

## Restructuring, social deprivation and conflicts

K. Balagopal

Withdrawal of the State from its welfare responsibilities as understood in India's political life in the past fifty years is not yet a sharp enough reality for its consequences to be very tangible. Yet the prospect is theoretically clear enough, and an analysis of the likely impact of the on going economic restructuring on people's welfare, and the social tensions and conflicts that it is likely to generate, is not only possible but can be a useful corrective to the restructuring.

It is notorious that the efforts made by the State to counter the inherited inequalities of caste, gender and other forms of traditional social stratification, as well as the newly generated inequalities of the market, have not been very effective. Yet the very existence of a policy answering legitimate expectations in this direction was some solace. What is to be anticipated now is the consequence of its delegitimation.

The delegitimation expresses itself at two levels. One is the level of its rationale, and the other the interests it serves and those it injures. The relation between the two can be a matter of unending debate, with views ranging from the reductionist to the agnostic, but both are important for comprehending it. The rationale, simply stated, is that welfare – and affirmative action in general - makes people lazy, for it places a premium on being forever backward. Hence it constitutes a misapplication of resources from the point of view of economic growth. What is missed here is the social development that has resulted from affirmative action.

Have reservations in school and college seats and government jobs made people non-performers, since the opportunities are set apart and assured for them? How does the 'reservations generation' compare with its parents, and with the privileged sections of society, in terms of motivation and hard work? It is important to realise that this is a matter for concrete study and not deduction from a priori assumptions about human behaviour. After all, for a long time brahmins were assured jobs in white collar service. Nobody has said till now that the assurance has made them lazy or incompetent. The a priori assumption with which most people set out to demolish the social efficacy of affirmative action is therefore not as self-evident as it might appear. A concrete social analysis would, on the other hand, bring to light the enormous energy liberated by the opportunities, however limited, placed in the hands of the deprived sections of the people

by affirmative action. It is needless to add that this has been an asset to Society as a whole and not merely to the so-called beneficiaries, to use an administrative term.

The rationale has announced its arrival by declaring certain truths as self-evident. One is stated above. The other is that redistribution of material resources – land, for instance – leads to inefficiency in purely operational terms, quite apart from the welfare measure making people lazy. It is worth comparing the bald assertion made by reformers these days to the effect that parcelling of land leads to inefficiency, as if it is a universal and self-evident truth, with the rather weighty analysis brought to bear upon this issue twenty to thirty years ago by researches writing in prestigious journals, who concluded that, for various reasons, small holdings tend to be more productive in India. Experience appears to indicate that, if not at all times and in all places, at least where irrigation and cheap finance have been guaranteed by the State, small farmers have done better per acre than the rich. Land reforms, therefore, where followed by public investment in irrigation and finance, have been optimal not only for the beneficiaries but for the whole of Society.

Today's grouse appears to be that their potential for 'value-added agriculture' is limited, and making way for profit-maximising agri-business is the only option if we desire further growth. It is recognised that this would require some degree of re-concentration of land, and therefore the theory of small farm efficiency must be de-bunked by bringing in mechanisation and heavy investment of Capital as standards of efficient use of resources. It is bluntly declared as a matter of policy that no further distribution of arable land to the poor will take place, but on the contrary the land laws will be amended to make the leasing-in – if not the ownership - of large quantities of land lawful. Land is already an important source of conflicts and tensions in Society. It is likely to become even more so if these policies are pursued.

A characteristic of this kind of thinking is that development, progress etc are defined exclusively in terms of large value addition. Power-sector reforms, for instance, starts off with the statement that where the rate of return on investment made in power generation, transmission or distribution is low due to politically determined administered prices, no development is possible in the power sector. This is a view that gives the word 'development' a particular and narrow meaning. One can on the other hand see the rich development wrought in the lives of small and marginal farmers of Telangana and Rayalaseema districts by the cheap power policy. Almost all the development in irrigation in the last decade and a half has taken place through energised pump sets facilitated by subsidized power. One estimate is that more than twenty five lakh acres have come under irrigation by these means. This is not just so much land, it is so many people, so many

families. It is true that it is repeatedly stressed that the reforms agenda includes poverty alleviation. But much depends on the concrete consequence of actual policies.

Moving from the rationale to the interests, the meaning of restructuring that is important from the point of view of social groups and conflict of group interests, turns around the question: who is going to command the material resources of Society ? Those who can extract the maximum return from the resources in terms of monetary value is the answer of the reformers. A hundred acres of semi-arid land parcelled out to fifty families of the landless poor will yield some secure livelihood to the poor but no great monetary returns. The same land given to an agribusiness company to rear sheep, employing the said landless poor as casual or seasonal labour and exporting the meat, will add value by leaps and bounds – until the export market for mutton crashes and the meat rots while the poor are thrown out of unemployment.

We may now move on to a formulation of the likely social scenario in the background of economic restructuring. The word reforms as used until a few years ago had the general tendency of reducing or at least softening inequalities. But today the word connotes a process and a practice that definitely tend to accentuate inequalities. It is said by the reformers that there is no alternative to this change, for continuing with the old practices is nothing but a prescription for stagnation that is ultimately of no benefit to the poor or the rich. This issue can be approached from a number of angles, but what is relevant for the present is the consideration that even if the reformers are true in saying so, that is not a valid ground for not looking at the social consequences of the reforms, because society as a whole has to face the consequences.

We are already witnessing before us the shaping of two worlds, one of which looks like a fairy tale to the other. Today that world is based mostly on information technology and is witness to obscenely high incomes, whereas the other world is damned by the insecurity characteristic of contract and casual labour. However, the two worlds are not defined exclusively in terms of technology or income. Caste enters in a big way into it. In another ten years, the employment profile of our society is likely to reflect the Chaturvarna scheme to an extent that is likely to startle those who believe that such things belong to the medieval past.

But this will happen at a time when consciousness of and resentment towards caste discrimination and inequalities is already very strong in our societies. The change is therefore likely to bring about a lot of bitterness in society. Already we are witnessing the phenomenon of educated dalit youth not finding any jobs in the face of the shrinking

public sector. With the dominant castes, monopoly of the fruits of development is likely to have the effect of accentuating the inherited sense of superiority. One can only conclude that caste conflicts are likely to become more bitter and more frequent.

Signs of this are already evident.

Educational opportunity is an important development that women have received in the last fifty years, mostly due to the provision of almost free education at all levels. We are already witnessing reforms in the educational field, whose consequence is to make education fully a commodity and bring back the old attitude that daughters are meant to be married off and sons alone to be educated. This puts a brake upon the social development of women, which not only directly mars the State's social development as whole, but the pain and dissatisfaction it brings to the fore will be a scar on our Society's face.

The plight of adivasis best exemplifies what happens when resources are looked at from the point of view of maximum value addition. Adivasis live in resource-rich forests, but they are likely to entirely lose out to outsiders if the resources are looked at from that view point. The recent attempt of the State government to initiate bauxite mining in the Visakhapatnam agency and the opposition the move called forth from the adivasis is a case in point. The future of Adivasis is likely to be confined to resisting marginalisation rather than achieving any development.

Regional imbalances is another aspect of our social existence. Restructuring, with its emphasis on the already-developed, its opposition to subsidies, preferences and affirmative action, and its attachment to the principle that the user pays the cost of provision of infrastructure, are only likely to increase regional disparities fast. The restructuring of the power sector, by virtue of an agreement with the World Bank that frowns upon subsidies to the farmers and mandates the reduction of subsidies to zero by 2007, is likely to have a serious impact on the Telangana and Rayalaseema districts. Perhaps a lot of land which is now enjoying some bore well water will again revert to dry land cultivation.

Thus an analysis of points of social tension, where expectations of equity roused by increasing social consciousness have conflicted with unequal structures and ambiguous policies will be a pointer to the future developments where inequalities are likely to be accentuated by the changed policies which are no longer very ambiguous but adopt the straightforward focus of facilitating the well-heeled. The points of tension are marked by self-conscious struggles and agitations of the deprived. The struggles based on caste, class,

gender and regional disparities and the struggles of adivasi population provide rich information about the likely developments. The struggles have also generated extensive literature in terms of reports of their activities, explanation of their perspective and documentation of the suffering of the people.

Apart from organised struggles, there is also a lot of unorganised conflict which takes a number of seemingly unrelated forms, but on close analysis reveals the underlying social tensions born of inequality, discrimination and deprivation. Documentation by human rights groups and other concerned organisations helps to unravel these hidden aspects.

Analysis of these aspects of restructuring will help generate a critique that can mitigate the iniquities of reforms.