

**Jonathan Parry**

## Company and contract labour in a central Indian steel plant

**Article (Published version)  
(Refereed)**

**Original citation:**

Parry, Jonathan (2013) Company and contract labour in a central Indian steel plant. [Economy and Society](#), 42 (3). pp. 348-374. ISSN 0308-5147

DOI: [10.1080/03085147.2013.772761](http://dx.doi.org/10.1080/03085147.2013.772761)

© 2013 [Taylor & Francis](#)

This version available at: <http://eprints.lse.ac.uk/52603/>

Available in LSE Research Online: August 2014

LSE has developed LSE Research Online so that users may access research output of the School. Copyright © and Moral Rights for the papers on this site are retained by the individual authors and/or other copyright owners. Users may download and/or print one copy of any article(s) in LSE Research Online to facilitate their private study or for non-commercial research. You may not engage in further distribution of the material or use it for any profit-making activities or any commercial gain. You may freely distribute the URL (<http://eprints.lse.ac.uk>) of the LSE Research Online website.

# Company and contract labour in a central Indian steel plant

Jonathan Parry

## Abstract

This paper offers a descriptive analysis of the way in which the working world of contract labourers in a public-sector Indian steel plant is differentiated from that of its regular workforce. The two kinds of workers regard themselves as distinct kinds of people and are now best seen as distinct social classes. While the sociology of India has broadly accepted the manual/non-manual labour distinction as the crucial marker of the boundary between the working and the middle classes, what is suggested here is that that between *naukri* (secure employment) and *kam* (insecure wage labour) – which cuts right across that distinction and is broadly congruent with that between formal- and informal-sector employment – is a more important marker of difference. At work, the two kinds of workforce are sharply distinguished by the material rewards of their jobs and by their security and conditions of employment; outside it by differences in life-style and attitudes – a gap that has grown with the liberalization of the Indian economy. The composition of the work groups to which the two kinds of labour characteristically belong are sharply differentiated by gender, by regional ethnicity and by urban or rural residence. Interactions *within* the work group are again very different, while interactions *between* regular and contract workers are largely confined to the work itself. Outside it they are kept to a minimum, testifying to a shared sense that socially the two kinds of workforce are profoundly different.

Keywords: class; labour; work; steel industry; formal and informal sector.

## Framing

Located in the central Indian state of Chhattisgarh, the Bhilai Steel Plant (BSP) is one of several large-scale public-sector plants managed by the Steel

*Jonathan Parry, London School of Economics and Political Science, Department of Anthropology, Houghton Street, London WC2A 2AE, UK. E-mail: [jpparry@ndirect.co.uk](mailto:jpparry@ndirect.co.uk)*

© 2013 The Author(s). Published by Taylor & Francis.

This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/3.0>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. The moral rights of the named author(s) have been asserted.

Authority of India Limited (SAIL). I have written about its regular company workforce elsewhere (e.g. Parry, 1999a, 1999b, 2003, 2009) and reference some of these writings in what follows as a backdrop to the situation of the contract labour that works alongside it. My focus here is on how their working lives are differentiated from those of permanent employees; and I largely confine my account to the plant itself, making only passing mention of its mines and of the private-sector factories that surround it. The situation in these differs somewhat.

Though, for contemporary Western countries, the enduring significance of the distinction between manual and non-manual labour as what crucially divides the 'working' from the 'middle' class(es) may require some qualification (e.g. Braverman, 1974; Parkin, 1979, ch. 2), the sociology of India has – for good reason – largely continued to regard it as *the* crucial marker of class boundaries (e.g. Bardhan, 1989; Bêteille, 2001; Rudra, 1989; Sridharan, 2011). In the world of caste, work that dirties the hands is held in notoriously low esteem. That notwithstanding, I argue that the distinction between *naukri* and *kam* – which cuts across the manual/non-manual divide – is of even greater material and ideological significance. Manual as well as non-manual BSP employees have *naukri*, contract workers do *kam*, and that makes a world of difference to the lives that they lead. The two kinds of worker cannot usefully be regarded as belonging to the same social class and do not see themselves as the same kind of people (Parry, forthcoming).

*Naukri* ('service') is a permanent and regular job that carries a monthly salary and is protected by legal guarantees against arbitrary termination. *Pakki naukri* – the 'complete' or 'perfect' version of it – is *sarkari naukri* (government employment). Even relatively secure and well-paid employment in the private sector is by comparison *kachchi* ('incomplete' or 'imperfect'). *Naukri* confers *ijjat* ('honour') and is a major asset when it comes to arranging a marriage, raising a loan or resisting the unreasonable demands of one's boss. It's a 'proper job'. By contrast with it, *kam* (otherwise 'work' in general) signifies untenured casual employment that is prototypically waged work that is paid by the day and is never secure. It is of so little account that my informants often describe those who do it as *berozgar* ('unemployed'), even if they regularly work double shifts in the miasma of fumes and coal-dust, and in ambient air temperatures of 50 degrees Celsius, on the tops of the BSP Coke Oven batteries.

BSP workers and managers alike are the beneficiaries of *sarkari naukri*, and I claim that in terms of consumption, life-styles and aspirations an ever-growing proportion of the former now share a good deal more in common with junior managers than they do with the contract labour force, while in terms of 'the size of the purse' they are indisputably 'middle class', which is how they generally consider themselves and are considered by others (Parry, forthcoming). That is to say, the distinction between *naukri* and *kam* is a sharper and more socially salient marker of class boundaries than the distinction between manual and non-manual labour.

The proposition that regular plant workers are significantly ‘embourgeoisified’ admittedly raises some difficult issues. We must obviously be able to distinguish the class situation of ordinary workers from that of senior managers, and this would require consideration of the importance of credentials and of organizational authority structures. In what follows, however, I leave this task to one side to pursue only the more limited claim that BSP company and contract labour should be seen as belonging to different (and sometimes opposed) social classes. What I aim to document here is the way they are set apart by their conditions of work. Elsewhere I have argued that they are also distinguished by the kind of world they inhabit outside work. Their children characteristically have different kinds of upbringing and very unequal life chances (Parry, 2005); the value they attach to the conjugal bond and to the stability of marriage is distinctively different (Parry, 2001); and they have markedly different propensities to suicide (Parry, 2012) and different ideas about the costs and benefits of industrial modernity (Parry, 2008).

The *naukri/kam* opposition is, of course, a folk variant on the legal distinction between ‘organized’- and ‘unorganized’-sector employment; and – provided we do not restrict informal labour to the self-employed but also include daily wage workers (Breman, 2003, p. 199) – it is also broadly congruent with the ‘formal’/‘informal’ divide. In India organized-sector workers (never more than about 8 per cent of the total workforce) are the (at least theoretical) beneficiaries of labour laws governing enforceable minimum wages, hours and conditions of work, job security, safety, union recognition and the like. Unorganized-sector labour is (at least in practice) unprotected.

Job security is critical. If vulnerability to unemployment has ‘traditionally’ been the hallmark of the proletarian condition (e.g. Lockwood, 1958, p. 55), and what most critically distinguishes the working from the middle class, in India it is those who do *kam* who epitomize it, while those who have *sarkari naukri* live at some considerable remove from it, regardless of whether they work with their hands. It is very difficult to get fired. They are consequently able to treat their jobs as a kind of property right, and this affords them considerable protection against the vagaries of the labour market (Parry, forthcoming; cf. Breman, 1996, p. 180; Parkin, 1979, ch. 4). Not only that, but a regular BSP job provides a secure income at a rate that permits the accumulation of a surplus for investment, soft credit in the form of company loans and enough leisure to run a ‘side business’. Many BSP workers make a moonlighting income – from, for example, a shop, a taxi, truck or typing institute, from small-scale construction contracts or a catering business, from money-lending, property dealing or even share speculation. In short, *naukri* enables a worker to build up a property ‘portfolio’ that is likely to include agricultural and/or urban land and housing, and the assets of a moonlighting enterprise, as well as the rights he has in his job. The wages of contract labour seldom allow anything more than the precarious reproduction of minimal

existence. Over recent years the proportion of the latter in the BSP labour force has grown significantly.

In general, the main motivation for, and most conspicuous result of, the informalization of labour is to cheapen its price, and it might be supposed that the availability of cheap contract labour would exert a downward pressure on the wages of formal-sector workers and that self-employment in self-exploitative petty commodity production would exacerbate that trend by reducing the reproduction costs of such workers. Given that contract labour has allowed BSP to radically reduce its permanent workforce, informalization must certainly have cut its total wage bill, but there is little sign that it has had much impact on the unit cost of regular labour. In terms of the consumption classes identified by National Council for Applied Economic Research surveys, even the households of the lowest-paid BSP workers fall comfortably into the most affluent quarter of *all* households in the country (Parry, forthcoming). The large majority of contract labourer households would fall well within the poorest fifth. It therefore seems more plausible to suggest to the contrary that contract labour sustains the high price (as well as the relatively relaxed rhythms of work) of the regular labour force. It is otherwise difficult to see how in the present economic climate they could live so well or how the plant could run at a profit (as it consistently has since the mid-1970s). The obvious explanation is that their comparative comfort is subsidized by others who do the most arduous and unpleasant tasks at a fraction of the cost.

It is now conventional to stress that the labour market is multiple rather than dual, and that there are often well-guarded barriers to entry into even the most unenviable informal-sector occupations. According to Holmström, 'people at the very bottom live in little closed boxes, competing fiercely with other very poor people in other closed boxes' (1984, p. 282), while Breman similarly speaks of the 'closed shop character' (1996, p. 257) of informal-sector employment that results from a pattern of recruitment through kinship links, that restricts sideways mobility and that inhibits the development of class consciousness. This 'compartmentalization' is commonly based on caste (Harriss-White, 2003, p. 31) and is well attested by ethnography (e.g. De Neve, 2005; van der Loop, 1996). It is not, however, what I find in Bhilai. Though there are certainly some occupational niches that interlopers cannot easily penetrate, many more of the labouring poor move readily and frequently between contract work in the plant, casual labour on construction sites outside it, loading and unloading jobs, and various forms of self-employment as rickshaw-*valas*, vegetable sellers, street vendors, waste-pickers and the like.

That is to say, occupational boundaries in the informal sector are a great deal more porous than the boundary between *naukri* and *kam*. Long gone are the days when it was relatively easy to start out as a construction worker digging the foundations for the plate mill and wind up as a regular BSP operative maintaining its rollers. Gone too are the days when it was a realistic aspiration for that daily-wage worker's son to get a regular job in the plant. The situation of Bhilai contract labourers is quite different from that of the cheap flexible

workforce that Sanchez (2012) has recently described for the Tata truck factory in Jamshedpur. While the latter are overwhelmingly the ‘wards’ (usually the sons) of existing workers who serve as long-term ‘apprentices’ in the frustrated hope that the company will eventually honour its promise of appointing them to a permanent post, the former can have no such expectations. If – following Weber – a ‘social class’ is the totality of positions ‘between which mobility either within the lifetime of an individual or over successive generations is a readily possible and typically observable occurrence’ (1978, p. 57), contract and construction workers, daily-wage labourers, rickshaw-*walas*, waste-pickers and their ilk are a discernible social class. They are what BSP workers call the ‘labour class’. To suggest that they themselves might belong in it would be highly offensive. As both sides see it, they self-evidently do not. And if, alternatively, we privilege the property aspect of class, the BSP worker is – as already suggested – likely to have accumulated assets far in excess of the marginal peasant holding of even the more fortunate among the contract labour force.

How has this differentiation come about and how is it manifested in the workplace? I will try to explain. Much, as we shall see, about the current situation of contract labour must be understood in the light of the contradiction between an apparently ‘progressive’ set of labour laws and economic imperatives that are lent special urgency by the liberalization of the Indian economy.

### **The context of contract labour**

The BSP was built with Soviet collaboration in the late 1950s and early 1960s on a green-field site in what was then a ‘backward’ rural region. Begun within a decade of Independence, the project was to be a ‘temple’ to Nehru’s vision of a secular and ‘socialist pattern of society’, a ‘beacon’ on the path to India’s industrial modernity. It had more to do with nation-building and creating employment than with maximizing profit. Over the past two decades these priorities have been reversed. By the late 1980s, the company had around 65,000 employees on its direct payroll, in worker grades almost all of them male. By January 2011 this was down to 31,500, a reduction accomplished through voluntary retirement and natural attrition, without forced redundancies or significant investment in labour-saving technology. Output has been maintained – indeed enhanced<sup>1</sup> – largely by the deployment of much cheaper contract labour in the least skilled, but most physically taxing, tasks. The two things, of course, are connected – the cheap labour and the slow pace of technological innovation.

Abutting the 17 square kilometre plant is its company township, and nearby an industrial estate with over 200 private-sector factories. On all sides is a sea of urban sprawl that has swallowed a number of peasant villages. The urban

agglomeration has a population of around one million. Some distance from it are the BSP mines with their own mini-townships.

In the pioneer days, when the project required much more labour than the local peasantry was able or willing to supply, workers flooded in from all corners of the country and many put down permanent roots in the town. In 1960, when the plant had a mere 1,800 production operatives, 30,000 construction workers – drawn predominantly from the lower rungs of rural society – were employed on site. In response to political pressure, many were assimilated into the regular workforce when large-scale retrenchment later took place (Parry, 2003). When, moreover, the dispossessed local peasantry came to claim the BSP jobs that were promised as part of the compensation package for their requisitioned land, it was those from the bottom of the caste and class hierarchies who generally came first. During the 1960s, then, the boundary between organized- and unorganized-sector labour was rather permeable, and, as plant jobs became progressively more remunerative from the 1970s on, BSP provided an avenue for significant upward mobility.

That is no longer the case. Regular plant employees are now an aristocracy of labour cut off from the rest of manual workforce, the beneficiaries of a degree of security, a pace of work, a level of pay and an array of perks and benefits that make them the envy of that manual workforce. They inhabit a ‘citadel’ of state-sponsored privilege that is well protected against interlopers. Competition for these jobs has intensified enormously. While vacancies have dried to a trickle, the pool of applicants has recently been greatly expanded by lifting the rule that workers can be recruited only through local employment exchanges and there has been considerable inflation in the qualifications required. ‘Labour class’ children go to, and mostly soon drop out of, dismal state government schools. BSP children are educated in the better-quality company system or now increasingly in a private ‘English-medium’ school, and often continue beyond it with an industrial diploma or degree. In selecting between qualified candidates, ‘brother-nephew-ism’ (*bhai-bhatijavad*) and bribery (*ghus dena*) – said to involve sums that might exceed an informal-sector household’s income for a whole decade – are supposedly critical. The result is that over the past 25 years those who do not already belong within the citadel have stood less and less chance of scaling its walls.

A plant of this size and complexity requires some flexible labour. Huge quantities of raw materials arrive by train, the flow is inevitably uneven and Indian Railways levy a detention charge on wagons. When they bunch, extra hands are needed to unload them. In addition to jobs of that kind, BSP has long employed contract labour in construction, maintenance and cleaning, and even in 1994 – when I first spent time on the shop-floor – regular workers were pointing to tasks that were formerly theirs but were now done by *thekadar mazdur* (contract workers).

Though the real beginnings of the liberalization of the Indian economy are conventionally dated to 1991, it was not until several years later that its effects on the plant workforce became obvious. By then BSP was competing in a

global market, at home its products were no longer so impregably protected by tariffs and this coincided with a major downturn in world demand. Rumours about total privatization were circulating, a serious but unsuccessful attempt was made to find a buyer for its Oxygen Plant and some township housing was actually sold off. Previous policy had been to shed permanent workers, especially those approaching retirement age (recently raised from 58 to 60). Management complained that it was increasingly difficult to persuade an ageing workforce to do the more menial and laborious tasks. Somewhat counter-intuitively, however, its strategy during the crisis of the late 1990s was to cut contract labour as far as was possible. It was an expense on which BSP could immediately economize, while – at least in the short term – laying off regular workers with legally enforceable employment rights was costly and complicated. As I will later elaborate, however, I believe that its main motivation was the (as management saw it, disastrous) threat of being legally obliged to provide permanent jobs for a significant proportion of its contract workforce – as had recently happened at their sister SAIL plant at Rourkela. The downturn was short-lived, however. The steel market regained its buoyancy in the run-up to the Beijing Olympics, the pressure was relieved and the policy shelved. Certainly by the time I returned to the Coke Oven shop-floor in 2006 after a gap of several years, contract labour seemed much more ubiquitous and the range of tasks it performed now included a number that were production-related and thus previously regarded as the preserve of the regular workforce. In the meantime also, the oldest of BSP's three sintering plants<sup>2</sup> – which are an integral part of the production process and employ a workforce of thousands – had been subcontracted out to the Hindustan Steel Construction Limited (HSCL) (another public sector concern) and was being manned exclusively by contract labour.

While it is possible to have reasonable faith in plant figures for its regular employees, I have little in those it compiles for contract labour. The issue is politically sensitive, and I vacillate between the view that nobody actually knows the global position and the view that the few who do will not tell. BSP's own statistics suggest suspiciously little variation. In 1993–4 the figure was 8,000–9,000; in 2011 it was around 9,500, and every time I inquired in the interim it was within that range. That is hard to credit, and, when I expressed scepticism to the senior manager in charge of the Contract Labour Cell, he conceded that there appears to be a 'gap' but claimed to be incapable of accounting for it. Even on the smaller canvas of the Coke Ovens, the issue proved hard to investigate. In 2006, after much hesitation and flurried consultation the senior officers running major contracts produced a consensus figure of just over 1,000. It was only later I learned that, according to company rules, the number of contract workers must not exceed the difference between the number of 'sanctioned' posts (the manning level deemed proper at some point long past) and 'the manpower in position' (the number of posts currently filled). The Coke Ovens had 3,579 sanctioned posts and 2,550 regular workers, and the gap between the two was just over 1,000.



Apart from deliberate obfuscation, there are a number of reasons why the real position is hard to gauge. One reputedly widespread scam is for the contractor to charge BSP for the wages of more workers than he actually employs, and to split the sum he receives for his phantom labour with the BSP officer who signs his bills. In that case more contract workers appear on the books than actually exist. To the opposite effect, contractors regularly under-report the number of days on which their workers work. This is because they are legally obliged to pay them the state government minimum wage, which they rarely do. The worker signs a receipt for the amount actually paid, but by reducing the number of days it took to earn it the contractor's attendance records 'prove' that he was 'properly' remunerated. Again, hundreds of private trucks go in and out of the plant each day, and on a composite pass each could until recently carry a crew of seven for loading and unloading. Without detection, they could easily work for a plant contractor. Currently, many – one contractor told me more than half his labour – enter on temporary gate passes that are not logged on the plant's computer system. It takes weeks or months, and yards of red tape, for regular passes to be issued. Temporary ones can be made in a day and workers who have them go unrecorded. There is therefore no pressure to pay them the minimum wage or provide compensation in the event of an accident.

In short, it is impossible to say with much conviction how large the contract labour force really is. According to BSP, on 31 January 2011 the figure was 9,449, while, according to a press report<sup>3</sup> based on briefing by the Deputy Labour Commissioners, who had – most unusually – conducted a surprise raid on BSP contractors a couple of days later, it was over 22,000. If that second figure is correct, then the total plant workforce exceeds 50,000, which is close to the number of regular employees that it had in 1993. Throughout the whole period of liberalisation, that is, BSP has shed very little manpower. It has for the most part merely substituted visible (and costly) BSP workers for invisible (and inexpensive) contract labour – the fairly marginal reductions being easily achievable because the plant was previously much overmanned, and because in routine unskilled tasks contract workers are at least as efficient and work more consistently over longer hours than BSP workers. But whatever the true figure, by contrast with the regular workforce, a significant proportion (roughly one-third) of contract labour is female.

During the financial year 1997–8, 227 contractors holding around 700 contracts did work in the plant and the township, and today there are more. Recognized BSP contractors are classified according to their expertise and graded according to the value of the contracts for which they can tender. Subsequently part of the job may be put out to a subcontractor, who may in turn subcontract. It is difficult to eliminate middlemen. Foreign participation in major projects may be the best option, and such companies cannot be expected to recruit and manage their own local labour.

For routine jobs, the Contract Labour Cell invites tenders from its slate of regular contractors and – with certain provisos – is obliged to award the

contract to the lowest bidder, regardless of his record as an employer. In principle, the competition is purely on price, though for many annual contracts – like cleaning jobs in the Coke Ovens – it is in practice limited. The number of eligible bidders is small, they have all worked in the plant for years and are well acquainted, and they operate a cartel that ensures that such contracts in different departments are rotated on Buggins' turn rules. BSP provides materials and supervision, so quality is supposedly constant. The contractor is basically a labour supplier, and the rule of thumb is that 85 per cent of the cost of a contract goes on wages. It is on wages that contractors make their margins, and when their labour is un-unionized they do so comfortably. For each man-day, BSP pays the contractor at a rate well in excess of the legal minimum; the contractor pays the worker at a rate far below it, siphoning off more than half the sum that the worker should get.

With a lot of workers there is a lot of money to be made, and the big contractors are seriously wealthy. The majority are more middling kinds of people. Several 'petty' (sub-)contractors I know are retired BSP workers. Rather than opulence, the common denominator is their family origins in other states. Their workers are overwhelmingly local Chhattisgarhis. Contractors and contract labourers are divided by regional ethnicity and seldom related by kinship. Things are very different in private-sector factories, where the contractors (also commonly outsiders) are characteristically trusted former workers, who – to evade the labour laws – have been given charge of some part of the process and have recruited their kinsmen, caste fellows and co-villagers to run it. The shop-floor is consequently often divided into 'blocks' of workers who are bound to each other, and to their contractor, through 'primordial' ties (Parry, 1999a).

For the past 10 years or so, an increasing amount of BSP work (especially in production-related tasks) has been awarded on contract to HSCL, a government undertaking originally set up to construct public-sector steel plants. When the Bokaro plant (in Bihar) was completed in the 1970s, around 6,000 of its workers were – to vociferous local protest – transferred to Bhilai to work on the current expansion programme. By the early 1990s, most of those still in post (around 3,500) had literally nothing to do and were irregularly paid for sitting around in the plant in a demoralized haze of ganja, playing cards and carping about the corrupt incompetence of their officers. HSCL was a very sick company. Since that time, however, its financial health has been restored by easing out most of its regular workforce and by taking contracts run through sub-contractors and casual labour. BSP management was under heavy government pressure to put work its way. According to official statistics, by November 2006 58 per cent of the contract labour working in the plant was supplied by HSCL. None of it is unionized and it is these workers who endure the harshest conditions and are most vulnerable to under payment, late payment or even no payment at all. The arrangement is greatly to BSP's advantage. Though it has not been tested in the courts, and its legality is unclear, HSCL is declared as the 'principal employer' of these workers.

Since they are not therefore BSP's responsibility, it hopes to be off a dangerous legal hook.

### **The law and the unions**

What the Contract Labour (Abolition and Regulation) Act of 1970 appears to say is that workers who perform tasks for which there is 'a permanent and perennial need', and workers who have been continuously employed for 240 days, must be given a permanent job and paid the same wages and receive the same benefits as other regular employees. But law is open to judicial interpretation, and over the past 15 years this is held to have become increasingly employer-friendly. When I began research in Bhilai in 1993–4, the 'permanent and perennial' clause was generally understood to mean what it seems to say – that, if there is a regular need for the work, the worker should get a regular job. Lately, however, this understanding has been qualified by learned arguments to the effect that it must be read in conjunction with other legal provisions that mean that he is entitled only if it can also be shown that he has worked 240 consecutive days and that the company has a 'clear vacancy' in such a post, which has to be one 'notified' by the state government as a job that only regular workers can perform.

For BSP the issue is critical. If 'permanent and perennial need' were literally interpreted it would be legally obliged to offer regular posts to hundreds of janitors, sweepers and security guards in the township and in its company schools, to say nothing of thousands of contract workers in the plant. In the recent past management has fought and lost a protracted battle over the status of its canteen workers that turned on precisely this issue, as did a lengthy and again eventually triumphant union campaign on behalf of contract labour in the Rourkela Steel Plant. As a result of that, and to consternation in senior SAIL circles facing steel market recession, 4,500 Rourkela contract workers doing 246 different jobs had been 'regularized' at the beginning of 1995 (Strümpell, 2012). As hinted earlier, that was almost certainly the principal reason why BSP management were anxiously concerned to diminish their reliance on such labour at the end of the 1990s. And it is, of course, in the light of this 'threat' that BSP's relationship with HSCL must be seen. It provides BSP with a protective buffer against the demand that it regularize those contract workers – like the doormen on the Coke Oven batteries – who perform tasks that have hitherto been defined as part of the production process. Since all production jobs are 'notified' as ones that can be done only by BSP labour, these workers might appear to have an unassailable case. Management's first line of defence has been to re-define the oven doorman's job as consisting in cleaning tasks, but its failsafe plea is that these workers are not their responsibility since HSCL is the principal employer. As we are about to see, it was also such considerations that 30 years since prompted BSP to buy off 3,000 derisorily paid contract labourers with the special status of 'Central

Provident Fund (CPF) worker'. For these workers themselves it was (in ways I shall shortly specify) a dramatic improvement, but for BSP it was a cut-price bargain. They were all doing jobs of a permanent and perennial nature and should seemingly have been appointed to regular posts, but the deal that was struck with a compliant union allowed management to ignore hundreds of others who almost certainly had an equally good claim.

The union that long represented the regular plant workforce is affiliated to the Indian Trades Union Congress (INTUC), which is affiliated to the Congress Party.<sup>4</sup> Regular workers in BSP's mechanized mines almost all belong to an AITUC (All-India Trade Union Congress) union that is affiliated to the Communist Party of India (CPI). Other local unions come under the umbrella of CITU (Centre of Indian Trades Unions), the union wing of India's other major parliamentary communist party, the CPM. In management eyes, INTUC is the least of the evils and it was able to ensure that the 'representative' union in the plant was an INTUC one. 'Representative' is a legal status that means that the employers are obliged to negotiate with that union only. Since INTUC was seen as more 'reasonable' than the rest – not once in the plant's whole history has it called an official strike – this was a great convenience. It allowed management largely to ignore the others, and gave workers no alternative but to join the 'representative' one if they wanted to be represented at all. To be clear, we are talking about *regular* workers. The INTUC union was their union, and it was only when CITU started to mobilize contract labour that – with encouragement from management – INTUC showed interest in it. At present, however, there is no recognized union. In the mid-1990s, the official one imploded in factional disarray, was eventually suspended by the courts in 2005 and has so far proved impossible to resurrect.

The mines have a more militant history, though since the mid-1970s the 'recognized' AITUC communist union has been basically management compliant. It represented the privileged elite workforce of the *mechanized* mines, who were regular BSP employees and predominantly outsiders. The Chhattisgarh Mukti Morcha ('Chhattisgarh Liberation Front' or CMM) made the radical running, and its roots were in the *manual* mines where conditions were a great deal tougher, the pay was much lower and the exclusively contract labour workforce – which was deeply resentful of the way in which its interests had been ignored, indeed betrayed, by AITUC – was overwhelmingly drawn from the surrounding countryside. The two unions represented different constituencies with different interests, and through the late 1970s and 1980s there was a series of bloody confrontations between them resulting in a number of deaths.

Though in more pallid form, and now largely forgotten, the plant too has a record of antagonism between unions representing these different fractions of labour. In the late 1970s and early 1980s CITU took up a legal battle on behalf of the contract labour force, up to that point ignored by INTUC, that eventually resulted in around 3,000 of them performing routinely required

tasks becoming 'CPF-rated'. That meant that a CPF contribution had to be deducted from their wage, the contractor contributing an equivalent amount. Its import was that they now had legal rights, and their pay and conditions were greatly improved. When it came, however, to negotiating which jobs qualified, and thus to deciding which workers were to have this privileged status, BSP management was of course obliged to deal with the recognized union. It was those who joined INTUC who got it, provoking violent skirmishes between supporters of the rival unions in the early 1980s. Thereafter, BSP management, the contractors and – until its suspension – the INTUC union consistently colluded to keep CITU out.

Since the 1980s, the contract labour force in the plant has been largely quiescent; apart from the now dwindling number of CPF workers (down to around 1,700 by 2006), none of it is even notionally unionized. None bar the CPF workers have any kind of job security and all know that joining a union is the surest way to get fired and never re-hired. Management sleeps soundly in the complacent conviction that contract labour represents no threat to the plant's proud record of industrial peace, and it has little reason to worry that its regular workforce will make common cause with them in the name of proletarian unity. BSP workers do not think of themselves as 'proletarians' or as the same kind of people as this 'labour class', do not consider that they have interests in common with it and may even inchoately perceive that their interests are opposed. But, even if that were not the case, without a union they now have no effective voice, and the union they had was anyway uninterested.

As to forming a more radical one, it would take a brave heart. Though to be in any danger of losing his job a BSP worker has to be regularly and dedicatedly absent from duty or get caught persistently cheating on benefits or pilfering plant property, he is unwise to arouse suspicion of being a leftist 'agitator'. BSP is an integrated plant and damage to capital infrastructure costing many tens of millions of rupees can be caused by unscheduled shutdowns – which must be one powerful reason why, in the absence of scarce skills, this workforce has been treated with so much consideration and has managed to preserve its privileges. But management also has ways of weeding out 'dangerous elements', and BSP workers are frightened to associate with such people. *Naukri* comes at a political price; and contract labour is in too weak a position to do much about its own circumstances. It is suggestive that, while areas of rural Chhattisgarh are now the epicentre of the Maoist-inspired Naxalite movement that is fighting a low-key guerrilla war against the state, I never heard whisper of it trying to infiltrate the plant. Perhaps more revealing is that, while I do not know of any significant work stoppage initiated by contract workers in any part of the plant over the past 25 years, over that period several plant-wide strikes have been threatened or called by contractors' associations, who have brought their workers out in support of their own demands. Combinations of contractors are more of an irritant to management than combinations of contract workers.

### Security and 'the size of the purse'

While in terms of security and 'the size of the purse', CPF workers are privileged by comparison with most of the rest of the contract labour force, by comparison with even the lowliest BSP worker they are poorly off. They are paid at a daily rate – equal for men and women – that (with statutory allowances) is double the state government minimum for unskilled labour. This is less than one-third of what a newly appointed regular BSP worker on the very bottom rung of the scale would be getting. By contrast with his prospects, moreover, there are no promotions or increments to look forward to; and there are none of the fringe benefits that in monetary terms would add around 50 per cent to the value of his wage. These CPF rates are set with SAIL in Delhi at the same time that the periodic pay revision for the regular workforce is negotiated, and are inflation-proofed by linking them to six-monthly rises in the All-India Consumer Price Index. Unlike un-unionized contract workers, CPF workers can in my experience count on receiving their pay and have leave entitlements that are mostly respected.<sup>5</sup> Unlike other contract workers their jobs are fairly secure. Though they are liable to lay-offs when the contract comes to an end, when a new one is issued the contractor is obliged to re-employ them. The principle is that, though the contractors may change, the workforce does not – though it is periodically rotated between different parts of the same shop-floor to provide a fig-leaf of protection against the claim that they are fulfilling a permanent and perennial need.

As these workers have aged, some are no longer capable of the hard labour required of them and it is an unofficial convention – which suits the contractors who otherwise find it hard to get rid of them – that in such cases a *badli* (a surrogate worker) from the same household should be taken on at the same rate of pay. But that is noblesse oblige and it is equally the case that when a contractor is determined to be rid of a troublesome CPF worker he can manage it, and will do so with resolute management backing when CITU is involved (as in most cases it is). As is the rule, it is politics rather than indolence that gets one the sack, and it is BSP's legal department, and not the contractor, that will see the case through.

Rukhmani<sup>6</sup> had worked in the plant from the age of 16, had joined INTUC and was CPF rated. When her contractor refused the maternity benefits to which she was entitled, and INTUC refused to help, she defected to CITU. Next time her gate pass came up for revalidation (which happens every three months) it was not renewed. CITU successfully went to court on her behalf, but the court's injunction was never implemented and she was not reinstated. After six years of legal wrangling she threw in the towel by withdrawing her Provident Fund benefits (thereby in effect resigning).

Along with 45 others, Tulsi was a CPF worker under a contractor in the Blast Furnaces, though the latter then deployed them on rota in teams of six or seven to a job he had bagging up naphthalene balls in the by-products plant of

the Coke Ovens. In concentration, naphthalene is extremely noxious; the smell was unbearable, their eyes continually stung, they came out in rashes and suffered constant fatigue. The whole group protested that their gate passes were made for the Blast Furnaces and that if any of them met with an accident in the Coke Ovens they wouldn't get compensation. When their contractor would not listen they involved a firebrand CITU leader who took out a case demanding that they should only be required to work in the department for which their passes were valid, and for good measure that their jobs should be regularized. Next time their passes were up for renewal, none of them were sanctioned. Forty-three of the 46 then withdrew their case, renewed their membership of INTUC and were eventually allowed to return to work. Tulsi and two others held out and sanctioned CITU to pursue their case through the courts. Thirteen years later, after three successive judgements in their favour in successively higher level courts, and no sign that BSP would ever give way, their CITU champion washed his hands of them. Tulsi and the other woman involved were now anyway past retirement age, and recognized that, if they were at least to see their Provident Fund entitlements before they died, they would have to give up. Their younger male colleague struggles on.

A small proportion of the contract labour force is highly skilled and such workers also generally earn well over the state government minimum rate. In 2010, a certified 'G6' specialist welder was getting around Rs 7,500 per month, which is about half as much as the lowest-paid BSP employee, who is in all likelihood completely unskilled. In 2006, the specialist refractory brick masons who were rebuilding Coke Oven battery 3 were on a piece-work rate that allowed them to earn up to Rs 400 a day, a monthly income on par with that of a regular worker. There were about 60 of these masons, both Hindus and Muslims but all from the same few districts of Uttar Pradesh and Bihar; many had been employed in steel plants in Kuwait and Dubai as well as all over India. They ran a tightly closed shop from which local masons were entirely excluded. The (male) coolies and (female) *rejas* who were mixing cement and carrying bricks for them were, however, all Chhattisgarhis and were respectively getting a flat rate of Rs 60 and Rs 50 per day – that is, between one-seventh or eighth of the bottom-of-the-rung BSP worker's take-home pay. Those rates were then typical for unskilled and un-unionized labour, and a differential of that order has persisted throughout the time I have been visiting Bhilai. What that might mean in human terms is best illustrated by a concrete example.

One of the Coke Oven jobs that has always been regarded as so tough that no BSP worker should normally be expected to do it for more than four hours in a shift is that of doorman on the batteries. Mummified against the scorching wall of heat and the billowing acrid fumes from the open ovens and with only a slit for his eyes, the doorman works on a narrow platform in front of the open ovens cleaning up spillages and scraping burning cinders off the inside of the ten-metre battery doors. In the event that the shift is shorthanded and he is asked to

perform his duties throughout the eight hours, the BSP worker is given two 'see offs' – an unofficial arrangement by which he is marked present on two subsequent shifts when in fact he is not. By 2006, this job was now being routinely done by HSCL labour. For the first four hours they were credited with one *hazri* (attendance), for which they were then paid Rs 55–60, roughly one-seventh of the rate that the BSP worker would have been getting for doing exactly the same job, but without of course receiving any of the same allowances and benefits, or any entitlement to holiday or sick pay. But actually the contractors require these workers to do two *hazris* per shift – that is, to work the full eight hours. Most of them had come from outlying villages and cycled an hour or so each way to the plant. Some had another after-hours job. Dilip had started work seven years earlier as a doorman at the age of 15 on a wage of Rs 50. He was now getting an extra Rs 5, but for this had to stay on after the end of his shift to carry sacks of refractory cement from battery 1 to 8 (about 800 metres). Five days a week he would then go on to sell vegetables in different village markets, spending in all about four hours a day on his bike. The other two days he did tailoring in his village. His family were landless, but on that they got by and he was managing to put his younger brother through high school. Several others were doing two shifts back-to-back on the batteries. That is, they were working continuously for 16 hours at a job that no BSP worker has ever been required to do for more than four. For four times his maximum workload, they stood to earn a little over half his salary.

The Indian economy has recently been growing at unprecedented rates and I estimate that in terms of the purchasing power of their wages such workers were perhaps 25 per cent better off in 2010 than they had been 15 years earlier.<sup>7</sup> That left them still desperately poor. In 2005, the poverty line was drawn at households having an annual income of Rs 21,000. A household that depended exclusively on the wage of the highest paid un-unionized BSP coolie would, in the extremely unlikely event that he or she had been employed for six days a week during every week of the year, have fallen just over 10 per cent below that level; a household that depended on the wage of the lowest paid *reja* would have fallen almost 50 per cent short of it. It is true that their wages may be supplemented by some overtime and not infrequently by petty pilferage – the wood, coal, wire and scrap metal that is smuggled out of the plant being in my view more realistically seen as a hidden wage subsidy for the contractors than as a 'weapon of the weak' self-consciously deployed against the dominant classes (Scott, 1985). It is also true that the household may be supported by a share in a marginal peasant holding and by more than one wage.

Unless they too have *naukri*, or unless their husbands are serious drunkards (which is not uncommon), it is in general the case that the wives of BSP workers do not take employment outside the home. They are not financially constrained to do so nor is that respectable. For 'labour class' women there is often no alternative. Apart from an appreciable proportion of female-headed households, the wages of a single male breadwinner do not adequately feed an



average-sized household of five. But, as we shall shortly see, *rejas* who must work in the plant (as well as outside it) are vulnerable to sexual exploitation; and it is their supposed sexual 'availability' that 'proves' to the labour aristocracy that they themselves are a different and better breed.

On the calculation that a verifiable trail will solve the problem of underpayment, BSP have recently tried to insist that all wages be directly transmitted to a bank account in each worker's name. The impact is too early to judge, though it cannot have helped those with temporary passes who do not appear on the system. In the case of those who do and are now paid in this way, it is already clear that some contractors demand part reimbursement – sometimes ostensibly to recover the costs they incur in bribes for renewing their gate passes. Girdhari is nonetheless pleased. His daily rate had almost doubled; and the Rs 200 his contractor levied monthly to cover 'expenses' seemed reasonable. Anita is less sanguine. She was paid through her bank for just one month when her employer's contract was being renegotiated.

While BSP workers reliably receive their salaries on the twelfth of the month, insecurity really is the hallmark of the contract labourer's condition. It is not just low pay and job insecurity with which these workers must contend but also insecurity about when – even whether – they will get their wages. Some are not paid for weeks or months, and a few never are. While we are all too familiar with industrial labour in India that is bonded by the acceptance of an advance on wages (e.g. De Neve, 2005), in Bhilai it is 'bonded' by payment in arrears. Workers cannot walk out because they cannot afford to forgo what their contractor owes them, and the further behind he falls the more they are bound. Often the problem starts at the top. Finance does not pass the main contractor's bills. His sub-contractors must wait, and so on down the line. Everybody has liquidity problems and delays, and in the end it is the poorest workers who must petition for more credit at the *kirana dukhan* (provision store).

While BSP workers have a job for life and hardly ever move on, un-unionized contract workers must expect to do so. Several of the *rejas* I encountered in the Coke Ovens in 2006 were women I knew from construction sites outside the plant and there is a steady flow of personnel between the two kinds of workplace. Some had done spells as domestics (perhaps in the houses of BSP workers) or as waste-pickers, and a few had been engaged in petty trade or in the cottage-industry production of country cigarettes (*bidis*) and incense sticks (*agarbatti*). For both men and women, work in construction is relatively easy to get and it is usually possible to pick up two or three days casual employment per week from the day labour *chauri* (market) that is located just outside one of the BSP gates. Working from the *chauri* pays significantly better than working in the plant, and it is broadly the case that wages outside are marginally higher. Many, however, prefer a plant job because it is more regular and more 'restful work' (*aram ka kam*).

### Work and work relationships

That judgement may seem surprising in the light of the work regime just described for the HSCL Coke Oven doorman, and it is certainly the case that the intensity of his labour is far greater than that of the overwhelming majority of regular workers. When I first spent time on the BSP shop-floor in the mid-1990s, their time keeping and labour discipline were rather relaxed (Parry, 1999a, 1999b). In 'hard shops' like the Coke Ovens, some jobs were extremely tough and the physical conditions sometimes appalling. But workers worked only in fairly short bursts, and those with the most taxing tasks were not required to do more than four hours in a shift. Many with much softer duties worked a great deal less, and once done would wander, drink tea, play *pasa* (dice) or *tash* (cards), socialize with mates or read the newspaper. Some would leave after a couple of hours; some would just appear to sign in at the start of their shift and then go home; some would not come at all. Since manning levels were then very generous, there was usually plenty of slack and workers organized their own duty rosters and decided who would work when. When I revisited the Coke Ovens in 2006 after major reductions in its permanent workforce, I heard much grumbling about how exacting the regime had become. But, while there had been important changes, these did not include any marked intensification of hard physical labour, and the working day was still punctuated by long periods of leisure.

The effort required of contract labour is generally greater, though the variation is large. As a rule of thumb, those – like the Coke Oven doorman – engaged in production-related tasks work at the highest intensity, and management wisdom is that their security makes CPF workers less industrious than the rest. Compared with work available outside the plant, however, much of that done within it is quite 'restful'.

When I first encountered them in the Coke Ovens in 1998, Sukhvaro and Santu – a middle-aged couple – worked in a team of eight clearing coal-dust and spillages from the tracks and conveyor belts. They are (Untouchable) Satnamis, as was one other member of the group. The rest – who included a mother and son, and the son's ritual friend (*mitan*) – were of 'Hindu' caste (four of them Oil-pressers and one a Washerman).<sup>8</sup> All were Chhattisgarhis and CPF workers; the majority were illiterate and none had attended school beyond the fourth class. By then they had worked together for more than 10 years. Although they would sit on the ground in convivial proximity to eat lunch, those of 'Hindu' caste would not accept food or water that the Satnamis had touched. When they bought tea from the small canteen at the end of the shop, they would squat outside and never sat at the tables that regular workers might occupy. The deal with their contractor was that to make their CPF wage – at that time Rs 85 (with the allowances Rs 115) – they had to load and unload five truckloads in the day, each of which took about an hour to fill. They'd complete one before a tea break at 10:00 am, then another couple before lunch, and the rest of their quota in the

afternoon. There was no incentive to do more, and if there was material easily to hand (as there generally was on some of the sites between which they were rotated) they could be through by 2:30 or 3:00 pm. They never worked later than 4:00 pm. If one was away sick, they would still make five trips and split the absent worker's wage between them. If two were off, they would be replaced by a couple of temporary contract workers on a daily rate of Rs 27 and the contractor would save. He had a couple of regular supervisors to oversee his labour, which was working in two separate departments, but they were seldom present – unlike the two BSP workers that were delegated to oversee the job. Dinesh, an activist in the (virulently right-wing) Shiv Sena – though a surprisingly mild-mannered fellow – would sit somewhere near in the shade on an upturned can staring vacantly into space. When I asked if he wasn't bored he would say that it was far better than the job he would otherwise have on the oven tops. Gupta doubled as a sign-painter and was less well liked. He reputedly had an eye for young *rejas* and would behave like 'a bigger Sahib than the Sahib' (the BSP officer who managed the contract). Both whiled away time chatting to Ayodhya, the truck-driver, who was employed by a separate transport contractor and whose only duty was to make five trips of about half a mile per day.

Though it ended badly, when I first met them Nitu (a Kurmi or 'farmer' by caste) and Gopi (an *Adivasi* 'Tribal') were labourers on the construction site for a large municipal stadium and romantically involved. A year later, both were working in the plant and finding it easygoing by comparison. Nitu's job was cleaning floors and machinery in the Rail Mill. She just had to sweep the refuse into piles and some lads would carry it away. (Outside the plant, carrying is women's work.) She was left largely unsupervised and never put in more than four hours a day. 'My job is very restful', she told me. 'In the plant you can look after your body, and you don't have to work in the sun or the rain. Compared with before, I look good now, don't I Sir?' The demands on Gopi were no more exacting, and though the stadium had paid more it was nothing like an equivalent for the extra labour required of him. But what struck him most was that nobody swore at him here and that all that bothered his supervisors was safety. When he sustained a small cut to his finger he was immediately sent to the first-aid post to get it bandaged. In the previous job he could have cut off his hand and nobody would have noticed.

Shortly before our conversation, Kamlesh had been working in the plant as 'helper' to a fitter for Rs 45 per day, but his gate pass had expired and he was now employed on a construction site outside for Rs 50. He was desperate to return to the plant, even if there he earned less. 'It is *aram ka kam,*' he explained. 'I only had to get out the spanner and screwdriver and just sit. Here the work does not "nourish" (he meant "suit") me.'

Mostly, plant jobs are 'restful' because nobody in authority has an interest in requiring more, but sometimes effort is withheld by the contract labourer on the bloody-minded calculation that 'if the BSP worker works, I'll work. He's a 500-rupee-per-day-*vala*, and if he doesn't work why should we 40 or

50 rupee-*valas* do so?’ When I asked contract labourers whether BSP workers were not uneasy about that disparity, I was liable to be told that ‘those people have no shame’.

Dinesh, on his upturned can, shows no sign of it. To the contrary, he often complains of his heavy responsibilities. Though supervisors ‘*cause* work to be done’ (*kam karvana*), typically from a sitting position, as he understands it his main function is less to extract unremitting effort from gang members than to ensure that they do not get run down by the pusher car. Indeed, his official job designation is *suraksha mukhya* (safety headman). Though things were much worse in the past, the plant remains a seriously dangerous working environment. Almost every year there are deaths (in 1997 there were nine) and most victims are contract workers. That is not surprising given the lethal conditions in which some of them toil – on the 2006 rebuilding of battery 3, lines of *rejas* carrying head-loads of bricks over narrow strips of corrugated iron supported only at alarmingly wide intervals by bamboo scaffolding, with a 40-foot drop to the ground below and with the hook of an overhead crane hovering menacingly over their heads; a couple of gas-cutters without safety-harnesses sitting equally high on a two-foot diameter pipe through which they had cut to within a few millimetres. Senior management is acutely aware of the issue. Registered contract workers are given a day’s safety training (though contractors routinely render this irrelevant by dispatching them to a different shop), and there are periodic safety awareness campaigns. It was probably Gupta who painted the new billboard near the entrance to the shop that (in English) reminded workers who could read it: ‘Safety at Work/Safe Tea at Home’. And shop-floor managers are also aware that in the event of an accident they are ultimately responsible and that in recent cases colleagues have been led off in handcuffs.

That is what Dinesh and many other regular workers are supposedly doing – preventing accidents. More are needed to oversee the technical aspects of tasks that contract labour performs. The trend has an important bearing on the growing differentiation that sets different fractions of labour apart. BSP workers are increasingly becoming a supervisory staff. For my friends in the Coke Oven Heating Group, the increased use of contract labour has significantly reduced the physical demands of the job but has added – at least as they represent it – to the ‘responsibility’ (*jawabdari*) they shoulder and the ‘tension’ (they use the English word) they experience. To the outside observer, however, what is more striking is the seemingly redundant multiplication of supervisory functions. I was one day down in the cellar under battery 4 where four members of the group were overseeing a cleaning job being done by five contract workers. When two of them came to check on the measurement between the walls of the ovens when battery 3 was being re-built, they were simply repeating what the masons themselves, the Refractory Group, the contractor’s engineer and the BSP officer in charge of the project had done. When I asked one of their colleagues what the need was, he irreverently

suggested that it was 'just to perform a "role" (*sirf role marne ke liye*)' and to spot the talent among the young *rejas* working there.

Even for those workers not directly affected by this shift towards supervisory tasks, contract labour certainly alters the character of manual labour and mitigates its unpleasantness. It is not new technology that makes it less arduous and filthy than it used to be, but the fact that the worst tasks are hived off to others. BSP workers are in significant measure liberated from the most dangerous and laborious parts of the job. The virtual moratorium on new recruitment to permanent posts over the past 15 years has reinforced the trend. The workforce is ageing. By 2006 more than half of the workers in the two Coke Oven work groups I know best were already aged 45 or over. Many are no longer physically capable of the toughest tasks; even if they are, the quasi-automatic cluster system of promotion means that they regard themselves as too senior to be asked to perform them. Contract labour would now be extremely difficult to eliminate and regular workers would have a much harder life if that happened.

The Coke Ovens is a shop in which 'real men' work, and its permanent workforce is exclusively male. In terms of regional ethnicity, caste and religion, however, it is remarkably heterogeneous. Though the proportion of local Chhattisgarhis has grown significantly since the early days of the plant, workers of outsider ancestry are still massively over-represented in relation to their share of the population. More or less every work group is likely to contain a mix of 'locals' and 'outsiders' from all corners of India, of workers from a whole range of castes and very likely also representatives of different religious communities. Facility in English differentiates highly credentialized managers who are mostly at a fairly senior level from the majority of junior managers and nearly all workers. The *lingua franca* of the plant is standard Hindi, and – as a badge of 'civilization' – even among themselves Chhattisgarhi BSP workers speak Hindi. It is only when issuing orders to contract labour that they switch to Chhattisgarhi.

These BSP work groups are highly stable over time, develop strong bonds of solidarity and commonly engage in after-hours socializing (Parry, 1999a, 1999b). Nearly all their members live in the township or elsewhere in the urban area, and – though a few now own cars – arrive at work on their motor-bikes. At the start of their shift they all shake hands – with managers as well when they are present. During it they sit together to eat and – regardless of caste – share preparations brought from home. It is impossible to refuse, especially if one is a Brahman and an Untouchable colleague proffers the delicacy. Members of the work group are hardly ever kin, do not establish fictive kinship relations with each other and very rarely use kin terms to address or refer to each other. Even elders are almost invariably known and called by personal names (Ramlal or Ramayan, perhaps suffixed by 'ji' for respect) or by their 'surname' (which is often a caste title like Verma and Sahu). They think of themselves as colleagues, not quasi-relatives. Within and between work groups there is a good deal of banter and joking. Much of this

revolves around the incompetence and corruption of management, and the alleged slackness of other work groups. More of it plays on the stereotypical characteristics of different regional ethnicities and neatly fits the classic anthropological theory of joking relationships as arising in situations of 'conjunction' and 'disjunction', of enforced amity underlain by hostility (Radcliffe-Brown, 1952, ch. 4).

In almost every respect, the groups in which contract workers work are generally different. They are likely to be made up of workers of *both* sexes, but the large majority of *sanghvāri man* (workmates in dialect) are Chhattisgarhis and speak Chhattisgarhi together. A good many live in villages in the surrounding countryside and all walk or cycle to work. They must enter the plant through different gates from regular workers, and there is no round of handshakes when they arrive on the shop floor. No contract worker would hold out his hand to the BSP worker with whom he will spend the next shift. Within the plant, most observe the rules of commensality that apply outside it. The 'Hindu' castes accept food and water from each other, but not from Satnamis. Not only do they share the same ethnicity, but some gang members may be kin. In the BSP manual mines at Dalli-Rajhara, kinship links between members of the gangs that raise ore are even more prevalent. This is because they have been allowed a good deal of latitude to form their own groups, the piece-rate system in such back-breaking work makes it especially undesirable to carry shirkers (particularly if one is not related to them) and it is unwise to risk working with a witch (*tonhi*), the dangers of witchcraft being a major preoccupation in rural Chhattisgarh.

In the absence of real kinship links, however, contract labour gangs in both the plant and the mines create ties of fictive kinship between their members and kin terms are the usual mode of address. I have outlined elsewhere the way in which informal-sector workers characteristically decide on the kind of kinship relationship they will have and the kind of strategizing that often prompts their choice.

Kashi...classifies Kamla as his *nani* (maternal grandmother) because Kamla is the name of his real grandmother. Phirantin is his *bhabhi* (eBW [elder brother's wife]) because she comes from the same village as the wife of one of his classificatory brothers. Other links might easily have been traced and his choice of terms is motivated. Both of these relationships permit joking, and with one's *bhabhi* in particular the joking is expected to take an explicitly sexual form and may even extend to horseplay. Kashi is fancy free, Phirantin is pretty, the outcome predictable. And if Phirantin is married, her husband's sense of humour is put to the test – which is why most couples avoid work on the same site.

(Parry, 2001, p. 807)

Since one thing leads to another, Lalita's sense of propriety has made her absolutely forbid any of her *sanghvāri* (co-workers) to call her *bhauji* (the dialect form of *bhabhi*).

As this suggests, the joking among groups of contract workers largely revolves around sex and marriage, and I infer that it expresses unease about the very real possibility of inter-caste unions. I was sitting one day outside the canteen they frequent having tea with the Sukhvaro-Santu group when one of the young men in their gang jumped to his feet and ran in. A minute or so later he emerged dragging a laughingly protesting young *reja* by the wrist. 'Look, Sahib, look! This is my wife!' The joke was that she was called Janki, the name of his *mama-dai* (mother's mother in Chhattisgarhi), with whom that kind of license can be taken. A couple of days later, we were in the same place when a portly BSP worker sauntered by. 'There goes your *samdhi* [your co-parent-in-law]', said one of the group to Bisahin. She had a 5-year-old son, the BSP worker had a girl of the same age and the joke was that they would marry them off. Often the humour lies in the word play. Damini begs for *chuna* (lime) to mix with the tobacco that many coolies and *rejas* addictively chew. She is young and good looking so Raju pretends to hear *chuma* (a kiss). Rajeshvari reports that she recently met her old *malik* (owner), the contractor who had formerly employed her, but the group chooses to understand her to mean her first husband (*bihata*), provoking ribald remarks about how the *bihata* is always more sexually exciting than subsequent men a woman might 'make'.

Much contract labour involves gruelling and unpleasant work, and much of it is remunerated at highly exploitative rates, but – as Shah (2006) brings out for the 'Tribal' labour that migrates from rural Jharkhand to the brick-kilns of Bihar and Bengal – this should not obscure the fact that the workplace may also represent a zone of freedom from normal restraints and may provide opportunities for fun or even romance. Many young people in Bhilai see a job in the plant or on a construction site as providing the promise of sexual adventure, and affairs are common. Many involve couples of much the same age and social standing, but – by contrast with Shah's rather benign picture – many others are of a more unsettling sort. Young *rejas* are susceptible to sexual as well as economic exploitation.

Good-looking ones are liable to be assigned by their contractor to the offices of the BSP managers who matter to him, where they have rather light duties sweeping up and fetching water. It is, however, widely supposed that other services are demanded of them.

In July 1997, the naked corpse of a *reja* called Bijhvarin Bai was found in the undergrowth near the Water Supply Department where she had been employed in the General Manager's office. She had been raped, choked and bludgeoned to death.<sup>9</sup> Two BSP workers were arrested. One supposedly confessed to being her lover and to her murder; the other had allegedly helped dispose of the body. Neither was ever brought to trial; and CITU and the press claimed that the evidence had been fabricated, and that there was a cover-up to protect senior BSP officers who were regularly requiring the sexual services of *rejas*. Once it had been released for cremation by the authorities, a CITU rally brought the corpse to the main administrative building of the plant where they

demonstrated all afternoon before moving on to the main township police station. It emerged that in the weeks before her murder, the plant had been purging CITU members; that Bijhvarin was among the 21 CPF and non-CPF workers to be terminated by her contractor, and that of the latter she was – for unexplained reasons – the only one to be reinstated. What also became clear in the aftermath was that her murder was being used as a pretext for laying off more CITU labour. The Contractors' Association wrung its hands in anguish, but how could its members go on employing women in the plant when they were so unsafe? Needless to say, those judged most 'unsafe' were CITU supporters.

On the shop-floor, *rejas* are supervised by BSP workers who have the position and pay-packet to impress, and some latitude to assign them the best or worst tasks and overtime, and to control the length of their working day. Unsurprisingly, many shop-floor sexual liaisons go with the 'hypergamous grain'. They cross, that is, what I claim is the *class* divide between the two types of workers, and at the same time reinforce it by demonstrating that 'labour class' women are fair game. While the latter are almost invariably Chhattisgarhis, their paramours are probably outsiders by origin.

Such relations apart, BSP workers and contract labourers seldom fraternize and never sit together to eat. This is emphatically a matter of class and not caste distinction. The reluctance is on both sides. Regardless of caste, BSP workers eat with others in their work group; regardless of caste, none of them eats with contract labour. When I asked Suresh, an HSCL worker, why he was going off separately for lunch rather than sit with the Heating Group workers he had just been assisting, I was told that 'it is not good to eat with big people'. 'But aren't they your own age?' I objected. 'Yes', he confirmed, 'but they are "permanent-*vale*"'. When I was first in the Coke Ovens, the inflexible rule was that after a tea break everybody in the BSP work group would wash their own glass, even their officer if he had joined them. Nobody was expected to handle the saliva-polluted utensils of any anybody else. By the time I returned to the shop-floor in 2006 it was usual to get contract workers to make the tea and wash the glasses, as well perform other personal services, regular workers of Untouchable caste no less than others unselfconsciously barking peremptory orders at contract labourers who were often their caste superiors.

### Concluding summary

My aim in this paper has been to provide a descriptive analysis of the way in which the working world of contract labourers in a public-sector Indian steel plant is differentiated from that of its regular workforce. The two kinds of workers regard themselves as distinct kinds of people and are now best seen as distinct social classes. While the sociology of India has broadly accepted the manual/non-manual labour distinction as the crucial marker of the boundary



between the working and the middle classes, I have suggested that that between *naukri* (secure employment) and *kam* (insecure wage labour) – which cuts right across that distinction – is a more important marker of difference. *Naukri* is what the regular workforce has; *kam* is what contract workers do. This emic distinction is broadly congruent with that between the organized (formal) and the unorganized (informal) sectors and is a product of state policies and legislation. On one side are the minority of workers whose jobs and conditions of work are protected by labour law; on the other the large unprotected majority.

The Nehruvian planners supposed that organized-sector workers would provide a beacon in terms of pay and conditions for the industrial working class as a whole. Instead they became a privileged aristocracy of labour cocooned from the rest. Though early on BSP employment provided opportunities for significant upward mobility and it was not uncommon for informal sector workers to move into secure regular jobs, those opportunities have been progressively curtailed. The distinction between the two kinds of worker has hardened. On the other hand, the ‘closed box’ image of employment at the bottom of the labour hierarchy, which sees the labouring poor desperately protecting their own small niche against interlopers, does not ring true in this context. There are, rather, a set of bottom-of-the-heap occupations – ranging from contract and construction labour to waste-picking and vegetable-selling – between which mobility is ‘readily possible and typically observable’. Those who do them constitute a ‘social class’ as Weber defined it.

The liberalization of the Indian economy has in some ways widened the gap. Over the past 25 years the regular workforce has been reduced by half and their labour replaced by that of much cheaper contract workers. But, perhaps unexpectedly, this shift does not appear to have exerted downward pressure on the wages of regular workers. What it has meant is that increasing numbers of them are assigned to supervisory duties and – liberated from the grimmest and most gruelling tasks – manual labour now has a very different meaning even for those who are not. It is difficult to avoid the conclusion that their rather generous wages and benefits, their rather relaxed work regime and the company’s impressive profits are sustained only by cheap contract labour. Regular workers are at least in part privileged because contract workers are treated so shabbily. Their interests are by no means the same.

Though it certainly existed before, economic liberalization has also heightened the tension between market imperatives and the labour laws. While the law appears to require that workers who do routinely necessary jobs should have regular employment contracts, BSP has consistently circumvented it and increasingly employed contract labour in operational tasks. What the state has given with one hand, state industry has taken away with the other. What has above all enabled it to do so is that management has always been able to ensure that it had to deal only with a ‘pocket’ union and has consistently fired supporters of a rival one that was prepared to fight the corner of contract

labour. To avoid taking many on as permanent workers, and with the complicity of the recognized union, it had nonetheless to acquiesce in the creation of a new category of relatively secure and well-remunerated CPF workers. The effect was a differentiation within the contract labour force itself.

This CPF labour is paid at a rate that is only a fraction of what any regular BSP worker will get, though it is a considerably larger fraction than the general run of contract workers receive. Contractors are easily able to avoid paying the legal minimum rate, and, with families to support, the wages of contract workers are well below poverty line levels. Not only is their employment chronically insecure but they frequently have to contend with late payment (leading to a kind of labour bondage) or even default. Because of their miserable pay, both husbands and wives are forced to work, but at work the latter are subject to the sexual predation of regular employees, their susceptibility to it reinforcing the belief that 'labour class' people are quite distinct in culture and morals. The composition of the work groups to which two kinds of labour characteristically belong is sharply differentiated by gender, by regional ethnicity and by urban or rural residence. Interactions within the work group are again very different, while interactions between regular and contract workers are largely confined to the work itself. Outside it they are kept to a minimum, testifying to a shared sense that socially the two kinds of workforce are profoundly different.

### Acknowledgements

This paper is based on approximately 30 months' field-work undertaken between 1993 and 2011 and funded by the Economic and Social Research Council, Nuffield Foundation, London School of Economics and Leverhulme Trust. I am indebted to the incomparable research assistance of Ajay T.G.

### Notes

1 Originally designed to produce one million tonnes of steel, by the beginning of 2011 BSP's output had reached 5.8 million tonnes and was being expanded to seven million at present levels of manning.

2 Sintering is a process of agglomerating fine particles of iron ore by combustion into lumps for the Blast Furnaces.

3 *Hirvada*, 3 February 2011.

4 For a detailed account of the union scene in Bhilai, see Parry (2009).

5 They are also eligible for free treatment in the company hospital, but, by contrast with regular workers, this does not extend to other members of their households or to diagnosis and treatment outside the BSP system. This differentiation is intended to maintain clear water between the two workforces.

6 I employ pseudonyms throughout.

7 This estimate is based mainly on consumer price information published by the Ministry of Statistics and Programme Implementation (MOSPI), and I have averaged

the figures for coolies and *rejas*. Retrieved from [http://mospi.nic.in/Mospi\\_New/upload/arep9900ch5.htm](http://mospi.nic.in/Mospi_New/upload/arep9900ch5.htm).

8 On the Satnami/‘Hindu’ caste distinction, see Parry (1999b).

9 Much of what I know about this case is gleaned from the local press – in particular from extensive coverage in *Dainik Bhaskar* for July and August, 1997.

## References

- Bardhan, P.** (1989). The third dominant class. *Economic and Political Weekly*, 24(3), 155–6.
- Béteille, A.** (2001). The social character of the Indian middle class. In I. Ahmad & H. Riefel (Eds.), *Middle class values in India and Western Europe* (pp. 73–85). Delhi: Social Science Press.
- Braverman, H.** (1974). *Labor and monopoly capital: The degradation of work in the twentieth century*. New York: Monthly Review Press.
- Breman, J.** (1996). *Footloose labour: Working in India's informal economy*. Cambridge: Cambridge University Press.
- Breman, J.** (2003). *The labouring poor in India: Patterns of exploitation, subordination and exclusion*. Delhi: Oxford University Press.
- De Neve, G.** (2005). *The everyday politics of labour: Working lives in India's informal economy*. Delhi: Social Science Press.
- Harriss-White, B.** (2003). *India working: Essays on society and economy*. Cambridge: Cambridge University Press.
- Holmström, M.** (1984). *Industry and inequality: The social anthropology of Indian labour*. Cambridge: Cambridge University Press.
- Lockwood, D.** (1958). *The blackcoated worker: A study in class consciousness*. London: Unwin University Books.
- Parkin, F.** (1979). *Marxism and class theory: A bourgeois critique*. London: Tavistock.
- Parry, J.** (1999a). Lords of labour: Working and shirking in Bhilai. In J. P. Parry, J. Breman & K. Kapadia (Eds.), *The worlds of Indian industrial labour*, special issue of *Contributions to Indian Sociology*, n.s. 33(1–2), 107–40.
- Parry, J.** (1999b). Two cheers for reservation: The Satnamis and the steel plant. In R. Guha & J. P. Parry (Eds.), *Institutions and inequalities: Essays in honour of André Béteille* (pp. 129–69). New Delhi: Oxford University Press.
- Parry, J.** (2001). Ankalu's errant wife: Sex, marriage and industry in contemporary Chhattisgarh. *Modern Asian Studies*, 35(4), 783–820.
- Parry, J.** (2003). Nehru's dream and the village 'waiting room': Long distance labour migrants to a central Indian steel town. *Contributions to Indian Sociology*, 37(1–2), 217–49.
- Parry, J.** (2005). Changing childhoods in industrial Chhattisgarh. In R. Chopra & P. Jeffery (Eds.), *Educational regimes in contemporary India* (pp. 276–98). New Delhi and London: Sage.
- Parry, J.** (2008). The sacrifices of modernity in a Soviet-built steel town in central India. In J. Pina-Cabral & F. Pine (Eds.), *On the margins of religion* (pp. 233–62). Oxford: Berghahn Books.
- Parry, J.** (2009). Sociological Marxism in central India: Polanyi, Gramsci and the case of the unions. In C. Hann & K. Hart (Eds.), *Market and society: 'The Great Transformation' today* (pp. 175–202). Cambridge: Cambridge University Press.
- Parry, J.** (2012). Suicide in a central Indian steel town. *Contributions to Indian Sociology*, 46(1–2), 145–80.
- Parry, J.** (forthcoming). The 'embourgeoisement' of a 'proletarian vanguard'? In S. Jodhkar (Ed.), *Interrogating India's modernity: Democracy, identity and citizenship*. Delhi: Oxford University Press.
- Radcliffe-Brown, A. R.** (1952). *Structure and function in primitive society*. London: Cohen & West.
- Rudra, A.** (1989). Emergence of the intelligentsia as a ruling class in India. *Economic and Political Weekly*, 24(3), 142–50.

- Sanchez, A.** (2012). Deadwood and paternalism: Rationalising casual labour in an Indian company town. *Journal of the Royal Anthropological Association*, 18(4), 808–27.
- Scott, J.** (1985). *Weapons of the weak: Everyday forms of resistance*. New Haven, CT: Yale University Press.
- Shah, A.** (2006). The labour of love: Seasonal migration from Jharkhand to the brick kilns of other states in India. *Contributions to Indian Sociology*, 40(1), 91–188.
- Sridharan, E.** (2011). The growth and sectoral composition of India's middle classes: Their impact on the politics of economic liberalization. In A. Baviskar & R. Ray (Eds.), *Elite and everyman: The cultural politics of the Indian middle classes* (pp. 27–57). Delhi: Routledge.
- Strümpell, C.** (2012). Law against displacement: The juridification of tribal protest in Rourkela, Orissa. In J. Eckert, B. Donahoe, C. Strümpell & Z. Biner (Eds.), *Law against the state: Ethnographic forays into law's transformations* (pp. 202–27). Cambridge: Cambridge University Press.
- van der Loop, T.** (1996). *Industrial dynamics and fragmented labour markets: Construction firms and labourers in India*. New Delhi: Sage.
- Weber, M.** (1978). *Selections in translation* (W.G. Runciman, Ed.). Cambridge: Cambridge University Press.

**Jonathan Parry** is Emeritus Professor of Anthropology at the London School of Economics and Political Science. He has done field research in various parts of north and central India on various different topics. His publications include *Caste and kinship in Kangra* (Routledge, 1979), *Death in Banaras* (Cambridge University Press, 1994), *Death and the regeneration of life* (Ed. with M. Bloch, Cambridge University Press, 1982), *Money and the morality of exchange* (Ed. with M. Bloch, Cambridge University Press, 1989), *The worlds of Indian industrial labour* (Ed. with J. Breman and K. Kapadia, Sage, 1999), *Institutions and inequalities* (Ed. with R. Guha, Oxford University Press, 1999), *Questions of anthropology* (Ed. with R. Astuti and C. Stafford, Berg, 2007) and *Industrial work and life: An anthropological reader* (Ed. with G. De Neve and M. Mollona, Berg, 2009).