

Abstracts of the Ph.D. Thesis

Abstracts of the Theses Submitted by the Research Scholars Who Carried Out Studies at the Gokhale Institute of Politics and Economics, to the University of Pune for the Degree of Ph. D.

Title: "An Analysis of Wages of Agricultural Labourers in Maharashtra, 1961 to 1994"

Thesis Submitted by : **Jayanti Ghanekar-Kajale**

Supervisor : **Dr. R. S. Deshpande**

Introduction

Agricultural labour market is one of the important factor markets as far as income and employment of the agricultural labourers are concerned. These labourers not only form a significant portion of total labour force of the country, but have also constituted a majority of the lowest income strata of the society. This is reflected from the theories relating to their emergence, as well as, the empirical evidences. Alternate theories attribute the emergence of the labourers either to their lower social status in the traditional caste structure (Dharmakumar (1965), Joshi (1958)) or to the economic forces released during the British period and the consequent immiserisation of the rural population (Patel (1962), Malaviya (1955)). Early literature on the agricultural labourers shows a worsening trend in their economic position due to various government initiated policies such as land reform measures (Rao (1962)) and the implementation of new agricultural technology during mid-1960s. Similarly, the possibility of adverse effects of various measures under the New Economic Policy on this section of the society can not be denied. Thus, across time and space, agricultural labourers seem to have remained a marginalised section in the overall development perspective.

One of the important factors behind the poor economic status of agricultural labourers has been the long term stagnation in their real wages. According to the earlier studies, real wage rates declined during the period prior to 1970 in almost all the states with a few exceptions like Punjab, Haryana and Kerala (Jose (1974), Krishnaji (1971), Bardhan (1970)). It was only after mid-1970s, that the real wages started rising in some of the states with depressed agricultural sector. Moreover, government intervention in labour markets in the form of various legislations (eg. minimum wage legislation, social security legislations) and rural works programmes have had limited success. Similarly, only a few regions can be marked across the country where bargaining strength of the labourers has acted as a contributing factor to push up the wage trends. The literature also reveals the doubts that are expressed about the procedure of data collection and reliability of data on wages of agricultural labourers (Giri (1965), Rao (1971), Ghanekar (1997)). Thus, the agricultural labour markets and the wage rates of agricultural labourers seem to have received lesser attention on all the fronts and remained neglected under policy decisions.

Agricultural wage rates constitute one of the important sources of income for the rural poor and a major part of cost of cultivation. However, stagnancy or a slow growth in real wage rates of the agricultural labourers, for a long period of time has serious implications for the economy as a whole, due to the resultant widening inequality, poverty and underdevelopment of the demand side of the markets. An analysis of wages of agricultural labourers attains significance not only from the economic but also from