in Rural West Bengal

SOHAM BHATTACHARYA, INDRANEEL DASGUPTA

Some key changes in the economic structure of rural West Bengal over the last decade are identified, focusing in particular on changes in the relative importance of various sectors and classes. While explaining the decline of the left class organisations, these changes also help to understand the sources of the TMC's strength and weaknesses.

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Soham Bhattacharya ([soham\\_rs@isibang.ac.in](mailto:soham_rs@isibang.ac.in)) is with the Indian Statistical Institute, Bengaluru. Indraneel Dasgupta ([indraneel@isical.ac.in](mailto:indraneel@isical.ac.in)) is with the Indian Statistical Institute, Kolkata.

Panchayat elections will be held in West Bengal (WB) soon. Going by the results of the 2021 assembly elections in the state, one might expect these elections to be a cakewalk for the Trinamool Congress (TMC), and a binary contest between it and the Bharatiya Janata Party (BJP). Both expectations might, however, be premature. In the municipal elections held soon after the assembly elections, the vote share of the Left-Congress combine increased significantly, while that of the BJP declined sharply, pushing the latter to the third place in many areas. In a by-election to an assembly constituency in south Kolkata last year, the Communist Party of India (Marxist) CPI(M)'s vote share increased from about 6% to over 30%. The left-supported Congress candidate won a by-election in an overwhelmingly rural assembly constituency in February 2023, increasing the combine's vote share to over 47% from less than 20% in 2021.

There has been a noticeable increase in the visibility of street protests by the CPI(M) as well, even as the main opposition party—the BJP—has been bogged down in internal quarrels and return migration to the TMC by quite a few of its high-profile leaders. However, the street presence of the CPI(M) has been largely due to its student and youth organisations. The class organisations of the left—its peasant, agricultural workers' and trade union fronts—have been quiet in comparison.

The purpose of this article is twofold. We first attempt to identify some key changes in the economic structure of rural WB over the last decade, focusing in particular on changes in the relative importance of various sectors and classes, that might explain the decline of the left's class organisations. Second, building on this analysis, we seek to understand both the sources of the TMC's strength and its weaknesses in rural WB.

## An Old and Shrinking Peasantry

The first feature of rural WB that stands out in any investigation of changes in its class structure is a steady, secular process of households losing land. The National Family Health Survey (NFHS) 2 estimated the proportion of rural households without agricultural land in WB to be about half (50.8%) in 1998–99. This

estimate has fallen steadily over the subsequent rounds of NFHS. The latest round (NFHS 5, 2019–21) estimates that about two-thirds (65.2%) of all rural households in WB own no agricultural land. The proportion of households whose principal source of income is agriculture is even lower, that too by a wide margin. The latest Periodic Labour Force Survey (PLFS 2020) before COVID-19<sup>1</sup> categorises less than a quarter (24.1%) of all rural households as being self-employed in agriculture (that is, whose principal source of income was self-employment in agriculture)—a broad requirement for being considered a peasant household. This is a small rise from the corresponding proportion estimated by the last National Sample Survey Office (NSSO) Employment–Unemployment Survey (EUS 2011–12)—about 19%. Nonetheless, this is far less than the proportion of households owning agricultural land.

Even among households whose primary source of income remains agriculture, the relative importance of agriculture as a source of income is typically falling, largely in consequence of the tiny size of an overwhelming majority of

operational holdings. As Table 1 shows, over 80% of operational holdings in agriculture in WB are now below 0.5 hectares (ha), with the average operational holding in this class being less than 0.2 ha. Agricultural operations on such tiny plots of land cannot generate incomes adequate to cover even basic subsistence expenses. Households operating these holdings are dependent on non-agricultural income to a very great extent. Thus, over 80% of peasant households—the lower marginal peasantry—is now proletarianised in all but name, up from less than 70% in 2002–03.

Table 2 shows that the average agricultural household in WB earned about 2.4 times as much income from wages as from crop production in 2018–19. Furthermore, the typical peasant—self-employed crop producer—is getting older.

Table 3 shows how the age distribution of persons self-employed in agriculture has changed in WB over the last decade. Half the population of persons self-employed in agriculture is now at least 45 years old—a sharp rise from about 37.5% a decade ago. The proportion of those aged below 45 has dropped correspond-

ingly, the decline being noticeable within every age category below 45.

Lastly, as Table 4 shows, peasants are increasingly reducing their use of hired labour, partly replacing hired workers with self and family labour. Ignoring unpaid domestic labour, the total

proportion of the labour force in agriculture and allied sectors (principal status) has fallen from about 51% in 2011–12 to about 46% in 2019–20, even as the proportion of own account workers has

increased from about 14% to 20%, partly compensating an 11.5% fall in the use of hired workers.

## Decline of Agricultural Labour

Casual labour in agriculture constituted the primary income source for less than a fifth (about 19%) of all households in 2019–20, down sharply from about 34% in 2011–12 (EUS). The picture revealed by examining the distribution of rural workers, instead of households, provided in Table 4 is quite similar. The proportion of rural workers engaged in casual labour in agriculture according to principal status is now about 21%, down from 34% in 2011–12. This suggests that employment elasticity of output in agriculture has come down dramatically in WB over the last decade, probably due at least in part to the belated, but extensive, adoption of labour-saving technology. Cost of Cultivation Data<sup>5</sup> estimates show that, while, on average, 148.2 human labour days (of eight hours each) were deployed in paddy cultivation per hectare in 2011–12, by 2019–20 this number had fallen by about 16%—to 124.2. During this period, there has also been a decline in the area under *boro* (summer) paddy in WB, a highly labour-intensive crop. This decline can be primarily attributed to rising irrigation costs (Modak and Bakshi 2017). It is quite likely that labour-saving changes in both technology and crop mix have taken place for most other crops as well.

## Rural Manufacturing, Construction and Services

As labour absorption declines steadily in agriculture, one might expect an expansion in the share of rural manufacturing in total employment. The exact opposite appears to have happened in WB: the

**Table 1: Distribution of Household Operational Holdings and Average Area under Operational Holdings, by Size Class of Operational Holdings, 2002–19, Rural West Bengal**

Size Class	2002–03	2012–13	2018–19
Lower marginal (<0.5 ha)	69.5 (0.17)	82.8 (0.18)	80.4 (0.18)
Upper marginal (0.5–1 ha)	19.3 (0.72)	12.2 (0.56)	14.7 (0.62)
Small (1–2 ha)	8.9 (1.33)	4.2 (1.19)	4.1 (1.15)
Semi-medium (2–4 ha)	2.1 (2.53)	0.7 (2.36)	0.7 (2.04)
Medium and large (>4 ha)	0.2 (5.49)	0.1 (4.23)	0.1 (4.17)
All classes	100.0 (0.44)	100.0 (0.33)	100.0 (0.35)

Source: Authors' calculation from NSSO Land and Livestock Holding Surveys, 59th, 70th and 77th rounds. The number in parenthesis in each size class denotes the average size of operational holdings in that class. Ha refers to hectares.

**Table 2: Average Monthly Crop Income and Wage Income, for Agricultural Households,<sup>2</sup> Rural West Bengal, 2012–19**

	Crop Income	Wage Income
2012–13	3,402	1,566
2018–19	1,547	3,721

2012–13 values are inflated using CPI-AL West Bengal Series. Source: Calculated from NSSO SAS, 70th and 77th rounds data.

**Table 3: Distribution of Self-employed Persons in Agriculture, Principal Status,<sup>3</sup> by Age Cohorts, 2011–20, Rural West Bengal**

Age Cohort	2011–12	2019–20
Below 15	1.2	0.1
15–29	20.8	16.8
30–45	40.5	33.3
45–59	26.3	33.1
59 and above	11.4	16.8

Source: Authors' calculation from EUS 2012 and PLFS 2019–20 data.

proportion of own account workers has

**Table 4: Distribution of Self-employed Persons<sup>4</sup> in Agricultural Sector by Principal Activity Status, 2011–2020, Rural West Bengal**

Years	Own Account Worker	Helper in HH Enterprise	Unpaid Domestic Work	Salaried	Casual	Total Proportion of Labour Force in Agriculture and Allied
2011–12	13.7	1.7	4	1.4	34.3	55.1
2019–20	20.1	1.9	5.6	3	21.2	51.8

Source: Authors' calculation from EUS 2012 and PLFS 2019–20.

**Table 5: Distribution of Workers in Principal Status, by Industries, Rural West Bengal, 2011–20**

Years	Agriculture	Mining	Manufacturing	Utilities	Construction	Services	All
2011–12	55.1	0.35	15.72	0.07	8.82	19.91	100.0
2019–20	51.8	0.1	11.3	0.4	12.1	24.4	100.0

Source: Authors' calculation from NSSO EUS 2012 and PLFS 2019–20.

proportion of the rural labour force engaged in manufacturing has declined by about 4.5 percentage points over the last decade—from almost 16% in 2011–12 to barely over 11% in 2019–20.

The decline in the share of manufacturing in the rural labour force noted in Table 5 (p 26) has been matched by an increase of a similar magnitude in the share of service—from about 20% to almost 24.5%. The only other sector that has registered a significant increase in its labour share is construction—its share has expanded by about 3%, and now stands at about 12%.

Of these three sectors, construction is now driven almost entirely by casual labour, whereas more than half of the workforce in manufacturing and services is self-employed. The services sector has the lowest proportion of casual worker—it is the only major sector where the use of casual labour is negligible. What of the gender composition of the labour force? The female labour force participation rate is strikingly low in rural wb, and has barely increased over the last decade.

### Structural Logic of Political Processes

What do the structural trends highlighted above suggest for processes of political mobilisation in rural wb? Over the past few years, one striking feature of left—more specifically CPI(M)—politics in wb has been the relative quietude of its peasant, agricultural labour and

**Table 6: Proportion of Workers in Rural Manufacturing, Rural Construction, and Rural Services Sector, 2011–20, West Bengal** (in %)

	Self-employed	Salaried	Casual	Total
2011–12				
Manufacturing	58.4	11.4	30.2	100.0
Construction	15.8	3.5	80.6	100.0
Services	63.8	30.5	5.7	100.0
2019–20				
Manufacturing	54.4	22.9	22.8	100.0
Construction	6.0	3.4	90.6	100.0
Services	61.0	34.8	4.2	100.0

Source: Authors' calculation from EUS 2011–12 and PLFS 2019–20.

**Table 7: Labour Force Participation Rate<sup>6</sup> (Principal Status), 2011–20, Rural West Bengal** (in %)

	Male	Female	Person
2011–12	59.4	11.2	35.5
2019–20	62.7	13.2	38.6

Source: EUS 2011–12 and PLFS 2019–20.

trade union fronts. Our preceding analysis suggests some structural economic factors that perhaps underlie this phenomenon. We have seen that the peasantry in wb is ageing, increasingly dependent on off-farm employment, and has come to constitute less than a quarter of the rural workforce. Among peasant households, only about a fifth operates agricultural holdings large enough to generate investible surpluses (over 0.5 ha)—the rest have been proletarianised in all but name. Traditional issues of the peasantry, such as higher output prices and lower input prices, do not resonate in wb even remotely as much as in north-western India, simply because a large majority of even putatively agricultural households are now primarily reliant on non-agricultural income. Furthermore, young people in peasant households are far less invested in agriculture than their parents. Consequently, the typical member of the CPI(M)'s peasant front in wb is now middle-aged, which has greatly reduced the capacity of that organisation to undertake militant agitational programmes, or to counter physical attacks from the TMC.

Agriculture in wb has been overwhelmingly small and marginal peasant-based since at least the mid-1980s. This is in part the consequence of the Left Front's land reforms, and in part the result of ownership fragmentation through population growth. As already noted, this implies that the typical peasant employer of agricultural labour does not accumulate much surplus from agriculture. Therefore, even relatively small increases in the cost of hired agricultural labour would lead to a large decline in demand. The problem has become only more intractable over the last decade, with the belated penetration of labour-saving agricultural technology in wb.<sup>7</sup> As already discussed, there has been a sharp decline in the use of casual labour in the state's agricultural sector over the last decade. In this scenario, the prospects for wage hike agitations by agricultural workers' organisations appear quite limited—when successful in the immediate term, they are likely to merely speed up the mechanisation of agricultural production and thereby reduce labour demand even more in the longer term. Furthermore,

the very low rates of female labour force participation, in conjunction with low fertility, observed in rural wb suggest substantial household labour reserves. Any significant rise in the cost of hired labour would probably lead to their substitution in part by female household labour. It follows that the agricultural workers' unions, whether of the CPI(M) or of other parties, probably have little space left for successful mobilisation.

As mechanisation reduces labour demand in wb's agriculture, the peasantry's hegemonic claims to represent the interests of the rural population in general declines commensurately. The primary channel through which peasant prosperity, say, due to higher support prices, can trickle-down to the landless is through higher demand for agricultural labour. Increasing mechanisation, obviously, weakens this channel, thereby attenuating the commonality of economic interest between the peasantry and the rural landless wage workers. This means the hegemonic claims of the left peasants' organisations to represent the interests of broad masses of the rural poor carry increasingly less conviction. That in turn reduces their capacity to mobilise large segments of the rural population.

What of the prospects of the left class organisations in non-agricultural sectors in rural wb? We have already seen that the share of rural manufacturing has declined quite sharply over the last decade. One would expect this to exert negative pressure on the potential support base of left trade unions. Furthermore, a majority of workers in this sector are self-employed, and therefore not open to traditional

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forms of union organisation. In construction, over 90% of workers are casual. This, along with the ever-changing work sites, creates evident barriers to organising. A very high proportion of workers are self-employed in the other growing sector—services, as well.

The preponderance of casual labour and self-employment, and the decline of both manufacturing and agricultural employment, therefore constitute the defining characteristics of the rural labour market in WB today. These features pose structural barriers to the expansion, or even reproduction, of the traditional class organisations of the left. Worksite structures of capital-labour power relations and pricing issues, the traditional concerns, respectively, of left trade unions and peasant organisations in WB, carry overriding salience for ever-shrinking proportions of the rural population. Conversely, it is precisely these factors, alongside the overwhelming absence of women from paid market labour, that create the conditions that allow Mamata Banerjee's sundry programmes of cash transfer to emerge as successful vote gatherers.<sup>8</sup> By partly stabilising household incomes within a context of uncertain and fluctuating market earnings, and by providing most rural women with their principal independent source of cash income, these programmes create a stable, clientelist, voter base for the TMC.

The clientelist aspect is strengthened by the TMC's ability, leveraging its status as the ruling party, to reduce both employment prospects and access to state doles, for supporters of opposition parties. Its rural leadership, to a great extent, consists of a neo-rich class of business persons, who have the ability to offer both direct employment and occasional financial patronage to sections of their supporters. This feature of the leadership structure of the TMC further contributes to its ability to consolidate its patron-client relationship with broad sections of the rural society in WB. Conversely, the leadership of the TMC leverage their political power to accumulate further capital through both large-scale extortion and straightforward stealing from state programmes—the ubiquitous

“cut-money” culture. The capital thus accumulated is partly invested in political rent-seeking, in the form of campaign spending, patronage and the maintenance of de facto private armies of unemployed young men. The fear that the BJP invokes among Muslims provides an important additional glue holding together the TMC's rural support base; so does straightforward, large-scale violence against the TMC's opponents.

### In Conclusion

Three main factors pose potential challenges to the TMC's hegemony in rural WB. First, massive corruption in the functioning of government activities—in relation to public employment, execution of government infrastructure projects, and leakage from welfare schemes—is now too self-evident to pass as a minor footnote. So is the conspicuous consumption of a rural neo-rich class, whose new-found prosperity, made highly visible in the form of massive new houses, multiple real estate holdings and high-end cars, has no credible explanation other than theft and extortion, made possible by proximity to the TMC. Second, the absence of good jobs—stable and well-paying—whether in the public or the private sector has greatly slowed down upward social mobility. Not much of the capital accumulated by TMC leaders through corruption and extortion seems to have been productively invested in either agriculture or manufacturing, or in services other than hotels, restaurants and resorts. Their conspicuous spending on real estate has generated some derived demand in construction and allied sectors, but, as we have already seen, the jobs generated in rural construction are overwhelmingly casual in nature. At the same time, extortion and demands for cut-money have both served to depress investment by legitimate private businesses, especially smaller ones. Large new investment has been further deterred by the government's hands-off policy vis-à-vis land acquisition. Third, public spending on infrastructure improvement has been squeezed to finance the TMC's various cash transfer schemes. The consequences in terms of infrastructural bottlenecks,

which have reduced private investment and further exacerbated the jobs crisis, are now quite evident. Massive and increasing outmigration of unskilled and semi-skilled workers from rural WB to other states is a clearly visible fallout.

The opposition parties in general, and the left in particular, have been focusing so far on the first two aspects more than the third. In light of our earlier discussion, it is not surprising that the CPI(M)'s student-youth organisations have been much more visible on the ground in the recent past than its class organisations. Whether this focus will manage to make a major dent in the TMC's rural support base in the immediate term remains to be seen.

### NOTES

- 1 We do not consider more recent rounds of PLFS in order to minimise the transitory influence of COVID-19-induced temporary shocks on the data.
- 2 “Agricultural Households” in the NSSO Situation Assessment Survey of 77th round is defined as: households with at least ₹4,000 annual income earned from self-employment in the agriculture (crop and allied) sector. The corresponding threshold was ₹3,000 in the 70th round.
- 3 Employment/Worker in Principal Status under both Employment-Unemployment Surveys and Periodic Labour Force Surveys refers to: “The activity status on which a person spent relatively long time (major time criterion) during 365 days preceding the date of survey, was considered the usual principal activity status of the person.”
- 4 Persons refers to workers in the age group 15 and above here and elsewhere.
- 5 This data is collected from the annual series: Economics and Statistics, Ministry of Agriculture, Government of India (dacnet.nic.in).
- 6 LFPR refers to the percentage ratio between: (Employed + Unemployed, actively seeking Jobs)/Total Population in working age group.
- 7 To illustrate, while only 2,000–3,000 tractors used to be sold annually in WB in the early 2000s, this number increased to 12,000–13,000 by the early 2010s ([http://apps.iasri.res.in/agridata/19data/chapter6/db2019tb6\\_5.pdf](http://apps.iasri.res.in/agridata/19data/chapter6/db2019tb6_5.pdf)). This number has gone up further since. In just two months, August–September, of 2022, almost 3,400 tractors were sold in WB, and about 3,300 during the same period in 2021 (<https://www.theautomotiveindia.com/forums/threads/monthly-tractor-sales-in-india.38903/>).
- 8 These factors also increase the relative importance of caste and community-based support networks as both informal economic stabilisers and sites of identity formation, thereby facilitating the expansion and consolidation of the RSS/BJP. This is, however, an issue that requires independent and detailed analysis, which we do not attempt here.

### REFERENCE

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