Eroding citizenship: gender and labour in contemporary India
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CHAPTER 7

Informalisation at the Workplace and Vulnerability of the Household

This chapter draws together the implications of two simultaneous processes occurring as a result of industrial and economic restructuring in India: informalization of labour at the workplace and increasing vulnerability of the household. These two processes are undermining the enabling conditions that facilitated the practice of citizenship discussed earlier. In the first section, a comparative analysis is presented of the main managerial strategies of restructuring. These have consequences for the right to decent work and seven forms of security at the workplace.

The second section examines the implications of economic restructuring on the workers’ household, focusing in particular on the invisible dimensions of the simultaneous work women workers do within their household. Household responses to the price rises which affect the provision and access to basic securities: food, health, education, are analysed to assess the effect on women’s responsibility for the care economy and the effect of changes on gender relations within the household. It is argued that the notion of work and seven forms of security have to be extended to recognise reproductive work within the household and incorporate ‘care work security’ into the Decent Work Index.

In the last section, the linkage between the workplace and the household, and the consequences of the erosion of enabling conditions in both arenas, is highlighted. This is effected through an analysis of the loss of the primary key asset workers in the study possessed: a permanent protected job. The analysis is based on a case study of workers retrenched from the Delhi electronics industry.

Informalisation at the Workplace: Characteristics and Consequences

The composite Vulnerability/Security Index discussed in Chapter 2 shows an increase in insecurity at the workplace between 1993 and 1999 for a significant number of women workers. The four gendered labour regimes analysed in Chapter 4 and 5 are undergoing a significant process of restructuring due to market competition unleashed by the present phase of liberalisation. In all the labour regimes, there is a move towards the informalisation and increasing vulnerability of labour. A detailed analysis of the internal dynamics of the four
gendered labour regimes shows that the informalization of labour encapsulates a number of different processes that tend to be conflated in macro-level assessments. These different strategies of restructuring are presented below in relation to changes in the seven dimensions of security/insecurity encapsulated in the notion of decent work.

**Labour market security: Shrinking of the lowest end of the unorganised sector**

Macro-level assessments of contemporary industrial restructuring have pointed to an increase in subcontracting to tiny and small enterprises as well as an increase in outsourcing to home-based workers, resulting in an expansion in employment at the lowest end of the unorganised sector. In this study, the data shows a contrary trend. GLR 1 represents the bottom rung of manufacturing in the electronics industry. These tiny and small enterprises were already based on a flexible model. Workers were easily disposable, and the tiny enterprises themselves shifted products and buyers in response to market fluctuations. They had managed to weather the first phase of de-regulation by catering to the low-income ‘dowry’ market, but a flood of cheap electronic goods imported from China has captured this market. These enterprises are now facing extinction. In 2002 when I visited the flatted factories complex in Okhla, it had a deserted look. Most of the electronic units had shut down. There was only one enterprise left manufacturing printed circuit boards, and another which had retained its name but was making export garments.

Studies on other industries have noted an increase in putting out work to home-based workers. In this study, I encountered very few instances of outsourcing to home-based workers. The few cases found were due to personal contacts based on trust. For example, a brother employed at a tiny electronics factory would bring home assembly work, and the women in the household would complete the job. The requirements of quality control and the use of imported kits made outsourcing to the household too risky. Contrary to the trends noted at a macro level, in the electronics industry at least, the low end of employment available to women with low endowments and vulnerabilities, however insecure and low paid, is shrinking, thus further restricting opportunities for jobs for this extremely vulnerable section.

**Employment security**

*a. Dismantling of the organized sector*

This process is seen in GLR 2 and 3. GLR 2 represented an example of the significance of state intervention and the possibilities to assert citizenship rights in the period of regulation. Workers in these enterprises had been able to win and consolidate statutory labour rights through successive waves of struggles in the eighties. This small but significant generation of women workers is being
The dominant strategy is closure of units and relocation to low-wage, non-unionised industrial areas such as NOIDA. A description of this managerial strategy is elaborated below, based on a case study of Weston.

**The Weston Case: Bypassing the Industrial Disputes Act**

In the 1990s, recession in the electronics industry and the threat of foreign competition created pressure for another major round of restructuring. Weston decided to reduce its workforce in Okhla and relocate its units to NOIDA in neighbouring Uttar Pradesh, where they could use the five-year tax concession again, with much cheaper, non-unionised labour. In 1993, the two factories were locked out and all the workers (108 workers from Clifton, many of whom were widows and couples, and 200 workers from Weston) were retrenched.

The sequence of events that led to the lockout is illustrative of the *implicit de-regulation* occurring in the industry, and the ways employers manipulate and strategize around existing legal regulations. In 1992, the Weston Electronics Ltd. Workmen’s Union (affiliated to the Indian Federation of Trade Unions) began negotiations over the issue of bonus, which had been reduced from 20 per cent to 10 per cent in the previous three years. Then the issue of gratuity came up and 11 workers were dismissed from one of the factories. At that time, the management discussed a proposal with the union to make 300 workers redundant through voluntary retirement. The union refused, saying that they would not be party to getting workers to agree to voluntary retirement. The management offered three months pay as compensation. Some workers left at that time, but many stayed on. In 1992, the management was hopeful that more workers would leave. ‘Though the number of people who have opted for the scheme is small, it is going to pick up’ (Sunil Vachani, Chief Executive, Weston, *Economic Times*, October, 1992). By the next year, the company was firmly committed to shedding its workforce. The annual report stated that ‘the company has reduced its work force and is planning a new strategy of reducing the expenditures of the company by further reducing employees and other expenditures’ (*Weston Electroniks Limited, 25th Annual Report 1992-93:3*).

The union continued to raise other issues and put forward a demand for minimum wages for the semi-skilled and higher skilled categories of workers. A case was registered with the Labour Commissioner. The management then closed one factory, converting it into a beer distribution shop, and sent the workers to the second factory. Then suddenly machines from this factory were taken away to the NOIDA unit and the workers were told that they were transferred to various other factories outside Delhi. The union challenged the transfer as well as the shifting of the machines. Even as the negotiations were going on between the union, labour commissioner and management, on 7th February 1993, when workers came for work they found the factory locked and a notice stuck on the gate stating that the workers had been transferred to other units. Since workers refused to go outside Delhi, the management dismissed
them for 'voluntary abandonment of work'. The union then filed a case of illegal retrenchment, which was accepted by the Labour Commissioner.

The court case was continuing at the time of research, but already from 1994 a slow process of whittling down the strength of the union had begun. Both men and women workers continued to support the union, but found that they could not survive for long without any income. Many of them had accepted the 'hisab' (compensation settlement). Among the retrenched workers interviewed, 70 per cent were still 'legally' speaking employees of the company and were negotiating through the union, while 30 per cent had taken 'hisab' or voluntary retirement. The compensation was considerably less than their due. The term 'voluntary retirement' is a euphemism for forced and illegal retrenchment in most cases in the private sector.

The Weston management tried to bypass the legal regulation in the Industrial Disputes Act 1947, Section 25(n) (which requires prior permission from the Labour Commissioner in units employing more than 100 workers before retrenchment of workers), by putting the blame on workers for 'voluntary abandonment of work'. Although the Labour Commissioner accepted this as a case of illegal retrenchment, the long drawn-out legal process meant that ultimately workers were being forced to accept voluntary retirement with minimum compensation. The compensation ranged from just Rs. 9000 to Rs. 65,000. The higher amount is very low in relation to the years of service, which ranged from six to twenty-five years. The management strategy of renaming the same factory over the past twenty years meant that workers' service records had been continuously broken and they could not claim more. Those who did go in for a settlement were desperate, and without union support had to accept whatever was offered. The compensation money for most of the workers disappeared overnight since it was absorbed in domestic expenditure and repayment of loans. Lacking the survival skills evolved perforce by workers in the unorganised sector, these workers have had to deal with the withdrawal of job security, the uncertainty and strain of the drawn-out legal process, and the threat of destitution.

The Weston case highlights the main managerial strategy of restructuring in this type of gendered labour regime: the elimination of unionised and permanent workers. The companies start fresh with cheaper, non-unionised labour and more modern technologies in relocated industrial areas. The older units are either shut down or continue with no new investment in infrastructure, technology, or any increase in labour costs. In most of these enterprises there are strikes and ongoing struggles around the issues of minimum wages and unfair dismissals.

b. Ban on new recruitment

Another strategy adopted by labour regimes forged in the pre-liberalization era is a ban on new recruitment. This process had already started in the mid-eighties in
these enterprises. For instance, in Texla, this led to a major increase in workload. In Control and Switch Gear, the whole Relay Department was shut down, and the women were shifted to work on the Panel Division which earlier had only men workers.

**c. Shift from permanent to non-permanent workforce**

This process is occurring in both pre- and post-liberalization labour regimes. For older factories, this entails a change in the composition of the workforce from a permanent to a non-permanent workforce. In newer factories, new workers are not given permanent contracts. The process starts with putting auxiliary workers such as security guards, canteen, and cleaners on contract. In the next stage, production workers are made into contract workers. This method is quite insidious since in many cases the workers are not hired through a contractor. They only discover they are labelled ‘contract workers’, supposedly hired through an imaginary, non-existent contractor, at the time they should be made permanent, or when they demand benefits.

True contract labour (i.e. where recruitment is through a contractor) in the electronics industry was earlier primarily used for the night shift and replacement during holidays or during disputes. In some enterprises, 75 per cent of the workforce has now been converted into contract labour. A new form of ‘circulating contract labour’ is emerging in the electronics industry. Contract workers are hired for six months at a time, usually in the same factory. In some cases, the contractor had a deal with two or three factories of the same company, and contract workers circulated every six months between these units.  

New recruitment is taking place in GLR 3 and 4, but the majority of workers are kept as non-permanent. Increasingly in GLR 3 type enterprises, recruitment is restricted to migrant workers from Kerala. These workers are treated as ‘apprentices’ and work without wages for a period of three months. For the next six months, they are paid Rs. 500-600 and after a year, they are treated as regular workers but without a written contract. In the newly established multinational enterprises, a two-tier system of core and periphery workers is being established. Core workers have technical degrees, come from middle-class backgrounds, are paid high wages, given full benefits, sent for training and made permanent within a year or two. The bulk of production workers, however, are young women and young men with secondary school certificates, coming from small-town, low-income families, paid below the minimum wage, kept on probation for long periods and not offered permanent contracts. It should be noted that the core/periphery division does not parallel a male/female division, with young women and young men in both categories.
d. Ceiling and clamp-down on the process of regularization and implementation of statutory rights

This process is seen clearly in GLR 3, i.e. in enterprises which expanded in the first phase of liberalisation, locally owned with close links with multinational capital. These enterprises did implement labour regulations partially, and over time workers' demands were leading to extension of these regulations. Restructuring in these enterprises has led to a stop and reversal of this process. Management has resorted to changing workers' designations, transferring workers from bargainable categories to non-bargainable categories, downgrading scales and designations to circumvent the Minimum Wage Act, and withdrawing benefits and bonuses. The Calcom struggle elaborated earlier is a classic example of this strategy.

Income security

To assess if women workers in the study were receiving adequate incomes, the statutory minimum wage specified by the Delhi Administration is used as a benchmark. Unusually, the Delhi Administration has been revising the minimum wage every six months as required by law. As mentioned above, the process of implementation of minimum wage regulations has been stopped in all enterprises. A comparison of the number of workers receiving the statutory minimum wage between two wage revisions in the space of just one year (1994-1995) shows an increase in the number of workers receiving inadequate incomes. In 1994, 42 per cent of the sample were getting wages below the minimum wage. This category increased to 57 per cent by 1995.

Table 7.1 Minimum wages in Delhi electronics

<table>
<thead>
<tr>
<th>Category</th>
<th>No. of women</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rates on August 1, 1994</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below minimum wage</td>
<td>Up to Rs. 1419</td>
<td>56</td>
</tr>
<tr>
<td>Unskilled minimum wage</td>
<td>Rs. 1420 - 1585</td>
<td>20</td>
</tr>
<tr>
<td>Semi-skilled minimum wage</td>
<td>Rs. 1586 - 1843</td>
<td>14</td>
</tr>
<tr>
<td>Skilled minimum wage</td>
<td>Rs. 1844 - 2000</td>
<td>18</td>
</tr>
<tr>
<td>Above minimum wage</td>
<td>Above Rs. - 2001</td>
<td>24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>132</td>
<td>100</td>
</tr>
</tbody>
</table>

| **Rates on August 1, 1995**     |              |            |
| Below minimum wage              | Up to Rs. 1544 | 76         | 57        |
| Unskilled minimum wage          | Rs. 1545 - 1710 | 12         | 9         |
| Semi-skilled minimum wage       | Rs. 1711 - 1968 | 20         | 15        |
| Skilled minimum wage            | Rs. 1969 - 2500 | 4          | 3         |
| Above minimum wage              | Above Rs. - 2501 | 20         | 15        |
| **Total**                       | 132          | 100        |

Source: Minimum wage notification, Delhi Administration, 1994, and data from total sample.
The determination of minimum wages is itself an arbitrary process, as discussed in Chapter 2, and there is no link between education, skill or other qualifications and wage rates. The arbitrary nature of wage determination applies to both men and women workers, but the study also highlights significant gender wage differentials. The range of wages between the maximum that women workers get and the maximum that men workers get is wide, illustrating the restriction of women in lower levels of the job hierarchy. In 53 per cent of large enterprises in the sample, men’s maximum wages were higher than women’s maximum wages. In only 16 per cent of the enterprises were the maximum wages for men and women equal. The starting wage in most enterprises tends to be the same. Significantly, there were wide wage differentials between women workers themselves in the same job. It is on the upper end of the job hierarchy that wage differentials between men and women are most stark, since women are either non-existent or under-represented in these occupations.

It is important to note that among women workers in the sample, a significant section were receiving wages at and above the minimum wage. However, within the space of a year a number of them had fallen into the lower wage category, since the revised minimum wage regulations were not being implemented. Given the strategies of restructuring mentioned above, an even larger section of these women, if still employed, would fall into the category that does not receive an adequate income.

Work security (occupational health and safety)

In the labour regimes of the pre-liberalisation era, health and safety conditions were dismal, arising both from the physical conditions of the factories as well as technical processes. Factories established in the post-liberalisation period had a better physical layout with more light and ventilation, but more hidden long-term effects arising from chemicals and toxins in the production process. The discussion on gendered forms of labour control has highlighted the way ‘toilet control’ was used in all the regimes. The health implications of this are not included in the standard manuals of occupational health and this is not seen as an issue that violates human dignity.

Job security and skill reproduction security

These two aspects are discussed together since the notion of an occupation, a niche with a career pattern, is linked with opportunities to gain and retain skills. This aspect of security is also closely tied to vertical labour mobility. Job and skill differentials in the electronics industry were perceived as due to the presence of a technical degree or seniority and experience. However, the assessment of a technical degree, experience and recognition of length of service is a gendered process in which women workers have to work longer years before wages increase, if at all, and their skill and work experience continue to
be unrecognised, as is demonstrated herein. Issues of vertical mobility and skill reproduction for women are never dealt with neutrally, always involving the deployment of assumptions about men’s work and women’s work as well as their ‘natural’ capacities.

There are two areas that illustrate the centrality of gender in job security and skill reproduction: the restrictions on vertical mobility for women and the non-recognition of women workers’ skills. Vertical mobility for women workers was extremely difficult. Women tended to remain in the same jobs and skill designations throughout their working lives. Apart from GLR 1, all the labour regimes have some system of occupational classification. Discussion on these aspects in the previous sections shows the centrality of a sexual division of labour and gendered job hierarchies. Women production workers were concentrated primarily in the categories of wire girls or helpers in the pre-liberalisation enterprises and ‘operators’ in the post-liberalisation enterprises. There were very few women assistant technicians or junior engineers, and none in the higher paid categories of engineer, technician, or foreman. A gender hierarchy operated also in the supervisory category: women were line or floor supervisors, but never supervisors of the whole department.

There were no training schemes for skill upgrading, and very few women could undertake private training. In the rare instance where women did take the initiative to try to move up, they were subjected to various kinds of harassment. JD, who is now a junior engineer and considered a highly skilled worker, speaks of the difficulties of this process of vertical mobility and skill recognition:

I started work in Ahuja Radios in 1968 as a wire girl, inserting components in PCBs. Slowly I became an all-rounder, doing assembly as well as export testing work. After 20 years I asked for a change of designation. I went directly to the owner who agreed to send me for training as a junior engineer for nine months. The company did sponsor my training but they made me sign a letter with conditions -- I also had to agree to be transferred. After my training the trouble started - I was not given a confirmation letter even after six months. I was a good worker -- they kept giving me three months extension for a long time. Then finally I got the confirmation letter without any scale. I was also losing out on bonus during this period: they kept cutting my wages saying that they would adjust later. Finally I approached the union. (Interview with JD, Nov. 1994)

There is a link between skill, job designation and length of service, but this is not automatically given to women. Not only did women workers have to demand upgrading and recognition of their skills, but they also had to agree to conditions that affected their service record. In addition, the change in designation did not also automatically result in an increase in salary -- again, this was an issue of struggle. In fact, JD’s experience has been that demanding skill recognition led to her suspension and an interminable and complicated court case.
Feminist research has highlighted the arbitrary process of skill definitions, which rarely reflect the actual capacities of workers. Women workers’ skill designations are often predefined on the basis of their sex rather than through an assessment of their qualifications. In addition, the distinction between male and female jobs as skilled and unskilled was ideological rather than based on purely objective attributes (Phillips & Taylor, 1980). A further contribution to the analysis of gender and skill was provided through analysis of women workers in Third World manufacturing. Elson and Pearson pointed out that women were hired because they were seen as having natural/biologically given attributes such as ‘nimble fingers’, dexterity, better concentration, and the ability to do fiddly, detailed work. They argued that far from being natural, these ‘nimble fingers’ are the result of the training women receive as girls in domestic skills such as sewing and cooking within the household (Elson & Pearson, 1981a and b).

A number of studies show the arbitrary nature of skill designations for women. Cecilia Ng’s study of two electronic companies in Malaysia explores workers’ self-perception of skill and the ambiguity around what is skilled work. Baud has noted this arbitrariness in relation to the textile industry in Coimbatore, India, and Roldan demonstrates the way women were redefined as operators even when they moved into male work areas in Argentina (Baud, 1989; Ng, 1997; Roldan, 1996). These insights have been very significant. However, the implications of these contributions have not been followed through. The significance of socialisation as ‘training’ is only dealt with to emphasise the social construction of women as a specific labour force. The definition of women workers as ‘unskilled’ operators is accepted unproblematically, and a simple equation of manual, labour-intensive assembly with unskilled work is taken for granted. There is little discussion of how skill categorisations could be defined and redefined due to managerial strategies and shifts in the bargaining power of men and women workers. More importantly, a historical perspective is missing whereby the years of work experience, and changes in the labour process provide a different understanding of skill attributes from those defined by purely static technical criteria.

The example below on the political contestation of the skill designation of Operators from the Calcom struggle illustrates these processes. The issue of whether an operator is a skilled or unskilled worker is difficult to resolve, since there are no clear guidelines on what defines skill. The specification in the Minimum Wages Act often lists the same designation under skilled and unskilled categories. Courts and labour administrators too are not clear on what constitutes a skilled worker; discussions are full of subjective assumptions and statements. A brief description of a meeting between Calcom women workers, labour administrators and the Chief Minister of Delhi brings out the subjectivity of skill definitions.

During the hunger strike, Calcom workers met with the Chief Minister of Delhi and the labour commissioners, and put forward their demand to be treated as
skilled workers. Representatives from Calcom management responded by saying, ‘All of these workers are ‘goondas’ (criminal characters) and all of them are unskilled. All they do is put wires into holes, which can be done by anyone.’ When the women workers refused to accept the terms put forward by the Chief Minister and management, the Chief Minister lost his temper. He said that the issue of skilled/unskilled was all rubbish. He himself had a cook who had done a BA – should he then consider him a skilled worker and pay him Rs. 1800? He was utterly contemptuous of the women’s demands, and shouted, ‘These days even engineers have to do sweepers’ work, so what are you young girls complaining about?!’ (Extract, field notes, February 1996)

The usual argument about the work women do in the electronics industry is that it ‘can be done by anyone’, i.e. requires very little training. Workers did state that the duration of formal on-the-job-training was short. 85 per cent of the sample learned their jobs in less than 15 days, 6 per cent in 16 days to a month, 6 per cent took 1-3 months, and one worker had done a course over nine months to become a technician. All training above three months was offered only in large enterprises. The focus on formal training ignores the hidden training women receive in the household, a training which employers take into account in recruitment but refuse to acknowledge. Many other aspects of training that these women have acquired are also ignored.

Years of work experience in previous jobs in same or similar work, and informal courses all build up skill capacities. If these ‘experiential qualifications’ were taken into account, the training that goes into the ‘natural’ skill of ‘nimble fingers’ would be acknowledged as much longer and the skill levels of these workers would be much higher than currently recognised. For instance, among unskilled workers in this study, a quarter of the women had worked in another job before joining the present company. Some had worked in two or three jobs before the present one. While the semi-skilled workers were primarily new entrants in the labour force, half the workers in the skilled category also had worked in another job before the present one. In the highly skilled category, two women had been employed elsewhere before this job. Among the workers who had held previous jobs in the last five years, more than half had worked in electronic factories, while the rest had worked in the plastics and export garments factories.

Women workers had also acquired informal qualifications in typing and tailoring, as beauticians and in data entry and teaching. Some had certification. Interestingly, the largest number who has done some coursework were in the unskilled and skilled categories. A significant number had done typing courses – courses which enhanced skills in dexterity and speed of hands, similar to sewing and needlework. These skills are transferable to assembly work that is required in electronic factories. This aspect has been explicitly acknowledged by employers in the Santa Cruz Export-processing Zone in Bombay:
...the basic qualification for the job of assembly operator require that applicants be girls who have completed matriculation and have excellent skills in embroidery. In fact, girls are often asked to bring samples of their work for the screening. This may seem a strange requirement. For most outsiders it would be difficult to conceive of the relationship between embroidery and hi-tech electronic work. But for the employers the relationship is critically significant... Girls whose embroidery work reflect a neat hand, an eye for detail, an ability to thread complex and intricate patterns are selected. The reason being that such work is proof of their ability to be neat, to work on detail, to understand and follow intricate patterns, and of the ability to concentrate and work long hours. Girls with these abilities are perceived to have already acquired the discipline of comprehending the sub parts of the larger whole and of integrating the segregated parts into one. Given basic schooling, employers find it easier to orient girls with these ‘qualities’ for electronic assembly work. (Thorat: 211: 1995)

Although these skills are acknowledged, they are not translated into recognition: most of the women workers in SEEPZ were designated as unskilled workers (Sharma & Sengupta, 1984). Since these skills are the result of a socially invisible and privatised process of training within the household, they are seen as ‘natural’ and non-recognised.

Designating women’s work as unskilled and semi-skilled, and the non-recognition of the training which prepares them for assembly line jobs, has serious consequences. Non-recognition not only implies an ideological downgrading of women’s learned attributes, but also affects wage levels. Skill designations are the basis for wage calculations. Defining women workers as unskilled fixes them at the lowest level of the salary scale. Employers derive a double benefit - they hire women who have already been partially trained and at the same time, by designating them as unskilled/semi-skilled, they can pay them lower wages.

The arbitrariness of skill designations, the recognition/non-recognition of women’s skills, the valuation of a ‘technical’ diploma over hidden training and informal courses, the shifting definitions used by management, labour courts and administrators court – all these point to the discursive and political construction of skill categories, which are all constantly being contested and negotiated. Women are assumed to be unskilled and lacking in the capacity for skilled work, even though they are skilled. For men, the fact of being men is itself a capacity, a qualification that makes them eligible for skilled designations. Job and skill reproduction security for women workers therefore implies not only the standard recommendation for more access to more training for women, but also deconstruction of and redress for the gendered processes that determine skills.

At the moment, skill recognition in the electronics industry is restricted to institutionally trained workers with a technical degree. In this study, young women hired in GLR3 and 4 had done a 2-3-year course in Electrical Engineering at a polytechnic and were designated as skilled or highly skilled;
they were working as supervisors and assistant engineers. A number of large companies, particularly the multinationals, send these newly recruited workers for further training abroad or to the government-sponsored Electronic Research and Training Laboratory. It is interesting to note that though they are seen as skilled/highly skilled, designated as floor/line supervisors and the nature of work is mainly supervisory, they are often required to sit on the assembly line to fill in for absent workers.

In some companies, a dual process of upgrading workers and recruiting new institutionally trained workers is being initiated. For instance, in Continental Device, manufacturing semi-conductors, a regular training programme was initiated after the company got the ISO 1000 certificate. Quality Control Circles were instituted and, besides training on-line, for two hours everyday, line operators were trained off-line. The management stated that they preferred to train line workers to work on the new technology-based production process since ‘they have a previous knowledge of the whole process’. Over time, the firm was planning to become totally computerised and convert line operators into keyboard punchers. Simultaneously, diploma holders from Industrial Training Institutes with a minimum of secondary school education were being recruited for the new, automated production lines.

A small survey of polytechnics in Delhi showed that a large number of women were enrolling for courses on electrical engineering; the institutes report a 100% placement rate. Women with institutional training were aware that they were in demand in the electronics industry, and were confident that they would get jobs easily in the new multinational companies. There is therefore a new trend towards more institutional training in the electronics industry. The nature of jobs, i.e. the work women do, is also becoming more flexible. Increasingly, workers are being hired as ‘general’ multipurpose workers in some of the large units of GLR 3 and 4. However in other companies, although there is an increase in job rotation, this is not due to multi-skilling, but rather is more a defensive management strategy to use available workers to the maximum. Small and tiny enterprises do have multi-skilled workers and due to competitive pressures, shift flexibly from one product to another, but this is not on the basis of new technology. A tiny enterprise for instance can be assembling televisions as well as producing paper napkins for a period, only to shift to making cellular phones after six months. The seasoned flexibility in this sector is a short-term strategy to maintain narrow profit margins.

The only basis for recognition of skill is a ‘technical’ degree. While a new category of women workers is being drawn into a labour process that requires institutional training, and this is being recognised in skill categorisation as well as job designation, for the bulk of women workers, the long term trend is towards further downgrading, as the Calcom workers’ case discussed earlier illustrates.
Representation security

In this study, fifty per cent of women workers came from enterprises which had unions. Although this is unusual, given the low level of unionisation of women workers, it is reflective of the rapid unionisation in Delhi’s Okhla Industrial Estate. Unions have been crucial in ensuring several dimensions of security, particularly employment and income security as seen in GLR 2. From among the unionised workers, 66 per cent were permanent workers. The importance of voice representation cannot be stressed enough, and has been highlighted in the previous discussion on state intervention and citizenship in practice. The threat of market competition and the strategies of restructuring, however, have put unions in these enterprises in a defensive position with the constant danger of closure. Unions affiliated to different political parties have adopted different strategies to deal with closures and illegal retrenchment. HMS/AITUC, CITU, and INTUC have tended to agree to ‘golden handshakes’ and tried to negotiate good deals for their workers. Unions affiliated to the more militant IFTU have refused to negotiate and are involved in numerous cases fighting against illegal retrenchment. However, as we have seen in the Weston case, they are fighting a losing battle.

The increased harassment of militant union leaders has also made organization difficult, and the pressures of general economic restructuring with rising prices have made it difficult to sustain struggles. A new barrier to unionisation has emerged through spatial distancing of labour courts from industrial areas. The District Labour Commissioners office in Okhla has been shifted to the Old Secretariat, which means more time and money is required to follow up cases. Many electronic enterprises have relocated to NOIDA, but the labour courts are in Kanpur, which means at least two days travel. While procedural delays have always plagued union struggles, this new form of spatial distancing has made unionisation even more difficult. The defeat of one struggle after another has led to demoralization: even though voice representation remains legal, workers are hesitant to join unions. In addition a number of state governments have changed the system of labour inspection – reduced its scope, simplified forms, exempted many enterprises as well as made the mandatory inspection subject to the discretion of a Labour Commissioner or District Magistrate – a development noted in Uttar Pradesh where a number of electronic enterprises have relocated (Venkata Ratnam, 2001:186). Unions are faced today with multiple challenges which require a major re-thinking of organisational modes and methods (Thomas, 1999).

To sum up, recent managerial strategies of restructuring in the electronics industry are undermining the limited security and social protection women workers had managed to establish. New employment is informalised and vulnerable, except for a small core of women from middle-class backgrounds. Gendered labour regimes of the pre-liberalization era have resorted to the classic strategies of flexibility already endemic in Indian industry. A number of
industries such as coir, cashew, tobacco and pharmaceuticals had de-centralised, retrenched permanent workers, and relocated in response to unionisation and the demands for social protection in the nineteen eighties. This strategy of 'defensive flexibility' characteristic of the 'low road' to industrial restructuring remains the dominant response to market competition in the electronics industry as well. The gendered labour regimes of the post-liberalisation era do not as yet show a move towards either a Fordist model based on secure jobs or towards the 'high road' of flexible specialisation (Sengenberger and Pyke, 1992; Holmstrom, 1999). As Joseph notes, enterprises in the electronics industry at present have been motivated by the objective of short-run profit rather than long-term growth (K.J. Joseph, 1997:121). The strategies of defensive flexibility noted above are therefore not new – what is new is the shift in state intervention and the proposed changes in labour regulations which allow for implicit deregulation and the undermining of enabling conditions for 'citizenship in practice'.

Vulnerability and Insecurity in the Household

Changes in workers' lives at the workplace due to industrial restructuring reflect their increasing vulnerability as the labour market becomes informalised. This section analyses how the simultaneous broader process of economic restructuring affected women workers' households, their responsibility for the care economy and the implications of changes for negotiating autonomy within the household. The main areas of state provisioning of welfare and security in India include: food procurement and distribution, education, employment creation through public works, and subsidised health services in public hospitals. An overall assessment of changes in these after liberalisation is beyond the scope of this study. Instead, the focus is on household responses to the phenomenal rise in prices since 1991, and the changes in the food distribution system and in access to education and health services.

The first section focuses on budgetary adjustments within the household in response to price rise. The next section uses the modified asset vulnerability framework elaborated in Chapter 1 to identify household assets, discuss the use of these assets to reduce vulnerability, and explore the implications of these for future exposure to risks. The linkage between the workplace and the household, and the consequences of the erosion of enabling conditions in both arenas is highlighted. This is done through an analysis of the loss of a key asset – a permanent protected job, and is based on data from a case study of retrenched workers. Throughout the discussion, attention is paid to the question: who bears the cost of adjustments? We analyse the gender-differentiated effects of household responses to cope with and reduce vulnerability in the context of economic restructuring, and we consider the implications these have for citizenship in practice.
Table 7.2 Delhi Consumer Price Index number for industrial workers by groups/sub-groups for the years 1998 & 1999 (Base 1982 = 100)

<table>
<thead>
<tr>
<th>Group</th>
<th>Sub-group</th>
<th>Weight</th>
<th>1998</th>
<th>1999</th>
<th>% variation over previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2 FOOD</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Cereals &amp; products</td>
<td>21.75</td>
<td>471</td>
<td>515</td>
<td>9.34</td>
</tr>
<tr>
<td></td>
<td>(b) Pulses &amp; products</td>
<td>6.61</td>
<td>573</td>
<td>583</td>
<td>3.49</td>
</tr>
<tr>
<td></td>
<td>(c) Oils &amp; fats</td>
<td>11.23</td>
<td>377</td>
<td>349</td>
<td>-7.42</td>
</tr>
<tr>
<td></td>
<td>(d) Meats, fish &amp; eggs</td>
<td>3.50</td>
<td>476</td>
<td>479</td>
<td>0.63</td>
</tr>
<tr>
<td></td>
<td>(e) Milk &amp; milk products</td>
<td>22.86</td>
<td>405</td>
<td>415</td>
<td>2.47</td>
</tr>
<tr>
<td></td>
<td>(f) Condiments &amp; spices</td>
<td>5.22</td>
<td>772</td>
<td>629</td>
<td>-18.52</td>
</tr>
<tr>
<td></td>
<td>(g) Vegetables and fruits</td>
<td>10.94</td>
<td>642</td>
<td>501</td>
<td>-21.96</td>
</tr>
<tr>
<td></td>
<td>(h) Other food</td>
<td>17.89</td>
<td>524</td>
<td>528</td>
<td>0.76</td>
</tr>
<tr>
<td></td>
<td>FOOD TOTAL</td>
<td>50.70</td>
<td>496</td>
<td>484</td>
<td>-2.42</td>
</tr>
<tr>
<td>1-B</td>
<td>2 Pan, supari, tobacco &amp; intoxicants</td>
<td>2.40</td>
<td>532</td>
<td>565</td>
<td>6.20</td>
</tr>
<tr>
<td>2</td>
<td>Fuel &amp; light</td>
<td>5.60</td>
<td>288</td>
<td>290</td>
<td>0.69</td>
</tr>
<tr>
<td>3</td>
<td>Housing</td>
<td>14.00</td>
<td>413</td>
<td>614</td>
<td>48.67</td>
</tr>
<tr>
<td>4</td>
<td>Clothing, bedding +</td>
<td>12.50</td>
<td>354</td>
<td>370</td>
<td>4.52</td>
</tr>
<tr>
<td>Misc.</td>
<td>(a) Medical care</td>
<td>9.39</td>
<td>445</td>
<td>570</td>
<td>28.09</td>
</tr>
<tr>
<td></td>
<td>(b) Education, recreation &amp; amusement</td>
<td>13.73</td>
<td>302</td>
<td>323</td>
<td>6.95</td>
</tr>
<tr>
<td></td>
<td>(c) Transport &amp; communications</td>
<td>22.15</td>
<td>619</td>
<td>758</td>
<td>22.46</td>
</tr>
<tr>
<td></td>
<td>(d) Personal &amp; effects</td>
<td>24.11</td>
<td>377</td>
<td>396</td>
<td>5.04</td>
</tr>
<tr>
<td></td>
<td>(e) Others</td>
<td>30.62</td>
<td>410</td>
<td>422</td>
<td>2.93</td>
</tr>
<tr>
<td></td>
<td>MISC. TOTAL</td>
<td>14.80</td>
<td>437</td>
<td>491</td>
<td>12.36</td>
</tr>
</tbody>
</table>

General Index 100 447 480 7.38

Source: Labour Bureau, Shimla

Price Rise and Household Budgetary Adjustments

The broader process of economic restructuring has led to a phenomenal increase in prices. The All India Consumer Price Index almost doubled in seven years—rising from 951 in 1990-91 to 1803 in 1997-98 showing sustained high rates of inflation for the first time since Independence. The Consumer Price Index for Industrial Workers (CPI-IW) rose by 77 per cent during this period. In 1998, the CPI-IW for Delhi registered its highest increase of 17.63 per cent. Between April 1991 and 1997, the value of money had declined about 47 percent per rupee, and the rate of inflation was estimated at around 10 per cent (Upadhyay,
1999:57-58). The prices of essential commodities had risen at a much higher rate than non-essential, luxury items, fuelled partly by retailers and traders jack up prices. Overall, the index for food had registered a continuous increase from 180 in 1989 to 480 in 1999. The group-wise specification of the CPI-IW for Delhi (1998-1999) also shows a major increase in house rent, medical care and transport.

Analysis of the data in this study from 132 households in 1994-95, with a follow-up survey of 100 of these households in 1999-2000, shows that 66 per cent of the households had made some budgetary adjustments in response to the increase in prices. Of the households that did not report any cuts in household spending and modes of consumption, 8 per cent were already at minimum consumption levels and 26 per cent were able to maintain existing levels of consumption. The multiple responses per household have been classified per income group (per capita income in minimum wage income groups) to identify variations in responses across income groups.

<table>
<thead>
<tr>
<th>Type of adjustment</th>
<th>Lower Income</th>
<th>Middle income</th>
<th>Higher Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum consumption</td>
<td>11.6%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Food consumption</td>
<td>51.1%</td>
<td>0</td>
<td>41.1%</td>
</tr>
<tr>
<td>Non-food consumption</td>
<td>62.7%</td>
<td>50.0%</td>
<td>41.1%</td>
</tr>
<tr>
<td>No change</td>
<td>11.6%</td>
<td>33.3%</td>
<td>58.8%</td>
</tr>
</tbody>
</table>

n=86                               n=12                               n=34

Among lower income households, 12 per cent were at minimum consumption levels and 12 per cent could still manage without major cuts, but the rest had made adjustments in both food and non-food consumption. In the middle-income group, 50 per cent of the households made adjustments only in non-food items. In the higher-income category, a significant number of households made adjustments in both food and non-food items, though more than half (59 per cent) were able to maintain existing levels of consumption.

Consumption modifying adjustments

Food consumption modifications

The most significant finding on food consumption modifications in the period under review was related to changes in the public distribution system (PDS) from one of universal entitlement to targeted distribution. The PDS aimed to provide the poor with subsidised food grains and to control prices. In spite of problems such as leakages, limited coverage primarily to urban areas, and bad quality, the PDS has been a significant contributor to food security. The data
from this study shows a shift from majority dependence on the PDS to a differentiation between a large section of households who now buy only from the open market and the total dependence of another section of households on subsidised food.

Almost 80 per cent of the households reported that in the eighties, they bought at least some of the basics – rice, wheat, sugar and kerosene – from the ration shops (fair price shops). A survey on the Delhi PDS conducted in January-June 1993 reported that in urban areas, 63 to 77 per cent of the rice and wheat, and about 60% of sugar requirement of consumers, was met through the PDS (GOD, March 2000). In 1994-95, lower-income households reported buying all the basics from the ration shops. Both the middle- and higher income groups reported using the PDS as part of a cost-reduction diversified buying strategy. As Gayatri from the higher income group described it:

Earlier I was able to balance between quality and price of food and get the best possible for the family. I would get good rice from the open market for special occasions, everyday rice, oil and dals (lentils) from the Super Bazaar (semi-subsidised outlets) and sugar from the ration shop. Now the quality of everything has gone down since I buy everything as cheaply as possible from the open market.

In 1999-2000, only 27 per cent of the households in the follow-up survey with a total household income below Rs. 24,200 per annum (the cut off point for households below the poverty line [BPL]) still used the public distribution system which provided specially subsidised items to this group. This shift from the PDS to the open market was related to two factors: the steep increase in prices of food grains sold through the fair price shops and the change in the PDS from a system of universal entitlement to a targeted one. In 1992, a revamped system (RPDS) to improve access for poor households and those in backward areas was introduced. In 1996, a targeted system (TPDS) was introduced, whereby a distinction was made between families below the poverty line (BPL) and those above (APL). Households below the poverty line were entitled to 20 kilograms of food grain at 50 per cent of the economic costs incurred by the Food Corporations of India. These changes were made ostensibly to improve access to the really poor, but in fact led to an opposite effect. Between 1990-1994, the issue price of rice rose by 86 per cent and of wheat by 72 per cent (Swaminathan, 1998). Due to this, the difference between the PDS prices and the open-market prices narrowed considerably, a trend that continued in 2000-2001. The off take from the PDS declined further, with the ABL households finding open-market prices lower than those offered to them by the PDS. At the same time, procurement of food grains increased, resulting in a large food stock, leading to a huge increase in administrative costs. During this period open-market prices increased up by 58 per cent.
In the first phase of research conducted in 1994-95, there was still a price difference between the ration shops and the open market in Delhi, as seen in the following rates:

Table 7.4 Prices of Basic Commodities in Delhi (1994-95)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Fair Price Shop</th>
<th>Open Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Wheat</td>
<td>4.50</td>
<td>6.00 to 10.00</td>
</tr>
<tr>
<td>Rice</td>
<td>7.50</td>
<td>7.20 to 14.00</td>
</tr>
<tr>
<td>Sugar</td>
<td>9.00</td>
<td>14.00 to 20.00</td>
</tr>
<tr>
<td>Kerosene</td>
<td>3.00</td>
<td>9.00 to 10.00</td>
</tr>
</tbody>
</table>

By 1999-2000, this price difference had eroded. Responding to the increased prices and restricted access to the PDS, women workers' households were forced to undertake a number of food-consumption modifying measures. A response common to a large number of households was buying certain food items from the wholesale market. Vegetables, including the basic onion and potato, were bought from the *mandi* (wholesale market) and shared between a number of households. Women usually hired an auto-rickshaw and went early morning to the *mandi*. *Mandi* shopping was not new, especially for households located in Okhla where a *mandi* was close by, but now the practice became more widespread. Women also mentioned avoiding vegetable shops and buying more from the cheaper footpath vegetable sellers on their way back from work.

Shopping time increased since women went around checking prices in different shops. It was women who did the price checking since men who often did the shopping tended to buy from the nearest shop. Increasingly women were taking on the full responsibility of shopping for food. As Poonam complained:

> These days I cannot trust my husband to buy the oil, wheat or vegetables. He never checks if it is cheaper in another place and just pays whatever the shopkeeper asks. I now do all the shopping myself, and only ask him when I just cannot make the time.

Buying from the ration shop also took time, with long queues especially when the new stocks had arrived, repeated visits and hours spent cleaning the rice. But women felt that despite the hassles, the old system was better, since at least they knew how much they would spend.

Nowadays when I go shopping, I never know what I will come back with and how much I will spend. Often I promise the family that today I will make keer (rice pudding), but when I see how costly good rice is, I come back empty-handed and everyone is so disappointed. (Sandhya)
Earlier my friends and I would go shopping sometimes looking for a bargain. That meant finding something of good quality at a low price. Now a bargain means getting a large quantity of low-quality goods at a low price.

The time spent in looking for ‘bargains’ increased the working hours, particularly for married women. Combining factory working hours and domestic labour hours, women were working an average of 12 hours daily. More than half the women in the sample also did regular overtime of one to two hours daily. Thus for a large section of women, working hours ranged between 13-14 in 1994-95. In 2000, many reported working up to 16-17 hours. The increased pressure on women workers’ time due to the rise in the cost of living was mitigated in households where there were other female members – mothers, mothers-in-law, and other female relatives. For instance, many of the young unmarried girls did not spend time too much time in domestic labour.

My mother does not let me do anything at home – she says I am doing enough by earning. I feel guilty sometimes seeing her do everything – washing, cooking, cleaning but she never lets me help. (Rita)

In these cases, the burden of stretching the household budget to meet household needs and consequently stretching themselves fell primarily on mothers.

A significant number of households (25 per cent), particularly among the higher income groups, reported a reduction in eating fruits and non-vegetarian food. Lower income households mentioned a reduction in the number of meals, with women in particular only having a cup of tea and a biscuit for lunch. A number of women from these households said that to save on fuel consumption, they had started making simpler food, often only reheated part of the food, and had shifted to quick-cooking packaged food such as Maggi noodles for children. Overall, the quality of food had gone down for the low- and middle-income groups.

These changes in consumption had gender-differentiated implications. Married women workers and mothers were spending more time in looking for and acquiring cheaper items for regular household consumption. It was women who reduced the number of meals they had, justifying it as a form of ‘fasting’ or means of weight reduction. No one mentioned a reduction of food for children. The burden of keeping the family fed fell on women, who expressed a constant anxiety about the increasing prices. The changes in daily life also had specific implications for women. In some households, there were signs of tension as accepted divisions of labour and spatial separations began to change. Women had to take over shopping – the only contribution men usually made to domestic labour. Male alcohol consumption and eating out, frowned on by most women, used to be tolerated since it occurred outside the home. Now men were coming drunk to the house late at night and demanding food or money to eat out. While cases of domestic violence had always occurred, a number of women mentioned an increase due to the tensions and squabbles over money.
Other consumption-modifying adjustments

The first items jettisoned by almost all the households in the sample were non-food items. A cut in buying new clothes, deferment of large purchases, reduction in leisure activities and reduction in travel were reported by all households, though the degree of cuts varied by income and age group. The rising cost of uniforms for children was mentioned in particular as an increased pressure.

Children’s school uniforms have to be made with a certain type and colour of cloth and a particular design so we cannot save on that, and tailors are charging such high rates these days. I don’t want my children to feel ashamed at school, so I have stopped buying anything for myself and put whatever money there is aside for the children. (Sandhya)

The reduction in buying new clothes was acutely felt by the young unmarried girls who felt ashamed to wear the same and ‘old fashioned’ designs to work. Some of the women who had learned tailoring but had never until then used this skill, started making their own clothes.

Cuts in travel affected the women migrants from Kerala the most. Earlier they used to visit home twice a year – once in summer and a shorter period in winter. However, now they could only manage one trip and some had not even managed that in the last year.

My husband and I now take turns to visit home – our child will not recognise us if we do not go. I cannot bring her here and at the same time it is becoming difficult to see her twice a year as I used to. (Ramani)

A choice often had to be made between sending a substantial sum of money to Kerala when needed and a visit home. Other (non-migrant) married women whose natal homes were outside Delhi spoke of the longer gaps between their already rare visits home.

I really miss those visits- I used to be able to rest – did not have to cook and clean and I could feel like a daughter again, but now it is too expensive. Anyway, my husband never liked my going, so now at least he is happy.

Except for a small section who were picked up for work by a company bus, most of the workers came by public transport. They found the increase in Delhi Transport Corporation bus fares a major cut in their budgets.

A significant number mentioned a reduction in eating out. Except for the higher-income group, families very rarely went out to eat together. Men used to often eat out with their male friends on a drinking evening, but now they would come home late and demand dinner. Younger unmarried women who used to go together to the sweet shops on their way back from work for chaat and dosas (savoury snacks) still did so, but shared the snacks. Married women in general said that they rarely ate out anyway. These changes in consumption of non-food items are leading to subtle changes in daily life and a reversal of a certain standard and style of living which people had been able to establish.
**Adjustments in health and education expenses**

During the period under review, the costs of medical care had increased tremendously: prices of medicines and consultation fees had shot up, as reflected in the CPI-IW above. This affected all households, since most used local, private clinics for minor illnesses. Though working class households with even one member with a permanent job were entitled to the benefits provided by the Employees State Insurance scheme (coverage for sickness, maternity and employment-related injury), it was only for major illnesses that such households used the ESI hospitals. Given the costs of travel and the time spent in long queues, plus the cursory and often contemptuous treatment meted out by doctors at these hospitals, workers preferred to pay more to private clinics located within their neighbourhoods.

In the follow-up survey, households seemed to have maintained this distinction between minor and major illnesses, in spite of the increased costs of private medical care. In some cases, workers said that when they fell ill, they waited longer before seeing a doctor. Some others said that they could not manage to complete the whole treatment. The continued reliance on private clinics has serious implications, since many of these clinics are run by quacks who administer aspirins for most ailments. Studies have shown that even trained private practitioners used drugs without relevance or discrimination. Phadke’s survey of prescriptions from private clinics found 28.9 per cent were irrational drug combinations, 9.6 per cent were hazardous drugs, 45.7 per cent were unnecessary drugs, and 26.5 per cent were unnecessary injections (Phadke et al., 1995). In some cases, women said they had shifted from allopathic medicine to ayurvedic or homeopathic medicines which were cheaper. However, these systems took time to cure, so at times the women ended up again at the private clinic for an ‘injection’.

Educational expenses had also increased, but no household reported withdrawing children from school, whether municipal or private. Parents said they would ‘starve, beg, or do anything’ to provide their children with good education. The increase in school fees and uniform costs were making a major dent in household budgets, and some women had taken loans or wage advances to manage these costs. There was no difference between boys and girls in terms of provision of primary education. Gender differences in access to education emerged in relation to older children and the costs of higher education and further technical training, as discussed below.

The household budgetary adjustments described above were immediate responses to the rising cost of living. The adjustments show increasing pressure on levels and quality of consumption, changes in everyday life and tensions in gender relations. These have affected the overall well-being of all household members and also led to an increase in the ‘reproductive tax’ through increased working time of married women, and mothers in particular. Women have been able to ‘cushion’ the effects of price rise through their labour and ingenuity.
However, there is a limit to the ‘infinite elasticity’ of women’s labour and emotional capabilities. Further pressures could lead to more extreme conditions of distress, insecurity and vulnerability. What possibilities existed in terms of household assets to counter such a process? The next section examines household assets and the ways in which they have been used to deal with the increasing vulnerability of working-class households.

**Assets and the Mediation of Vulnerability**

**Labour and human capital**

Under economic pressure, there is an imperative to increase the number of earning members, as has been documented in numerous studies on the effects of economic restructuring. Since entry into the labour market is linked to human capital, i.e. levels of education and skill, these two aspects are discussed together in this section.

As noted in Chapter 3, a majority of households in the sample had two and three earners and were primarily dependent on female earnings. In the follow-up survey five years later, there was not much change in the distribution of households in terms of the number of earners. Household life-cycle changes – death, illness, marriage, and retirement – and the eligibility of dependants to enter the labour market, meant that in some cases the number of earners had either gone down or increased, but there was no sharp increase or decrease overall. What this indicates is that labour assets within the household were already deployed fully in the early nineties. As some members moved out of the labour market, others entered, keeping the ‘norm’ a two- or three-earner family. There was a shift noted in the follow-up survey, with the number of earners who had non-permanent jobs increasing. New employment in a more flexible labour market offered fewer possibilities for a permanent job.

There were additional changes linked to the increasing economic pressure on households. As ostensible ‘dowry’ funds ended up in regular household consumption, a number of unmarried girls had delayed their marriages. Engagement periods that are traditionally short in India were extended, sometimes for two to three years. Another response to the uncertainty of the labour market was to extend the educational period for boys. A number of boys were doing courses in the Industrial Training Institutes and polytechnics to get ‘technical diplomas’ which were now an essential requirement to get jobs. In some cases, a choice was made between continuing a son’s or a daughter’s higher education, with preference on the side of boys. The rationale given, however, was not in terms of traditional ‘son-preference’, but rather on the grounds that:

These days it is easier for girls to get jobs. For a boy to have a future, he must have some modern technical training.
In some households (as noted in Chapter 3), a process of ‘primitive accumulation’ appeared to be occurring, where women supported the household and the son’s/brother’s education, in the hope that the jobs the men got would lead to a process of ‘extended accumulation’ for the household. In fact, the informalisation and increasing vulnerability of the labour market made this a pipe dream, except in those households that had resources to sustain dependency of children for a longer period and cover costs for very specialised training.

In poorer households, there was a resort to multiple livelihoods in addition to the jobs in the electronics industry. A number of women who were previously unemployed, such as mothers or mothers-in-law, had taken on home-based work from the export garment industry. Skills hitherto unused were put into income-generating activities. For instance, Raj had trained as a beautician and had used that training so far only for friends. She now set up an informal salon in her room and put in every free hour after work and on holidays to run her new ‘business’. In some households, young men had leased an auto-rickshaw to earn for the fees to pay for the completion of their diploma course. At the time of the follow-up survey in 2000, there were no cases of child labour. Children’s education was accorded high priority and this consciousness remained even among the young men and women, employed in the electronics industry or otherwise, as they strove to combine earning with acquiring further educational qualifications.

**Housing and other assets**

In urban settings, house ownership is a significant productive asset. A large number of households in the sample (40 per cent) owned their houses, 16 per cent lived in jhuggis, and 44 per cent rented accommodation. Legal titles of ownership were predominantly in the name of the father, husband or a male relative (70 per cent). Only 30 per cent of the houses were owned by women (self, mother, or female relative), and most were female-headed households. Householders who owned their houses came from a section of working-class households and middle-class households described in Chapter 3. The houses were small, consisting usually of two rooms with a kitchenette and bathroom, so the possibilities of tenancy were limited. Only two households had rented one room to tenants after the increase in cost of living.

In the years between 1994-95 and the follow up survey, no repairs or painting had been done and the houses looked dilapidated. This section of households had not yet used house ownership to acquire extra income, but clearly basic housing security had played a major role in preventing them from slipping into poverty. Interestingly, illegal squatter households were also fairly secure, although they are usually assumed to be the most vulnerable. Such households had an unofficial claim to their houses. This was reinforced through the issue of ration cards to jhuggi jhopdi dwellers, sanctioned by the
government. However, the threat of eviction and demolition was always present, and various local power brokers had to be continuously paid.

The most vulnerable sections were the workers who lived in rented accommodation. Migrants from Kerala in particular were faced with spiralling rents and more difficult conditions laid down by landlords. Huge sums of money had to be given as deposit, and landlords would not allow more people to share a room. As a result, a number of migrant households were shifting to the outskirts of Delhi. Aya Nagar for instance was fast becoming a Malayali settlement. This meant increased transport costs and commuting time. As noted earlier, housing security was a major factor facilitating involvement and participation in collective action. In 2000, workers living in rented accommodation were even more insecure than before, thus making it difficult for them to challenge unfair labour practices at their workplace.

In 1994-95, almost every household in the sample had a television – only four reported not owning one. A large number also had other consumer durables, such as refrigerators and radios. A few in the higher-income group also had video recorders. In the follow-up survey, the distribution and composition of consumer durables across households remained almost the same, except for the lower-income group. A significant number reported selling or pawnning their television, or shifting to a cheaper black-and-white model. Not having a television was leading to new problems. As Sandhya put it:

These days a television is essential. After I had to sell mine, the children went to the neighbours to watch. The neighbours started complaining, so I had to stop the children.

The greatest irony is that these women, producers and makers of televisions, cannot now afford to own one themselves.

Social networks

Social networks have always been crucial for workers in India: as a means to get jobs; for support during adversity; and for security and survival in new industrial cities. Workers in the Delhi electronics industry too depended on a variety of social networks, especially for jobs, since recruitment was primarily through such networks. Workers also belonged to regional, religious and cultural groups that filled different social needs, such as the Malayali Association, the mainstay of migrant workers from Kerala. There were also Durga Puja Committees (primarily Bengali associations to celebrate the festival of the Goddess Durga), church-related associations, and other such organisations. In conditions of increasing vulnerability, have these social networks been able to provide alternative sources of security and welfare? In Moser’s words, have changing circumstances consolidated or eroded “social capital”? Ranajit Das Gupta has discussed the significance of informal social networks based on community, neighbourhood and the rural household as the main means for providing social security during the process of proletarianisation and early industrialisation in
India (Das Gupta, 1994). Although the composition of the working class has changed from predominantly rural migrants to an industrial proletariat, a section of circulating migrants continues to move between countryside and city, and is a feature of contemporary capitalism rather than a pre-industrial residue (Breman, 1996). However, whether the countryside can still provide the kind of security identified by Das Gupta for the colonial period – of welfare provisions, risk-minimising, risk-spreading benefits and insurance against uncertainties – needs to be investigated. The illusion of the rural space as a refuge and fallback option for hinterland migrants in the Delhi electronics industry is discussed in the next section.

For other workers, pre-existing social networks seemed to be under considerable strain. For long distance migrants from Kerala, the Malayali Association remained a significant source of support, but increasingly the association could not help deal with problems of finding a place to live or providing access to work. First-wave migrants who were now facing a threat to their jobs were joining a union (also headed by a Malayali) to seek support for job-related issues, as well as for protection from thugs in the neighbourhood. They were no longer relying only on the Association. In any case, women had not been involved in the running of the Malayali association and continued only to attend social functions such as Pongal, the New Year celebration.

Another development was the consolidation of communal networks. In the first phase of research, there was more ambiguity in workers’ responses and perceptions regarding organisations and political ideologies. Workers supported a union on the basis of its record in taking up work-related demands rather than its affiliation to a political party. Distinctions were also made between local municipal issues and factory-based issues. For instance, in 1994-95 the Delhi government was headed by the BJP, and a number of workers, even members of the Communist union, expressed their appreciation for BJP municipal councillors. A number mentioned how the councillor for Okhla had promised to get the streets paved, and she fulfilled her promise after being elected.

The BMS – the trade union wing of the Hindu fascist party BJP – had been active for years among workers in Okhla Industrial Area. Functionaries of the union combined attention to work-related issues with extending support to workers’ families in times of bereavement or other crises. For instance, Thakur, General Secretary of the BMS union in Texla and a member of the RSS (paramilitary wing of the BJP) since he was a child, combined union work with ‘parivarik’ (family) work. He was actively involved in getting ration cards for workers, providing financial assistance for a child’s operation, and support to widows. Parivarik work was linked with spreading the ideology of Hindutva (Hindu communal nationalism propagated by the BJP) – his involvement in the ration card issue was based on exposing ‘all the illegal Bangladeshis and Pakistanis who manage to get ration cards easily’. The strategy of work, welfare and cultural indoctrination common to the organisations of the Sangh Parivar (the family of organisations constituting the Hindu fascist party) provides a
'safety net' in times of crisis and extreme vulnerability, simultaneously creating cleavages between communities.14

During discussions in the follow-up survey, workers spoke of alliances and affiliations more explicitly on the basis of political ideologies. A number of workers had joined the BMS, and there appeared to be more support for the BJP. BMS functionaries with access to higher levels of government were certainly able to provide more contacts and access to services than other unions. The strengthening of communal networks was in some cases leading to a singular definition of identity in contrast to the more ambiguous duality of the earlier period. For example, Aliya, a muslim woman, was a union functionary in the BMS union led by Thakur. Earlier, she saw no contradiction between being in a Hindu ‘nationalist’ union and also actively engaged with Muslim organisations which had agitated on the Shah Bano issue. She was still in the union, but expressed discomfort at the increasingly virulent anti-Muslim sentiments expressed by the BMS. Further investigation is needed to see the implications of the consolidation of these communal networks. Contrary to the celebration of ‘social capital’ as a benign and positive development implied in recent development discourse, the consolidation of such communal/ethnic-based networks has extremely negative consequences for social cohesion.

The responses to price rise and labour market flexibility by households in this study show that the situation is not as extreme as that noted in studies on the effects of economic crisis in other countries (Breman, 2001; Kanji, 1995; Beneria,, 1992). The crisis in India is less extreme — inflation has not touched the three-digit level as in Latin America. However, the crisis is also less visible, the wave of suicides by weavers and farmers in South India presaging what may affect other sections of the population. The households in this study are able to cope also because they all still had at least one if not more members employed. The responses discussed above illustrate pressures as well as a capacity, though diminishing, to cope, maintain certain levels of consumption and attempt to meet the challenges of a new labour market situation. Given the lack of any other major significant assets, this capacity is crucially dependent on labour and access to the labour market as the main means for livelihood and survival. The importance of this is illustrated through the experience of workers who lost their jobs, and the ensuing impact this has had on them, their households, and the enabling conditions for citizenship in practice.

When Jobs Disappear... The Experience of Job Loss

The significance of labour as the main household asset, and the extreme dependence on the labour market for survival, emerges through an analysis of the experience of 61 workers (31 men and 30 women) who lost their jobs during the period of research. These workers had been employed in Weston and Clifton (GLR 2), were unionised and had long service records. Some of them were hinterland migrants from Uttar Pradesh and Bihar, and the rest were from Delhi.
What options existed for these workers suddenly faced with unemployment? One assumption widely prevalent in the literature on economic crisis is that migrants could return to rural areas. The village was seen to exist as a sanctuary in periods of crisis or as an ever-present alternative, a place to return. In India, rural links of industrial workers have played an important role historically and in the contemporary period. A return to the village could help sustain strikes or it could diffuse and undermine industrial action.\(^\text{15}\) The 1982 Bombay textile strike presented evidence of the continued significance of rural links.\(^\text{16}\) As described in Chapter 3, rural links for male hinterland migrants in the Delhi electronics industry were maintained primarily for social reasons. In a period of crisis, did these links become a source of economic support?

Refuge and shelter in the *gaon* (village)?

Some male workers did send their families back to their villages. Balwant Singh (mentioned in Chapter 3), who had decided to settle in Delhi, expressed his shock at the lockout:

> I had seen the company grow and knew it was doing well – the lockout was a shock. I waited eight months but it became impossible, so I borrowed Rs. 20,000 and sent my family back to Garwal. My children are now going to the village school I had studied in.

Mahesh Yadav, an Other Backward Caste, left Madhubani, Bihar, in 1983 and started work as a peon/helper in Weston. He too sent his family back to the village after some months of the lockout and was now living with his brother who was a master tailor in an export garment factory.

> In the village we have some cows and buffaloes so the family can manage, but now I have had to take loans to send money, as the situation is getting bad. I cannot get any work here, so I fear that I too may have to return to Bihar. But there is no work there either.

For men workers, a crucial determinant of the decision to send the family back to the village was the employment of other family members, particularly wives. In all the cases where families were sent back, the wives worked only at home, at reproductive household tasks. The question of sending the family back did not arise in those migrant households where the wives were involved in income-earning activities such as dairying, home-based export garment work or as domestic servants.

In other cases, rather than return to the village, rural assets were sold and workers preferred to stay with their families in Delhi and continue looking for jobs in the city. Ram Jeevan, for instance, had come to Delhi in 1982 from Paratapgarh, Uttar Pradesh, with his wife. They shared a rented room with his brother-in-law. After the lockout, he went back to the village, sold two *bighas* of land and returned to Delhi. In spite of the difference between workers who came from small farmer households (mainly from Uttar Pradesh) and those from
landless households (mainly from Bihar), rural links did not offer the possibility of a return to farming. At the most, the village could act as a safety net and a temporary shelter for their families. Rural households could not cope for long with additional members.

Even for those workers who did return to farming, the move was seen as short term. A small section of workers from neighbouring Haryana worked in the factory and also engaged in farming on their own land even before job loss. Vijender Singh, assistant engineer at Weston, commuted daily from Kondal village near Faridabad. After the lockout, he started helping his father and uncle more regularly in farming. With nine household members to feed and a loan of Rs. 40,000 to repay, the income from the small farm was not adequate, and Vijender was hoping his ITI diploma would get him another job after the court settlement.

Apart from the short-term sanctuary of the village and the limited return to farming, some other workers could fall back on secondary sources of income. Lajbirs and his brother Charan Singh, Gujars (OBC), had come to Delhi in 1983 from village Chopargarh, district Bulandshahar in Uttar Pradesh. They lived together with wives and children in Molband Extension, a suburb of South Delhi. They owned three buffaloes and both had worked in Weston as fitters for ten years. Now dairying was their main source of livelihood. A few workers used to receive *gehu* (wheat) regularly from their villages. From providing for that little extra, now this was their only source of food. Overall, rural links for these workers only provided a short-term buffer. Rather than a desire to return, hinterland migrants feared that return, refusing to accept that they had ‘failed’ in the city and as a result stayed on, attending gate meetings and court proceedings, at the same time as they continued to look for other jobs in Delhi itself.17

Table 7.5 New job after displacement

<table>
<thead>
<tr>
<th>New Job</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployed</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td>Shop/repair/rickshaw</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Farming</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Casual labour</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Temporary electronics</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Home-based garment</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>Domestic service</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Permanent electronics</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>31</td>
<td>30</td>
</tr>
</tbody>
</table>
...Do new jobs appear?

After two years of job loss, half the male workers were unemployed, a little more than a quarter were self-employed, and the rest had found irregular jobs or were working as temporary and contract workers. Only two workers, one man and one woman, had got permanent jobs again in an electronics factory. The majority of women workers had found only irregular casual work and only four were still unemployed.

Labour market transition, de-skilling and differential access to jobs in the unorganised sector

The process of downward mobility had different effects for women and men, as seen in the opportunities available for work after job loss. A number of men had become self employed. Specification of this category showed a number who had set up small television/radio service and repair shops, while others undertook private complaints for repair, one plied an auto-rickshaw and one was selling peanuts. Three men had an income from dairying and part time agricultural work. Some of the unemployed men were engaged in illegal activities such as bootlegging and smuggling. Overall however both men and women had only managed to get casual jobs. Women only managed casual jobs: as contract workers in tiny electronics enterprises, home-based work for the export garment industry or in domestic service. *Not a single woman could move into self-employment.* The limited opportunities for women cannot be seen as due to lack of capital or skills. Qualifications, skill levels and compensation money were almost the same for men and women.

Though some of these women knew how to repair and service televisions, they did not set up service centres like the men did. Nirmala Banerjee’s study of women workers in the electronics industry in Calcutta identifies an important reason for the barriers against women entering this form of self-employment. She reports that many men had hung around senior mechanics or repairmen in their localities and had therefore done a kind of informal apprenticeship. As a result, ‘they were more confident about the work and could also inspire more confidence among their customers’ (Banerjee, 1995:243). The idea of a woman opening a service centre for repair of electronics items remains alien to the women themselves as well as socially: people would have more confidence in men for such work. The unorganised sector is therefore not completely open. It is also segregated, and even in times of crisis, labour markets are much less fluid than often assumed. The selectivity with which women are excluded, incorporated or marginalised in relation to different kinds of employment applies also to the unorganised sector and can be seen in the concentration of these ex-women workers in the least paying jobs (Scott, 1986:673).

It has been argued that entry into the unorganised sector after job loss from the organised sector is also further differentiated by skill and age differences. Some studies have shown that workers from the organised sector, in-spite of
being unemployed, do not enter the lower levels of the unorganised sector, since they have a strong self-identity as organised-sector workers. Examining workers' responses to job loss in Brazil, Helen Hirata and John Humphrey found that skilled adult men tended to remain in open unemployment until they could return to factory work. The pressure to move into the informal sector was greater for unskilled men and single parents\(^\text{18}\) (Hirata & Humphrey 1991). Among the retrenched workers in this study, a few unemployed older skilled men as well as older skilled women did show a reluctance to enter the unorganised sector. They expressed sentiments similar to those of Gayatri, who had worked for 15 years and was proud of the skills she had learned over time as she had moved up the scale from helper to Senior Wire Girl at her factory.

It is very difficult to run a house with two growing sons. My husband retired at the same time our factory closed. I cannot think of working as a domestic servant. After so many years of work experience, I cannot join a new factory only to be dismissed after six months of being a casual worker. I do not know what to do. What is the result of so many years of hard work?

However only a few workers were able to resist 'skidding' (downward mobility) due to the presence of other earners in these households, or another source of income. For the majority of job-loss workers, both men and women, economic pressures had forced them to take on any job available. All the studies so far on displaced workers have pointed out that most of them have not found new employment, except for a few in the unorganised sector. B.B. Patel's study of retrenched textile workers in Ahmedabad shows that 'about 2/3rd of 60,000 out-of-job workers have become hawkers and lari-wallas; a large section has taken to auto-rickshaw driving; and several others were self-employed as petty traders. Still others were jobless, looking to other family members' earnings for sustenance' (Patel 1990; also Noronha and Sharma, 1999, for a later study). Breman notes in his study conducted between 1998-1999 that social identities which were reflected in the mill job hierarchy became a channel for finding work after job loss. Dalits and Muslims facing the greatest difficulties (Breman, 2004:174). Given the small sample size in this study, it is not possible to make any definitive statements except to note that while social networks certainly played a role in job searches, the diverse outcomes and downward slide seem to point to a lack of caste/regional job niches in this case.

Did the inability to find new jobs reflect a lack of human capital: low education, no skills and old age? In the sample of 61 workers interviewed, only a minority were over forty years old.\(^\text{19}\) In terms of educational qualifications, these workers had similar qualifications to those who continued to be employed as well as the new recruits in the Delhi electronics industry. A majority had a secondary school certificate, and some were even graduates. Five men had Industrial Training Institute diplomas and three women had certificates in typing and tailoring. Only one male worker was illiterate. In spite of these qualifications, it was not possible for the majority to get employment again in
the electronics industry. This group of workers had slipped after job loss from
the organised to the unorganised sector – a process of downward mobility with
little possibility of a return to their old status.

**From privileged worker to destitution**

Overall for both men and women, job loss has meant a drastic reduction in
living standards. Even for those who have managed to find some work, income
reduction has been very sharp. The majority of those who had managed to find
some source of livelihood were earning below the stipulated minimum wage for
unskilled workers. Households with a large number of dependants and two
earners, with both earners unemployed, were in an extremely precarious
situation. There were eleven such households among the 61 workers
interviewed. Both husband and wife or brother and sister had been laid off from
work in the last two years, and had not found any other regular job. As Mina
poignantly put it, ‘Earlier we were two earners, now we can barely get two rotis
a day’. In these households, apart from drastic cuts in consumption, older, non-
earning or retired members of the family had started working. Elderly mothers
had taken up home-based export garment work while fathers had taken up casual
jobs. Dreams and aspirations for a better life, all of which were possible due to
employment security, were now scuttled.

Two years ago we got married. Now S... sahib has uprooted our little world. We
never go out, see any films. I was going to have a child, but I could not eat well
so I lost the baby.

The experience of job loss is not simply one of loss of income – it is an
experience leading to tremendous psychological and social trauma. Central to
this experience are notions of self and social identity, self-respect and dignity
aspects which are ignored in the cold, statistical measures of ‘surplus labour, re-
deployment, re-training etc.

**Renegotiating gender relations**

The experience of job loss has led to significant changes in gender relations
within the household. In discussions with the women, a feeling strongly
expressed, along with the economic impact, was a loss of autonomy. A number
of the younger, unmarried women expressed similar sentiments as Praveen: ‘I
need the job to earn regularly and to be independent. I cannot sit at home.’ Her
engagement was cancelled after the groom’s family heard she had lost her job,
pointing to the significance of employment as a ‘new’ form of dowry. Some
older women, who were not faced with dire economic deprivation since they had
other earners in the family, emphasised the changes in family members’
attitudes and the emerging control over their mobility. Ratni Devi, a widow
suddenly found that her going out was being viewed with suspicion by her son
and neighbours and she had difficulty in attending the ongoing dharna outside
the Weston factory gate. A number of women spoke nostalgically of the factory and how much they missed the companionship of other workers. Feelings of isolation, dependency and an undermining of self-confidence were articulated by many women.

The future is bleak for us. Only this house and the tenancy keep us going. Also my husband’s pension does help. But it is not like working and earning which had given me so much confidence. (Gayatri)

Now I do embroidery, sew and kill time. (Sangeeta)

For men, the loss of an organised sector job seemed to cause a deeper crisis. All of them spoke of being depressed, seeing ‘no more meaning in life’. Those who were unemployed spent hours sitting around at the teashop. On the other hand women, employed or unemployed, still had to do household work which had increased after they lost a source of income. Although there was anger and regret at the loss of their jobs, a number of women said they were too busy working at home and looking for another job to feel depressed. Some men were secretly doing what was considered women’s work. For instance, Ramesh told us he was training to be a salesman, but in fact, he was helping his wife with home-based work for garment export factories. Two men who had buffaloes were actually living off the labour of their wives who did all the dairying work, but the men spoke of this as their work. Many of these households were run on the earnings of wives, mothers, and sisters. Job loss for male workers meant an open acknowledgement of the illusion of the ‘male breadwinner’ norm. This was leading to tremendous tension, with gender relations under stress.

In these households, the economic crisis was leading also to a domestic crisis. Men appear to be undergoing a ‘crisis of masculinity’ – there were reports of suicides, alcoholism and ‘disappearances’ – some men just left home unable to cope with pressure. Contrary to the assumption that women’s increased responsibility for household well-being would lead to greater autonomy, in this situation male insecurity has led to increasing control over women’s mobility, the loss of access to social and public space and a near total responsibility for household provisioning. This had affected their involvement in collective action and their attitudes to the ongoing discussion with the union and management on whether to accept compensation or continue the struggle. A number of women workers said that ‘it is more difficult for ladies to be without a job’ and had accepted the compensation. A section of men, particularly those who had set up repair shops were the most vehement about not accepting the compensation and they expressed contempt for the women and other men who had given in. Some women continued to hold on and came every week for the gate meeting but they too were finding that the union leaders were not sharing information with the women and slowly suspicion and distrust was building up. At each consecutive weekly gate meeting a few more workers would give up and make a settlement with the management.
The experience of job loss explored above highlights the extreme insecurity and vulnerability that workers face as a result of labour market flexibility and the broader process of economic restructuring. What emerges also is the undermining of enabling conditions which made it possible for women to engage in collective action and negotiate areas of autonomy at the workplace and within the household, as described in Chapter 5. The dynamics of industrial/economic restructuring are therefore leading to the reversal of a process whereby women were able to assert citizenship in practice, and are affecting thereby the overall well-being of household members.

Concluding Remarks

In the nineteen nineties, job loss is a major issue that dominates the industrial scene globally. Strikes and struggles over job loss in older industries (coal mines, textiles) as well as in modern industries (automobiles) have been dramatic, capturing headlines and dividing public opinion, with political implications for governments in power. Plant and pit closures and industrial action by workers in traditional industries mobilised communities and whole industrial districts and cities. Employment in the mills and mines was integrally interwoven with the lives, histories, memories and wider economy of the area. Spatial concentration, a close nexus between neighbourhood and workplace, and long labour histories of organisation meant that the decline of these industries were synonymous with the destruction of historically constituted working-class communities and cities. Such a process has also occurred in the textile cities of India as mills closed in Bombay, Ahmedabad and Kanpur. The closure of these mills – as documented in detail by Breman and Joshi for Ahmedabad and Kanpur respectively – signalled the unmaking of a working-class community and the death of hope and a future for the next generation (Breman, 2004; Joshi, 2003).

The phenomenon of job loss in the electronics industry described above is different from that linked with the decline of traditional industries, even as the experience of job loss for workers is similar. Job loss in this industry is dispersed and invisible. This is due partly to the nature of electronics production itself, which is organised in terms of technically disarticulated labour processes. The four production regimes analysed in this study have shown the dispersion and differentiation in local characteristics and the nature of global links. Managerial recruitment practices have also prevented the emergence of a spatially concentrated, neighbourhood-defined electronics workers community. More significantly, the industry itself is not declining: companies in this study, especially in GLR 2,3 and 4, have relocated to neighbouring industrial areas and are doing well. The new plants recruit labour with similar qualifications (if not even lower qualifications) to those of the workers who have lost their jobs. The cycles of job loss in this industry are therefore a reflection of managerial
strategies to eliminate organised labour, rather than due to a crisis in the industry itself.

The experience of job loss by workers in the electronics industry, however, is similar to that noted by studies on displaced textile workers: labour market transition resulting in downward mobility; sharp decline in income; decreased consumption; intergenerational effects; and increased pressure on household resources and relations, leading to detrimental social, physical and psychological effects. Besides fragmentation, lack of social cohesion and the emergence of negative forms of social capital, the data from this study also suggest that the processes which were leading to a democratisation of gender relations have been reversed.

There is a threshold within which the contribution of women to the family economy and access to an independent income provide enabling conditions for the emergence of citizenship. If women have to take more and continued responsibility for household provisioning (as noted in this study in the increase and changes in women’s time and responsibility for the care economy), combined with increasing insecurity in the labour market, the threshold is crossed, leading to the erosion of citizenship.

Notes

1 Although this is a clear case of a situation being created whereby workers were forced to accept Voluntary Retirement, the element of force operates in other ways as well. The primary form of this is fear – fear of an uncertain future given that government policy was changing against workers, the employers were threatening to close down the unit, that the Employees Pension scheme would deprive workers of their Provident Fund, etc. (FES & Maniben Kara Institute 1994; Gothoskar 1997).

2 A similar pattern has been noted in the pharmaceutical industry in Bombay (Gothoskar, 1997).

3 Personal names have been coded to maintain confidentiality. Company names have been retained.

4 Often statements are made which require further substantiation. For instance, Sen and Gulati make a distinction between skills required in garment factories which are more technical and transferable, and those in electronic factories which cannot be transferred (Sen & Gulati, 1987).

5 Women and men workers are also implicated in this discursive construction. They too assert differences or similarities between men’s work and women’s work in different situations, foregrounding special qualities as strategies of job preservation as well as gender identity (see Chhachhi & Pittin, 1996b; Chhachhi, 1999).

6 The question that remains is whether this is more skilled work, recognised and translated into higher remuneration. It has been argued that keyboard punchers in
fact are less skilled than line operators, and that what new computerised technology demands is ‘computer illiterates’ rather than skilled workers.

7 It is worth noting that social sector spending is the purview of state governments in India, resulting in great variability of outcomes. The overall pattern of allocations even in the pre-reform period was ‘elitist social expenditure’ which did not result in widespread improvements in welfare. (Harris-White and Subramanian, 1999)

8 The CPI-IW is used to work out the dearness allowance for government employees and industrial workers. It is compiled separately for six groups of items and then combined by assigning weights to each group. The Delhi index gives the highest weight (50.70%) to the food group, followed by housing (14%) and clothing, bedding and footwear (12.5%). (GOD, 1999-2000)

9 Due to the high increase in issue prices, the off take of cereals from the PDS had declined from 19 million tonnes in 1991-92 to 12.86 million tonnes in 1994-95 (Radhakrishna, 2001:112).

10 The absurdity of government policy in relation to food procurement was starkly highlighted through reports of starvation deaths in part of the country, even as the Food Corporation of India stores were full of food grains being eaten by rats or rotting. In 2001, food stocks had reached 45.7 million tonnes, while the country did not need to buffer stock of more than 16.8 million tonnes. In 2002, the government announced plans to export wheat and rice at the same price as offered to the BPL households under the PDS. As the Economic Times noted, ‘...benefits of the food subsidy paid for by the Indian tax payer, are being enjoyed by consumers and animal feed manufacturers’ in South and Southeast Asian countries rather than the poverty stricken families it was intended for (ET, April 27, 2001).

11 Community activists in the slums and resettlement colonies in Delhi have also noted the increasing consumption of Maggi noodles. Although this has more to do with consumer preference, it is also being used to reduce cooking time.

12 There are considerable differences across India in the use of public and private health services which makes for a different pattern than the shift from public to private noted in other countries undergoing reform. Seeta Prabhu noted in her study of social sector reforms in two states that in Maharashtra households used public health services for minor illnesses and the private sector for major ailments while in Tamilnadu there was greater reliance on the private sector for both types of illness (Seeta Prabhu, 2001: 282).

13 An exception was the households where workers had lost their jobs through illegal retrenchment. The experience of this group is discussed later in this chapter.

14 Das Gupta has noted that even in the colonial period, only reformist unions such as the Textile Labour Association addressed welfare issues. ‘It is of interest to note that in general leftwing trade unions have avoided welfare and self-help or mutual aid activities to protect workers from adversities and misfortunes resulting in loss of income’ (Das Gupta, 1994:615).
The history of strikes in the Bombay textile industry illustrates both aspects. Joshi mentions the attempts by the government and industrialists in Bombay during the 1928 strike and during the Depression to send workers back to their villages. Absence from the site of struggle also meant that for many workers, the experience of organising and confrontation with capital did not become part of their memory (Joshi, 1981:1838).

It was estimated that between 30 to 70 per cent of the workers had returned to their villages during the strike (Wersch, 1989:151). The village became more than a refuge as strike activists fanned out on bicycles moving from one village to the next, holding meetings, providing information and discussing strategies. Villages became another arena for industrial conflicts as the local village hierarchy was activated to put pressure on striking workers to return to the city (Bakshi, 1986:123).

Breman’s analysis of the crisis in Indonesia debunks the myth of the village as a perennial fallback for livelihoods, and establishes that continued long-distance work migration reflected ‘a serious lack of gainful employment at rural points of departure rather than a rising demand for labour at urban points of destination’ (Breman, 2001:20).

The adult males, with the exception of older, unskilled men, were able to secure their identities as industrial workers, even if this meant periods of unemployment of five months or more’ (Hirata & Humphrey, 1991: 681).

In a report prepared by the Gandhi Labour Institute for the World Bank on the implementation of the National Renewal Fund, it was pointed out that while a large number of displaced workers were old, even in the first round about 30-32 per cent were relatively younger adults. It was estimated that in the second major round of displacement, a younger adult workforce would be affected (Patel, 1995:3–4). In the study on VRS in Bombay conducted by the Maniben Kara Institute, the sample of 100 workers had only 5 per cent below the age of 40 years (FES & Maniben Kara Institute, 1994).

Re-training programs for displaced workers set up by the government bear little relationship to demand in the labour market. In Ahmedabad the 3-month program provided skills in electrical motor rewinding and radio and television repair which were precisely the skills workers had in the electronics industry and yet they were thrown out. Only one person was being trained for computer data entry and all the women were being trained in the age old gendered skills of tailoring, knitting and embroidery! (Patel, 1995:49)