

Policy Analysis beyond Development Economics: Questions for Labour Policy Analysis

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Part I

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Abstract

From 1940s onwards and well into the 1970s, labour policy had revolved around principles of tripartism and protection of labour rights; in contrast, from the late 1980s onwards, policy discourse sought to legitimise a shift from protection of labour rights to a deregulation of labour laws. Major shifts in labour policy agendas were key to changes wrought by economic reforms of the early 1990s.

Part I raises questions about how we may map the influence of and continuities in policy agendas and contexts. Is policy influence synonymous with implementation? Deviating from the dominant view within development economics, we argue that policy frameworks can have an enduring influence and impact quite apart from whether they are implemented. Additionally, this part also offers an account of tripartism as a founding structural motif in sustaining labour market dualism and determining the course of labour policy agendas in post-colonial India.

Part II offers a historically oriented focus on two key policy reviews of this period between 1966 to 2006, namely reports of first National Commission of Labour [1966-1969] and the Second National Commission of Labour [1999-2002]. The records and reports of both these Commissions are analysed here in conjunction with key parliamentary and political debates of the period pertaining to labour policy.

Keywords: Policy analysis; Labour market dualism, Liberalisation; Labour market reforms; Politics of knowledge

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Elaborated over a two-fold structure in Parts I and II, this paper seeks to contextualise and historicize labour policy in an effort to reorient the analysis of social policy in necessary ways beyond the terrain of development economics. This analysis is based on a larger study to read major Indian labour policy and education policy documents in tandem to delineate shifts in terms and categories through the key junctures in development/ planning agendas in the period between 1966 and 2010.

Comprising **Sections 1 to 3**, Part I draws on contributions from disciplines of history, political science, sociology and anthropology to development debates and structuring of state-society relations to elaborate a framework for qualitative analyses of policy documents. Section 1 considers how shifts in labour policy agenda were central to changing development priorities after the late 1980s even though labour market reforms were not addressed for a whole decade after reforms towards liberalisation of the economy. Against this, Section 2 raises questions about how we may map the influence of and continuities in policy agendas and contexts. Is policy influence synonymous with implementation, or must estimates of influence concede non-implementation as a part of the spectrum of possibilities in policy formulation? In other words, deviating from the 'commonsense' assumptions of development economics, we argue that policy frameworks can have an enduring influence and impact quite apart from whether they are implemented. Section 3 offers a brief discussion on tripartism as a founding structural motif in sustaining labour market dualism and determining the course of labour policy agendas in post-colonial India.

Comprising **Sections 4 and 5**, Part II offers a contextualised discussion of the FNCL and SNCL reports respectively. This paper offers a comparison of the Report of the FNCL and SNCL focussing on three aspects built around an analysis of the following elements in the two Reports : terms of reference, composition and inaugural address; working procedures

ranging from collection of evidence and responses through questionnaires, Study Groups, meetings, seminars, consultations with individuals and groups and ; nature, patterns and orientation of questions in questionnaire and other tools, methods of data analysis and overall structure and organisation of report. In commenting on the above aspects, in particular, our main interest is in tracking on how FNCL and SNCL regard labour market dualism and addressing the divide between the organised sector and unorganised sector. In the interests of conciseness, we frame the discussion trajectory of labour policy, post 1947, around three key, related themes : tripartism, rural/agricultural labour and the unorganised sector. Asserting that the influence or significance of these reports cannot be indexed by their mere non-tabling in Parliament, this enables us to foreground how the agenda of labour reform was built into and pushed through the working of the FNCL and SNCL.

1. Development Priorities, Labour Policy Analysis

We know planning priorities shifted from questions of employment within our earlier industrializing efforts to the emphasis on the 'right' to work within the later export-oriented, globalizing efforts. From 1940s onwards and well into the 1970s, labour policy had revolved around principles of tripartism and protection of labour rights; in contrast, from the late 1980s onwards, policy discourse sought to legitimise a shift from protection of labour rights to a deregulation of labour laws. Major shifts in labour policy agendas were key to changes wrought by economic reforms of the early 1990s. Yet, significantly, labour policy reform was not addressed directly as an object of reform agendas of the early 1990s initiated by a minority government headed by Narasimha Rao: as we know, the Second National Labour Commission was appointed only in 1999 by the BJP-led Vajpayee government in 1999.¹

Therefore, it is important to ask how these changed agendas in development agendas were articulated through policy documents. Further, within policy documents, was this done through changed categories, new conceptual referents and new terminology? Or were existing terms used in different ways to mark the changed context? Or were policy exercises accompanied by other strategies to alter the playing field to substantially modify the

¹Rob Jenkins, 'Labor Policy and the Second Generation of Economic Reform in India', *Indian Review*, Vol.3, 2004, pp.333-363.

objectives and means of achieving growth? Or did documents shuffle these strategies, in addition to others perhaps?

In recent decades, the field of policy analysis has been enriched by the emergence of several new perspectives that propel the analysis of policy beyond the confines of development economics²; explorations for the Indian context in these directions are yet to emerge. Again for India, within the domain of development studies, with a few notable exceptions, an engagement with the changing agendas of labour policy has come largely through the work of labour economists³. Analyses of labour market dualism, labour policy, and implications of development strategies on the workforce and livelihoods have thus been concerns addressed mostly within the niche of labour economics. Equally, however, the field of labour studies has been enriched by sustained engagement from labour historians. Political theorists writing on the postcolonial Indian state have reflected on the changing nature of state-society relations and dominance within the ruling coalitions through the decades between 1950s to 2000s⁴. This paper advances an understanding and analysis of post-colonial labour policy in India based on critical insights on shifts in development thinking from this array of literature.

The paper offers a historically oriented focus on two key policy reviews of this period between 1966 to 2006, namely reports of first National Commission of Labour [1966-1969] and the Second National Commission of Labour [1999-2002]. The analysis examines the above policy exercises in terms of the political context and public debates of the time. Records and reports of both these Commissions are analysed here in conjunction with key parliamentary and political debates of the period pertaining to labour. Furthermore, it pays attention to structural elements and key social and analytical categories that the reports work with. We note how previously-used categories give way to newer labels, or how the same category is assigned additional meanings and connotations to indicate new referents and dynamics, including nature of work and terms of employment. Why then is such a

² K. R. Shyam Sundar, 'Second National Commission on Labour: Not up to the Task', *Economic and Political Weekly*, Jul. 22-28, 2000, Vol. 35, No. 30; pp. 2607-2611; *Second National Commission on Labour (SNCL) and Reform of Industrial Relations System: Some Comments*, *Indian Journal of Industrial Relations*, Oct., 2006, Vol. 42, No. 2 (pp. 252-270).

³Ravi Srivastava, K.R. Shyam Sundar, Aditya Bhattacharya (2021)

⁴ Partha Chatterjee, 'Development Planning and the Indian State' in Chatterjee (ed), *State and Politics in India*, OUP, Delhi, 1998, pp 288-89; in ed. Zoya Hassan, *Politics and the State in India*, Sage, 2000; Partha Chatterjee, 'Democracy and Economic Transformation in India', *Economic and Political Weekly*, Vol. 43, No. 16, 2008, pp. 53-62.

comparative review of the reports two National Labour Commission in independent India pertinent and useful at this point?

In India, the post-Covid scenario has brought issues of migrant labour, informality and labour law reform into the limelight in the most dramatic fashion. Firstly, we recall as the migrant exodus unfolded with unrelenting grimness on national and international media, there was frequent mention of how the COVID pandemic had exposed the ‘invisibility’ of migrant labour to Indian planners and policy-makers. This reference to supposed ‘invisibility’ that was allegedly ‘exposed’ on account of the draconian lockdown was both startling and telling. The scale of informal employment and its wide-ranging consequences are glaringly obvious to anyone who has the slightest familiarity with urban Indian street-life. The very large proportions of the Indian work force in vulnerable employment both in absolute and relative figures, in comparison with other low-middle income countries, as Barbara Harris-White has observed, marks this as a ‘distinctively’ Indian pattern. In what precise sense then could India’s migrant workforce have been termed ‘invisible’? It is widely known that for nearly a decade now studies to classify economies according to the *degree* and *intensity* of their employment of informal labour based on global employment trends have shown India to be *at the top* of this global league table⁵. How do we understand the metaphor of invisibility when more than 90 % of the workforce is / has been in informal employment? And importantly, what is it a metaphor *for*? Given the high visibility of governmental interventions that claim legitimacy precisely on the grounds of providing support to vulnerable groups, what does it mean to propose policymakers have seemingly been ‘unaware’ of the conditions of work and survival affecting this overwhelming majority of the labour force.

Closely following the migrant exodus, in September 2020 three new Bills restructuring labour law, already in force as Ordinances since May 2020, were passed without discussion in Parliament. These three Bills consolidated existing labour laws in to three major codes: the Industrial Relations Code Bill, 2020; the Code on Social Security Bill, 2020; and the

⁵See Williams, C. C. (2017), ‘Reclassifying economies by the degree and intensity of informalization: the implications for India’ in eds. Ernesto Noronha and Premila D’Cruz, *Critical Perspectives on Work and Employment in Globalizing India*, Springer, Singapore, pp. 113–129

Occupational Safety, Health and Working Conditions Code Bill, 2020. The first of the four codes proposed by the government, the Code on Wages, was passed by Parliament in 2019. Although these labour law reforms had been mooted over a long while, they were now explained as necessary to bailing out the COVID-hit economy that needed revival. The government claimed these measures provide a transparent system to of incentives such as a leeway to hire and fire at ease, apparently needed to encourage investors to set up big factories that would bring in jobs. Such arguments of supposed labour market inflexibility as primary impediment to private investment and employment generation has been a strong ideological influence upon economic policy leading up to and since the reforms of 1991. Emphasizing this highlights how the migrant crisis and recent labor law reforms need to be seen not just as two discrete instances of the 'insensitivity' of the current regime. Rather the two events need to be read as manoeuvres indicating the government's estimation at the current juncture of optimal possibilities open to labour . Space constraints will not allow a full delineation here of continuities between current labour policy and its previous phases. However a reading that frames the migrant crisis and recent labor law reform as a conjuncture allows us to consider how current terms and scenarios were anticipated in earlier formulations of policy, and how later mutations were made possible by the ways in which previous configurations played out in practice.

2. Policy Contexts: Implementation, Influence, Continuities

Labour economists have valuably highlighted the contrast between the contexts within which the FNCL and SNCL were appointed and submitted their reports.⁶ Notwithstanding these changed contexts across a vastly changed socio-political scenario over three decades, it is possible argue that at many level the terms of reference of the Second National Labour Commission were prefigured within the analysis and recommendations of the First National Labour Commission. Even more significantly, the SNCL Report of 2002 submitted to the Vajpayee-headed NDA government anticipates the terms of reference and agenda of the NCEUS, announced soon after UPA government came to power in 2004⁷. Clearly, the ideological orientation of the NCEUS under Arjun Sengupta diverged vastly from the analytical

⁶ See K. R. Shyam Sundar, 'Second National Commission on Labour: Not up to the Task', *Economic and Political Weekly* , Jul. 22-28, 2000, Vol. 35, No. 30; pp. 2607-2611.

⁷NCEUS, Main Report Vol.1, *The Challenge of Employment in India: An Informal Economy Perspective*, 2009.

course charted by the SNCL. And yet, having been impelled to constitute the NCEUS to examine developmental issues relating to the informal sector including the agenda of social security, on submission of a total of nine reports from the four and half years of its work, no official/public response from the UPA government to the Commission's work and recommendations is on record.⁸

At one level, this manifest neglect of the Commission's work is akin to the official reception of the Reports of both the FNCL and SNCL in 1969 and 2002, respectively. Yet such continuities allow us to raise questions about the deeper logics embedded in the trajectories of policy discourse that extend beyond ideological differences espoused by particular governments and different regimes influencing policy-making. Acknowledging this is important as it enables consideration of two related issues related to policy review and change, and how they may be linked : continuities/ reproduction of policy frameworks and how this may be view with respect to the question of implementation or its lack.

Arguably, policy texts contain seeds of their own reproduction; importantly this indicates how policy frameworks can acquire a weight of their own. In other words, analytical frameworks underlying policy discourse lend their own momentum to complicate, deflect and shape social, political and economic processes in significant and interesting ways. This implies how policy frameworks can acquire a durability irrespective of their being implemented. Such durability derives from perspectives they promote that draw upon existing elite consensus as responses to specific junctures, whose acceptance among influential constituencies could well outlast the tenure of specific governments. Seeping thus into the wider public domain, policy perspectives can thus be leveraged to alter development priorities and objectives, acquiring an enduring influence even in the face of 'non-implementation'. We argue the course of labor policy in India is a classic example of this. In principle, non-implementation may even be part of the implicit agenda in setting up a policy review exercise. Therefore here

⁸Writing in October 2007, NCEUS member, K.P. Kannan noted: "The Report was submitted to the Government of India in May 2006. The Government considered the report in great detail through a series of discussions with all stakeholders. All the trade unions and similar organisations of workers in the informal sector have demanded a universal social security cover for such workers. Political parties have also supported such an initiative realising the collective mood that the workers in the informal sector should not continue as unprotected labour for long. Finally, a Bill for Social Security for Workers in the Unorganised Sector was introduced in the Parliament in September 2007 which has since been referred to a Parliamentary Standing Committee." See **Informal Economy and Social Security Two Major Initiatives in India**, https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/documents/meetingdocument/wcms_125979.pdf, accessed February 15 2021.

we focus on two policy reports – which going strictly by the record -- since submission were not tabled for discussion in Parliament, and thus by this yardstick were officially ignored, thus and remaining unimplemented⁹.

The conventional take in development economics is to attribute such non-implementation of policy recommendations to information or capacity failure, usually explained as a lack of political will. The dominant assumption thus is that policy exercises have their impact entirely and only via their implementation. However, from a broader social science or even a policy perspective, the question of non-implemented policies, or those put in cold storage, is a challenging one. Can the influence or relevance of policy documents be equated simply with their implementation record, or negated/dismissed by virtue of their non-implementation? There can be many reasons for non-implementation ranging from covert to valid. Similarly, the lack of discussion of policy documents in the public domain can hardly be sufficient grounds to write off the policy document as irrelevant or a failure. The trope of policy failure is as much both a powerful strategic and rhetorical tool as multi-dimensional category that needs to be unpacked. Firstly, lack of discussion and non-implementation are neither equivalent nor to be conflated. Further, lack of discussion or failure to implement is no mere coincidence; it occurs for unspecified, explained or poorly explained reasons. In other words, there may be good or bad reasons why the government chooses not to discuss, debate or implement. Therefore an implicit aim here is also to interrogate the links between formulation–implementation – influence. Within development economics, these linkages are posited as a straightforward, linear and instrumental forward connections. In raising these questions, we draw on Chatterjee [2000] for insights on planning as an institutional modality of political power exercised by the post-colonial Indian state, wherein the state empowered itself to simultaneously outside of the immediate political process.

Policy Analysis beyond Development Economics

Fundamentally development economics has modelled itself as a policy science, where formulation, analysis and conclusion/resolution of the research problem are circumscribed

⁹ See Parliamentary debate on acceptance and rejection of the FNCL report, Lok Sabha debates, Series-5, Vol.36, No.5, 1970, pp.101-102; P. B. Gajendragadkar, *To the Best of My Memory*, Bharatiya Vidya Bhavan, Mumbai, 1983; K. R. Shyam Sundar, *Second National Commission on Labour: Not up to the Task*, Economic and Political Weekly, Jul. 22-28, 2000, Vol. 35, No. 30; pp. 2607.

and closely identified with the policy imperative. The placement of research and policy objectives in a continuum within such a model imposes implicit contingent limits and conditions on analytical possibilities. Notably, by default, this ensures evaluation of both research problematic and policy exercise are subject to the yardstick of the same expert toolkit that development economics claims as its specialized prerogative. There is more to policy assessments/review beyond a cost-benefit analyses to evaluate if allocations have secured intended benefits. The closed circularity of such reasoning has led to untested propositions with restrictive consequences for an understanding and analysis of the policy process and outcomes. It is here that qualitative approaches have much to contribute. Take for instance, Krishna Kumar's reading [1996] of the Report of Kothari Commission (1964-66) as a reflection of the attempt by Indian English-speaking elites, impressed by US-inspired strategies of agricultural modernisation, to redefine educational priorities incorporating the elements of a 'scientific outlook' and an elementary school curriculum to make rural children more technologically open-minded¹⁰. Learning from such efforts to link policy agendas and documents to social and political processes on the one hand and the definition of national priorities, we have undertaken to focus on comparative review of the work of the First National Labour Commission and the Second National Labour Commission, whose reports were submitted in 1969 and 2002 respectively. In an effort to open up the field of policy analysis to broader frameworks and criteria of analysis, our study emphasizes the life-span of a policy-making exercise cannot be held synonymous with whether the policy document finds acceptance in implementation or not. If non-implementation happens for unexplained or poorly understood reasons, there are many lessons to be learned from policy exercises that are little-read, remain officially undiscussed or implemented. We return to this point briefly in the conclusion.

As planning objectives pursued after 1947 of an industrializing, import-substituting manufacturing economy prepared to make room after 1991 for an export-oriented service economy in globalizing mode, labour policy agendas underwent major changes. By now, there is a large literature analysing the successes or shortcomings of planning and economic policy and of the reforms of 1991. Some of the most noteworthy analyses have reviewed

¹⁰ See Krishna Kumar, 'Agricultural Modernisation and Education-Contours of a Point of Departure', *Economic and Political Weekly*, Vol. 31, Issue No. 35, 2018. pp. 2367-2375.

the economic reforms of 1991 from the vantage point of more recent scenarios.¹¹ Further, the institutional approach has led to a recent interest in the study of institutional sites such as the Planning Commission. However, there is still very little work that pays systematic and detailed attention to economic policy documents in our context.

Our method draws on new interpretive approaches to policy analysis that have emerged in recent decades that emphasise attention to the textual elements, linguistic and analytical categories, rhetorical features through which policy documents build their arguments. The emphasis in such an approach is on the study of categories and other organisational and internal structural textual features of policy documents. Furthermore, our approach is based on a belief that the contribution of social history, particularly, the work of labour historians have much to offer to an analysis of policy documents.¹²

3. Tripartism, Labour Market Dualism

Within the Nehruvian imaginary of social change propelled through economic planning, industrialization was the primary path to lead the nation out of poverty and its low agricultural productivity. Labour and education were key adjuncts to the goals of achieving increases in industrial output, national income and per capita income; these sectors would lead the social transformation that economic growth would bring through planning. Through this phase, social and industrial transformation was premised on approaches to labour based on principles of tripartism. Also the cornerstone of the specific model advanced by the ILO, tripartism in labour policy evolved as dialogue and cooperation between governments, employers and workers. Critically, within this specific version of the tripartist framework, only organised workers and employers were represented¹³. The constitution of this state-led tripartite model during the final years of colonial rule worked as a structuring filter and inbuilt safeguard for the state to engage with certain kinds of labour and employers relevant for

¹¹ Deepak Nayyar, 'Economic Liberalisation in India: Then and Now', *Economic and Political Weekly*, Vol. 35, No. 30, 2017, pp. 41-48.

¹² See Ravi Ahuja on labour policy and regulation in early colonial South India: Ravi Ahuja, 'The Origins of Colonial Labour Policy in Late Eighteenth-century Madras' in *International Review of Social History*, No.44, 1999, pp. 159-195. Also Prabhu Mohapatra on the use of law to hold down labour on plantations in the nineteenth century: Prabhu Mohapatra, 'Immobilising Labour: Plantation Labour in Assam and the British West Indies', (V. V. Giri National Labour Institute, 2004); K. D. Wielenga, 'The Emergence of the Informal Sector: Labour legislation and politics in South India, 1940-60', *Modern Asian Studies* 54, 2020, pp. 113-1148.

¹³ As Robert Cox noted, tripartism was the structural form enabled the ILO to emerge as "the expression of a global hegemony in production relations. At its origins in the making of the Versailles Treaty in 1919, the ILO was the response of the victorious powers to the menace of Bolshevism. By creating the ILO, they offered organized labor participation in social and industrial reform within an accepted framework of capitalism. Robert Cox, *Labour and Hegemony*, International Organization, Summer, 1977, Vol. 31, No. 3 (Summer, 1977), pp. 385-424.

production in the war economy. Simultaneously, tripartism successfully placed a crucial emphasis on the role of the state in the industrial relations machinery sought and in regulation of conditions of employment. Under this tripartite model, representation was confined to the most representative organisation of employers and employees. Such a choice privileged and supported the workforce in the organised sector, while simultaneously containing the spread of labour radicalism in organised industry.

Tripartism thus recognised and strengthened selected segments of the work force for administrative and legislative intervention by the state. In India especially, it was already clear through this early phase around World War II that workers in organised industrial establishments constituted only a very small minority. This foundational structure institutionalised through India's membership and participation in the ILO, the Indian Labour Conference [ILC] and other fora established by the Ministry of Labour thus excluded agricultural, cottage industry workers, a majority of whom were Dalits and women and not sufficiently organised section of workers to secure a direct representation in the ILC.

Furthermore, as we know, tripartism was in conceptual continuity with the tenets of the Lewisian model that was foundational to development economics. This model envisaged the interaction between the traditional subsistence sector and the modern capitalist sector that would exemplify the transition of a less developed economy from agrarian colonialism to modern industrial growth. Interestingly the soon-to-be-termed unorganized sector shared many characteristics of what in the Lewisian model was indexed as the subsistence sector, namely where labour is self-employed as in small family farms, petty trade, or domestic services. In the capitalist sector, enterprises—whether private or state—use reproducible capital, hire labour for a wage, and sell the product for a profit. The core trajectory of the relationship between the two sectors that Lewis projected was that when the capitalist sector expanded, it drew unlimited labour from the surplus reservoir in the non-capitalist sector at the existing wage rate. Here, employment in the capitalist sector was constrained only by demand, not labour supply. The embracing of social security for the organised workforce and tripartism as the structuring prism through which production relations would be ordered and regulated in the decolonised economy preceded the enlisting of the early Lewisian

model at the core of development theory. Both moves had simultaneous conceptual and institutional significance with deep structural ramifications.

In flagging the conceptual links between development, tripartism and informal/unorganized employment, we underline how the roots of the dualistic labor market are tied both to the basic tenets of development thought and to the institutional structures of planning through which the post-colonial state operationalized the development project. In addition to successfully placed the state at the centre of the industrial relations machinery and regulation of employment, tripartism also reinforced the bifurcation of the labour market into the dual sector model comprising a minuscule organised sector and an extensive unorganised sector. Cumulatively viewed, the adopted model of tripartism was a key conceptual tool and institutional site that helped subsequent demarcation of a domain where production relations could be simultaneously subject to state intervention and hegemonic resolution but through channels that were zoned off from the direct influence of representational politics. As an unpublished ILO study [Cox, Harrod et al 1972] found that the prevalent tripartite labour-management perspective shaping ILO practice world-wide, applied to only 9% of the world's labour force¹⁴. Recognising these moves clears the ground for a sharper understanding of the ways in which the deregulation of labour laws were proposed, legitimised and operationalised from the late 1980s onwards.

Agenda Shifts in FNCL and SNCL

The years 1964-67 marked a major political transition in the history of post-independence in India¹⁵. On the one hand, these years lead to food and financial crisis and the outbreak of political insurgency around the events in Naxalbari and fastracking of capital-intensive strategies of the Green Revolution on the other . The year 1966 saw two major landmark events relating to social policy : the Education Commission headed (1964-66) by Prof. Kothari submitted its report with recommendations towards modernization of education in line with the outcomes and challenges yielded by the progress of Nehruvian planning until then. The same year also saw the setting up of the first National Commission on Labour [FNCL] to review

¹⁴ A. Leysens, *The Critical Theory of Robert W. Cox*, Springer, 2008, p. 17

¹⁵Our reference here is to political and economic instability created is to Nehru's passing, the second war with Pakistan, Mrs. Gandhi's coming to power after Shastri's unexpected death in January 1966, successive drought years creating a food and financial crisis, all created conditions that on the one hand led to the devaluation of the rupee.

changes in conditions of labour and existing legislative and other provisions to protect the interests of labour. Its mandate was framed as an evaluation of labour policy in implementing the Directive Principles of State Policy in the Constitution on labour matters. The Commission submitted its Report in August 1969, the same month that saw the appointment of V.V. Giri, well-known trade union leader and former Labour Minister as President of India, now as Mrs. Gandhi's nominee.¹⁶

The liquidity crisis of 1990-91 and the impact of the Gulf war and rising oil prices on India's declining credit rating in international markets finds ubiquitous mention as the immediate cause for the policy shift towards the era of formal adjustment to global financial markets under Narasimha Rao's stint as Prime Minister heading a minority government. Liberalisation was inaugurated with a devaluation of the currency, rationalised as a step to boost exports and give Indian products a competitive advantage in the saturated consumer goods markets. For India, these were huge shifts with deep implications for social policy shifts : inevitably, these economic measures would mean lower wages and a decline in real income of the laboring poor. In contrast with the emphasis in the post-1947 decades on manufacturing and industrialised growth, the onset of economic liberalization marked a significant shift in labour policy agendas from protection of labour rights to a deregulation of labour laws. And yet, as livelihood prospects and conditions of work veered towards increasing precarity, this juncture underlined that core economic issues had remained unchanged since the late 1960s despite four decades of planning¹⁷.

India's economic reforms of 1991 were announced as part of the government's decision to opt for conditional credit from the IMF in response a collapse of India's foreign exchange reserves, generated by withdrawal of international credit and non-resident Indian (NRI) deposits in the context of the Gulf War. It was widely-accepted in policy circles that India's economy required many structural changes from the hitherto dominant approach of state-

¹⁶Giri had resigned as Labour Minister in August 1954. Although the immediate cause of his resignation was his disapproval of the government's handling of a banking industry labor dispute, Mr. Giri left little doubt that his real dissatisfaction was with more basic government labour policy. Specifically, his disappointment was his failure to get the Cabinet support for the reintroduction of the Trade Union and Labour Relations Bills into Parliament. See Van D. Kennedy, *The Conceptual and Legislative Framework of Labour Relations in India*, ILR Review, Jul., 1958, Vol. 11, No. 4 (Jul., 1958), pp. 487-505

¹⁷Equally, seemingly the earlier logic that development and economic opportunities would eventually lead to social and political equality has been now reversed; 1990s onwards, assertions of political and democratic equality have appeared as the precondition to groups eventually being able to access the fruits of development and growth.

led capitalism; in fact several such measures had been initiated through the 1980s. The immediate crisis over balance of payments was seen as a ripe opportunity to introduce wide-ranging reforms, now leveraged against structural adjustments called for by the decision to avail of IMF credit as a way out of the crisis. The wide-ranging reform package and further measures announced addressed the realms of trade liberalisation, industrial policy, financial liberalisation.

No direct announcements regarding labour and agriculture policies were included in this first generation reforms of the Indian economy¹⁸. Yet the changed modalities in trade, industry and finance had deep and far-reaching consequences for production and livelihoods across agriculture, the organised sector and unorganised sectors. Formally, labour market reforms were mooted through the report of the Second National Labour Commission (SNCL), submitted in 2002, a whole decade after reforms were initiated in 1991. However, it is important here to recall Pranab Bardhan's observations on the complicity between state and national governments, who simply looked the other way as employers disregarded existing labour laws as the Indian economy was being liberalized. Bardhan tellingly described this as a prime example of how economic reforms in 1990s had indeed been 'reform by stealth'¹⁹. Such methods to weaken labour laws over a decade in preparation for the agenda of the SNCL have been noted by other scholars too (Jenkins, 1999; Sundar, 2005). Further, as veteran labour anthropologist, Jan Breman noted, of the available options to end labour market dualism, effectively, the adopted strategy meant that India went down the path of adopting policy measures towards further *informalisation* of formal sector employment (Breman, 2001).

In this contexts, our approach builds on existing commentaries of the work of the First and Second National Labour Commissions of Labour²⁰ to offer an initial qualitative reading on how the working of these two Commissions reflect these shifts in contexts, priorities and agendas of economic planning. Our` focus is to understand how the shifts in the orientation

¹⁸See fn 1.

¹⁹P. Bardhan 'The Political Economy of Reforms in India' in Rakesh Mohan (ed), *Facets of the Indian Economy*, Oxford University Press, New Delhi, 2002.

²⁰Among others, K. R. Shyam Sundar, 'Second National Commission on Labour: Not up to the Task', *Economic and Political Weekly*, Jul. 22-28, 2000, Vol. 35, No. 30; pp. 2607-2611; Second National Commission on Labour (SNCL) and Reform of Industrial Relations System: Some Comments, *Indian Journal of Industrial Relations*, Oct., 2006, Vol. 42, No. 2, pp. 252-270; Anant, T.C.A. et al. (2006). *Labor Markets in India: Issues and Perspectives*, eds. Jesus Felipe, Rana Hasan, *Labour Markets in Asia: Issues and Perspectives*, Springer, Delhi, pp. 260-62.

of the state towards planning, industry, agricultural labour, workers in informal employments and social security find expression in the record of communications with the government bodies, chosen approaches and methodology, analytical elements within the report such as, among others, choice of categories, its internal structure, choice or arguments and scope of recommendations. A full consideration of the limiting implications of analysis based on the assumption that policy impact and influence are entirely to be examined through their implementation record is beyond the scope of this paper.

In this part we have elaborated on the insights a qualitative analysis through a comparative review of these two policy documents will offer. Such an exercise is important for the insights it holds on how structural divisions in the economy and labour markets were being conceptually viewed, mapped and assessed by expert bodies meant to guide policy on labour and livelihoods. Equally prior to and even independent of the potential impact through implementation, the analytical logic and categories and modes of reasoning/argument adopted in framing issues are of far-reaching consequences in shaping policy priorities, agendas and trajectories. These are important resources worthy of critical attention and analysis in tracing shifts in development priorities and modalities through which policy agendas are realised.

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