Wage sharecropping in Bt cottonseed production in Gujarat, India

Centre for Labour Research and Action
Ahmedabad, India

Arisa
the Netherlands
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Arisa sent a draft of this report to the cottonseed companies mentioned in it, asking for their comments. The comments of the companies have been integrated and summarised in chapter 7.

About

Centre for Labour Research and Action (CLRA)
The CLRA is a civil society organisation promoting workers’ rights in India’s vast informal sector economy. Primary focus areas are construction, brick kilns, agriculture, and the textile supply chain. Its vision is to build a society free from discrimination and to improve the lives of the workers in this sector, with a focus on seasonal migrants. It seeks to do this by supporting the organisation of workers, so they can negotiate their rights collectively. This is accompanied by research to document socio-economic profiles of workers, migration patterns, modes of recruitment, working and living conditions, and wage rates, and advocacy of the workers’ due entitlements, so that these workers are able to access them.

www.crla.in

Arisa (Advocating Rights in South Asia) is an independent non-governmental human rights organisation aiming to support and strengthen the defence of human rights in South Asia with local NGOs and trade unions. The work focuses on labour rights of vulnerable groups in international supply chains. To achieve this, Arisa has adopted the following strategies: strengthening cooperation and networking; knowledge building through research and focussing on specific thematic issues over a long period of time, and advocacy towards policymakers and companies. Arisa is an active member of networks such as the Stop Child Labour coalition, the Clean Clothes Campaign, the International Dalit Solidarity Network, and the Dutch CSR Platform.

www.arisa.nl

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List of Abbreviations

- Bt: Bacillus thuringiensis (cottonseed)
- CLRA: Centre for Labour Research and Action
- ECHO: Enabling Child and Human Rights with Seed Organisations
- GMO: Genetically Modified Organism
- HRDD: Human Rights Due Diligence
- OBC: Other Backward Class
- SC: Scheduled Castes
- SME: Small and Medium Enterprises
- ST: Scheduled Tribes

Glossary

- Adivasi: Indigenous population. The Indian State recognises such communities as Scheduled Tribes
- Acre: One acre is 0.4 hectare
- Bhag: The share of the yield
- Bhag-kheti: Wage sharecropping colloquially known as such across Gujarat
- Bhagiya or bhagiya mazdur: Wage sharecropper
- Dalit: Oppressed castes / Scheduled Caste (SC)
- Dalit Bahujan: A collective comprising communities that have been historically and socio-economically marginalised and its members who have been found working in the lowest rungs of the social system. The Indian State recognises and classifies such communities as SC and Other Backward Class (OBC).
- Khedut: Landowner/Farmer
- Lakh: As per the Indian numbering system, one lakh is equal to 100,000 (one hundred thousand)
- Mets: Labour contractors who were responsible for supplying migrant labourers from parts of Southern Districts of Rajasthan to the cottonseed farms located in North Gujarat.
- Quintal: Measure used widely across India to measure agricultural produce. 1 quintal is 100 kg
- Patels: Patels comprise of an upper caste community of landowning farmers in Gujarat. Bhagiya workers often colloquially refer to farmers as Patels.
- Saathi: Saathi system is a form of bondage where the worker is bound to work for the same family for years against meagre returns either received in kind or cash.

Exchange rate used: EUR 1.00 = INR 89.625 (Dec 4th, 2020)
Foreword

The textile supply chain is long and complex. From cottonseed production to cotton production, ginning, spinning, manufacturing and eventually recycling, with additional steps in between. Workers are involved in all parts of the textile supply chain. Hard working people who make it possible that cottonseed and cotton are grown, cotton textile and clothes are made and waste textile is recycled. In all these parts of the value chain, from seed to waste, various human rights and labour rights issues exist that need attention.

Arisa’s ambition is to unravel the South Asian textile supply chain and to gain insight in the labour and human rights issues in every step of this chain. To achieve this, we have performed a number of studies on labour conditions in cottonseed production, in spinning mills, garment factories, and in textile recycling. Unfortunately, issues like bonded and forced labour, child labour, health and safety problems, and discrimination based on gender and caste still occur in all these parts of the supply chain. See for example the reports Textile recycling unravelled of June 2020, Sowing Hope of June 2020 and the recent report on Forced labour in the Tamil Nadu spinning mills of May 2021.

For the underlying report, the CLRA conducted a qualitative survey of the cottonseed production as part of a larger research. This report is based on data collected in Gujarat, India, in the period August - October 2020. The result of the survey as well as the case stories presented in this report are intended to create awareness of the situation of workers at the start of the textile supply chain: the production of cottonseed.

This study took place during the COVID-19 crisis in 2020 and reveals once again the vulnerable position of many migrants and workers. Since cotton is the second most used material in textiles (after polyester) it is fair to assume the issues mentioned in this report do not only need the attention of the seed industry and its stakeholders, but also of all players involved in other parts of the textile supply chain.

It is a call for action, as we neither want companies to disengage from their suppliers and stop sourcing in India, nor public procurers to exclude India as a sourcing country in their tenders as a result of this report. We know the issues presented in this report will not be solved overnight, they require concerted efforts of companies, industrial associations, labour unions, civil society organisations, and local and national governments. We also know that the current COVID-19 crisis affects the way business is done. We are convinced this crisis can be used as an opportunity to implement the necessary changes to create sustainable supply chains with decent working conditions for all people working in these supply chains. We trust you will read this report with interest and use the information for further improvements. For any questions please do not hesitate to get in touch with Arisa.

Sudhir Katiyar, secretary CLRA
Sandra Claassen, director Arisa

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1 Background

The Indian State of Gujarat has the largest area under cottonseed production in India. Besides cottonseed production, the state is also one of the biggest producers of cotton in India. The downstream supply chain from cottonseed through ginneries and spinning mills to garment factories and shops is long and complex and consists of many actors. The figure provides a simplified overview of different parts within the cotton textile supply chain.

Field owners
Cottonseed farmers and labourers

Cotton farmers and labourers (pickers)

Ginners: separating cotton and seeds

Cotton fibre

Cottonseed oil

Edible oil value chain

Cottonseed companies: provide genetic material for seed production and buy and sell the seeds

Cotton traders

Pre- and postconsumer textile waste value chain

Cotton fibre trade companies

Yarn agents
Weaving/knitting mills, dye factories, garment factories

Agents, brands, retailers

Consumers

Thread production
Spinning mills

Figure 1: Cotton value chain

India is known to have the largest area under cotton cultivation in the world: 13 million hectares, which is approximately 41% of the world area under cotton cultivation. The domestic textile industry is one of the largest industries in the country and India consumes about 22% of the world’s cotton. Although it is difficult to find exact data, it is assumed that a large part of the cottonseeds produced in India is used to grow cotton in India.

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4 Ibid, page 23
5 The website https://www.tridge.com/intelligences/cotton-seed/IN indicates that cottonseed is exported from India, but not imported into India. Based on these data we could assume that cotton produced in India is based on seeds produced in India (last accessed 26 April 2021).
In 2019, CLRA published a research study that focussed on child labour in Bacillus thuringiensis (Bt) cottonseed production in North Gujarat and South Rajasthan.

According to the study, Gujarat has around 25,000 hectares of cottonseed growing area. Twenty-five to thirty (25-30) national companies and multinational corporations share the majority of the cottonseed market in this western state of India, of which 12-15 large-scale corporations have almost 70 percent market share (CLRA 2019).

Cottonseed production is a labour-intensive process involving many migrant agricultural workers. Arisa’s report ‘Sowing Hope’ (Venkateswarlu, Davuluri (2020)) examines the recent trends in the employment of children and the issue of below minimum wages in hybrid seed production in India. The current study focuses on the widespread practice of bhag-kheti, translated into English as wage-sharecropping, in the Bt cottonseed production in North Gujarat.

This report shows the results of a survey among 14 bhagiya workers and their families, of which five are studied in-depth and described in case stories. The study grounds itself in the narratives documented in the 2020 monsoon period (August-October) through conversations with bhagiya workers during field visits in the source areas of the migrant workers (Kotda, Udaipur, Rajasthan) and the destination area where the cottonseed plots are located (Banaskantha, Gujarat). These narratives are further supplemented with findings and observations to provide the reader with a picture of the practice of bhag-kheti, the details of the arrangement, and the conditions of the wage sharecroppers in the Bt cottonseed production.

1.1 Bt Cotton in India

Cotton is known for its susceptibility to pests, the boll weevil (Anthonomus grandis) (also often referred to as bollworm) being a notorious one. A genetically modified seed, Bt cotton, was developed to be resistant to the boll weevil in particular. Bt cottonseeds cannot be reused without major yield reductions, which leaves Bt cotton growers with no choice but to repeatedly purchase new seeds every season.

To meet the demand of Bt cotton in the country and abroad, the Bt cottonseed production was officially introduced in India in 2002-2003. Given that organisms are adaptive and evolutionary by nature, boll weevils have started to develop resistance against the Bt gene. Consequently, farmers have to spend an additional amount on pesticides to control the pests, which puts them in debt. Farmer suicides, among other things due to these debt spirals, are often reported in the media in India.

At present, around 93 percent of the total area under cotton production in India grows Bt hybrids⁶, while the remainder mostly grows the indigenous or desi variety and other hybrids⁷. Bt cottonseed production currently occurs in the states of Andhra Pradesh, Telangana, Tamil Nadu and Karnataka in Southern India, and in Gujarat and Rajasthan in Western India.

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⁶ The term hybrid is used when referring to Genetically Modified Organism (GMO) cotton.
Around 98 percent of the total cottonseed produced and marketed in India is managed by private parties. According to our research, the top five leading Indian cottonseed companies are: Nuziveedu Seeds, Rasi Seeds, Kaveri Seeds, Ajeet Seeds, and Bioseed. Together they control more than 50% of the total cottonseed production area in India. Other companies at national level are: Tulasi Seeds, Ankur seeds, Tierra AgroTech, Krishidhan seeds, Ganga Kaveri, Meta-helix, Nath seeds, Seed Works, Vikram seeds and Greengold seeds. Bayer is the only European based multinational corporation that operates in the cottonseed production sector in India. The companies mentioned here received a draft copy of the report for review. Their reactions are summarised in chapter 7.

Besides the negative side-effects on the environment and health, the deplorable conditions among workers and the presence of trafficked children working in cottonseed production have been documented in various studies (e.g. Banday and Chakraborty (2019)); Dakshin Rajasthan Mazdoor Union (in Mckinney (2013)).

The pressure on Indian and multinational cottonseed producing companies to take action against these gross violations of human, child’s and workers’ rights is mounting. However, as this study shows, the plight of vulnerable people working to produce Bt cottonseed remains deplorable.

1.2 Seed Production

The seed companies produce seeds by engaging organisers who, through their agents, contact farmers highlighting the salient features of their seed. The price of the foundation seeds sold to the farmers is decided by the companies, not by the government. Some companies stated that they do not charge the farmer for the foundation seeds (240 grams of which are male and 560 grams are female seeds per acre). However, the farmers do not have adequate knowledge of the characteristics of foundation seeds they are producing.

Once the cotton pods are produced by the farmers, these are sent to the ginning mill where the seeds are separated from the cotton. The cottonseed that is separated during the ginning process consists of residual cotton called cotton lint. The seed production is about 64% while the cotton production is 36%. The all-India production of seeds is 45-50 million packets of 450 gram each, which works out to 25000 tonnes per year.

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8 Tierra Seed Science and Tierra Agrotech both are wholly owned by Grandeur Products Ltd., a listed company in Bombay Stock Exchange. Tierra Seed Science was founded in 2012 as a pure research and technology licensing company and Tierra Agrotech was founded in 2013 as a seed production, processing, sales and marketing company. We mention Tierra Agrotech Pvt. Ltd. here as this is the company that enters into agreements with Seed Organisers/Producers.

9 In 2002, Monsanto partnered with Mahyco (an Indian seed company) in a 50:50 joint venture to introduce Bt cotton technology and commercialised its production in India. Mahyco and Monsanto Investments India Pvt. Ltd (MIIPL now Bayer Group of Companies), monopolised and sub-licensed the commercial use of the so-called BG-I and BG-II technologies to more than 45 Indian seed production companies, solely for the Indian market (Mahyco Monsanto Biotech, 2020).

10 Foundation seed, also known as basic seed, is the descendent of breeder seed and is produced under conditions that ensure maintaining genetic purity and identity. When foundation seed is produced by an individual or organisation other than the plant breeder, there must be a detailed and accurate description of the variety for the foundation seed producer to use as a guide for eliminating impurities (‘off types’) during production.

11 One acre is 0.4 hectare.

12 Cotton lint is what goes to the spinning mills to make yarn (fibre). See also figure 1 on page 6.
2 The Practice of Wage Sharecropping in Bt Cottonseed Production

Traditionally speaking, bhag-kheti or wage sharecropping is a practice particular to the state of Gujarat. This arrangement entails that a family unit receives a cash advance when it agrees to perform manual labour on a landholding, usually for ten to twelve months, for a fraction of the yield. During this period, the wage sharecropper or bhagiya has to bear the cost of all kinds of manual agricultural labour on a landholding. As a result, the bhag-kheti practice emerged as a means of deployment of agriculture labour on the farm. It replaced the earlier system of employing a full-time farm worker known as saathi, prevalent in many areas of Gujarat. The saathi system was a form of bondage, in which a worker was bound to work for one landowner or a big farmer for years on end, for very low wages. The bhag-kheti practice can also be perceived as a form of bondage, in which bhagiyas are employed against advances and are then required to work the entire year without regular payment of wages.

Bhagiyas [wage sharecroppers] are employed against advances and are then required to work the entire year without regular payment of wages.

While the bhag-kheti system has been in practice for decades across Gujarat in other cash crops, earlier studies made no mention of it with regard to cottonseed plots. The difficulty in directly accessing labour from tribal hinterlands could have induced farmers to also offer cottonseed plots to be included in the arrangement with their bhagiyas.

This is how the large farmers integrated cottonseed production into the practice of wage sharecropping, which entails that the bhagiya families are now engaging in the cultivation of cottonseed production in addition to cash crops such as cotton fibre, groundnut, castor, wheat, spices (e.g. cumin seeds, coriander seeds, turmeric), vegetables, fruits and flowers, sorghum, millets, and maize. The landowner, colloquially referred to as the khetud, is responsible for providing input for the entire period of the agricultural year, such as the irrigation facility, farming equipment, seeds, fertilisers, and pesticides. During the tenure of the agreement, the bhagiya and their family members live on the landholding in a temporary shelter, often located in the fields adjacent to where the water pump for irrigation is installed. This often means that the bhagiya and their families have access to water for various purposes (not necessarily for drinking water) and electricity, while other basic amenities largely remain absent. Besides performing agricultural labour on the landholding, the family unit is often also required to run errands and perform domestic chores for the landowner. These tasks may include tending to the draught animals and performing various chores as demanded by the landowner - all of which is largely unpaid work.

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44 Maize is grown only in the hilly parts of Banaskantha (Danta, Kankrej, and Shihori) and Sabarkantha (Idar, Vadali, and Khedbrahma)
2.1 Understanding the Community of Bhagiyas

For decades, the members of tribal and historically disadvantaged communities have been migrating to non-tribal areas and working on landholdings owned by upper caste privileged groups, to work as long-term agricultural labourers across the various parts of the state of Gujarat.

This demographic group consists of communities that have historically remained on the margins of the economic-social system, such as the indigenous or Adivasi communities, also called Scheduled Tribes (ST) and the Dalit Bahujan communities, classified by the Indian government as Schedules Caste (SC) or Other Backward Class (OBC). Due to the lack of ownership or access to social and economic capital required to have a secure livelihood in their respective origins of migration, the members of these communities undertake interstate or intra-state migration and engage in agricultural labour agreements such as the wage sharecropping or bhag-kheti system.

The origin of these workers is usually traced back to the contiguous tribal belt that the state of Gujarat shares with the three neighbouring states. The group of bhagiyas who undertake cottonseed production in this survey are both interstate, intra-state, and sub-district migrants.

The members of these communities seek wage sharecropping for various reasons. Reasons reported by the respondents during the field visits include the lack of sustainable livelihood alternatives, shrinking landholdings, unfertile landholding, discrimination, and the lack of a varied skillset to be employed in other sectors, such as construction and industry. These reasons combine to aggravate and compound their socio-economic vulnerabilities as a group. As recounted by the bhagiyas themselves – they believe they have no other option but to work either as short-term casual agricultural workers or long-term bhagiyas - since the skillset they possess is only relevant to the agricultural process. The long-term agricultural workers are found to migrate for more than one consecutive agricultural season, often spanning 10-12 months; while the short-term agricultural workers migrate only during the peak seasons when demand for additional labour on farms is often required for 30 to 40 days.

2.2 Methodology of this research

This research is a qualitative research with some quantitative data. The team used purposive sampling to identify the respondents and households for the study. The field researchers used structured interviews to canvass the details pertaining to the bhagiya/respondents’ families, the working and living conditions, the agricultural arrangements pertaining to various crops, access to basic amenities, access of state sponsored services of health and nutrition, and incidence of violence faced by the family in their destination of migration. The researcher contacted the respondents through a network of grassroot organisations that have worked among the migrant workers engaged in bhag-kheti. The ongoing COVID-19 pandemic adversely affected the reach of the investigator - many respondents were hesitant to engage in a discussion with the field researcher. Guided conversations helped the researcher to document case studies that detail the life and the uncertainty of working as a bhagiya in cottonseed production.

CLRA’s decade long experience in working with the migrant workers of South Rajasthan who find work...
in North Gujarat helped the research team to arrive at the field locations across the Blocks of Kotda (Udaipur District, Rajasthan), Danta, Deodhar and Kankrej (Banaskantha District, Gujarat) (as depicted in the map below).

Fourteen households that undertake cottonseed production in the districts of Sabarkantha and Banaskantha in Gujarat were interviewed. The interaction with these families became the basis of the case stories that detail various nuances of a life of a bhagiya in this sector. This research took place from mid-August to October 2020.

Map 1: Areas in which wage sharecropping takes place for the Bt cottonseed production in the Northern districts of Gujarat - showing origins of migration.

Area where bhag-kheti is practiced

Areas where bhagiyas originate from

3 Main findings

3.1 Basic Data

Of the 14 households that were mapped during the research period, four families were in Kotda (Rajasthan), that forms the essential location as the origin of migration for the workers - both long-term migrants (such as bhagiyas) as well as short-term casual agricultural workers during the peak season of cross-pollination and harvesting. The other ten households documented come from areas within Gujarat: Danta, Deodhar, and Kankrej (three families each in each block) and one family from Shihori in Banaskantha.

The Kotda workers migrated for bhag-kheti to the nearby district of Sabarkantha. Danta is a primarily tribal cluster in Banaskantha district with significant non-tribal population. The workers here have undertaken sharecropping within the cluster only at nearby non-tribal farms. The Deodhar and Kankrej Blocks together form another cluster in Banaskantha district. This used to be a major centre of cottonseed production. The bhagiyas here belong to local Dalit communities.

Of the fourteen households surveyed, four households undertook interstate migration when they travelled from Kotda, Rajasthan to Idar in Sabarkantha, one household from Shihori (in Kankrej) undertook sub-block migration to Kankrej, three households migrated within the district in Danta, Banaskantha, while the rest of the six households (three each in Kankrej and Deodar) were found to be working within the same village on the lands of the upper caste non-tribal households.

Table 1: Main characteristics respondents

<table>
<thead>
<tr>
<th>Field locations</th>
<th>No. of households</th>
<th>Type</th>
<th>Type of migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotda, Udaipur, Rajasthan</td>
<td>4</td>
<td>Scheduled Tribe</td>
<td>Interstate</td>
</tr>
<tr>
<td>Shihori, Kankrej, Gujarat</td>
<td>1</td>
<td>Not specified</td>
<td>Intra-state/Sub-district</td>
</tr>
<tr>
<td>Danta, Banaskantha, Gujarat</td>
<td>3</td>
<td>Scheduled Tribe</td>
<td>Intra-state/Sub-district</td>
</tr>
<tr>
<td>Kankrej, Banaskantha, Gujarat</td>
<td>3</td>
<td>SC and OBC communities</td>
<td>Intra-state/Sub-district</td>
</tr>
<tr>
<td>Deodar, Banaskantha, Gujarat</td>
<td>3</td>
<td>SC and OBC communities</td>
<td>Intra-state/Sub-district</td>
</tr>
</tbody>
</table>

The households were composed of a total of 77 members, consisting of 39 women and 38 men; 60% reported as being illiterate, 25% had completed primary schooling, 9% had completed middle school. One respondent was a graduate and one had taken a short-term course in Industrial Training.

56% workers were in age group of 19 to 55 years, 21% were in the age group of 7 to 18 years, eleven children were below the age of 7 years and seven members of the family were above the age of 55 years.
From the 77 family members surveyed during the period of research, only 22 family members stayed home. Of the four families mapped in Kotda, four members of the household (two in each family) stayed behind to take care of the homestead, while their household members migrated to Idar, Sabarkantha. Amongst the six households who undertook wage sharecropping within their own villages in Kankrej and Deodhar, 18 members of the households stayed at home (or did not work as part of the wage sharecropping arrangement) and worked at their homesteads or were engaged in other kind of labour. Among the people who stayed back, eight members were below the age of 14 years and six members were above 55 years of age.

Both the landowners and the bhagiyas rely on these familial and friend networks to provide information regarding the reputation and integrity of the other party.

As reported by the respondents, the share of the harvest offered depends on the norm of the region. A share or bhag of one-fifth of the yield of the cottonseed production seemed to be the practice across the region. The five families that migrated to interstate (to Idar) or sub-district were found to be working for a share of one-fifth of the yield. Variations were found in the bhags among the respondents who found work in the same village in the Blocks of Kankrej and Deodhar in Banaskantha. Two bhagiyas worked in Kankrej for one-seventh share and one bhagiya for one-fifth; on the other hand two bhagiyas worked for one-seventh of a share and one bhagiya for one-sixth a share. The two families from Danta work for a quarter of the yield.

When the research team enquired about the reasons behind the prevalence of such variation within the same villages, the respondents explained that if the landowner was unable to find a wage sharecropper, he would offer a higher proportion. However, the variation of one-seventh and one-sixth was observed only for the cottonseed crops. The same bhagiya households were to receive one-fifth of the yields of the other crops.

When the bhagiyas agreed to work for one-seventh of the yield of the cottonseeds, the arrangement entailed that the bhagiya only invested their and their families' labour, leaving all the input including wages for the additional labour employed during the peak season to be paid for by the landowner. The same households cultivated other crops for one-fifth of the share under the same conditions.

The rest of the respondents worked for one-fourth, one-fifth, and one-sixth of the share for cottonseed as well as other crops, but this entailed that the bhagiyas would bear the same corresponding share for cost of the additional labour, the cost of other inputs would be borne by the landowner.

One-half share in the Bt cottonseed production in wage sharecropping was a rare occurrence. One respondent who hailed from Danta was found working in a nearby village in the same block for 50% share of the output of the cottonseed, while he cultivated other crops for one-fifth of the yield. The respondent explained that this entailed that the bhagiya would contribute to the cost of inputs such as the cost of seeds, fertilisers, pesticides, and water irrigation bills in addition to paying for all the cost of agricultural labour, and thus was entitled to half the share in the yield - this arrangement was limited only to the cottonseed production.
This clearly shows the many layers of complexity of the *bhag-kheti* system in cottonseed production. The arrangement can vary from one landowner to the next within the same village.

The table below attempts to give the reader a glimpse of the annual accounts of the *bhagiya* worker. These are based on estimates reported by the respondents regarding their share for each crop, acreage of each crop, production, market rate, labour costs they had incurred during the period for each crop, advance received at the start of the agreed period, travelling expenses incurred, and allowances for groceries. Since the wage sharecropping arrangement entails that the landowner pays the wages to the additional labourers at the time of need, the *bhagiya* is informed of the consolidated amount of wage labour only when the accounts are settled.

Table 2: Net Income of the respondents from July 2019-April 2020

<table>
<thead>
<tr>
<th>Resp. no</th>
<th>Name of respondent (after change)</th>
<th>Destination of Migration</th>
<th>Yield from the crops</th>
<th>Gross Income</th>
<th>Labour Wages</th>
<th>Advance</th>
<th>Allowance</th>
<th>Travelling Expenses</th>
<th>Total Deductions</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ramesh</td>
<td>Idar, Sabarkantha</td>
<td>Cotton: 14400</td>
<td>34400</td>
<td>24000</td>
<td>15800</td>
<td>20000</td>
<td>6000</td>
<td>65800</td>
<td>-31400</td>
</tr>
<tr>
<td>2</td>
<td>Ranjan</td>
<td>Idar, Sabarkantha</td>
<td>Crop 2: 12800</td>
<td>73980</td>
<td>0</td>
<td>20000</td>
<td>15000</td>
<td>55000</td>
<td>18980</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Pravesh</td>
<td>Idar, Sabarkantha</td>
<td>Crop 3: 5100</td>
<td>61600</td>
<td>50000</td>
<td>25000</td>
<td>20000</td>
<td>6000</td>
<td>101000</td>
<td>-39400</td>
</tr>
<tr>
<td>4</td>
<td>Prabal</td>
<td>Idar, Sabarkantha</td>
<td>Crop 4: 18000</td>
<td>61600</td>
<td>50000</td>
<td>25000</td>
<td>20000</td>
<td>6000</td>
<td>101000</td>
<td>-39400</td>
</tr>
<tr>
<td>5</td>
<td>Anil</td>
<td>Danta, Banaskantha</td>
<td>Crop 5: 9600</td>
<td>61600</td>
<td>50000</td>
<td>25000</td>
<td>20000</td>
<td>6000</td>
<td>101000</td>
<td>-39400</td>
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<tr>
<td>6</td>
<td>Mahesh</td>
<td>Danta, Banaskantha</td>
<td>Labour Wages: 0</td>
<td>33450</td>
<td>20000</td>
<td>16000</td>
<td>8000</td>
<td>54000</td>
<td>18980</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Makhiya</td>
<td>Danta, Banaskantha</td>
<td>Advance: 50780</td>
<td>33450</td>
<td>20000</td>
<td>16000</td>
<td>8000</td>
<td>54000</td>
<td>18980</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Kailashji</td>
<td>Deodar, Banaskantha</td>
<td>Allowance: 0</td>
<td>50780</td>
<td>32000</td>
<td>5000</td>
<td>6000</td>
<td>81000</td>
<td>-30220</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Thakor</td>
<td>Deodar, Banaskantha</td>
<td>Travelling Expenses: 0</td>
<td>50780</td>
<td>32000</td>
<td>5000</td>
<td>6000</td>
<td>81000</td>
<td>-30220</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Suresh</td>
<td>Deodar, Banaskantha</td>
<td>Total Deductions: 0</td>
<td>50780</td>
<td>32000</td>
<td>5000</td>
<td>6000</td>
<td>81000</td>
<td>-30220</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Babban</td>
<td>Kankrej, Banaskantha</td>
<td>Net Income: 50000</td>
<td>50780</td>
<td>32000</td>
<td>5000</td>
<td>6000</td>
<td>81000</td>
<td>-30220</td>
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<tr>
<td>12</td>
<td>Shivaji</td>
<td>Kankrej, Banaskantha</td>
<td>14000</td>
<td>8000</td>
<td>22000</td>
<td>0</td>
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<td>20000</td>
<td>90000</td>
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</tr>
<tr>
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<td>Karamshil</td>
<td>Kankrej, Banaskantha</td>
<td>18743</td>
<td>34743</td>
<td>0</td>
<td>40000</td>
<td>0</td>
<td>0</td>
<td>40000</td>
<td>-5257</td>
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<tr>
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<td>Brahmaji</td>
<td>Kankrej, Banaskantha</td>
<td>18743</td>
<td>34743</td>
<td>0</td>
<td>40000</td>
<td>0</td>
<td>0</td>
<td>40000</td>
<td>-5257</td>
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</table>

This clearly shows the many layers of complexity of the *bhag-kheti* system in cottonseed production. The arrangement can vary from one landowner to the next within the same village.
The table above clearly shows that 9 out of the 14 surveyed families end up with a debt as opposed to an income at the end of a season. For five families this debt is more than INR 30,000 (EUR 335)\(^{16}\), which is around 100 days of work for an unskilled agricultural labourer. In the next paragraph we will dive deeper into the situation of five bhagiya families.

**3.2. Case Stories**

Besides the basic data collected from the 14 families, five families were interviewed in-depth. The following is a description of the situation of these five bhagiya workers and their families.

**3.2.1 Ramesh and Mahendra: no income during the hard COVID-19 crisis**

The field researcher met Ramesh (respondent no 1 from the table above) and his father Mahendra at their residence in Rajpur village in Kotda block (a region known to be dominated by the indigenous people) in South Rajasthan. Ramesh, who is 52, has worked as a bhagiya worker for the last 16 years. Mahendra explains that his son migrates for work every year to the bordering district of Sabarkantha in Gujarat. So far, Ramesh, his wife and a few fellow workers of the village have worked with Patels\(^{17}\) in different villages of Idar Block. During the discussion Ramesh reports that the family had some ancestral land, but since this land was uncultivable, he was forced to migrate and work for wages to ensure a basic livelihood. Ramesh: “Though I have ancestral land, it is not enough to sustain my family. We therefore have to fall back on performing agricultural labour. We are forced to migrate to other parts of Gujarat for work.” Ramesh further divulges how he was unable to find any sustainable alternative in the vicinity of his village that can ensure the survival of his family. He and his family members have no option but to migrate. Out of the eight members in Ramesh’s family, he and his wife have been bhagiya workers for more than a decade and a half.

Ramesh recounted that in May 2019 he connected with a Patel in Idar Block in Sabarkantha District of Gujarat through the network of his fellow villagers (who were bhagiyas themselves). After a few rounds of discussion over the phone concerning terms and conditions, Ramesh decided that he would undertake the work of bhagiya with this landowner after the latter agreed to make an advance payment of INR 15,000 (EUR 168) to the respondent. Ramesh and his wife migrated to Idar for this work.

The landowner offered 8 acres of his land for wage sharecropping for a year - with one-fifth of the yield as the bhagiya’s share. It was agreed upon that the bhagiya would bear the cost of all the manual labour that would be employed during various agricultural processes throughout the year. Ramesh reported that there was no written contract between the landowner and them, rather he exclaimed, - “the khedut stated the terms and we agreed.”

Ramesh further elaborated how in the past year, he first planted Bt cottonseed in a 1 acre plot, which yielded 160 kg Bt cottonseed and produced about 200 kg of cotton. Along with this, he also cultivated

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\(^{16}\) Exchange rate used: EUR 1.00 = INR 89.625 (Dec 4th, 2020)

\(^{17}\) Patels consist of an upper caste community of landowning farmers in Gujarat. Bhagiya workers often colloquially refer to farmers as Patels.
Seeds of Oppression

During this period, he sometimes accompanied the landowner to the market to sell the crop, only so that he could load and unload the truck used to ferry the yield. During this period, Ramesh reported that he and his family had to reside on the farmland, in a temporary structure with basic electric facilities. Apart from this, there were no other facilities or amenities available to the family.

When he was asked about the settlement of the accounts in general and his share for Bt cottonseed in particular, Ramesh stated that he received no returns for the first crop. To clarify this, he explained that in addition to the advance of INR 15,000 (EUR 168) that he had borrowed before beginning the work, he was informed by the landowner that he had also incurred an expenditure of INR 20,000 (EUR 223) for groceries during the period of the stay. While he was at the destination of their migration, he and his family were often dependent on the landowner for cash. Thus, in addition to the advance amount that the respondent had borrowed at the start of the agreement, he also borrowed additional sums throughout this period for his daily expenses and medical contingencies. These borrowed sums were settled at the end of the year, when the landowner would finalise the accounts, set out the share accruing to the bhagiya across various crops cultivated during the period after deducting the borrowings made, and the labour cost he incurred on behalf of the bhagiya. In addition to INR 20,000 (EUR 223) for groceries and the advance amount of INR 15,000 (EUR 168), the landowner had paid INR 24,000 (EUR 268) to the labourers during the cottonseed production cycle. To this, the landowner also added the travelling fare of INR 6,000 (EUR 67) and INR 800 (EUR 9) that Ramesh had borrowed for medicines. At the time of clearing the accounts, the landowner informed Ramesh that he owed him a sum of INR 65,800 (EUR 735). When the landowner adjusted this amount against the share of the harvest of cottonseed accrued to Ramesh, he informed him that there was nothing left for him to take back home. In fact, he has a debt of over INR 30,000.

On the question if Ramesh had maintained the accounts of the expenses incurred or whether he tried to clarify the accounts with the landowner, he answered that in bhag-kheti, the landowner often exerts a lot of pressure on the wage sharecropper. And often the landowner’s word is the last word on any matter. The wage sharecropper and his family are bound to do everything the landowner demands. Ramesh added that apart from the farming work, his family is responsible for tending the cattle of the farmer, cutting and storing the fodder, crop residue and harvest, performing household work when demanded by the landowner, and so on; a practice that is common across the area and as a result is considered an unspoken part of the agreement. No wages were paid in lieu of this work.

During the discussion on the pandemic and how it affected his family, Ramesh recounted how in the month of March 2020, after the festival of Holi, it was through the landowner that he first learnt about the outbreak of the pandemic. The landowner informed him that there was an outbreak of a disease in the country, which was known as Corona. Hearing this, Ramesh and his wife became extremely anxious on what this might mean for them. Furthermore, he informed the respondent that since the lockdown was about to be imposed soon, he, along with his wife, should return to their home in Rajasthan immediately. The landowner lent him about INR 1,000 (EUR 11) for the travelling fare. The moment the respondent returned home, the lockdown was imposed. However, because Ramesh was forced to leave in haste, he was unable to settle and clear his accounts for the rest of the crops. Ramesh explained that after he came back, he called the landowner several times to enquire how much his accrued share from the rest of the cultivated crops was. Ever since his return in March 2020, each time Ramesh called the landowner, he was assured that he would be informed about his share once the landowner had calculated and finalised the accounts.

And often the landowner’s word is the last word on any matter. The wage sharecropper and his family are bound to do everything the landowner demands.
In September 2020, when the field researcher met Ramesh, he was still awaiting the call from the landowner to get his share, but as the days pass by, his hope of getting the fruit of his hard work is further eroded.

3.2.2 Crop failure plunges Brahmaji into a cycle of debt

Brahmaji (no 14 in the table above) belongs to the Thakor caste, a backward community in Gujarat. The landless Brahma is 46 years old and he, along with his family of four, has been solely dependent on wage sharecropping for the last 15 years. Brahmaji resides in Jaganiwas village in Kankrej Block in the Banaskantha district of Gujarat. Brahmaji and his family worked with a Patel to repay a debt of INR 70,000 (EUR 781). The family was living in a temporary structure with meagre amenities, erected on the farmland. Brahmaji was cultivating Bt cottonseed on a 2 acre plot. He shared that there were four more workers from Rajasthan who worked as bhagiyas on the same plot.

Unlike Ramesh, who migrated from Rajasthan, Brahmaji undertook sub-district migration. The researcher asked him whether his children were enrolled in schools in his village of origin. To this, Brahmaji answers only after much deliberation and then states that since he has no means to educate his children back home, he is unable to provide education to all of them. Furthermore, since he and his family are dependent on bhag-kheti, this means that his family including his children are required to migrate for work every year. He is able to enrol his youngest daughter, who is 13 years of age, into a government school in Kankrej, albeit with great difficulty. However, due to COVID-19, her education has been disrupted and at the moment she contributes by working with her family in agricultural work. Brahmaji shared he had taken a loan of INR 70,000 (EUR 781) in May 2019 from a village khedut, for the payment of old debts. To repay this debt, he had agreed to work as a bhagiya for one-fifth share of the harvest. In June 2019, Brahmaji along with his family of four began working for this landowner. As per the oral agreement, Brahmaji was to cultivate Bt cottonseed on 1.6 acres, millets on 0.8 acre and a castor9 crop on 1 acre.

Brahmaji elaborates on what the life of a bhagiya entails for him and his family. He describes that once a prospective bhagiya and landowner have entered into a bhag-kheti arrangement, the entire responsibility of the success or failure of the crop befalls on the bhagiya. In terms of the work, Brahmaji explains that the bhagiya and his family’s work burden greatly exceeds the return in this kind of agricultural arrangement. He continues to share candidly that the family are only able to afford their upkeep and are often unable to save anything to secure their future. Additionally, if there is any kind of loss, the farmer shifts the liability and the economic loss onto the bhagiya. “As if the farmer only shares when there is a successful harvest but does not partake in any risk or share in any losses” Brahmaji exclaims.

To understand why Brahmaji was forced to take an advance amount of INR 70,000 (EUR 781), he explains how earlier in the year 2019 his crop of Bt cottonseed was lost due to an outbreak of a certain disease, when he was working with another landowner. The aforementioned disease caused the flower to fall off prematurely before it could be cross-pollinated and in turn led to the entire crop being lost. As a result, the family received no return on the Bt cottonseed production. At the end of the agricultural year, Brahmaji received millets, enough for the family’s upkeep, and a few...the family are only able to afford their upkeep and are often unable to save anything to secure their future. Additionally, if there is any kind of loss, the farmer shifts the liability and the economic loss onto the bhagiya.

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9 Castor beans or the seeds of the Ricinus communis plant are used to extract oil which is a multi-purpose vegetable oil. Castor beans are known to contain a toxic enzyme called ricin.
bags of castor, which fetched him only INR 22,000 (EUR 245). At the end of the year, in May 2019, when the final accounts were prepared, he was informed that he owed the landowner a debt of INR 70,000 (EUR 781). Since Brahmaji did not want to work with this landowner again, he borrowed the amount of INR 70,000 (EUR 781) from the new landowner and came to work as a bhagiya, so that he could repay his loan.

Brahmaji remarks on how the life of a bhagiya and his family depends entirely on variables beyond their control, such as luck, destiny, or forces of nature. He adds that sometimes he is able to earn something, while there are also times when the bhagiya and his family receive nothing after toiling hard for a year. Brahmaji concludes with a tone of complete resignation that there is no one who would listen or pay heed to their troubles and suffering, while they continue to struggle each day just to ensure their survival.

3.2.3 Anil was cheated of his share

Anil (respondent number 5 from table 2) 23 years old, hails from the tribal village Panchia in the state of Gujarat. He belongs to a family of 11 and has three older siblings. Anil cannot read or write, but he knows how to sign his name. Wage sharecropping in nearby villages, Anil reports, is the only source of income for his family. Anil discloses that he has worked as a bhagiya for the last 7 years. Because his family is large, they often do not have to employ agricultural workers for various labour-intensive processes during the tenure of the agreement. His family members pitch in as and when additional labour is required and this ensures the survival and upkeep of the entire family. At the same time it ensures that Anil saves on the cost of hiring additional labour during the peak agricultural season.

Anil lives in a small house in the village and the family owns about 2 acres of ancestral land. Since this land is uncultivable, and there is a lack of viable and, more importantly, sustainable livelihood alternatives in his village, he and members of his family were forced to migrate to neighbouring villages to work as bhagiya. Anil’s mother explains that since the family is fairly large and her husband has been bedridden for a long time, the family works as bhagiyas to secure and ensure survival. They do not have to go far away from home for this, since bhag-kheti can be easily found with the landowners in the neighbouring villages. Anil is working as a bhagiya in a village 12 km away from his village, for one-fourth share of the harvest. He took a loan of INR 16,000 (EUR 179) from the landowner and now works hard to ensure that he can repay the debt and also be able to secure some savings at the end of his farming agreement.

The researcher enquires after Anil’s experience of Bt cottonseed production. Anil explains that in the season of 2017-18, his family had cultivated cottonseed in a 3-acre plot in the bhag-kheti with a landowner for a share of one-fourth. The landowner gave an advance of INR 14,000 (EUR 156) to bring in more agricultural labour from the bhagiya’s village. A total of 14 people including Anil’s family and few others arrived and worked on the plot as per the directions of the landowner.

Anil’s father adds that all the labourers did good work on the cottonseed plot of the landowner, which resulted in a yield of 1,200 kgs of cotton20. After the harvest, the landowner took the produce to a ginning mill close to his village. After a few days, the landowner informed Anil’s family that the entire production of the cottonseed had failed the quality test, due to which the respondent did not get any returns. Furthermore, his family had to pay four other labourers from the village an amount of INR 20,000 (EUR 223) as wages. The family hardly had any money left at the end of the year.

Anil’s mother confirmed that the cottonseed crop yielded a lot of cotton which was an indicator that the crop had not failed. She suspects that it was the landowner who had lied to them about the batch of seeds

20 During the harvest period of the cottonseeds, the cotton plant also produces cotton fibre which is extracted and sold in the market by the producer.
being rejected. If the crop failed, she explains, the landowner is absolved from paying any labour wages. Thus, it is quite possible that the landowner had lied to them, to cheat them of their share. In the end the family had to bear the entire brunt of the reported crop failure and is now in debt.

3.2.4 Makhiya bonded into labour due to a failure to repay a debt

Makhiya (respondent number 7 from table 2) works as a bhagiya at a landholding near his village, owned by a former government employee. About 7 years ago, he had borrowed a sum of INR 20,000 (EUR 223) from a landowner. To repay the debt, Makhiya started working as a wage sharecropper for this khedut. He has worked for this landowner since then, and still, Makhiya reports that he has not been able to repay the debt. Instead, Makhiya adds, the landowner claims that the family owes him INR 32,000 (EUR 357) from the last term of bhag-kheti, due to which three members of the family have worked continuously to repay the debt. “I have worked for seven years. I still have a debt of INR 30,000.”

Makhiya is about 36 years old and comes from Danta Block in Gujarat. The landowner comes from a village in the same Block. Makhiya works for a landowner at his farmhouse in Ratanpur village in Danta.

Makhiya shares that after the demise of his parents at the age of 15, he was entrusted with the responsibility of the whole family, including his two younger sisters. He works hard, takes care of the household, and raises the sisters. He tells that as a family, they are used to working as farm labourers from the beginning, and wage sharecropping is an extension of the work he has done ever since he was young. Even though he does own 1.5 acres of land, it is inadequate to sustain and secure the family’s livelihood, which is why the respondent considers working as a bhagiya seems a viable alternative.

Makhiya explains his experience of cultivating cottonseed and shares that after finalising the accounts in year 2019, he was informed that he had incurred a debt of INR 20,000 (EUR 223). To repay the same, he agreed to work with the landowner for another year.

The landowner has given Makhiya a room where he resides with his family. He gives Makhiya INR 3,000 (EUR 33) per month for grocery expenses, with which the family is able to sustain themselves while they are away from home. Last year, Makhiya shares, he was to receive INR 50,780 (EUR 567) as his share for all the four crops.

In the past year 2019-2020 he had cultivated Bt cottonseed in 1 acre field. Apart from this, other crops were sown: maize in 1.5 acres, groundnut in 1 acre, millets in 1.5 acre, and wheat in 0.75 acre for one-fourth share of the yield. Makhiya reports that he accompanied the landowner only during the sale of castor.

Makhiya further discloses that when his accounts were finalised for the year ending in May 2020, and his share was calculated, the landowner informed him that he owed him an additional amount of INR 25,000 (EUR 279). Makhiya then had to borrow INR 5,000 (EUR 56) so that he could return home. He shares that last season he owed a total debt of INR 30,000 (EUR 335). If one accounts for the daily expenses...
incurred until August 2020, Makhiya now has a debt of INR 32,000 (EUR 357) which needs to be repaid to the landlord and may mean another year being tied to his farm.

### 3.2.5 Suresh, a graduate Bhagiya

The 35-year-old Suresh (respondent number 10 from table 2), is a graduate and has been working as a wage sharecropper in his village Ravel for the last four years. Due to unemployment and landlessness, Suresh decided to work as bhagiya. Suresh, hailing from Deodar Block in Gujarat, belongs to the SC community. He has a family of four including his wife and two children.

Suresh shares how he is a second-generation agricultural worker in his family. From a young age while he worked with his family to support the household income, he also continued to study in spite of all odds. When asked why, in view of his qualifications, he does not pursue other livelihood alternatives, Suresh responds that there are very few options in the vicinity of his village, and any other work would require him to migrate to the cities or other blocks. Given his responsibilities for his household, Suresh states that he does not want to migrate out of the village for work.

After the completion of his studies, he therefore continued to work as an agricultural worker on daily wages in the vicinity of the village. However, he adds that his experience during times of need has taught him there was no job or work that would offer him a higher amount, and there could be times when people within the village might refuse to lend him money as well. Realising that wage sharecencing allowed the bhagiya to borrow money according to his need from the landlord before the work begins, Suresh decided to start work as a bhagiya.

Suresh states that he has worked for the same landlord for a fairly long time. At present he is the only bhagiya who works for this landlord in his own village. For one-fifth of the share, Suresh is responsible for all costs of any additional labour taken on. He further shares that in the last season he took an advance of INR 50,000 (EUR 558) from the landlord.

While discussing the arrangement during the last season, Suresh describes in detail that he began working for this khedut in May 2019. Both he and the khedut decided to cultivate five acres of land with Bt cottonseed on one acre, sorghum on 1.5 acres, castor on 1.5 acres and cumin seeds on 1 acre. Since Suresh resides in the village itself, he does not have to take any additional allowance for weekly groceries unlike bhagiyas who have migrated and are dependent on the khedut for grocery allowances (which is later adjusted in the final settlement of the account).

Suresh’ experience is exceptional; he accompanies the landlord at the time of sale of all the produce and keeps the accounts for all the input or labour that is taken on, the transactions and the calculation of his share. This is totally unlike the experience of the other respondents in this survey. Suresh himself is aware that his experience as a bhagiya is an exception rather than a rule when it comes to keeping accounts and maintaining transparency. Suresh shows that bhag-kheti allowed him to take an advance and after all deductions he owed the khedut INR 50,000 (EUR 558). After the final calculations were done, he received a total share of INR 52,182 (EUR 582), which left him with INR 2100 (EUR 23).
The five case stories above describe the situation of the wage sharecroppers in Bt cottonseed production in Gujarat. The respondents also provided other information. This information, together with the case stories and the data collected from the fourteen families, represents a variety of experiences of bhagiyas workers and provides the basis for the qualitative analysis below.

The dynamics of the inherent inequality between the landowners and the migrant bhagiyas are constantly at play throughout the term of the agreement. The ramifications of this inequality are felt when the bhagiyas report having little control over decisions pertaining to the agreement. Decisions such as the choice of crops to be cultivated, the share that is offered, the cost and number of labour employed in addition to the labour of the bhagiya’s family, the proceedings and transactions involving the sale of the produce and the final settlement of accounts. Apart from Suresh case (see paragraph 3.2.5) - the bhagiyas interviewed did not keep any accounts themselves and were found to be entirely dependent on the calculations and information shared by the landowner. Lack of sustainable livelihood alternatives that compounded the socio-economic vulnerability of such communities tilted the power in favour of the landowner, and therefore the bhagiyas have no choice but to submit to the excesses of the landowner. As Brahmaji states (see paragraph 3.2.2): “A bhagiya’s life and the cultivation rely solely on the (bhagiya’s) fate and entirely on nature’s forces. There are times when we get returns and there are times when we don’t. We know that there is no one who would listen or pay heed to what we have to say. All we know is to work hard each day, every day, so that we can sustain ourselves.”

This study demonstrates the ways decisions regarding seed production have very little, if anything, to do with the tiller’s freedom of choice or his knowledge and experience. This has huge implications for extension services and thereby the knowledge and skills of those actually growing and taking care of the soil, the cotton, and its seeds.

The research shows that all but one of the 14 families were contacted directly by the landowner. In finding work, social networks of fellow villagers and kinship ties played an integral role in disseminating the information about the prospective kheduts who were looking for bhagiyas. The landowners also relied on these networks as a source regarding the reliability of bhagiyas and often used these networks to employ short-term agricultural labour during the peak agricultural seasons of cross-pollination and harvesting.

These networks of power relations often limit the choices available to bhagiyas to select which landowner they want to work with, the amount of advance they can take at the beginning of the agreement period, and the choice of whether or not to produce these seeds.

During informal conversations with the respondents, the workers report how bhagiyas are often subjected to caste-based slurs, and verbal and psychological abuse by the landowner. The bhagiyas have expe-
rienced verbal abuse on a daily basis for years - which has resulted in normalising the abuse to the extent that many workers do not even consider it abuse anymore. The respondents detailed that the landowners often use their caste names, tribal identity, or migrant status to humiliate the workers, and impose various kinds of excesses varying from long hours of work, additional chores at the landowner’s house, denying weekly allowances and weekly holidays, to not allowing the workers to return to their homes during the festive seasons if they are interstate migrants. The conversations also reveal the incidence of sexual abuse and harassment of women bhagiya workers at the hands of the landowners. Given that the family of the bhagiya lives isolated in the fields, away from other bhagiyas and the village, the women are exposed to a constant threat of sexual abuse and harassment. Discussions with the respondents reveal that cases of assault and rape of women of the bhagiya households by the landowners is a well-known fact among the bhagiyas. However, when asked if they would be willing to report such an incident or share their experience, many refrain from doing so, for fear of being ostracised by their own community and by the community of the landowners who would deem them troublemakers. Five respondents reported having faced verbal and psychological abuse at their site of work. Three other respondents also reported having faced non-payment of their shares with the previous landowners. As Anils’ mother (paragraph 3.2.3) states: “We know that the cotton plot yielded more cotton (than what was reported to them by the landowner). The landowner wanted to deceive us and hence lied to us about the failure of the crop. With this the landowner is absolved of giving the share and the wages. We do not even know for which company we cultivated the seeds. We had to bear the entire loss of the alleged crop failure.”

The above respondents refused to share any specific incident or details of the instance when they were subjected to violence.

The bhagiyas neither asked for nor clarified the details pertaining to the calculation of their share and accepted what the landowner claimed to be their share. For instance, Makhiya was informed that the consolidated amount for the year was INR 50,780 (EUR 567). The researcher came to another amount based on the information reported by the respondent. Makhiya said that he accepted the khedut’s word as the final word on the matter. His socio-economic position did not allow him the room to question the landowner. This acceptance is rooted deeply in the unequal power dynamics that works against the bhagiya - who express that they do not feel they can question the landowner, that would risk them losing their prospects of future arrangements and endanger chances of them finding working as a bhagiya. The word about bhagiyas who are claimed to be non-compliant often travels fast among the community of the landowners.

Except for Suresh (see paragraph 3.2.5), respondents report they were not involved in the process of transactions when the harvest was sold on the market. In the majority of cases the bhagiyas do not accompany the landowner to the market. Even if they do, it is only to load and unload the produce, they are not present during the transactions. The bhagiyas are aware of the price at which the produce is sold, however, with the exception of Suresh, the remaining 13 bhagiya respondents do not keep accounts themselves and rely on the landowner to inform them about the yield and the price at which the produce is sold. This allows the landowner to manipulate the accounts and misinform the bhagiya, as is demonstrated by Anil’s (paragraph 3.2.3) experience.

We know that the cotton plot yielded more cotton (than what was reported to them by the landowner). The landowner wanted to deceive us and hence lied to us about the failure of the crop. With this the landowner is absolved of giving the share and the wages. We do not even know for which company we cultivated the seeds. We had to bear the entire loss of the alleged crop failure.”
All the families agreed to work only against an advance ranging from as little as INR 5,000 (EUR 56) to INR 70,000 (EUR 781), depending on the relationship of the bhagiya and the landowner. This advance acts as a source of security in times of need and crises. The advance is used for household expenses, repairs to the house, maintaining the homestead, medical expenses, and social ritual expenses. Like Suresh (paragraph 3.2.5), many agricultural workers choose the bhag-kheti primarily due to the fact that it allows them to seek an advance even before the work begins. However, Makhija’s experience shows an alternate dimension, in which the advance to repay an earlier debt resulted in a situation in which he and members from his family were bonded to the landowner for the last seven years.

Except for six families, who reported that they performed no additional labour other than the tasks agreed upon, the other eight households reported that they were obliged to perform domestic chores and other tasks at the landowner’s homestead. These tasks ranged from tending to draught animals, cutting and preparing fodder, loading and unloading produce, storing the harvest, domestic chores for the landowner’s family, and any other task demanded by the landowner. The respondents explained that they had little choice and that they could not refuse to perform such unpaid work for the landowner. It is considered the norm across parts of Gujarat where bhag-kheti is practised: the migrant wage sharecroppers and the members of their family are expected to perform any task demanded by the landowner.

The very nature of the agricultural agreement requires the tiller to be present on the farmland so that he (she) can tend to the crops as and when the need arises. While the bhagiyas and their families who migrate from long distances reside at the work site for months on end, the bhagiyas that undertake wage sharecropping near their village are at times also required to stay in the field during the periods of irrigation or to guard against wild animals at harvest time. Often the structures where the family resides are temporary by nature, with little or no utilities. The respondents reported that besides electricity, they have access to water for washing and bathing purposes; however, drinking water may need to be fetched from the community well or the handpump. All the respondents reported that there are no toilets or bathrooms, they are forced to defecate in the open.

Two families out of the four from Kotda reported having access to nutritional and health services while at the destination. Since other respondents had their origin close to their work destination, they are able to access these services in their own village. All respondents reported that in time of illness, they all access state sponsored healthcare.
5 Concluding Remarks

The advance payment that makes this system of wage sharecropping a unique labour arrangement and attractive to many who have no income or savings, is also problematic. The above analysis clearly depicts how this system is an example of perpetuation of bondage. The classical bondage in feudal times was marked by long-term bondage of the worker to their master through debt or customary practices. This bondage system is not very different, the worker in the wage sharecropping system continues to work under a burden of debt in a bonded situation.

The findings of the study establish that the migrant agricultural workers are at the receiving end of violence of various kinds: physical abuse, verbal abuse, sexual abuse, abuse based on caste and tribal background and even economic abuse in addition to the abject violation of their rights and entitlements as workers.

If one attempts to view the Indian laws pertaining to the agriculture workers, one finds that such workers do not have a dedicated legal framework that would define legal provisions and entitlements of the tribal and marginalised migrant agricultural workers. There are, however, parts of various laws that are relevant to the subjects of our study, that can be found in annex 1. The case of Makhia (paragraph 3.2.4) alone demonstrates conditions of debt bondage, withholding of wages, restriction of movement and isolation. When viewed against the Indian Legal framework, one witnesses an abject violation of the Bonded Labour System (Abolition) Act, 1976, where the worker is bonded and performs forced labour for the landowner against an advance that was taken seven years ago.

Although the situation of the families amounts to various violations of the applicable laws, no complaints are being filed and no cases are brought to court. The legal system does not prevent this practice from occurring.

The practice of bhag-kheti in cottonseed production is steeped in relations of power, tilted in favour of the landed community of landlords across Gujarat. This position of power often absolves the landowner of all risks and makes them party to profit. This power imbalance allows the landowners to manipulate and deceive the workers, and the bhagiyas own resignation to the will of the landowners grants them means to constantly oppress these workers. The Bt cottonseed production, in which a number of different stakeholders are involved - varying from the village level agent to the supervisor employed with the cottonseed company - makes it difficult for the bhagiyas to access the various stakeholders who perpetuate this system.

When the ILO indicators of forced labour are considered and the conditions of the wage sharecroppers are juxtaposed against that framework (see box) one can only conclude that the migrant agricultural workers in the bhag-kheti system work in conditions comparable to forced and bonded labour.

From employment of child labour through trafficking to family labour in bhag-kheti and now also shifting the farming process to the tribal areas; this is an indication of how the sector re-adapts and remoulds itself - and ensures that the seeds of oppression continue to safeguard the Bt cottonseed production. The ‘global race to the bottom’ sees textile and garment companies increasingly pay less for their cotton, driving down the value of the labour associated with its making and forcing all parties in the chain, right to the cottonseed producers to strive for ever-lower production costs. It is the story of an industry that has forgotten the very people making it possible to sustain the industry and make the profits. See also the report: Sowing Hope of 2020 (https://arisa.nl/wp-content/uploads/SowingHope.pdf)

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6 Recommendations

This report describes the outcomes of a qualitative study into the practice of wage sharecropping (*bhag-kheti*) in the cottonseed production in Gujarat, India. Cottonseed production is the upstream end of the cotton garment and textile supply chain. The *bhag-kheti* practice violates a series of fundamental rights of workers. It is a widespread practice in Gujarat, which is a major production area of Bt cottonseed. Our first aim with this report is to raise awareness of the existence of wage sharecropping in the cottonseed production in Gujarat, and to describe some of the characteristics of this practice. To address the issues raised in this report we have formulated a number of recommendations for companies and sector associations, governments, and civil society organisations.

Companies in the cotton value chain need to take notice of the risks of wage sharecropping in their supply chain, as this fundamentally undermines compliance with labour rights.

**Cotton seed companies**

- Consistently create awareness among their field-staff, among farm owners (*kheduts*), contractors and seed organisers of the issues of bonded labour and caste discrimination, this *baghiya* system and the implications thereof.

- Conduct the necessary due diligence as required by the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Companies should engage with stakeholders in a dialogue to identify the actual or potential adverse impact of their interventions and activities, devise collective strategies to mitigate those risks, and monitor progress in the communities.

- Collaborate at an industry or multi-industry level to address the issues mentioned in this report collectively. It can be beneficial to pool knowledge and share solutions on how to address the issue of this type of bonded labour. Furthermore, companies can jointly use their leverage with governments at local and/or national level to encourage the government to affect change, for example through better enforcement of laws and regulations and in wage setting mechanisms. To resolve issues in the supply chain both individual and collective approaches go hand-in-hand.

- Join multi-stakeholder fora like ECHO in order to address the issues mentioned in the report collectively. Within ECHO the issues mentioned in this report should be put on the agenda.

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23 Stakeholders and rights holders could be communities at local level, workers and employees under informal arrangements within the supply chain, but also NGOs, local civil society organisations, industry peers, governments, business partners, and investors. Companies should be aware that rights holders are not a homogenous group, and therefore should pay special attention to women, migrant workers, and people from scheduled castes and tribes.

24 ECHO (Enabling Child and Human Rights with Seed Organisations), formerly known as CCP forum, a multi-stakeholder initiative actively working on child labour and minimum wage issues in hybrid seed production farms in India since 2003. Currently, 15 seed companies, both MNCs and Indian companies, four NGOs and one research institute are members of this initiative.
Use their influence to address the issues in national and international fora, including the Federation of Seed Industry of India (FSII)\(^{25}\), the National Seed Association of India (NSAI)\(^{26}\), the Asia and Pacific Seed Association (APSA)\(^{27}\), the European Seed Association (Euroseeds)\(^{28}\), and the International Seed Federation (ISF)\(^{29}\).

Ensure that the issues of bonded labour and caste discrimination are explicitly addressed and mentioned in policy documents.

Implement stringent monitoring systems to regularly identify cases of bondage or other labour rights violations and provide remedy in cases where abuses are found. Regular independent audits with expertise on labour and human rights issues in the agricultural sector could validate the monitoring data of the company.

Ensure a proper review of their procurement policies and safeguard that farm owners have enough margins to pay minimum wages to their workers. Companies should assess whether their procurement prices are calculated in such a way that they account for minimum wages instead of the prevailing wages (in case they are lower than the legal minimum wage). Payment of minimum wages should be a priority of all departments of a company, including the procurement department and top-level management. If a company does ensure the payment of legal wages to the workers in their supply chain, their operations can be considered unlawful in any court of law. As minimum wages often fall short of the cost of living, companies should progressively work towards paying living wages.\(^{30}\)

Textile companies

We would like to see all actors in the cottonseed value chain, including textile companies, to be aware of the various human and labour rights violations happening in this supply chain. They need to be aware of these risks even though it is far upstream in their supply chain. Transparency and supply chain mapping are therefore key.

Textile companies can work together to ensure transparency in their supply chain, only then can they verify that enterprises operating at the seed supply side of their value chain are preventing and mitigating harm linked to their suppliers.

An individual garment manufacturer is not likely to have influence on a cottonseed producer. Companies are encouraged to pool their leverage. For example, a group of enterprises sourcing from the same supplier may use their combined leverage to encourage the supplier to prevent impacts. Enterprises may pool their leverage by setting joint timelines for corrective action in partnership with shared suppliers. Enterprises may also choose to jointly publish supplier assessments, corrective action plans and progress against those plans, which can likewise increase leverage.

The garment and textile sector could also work on a broader sector-wide scale at either a global

\(^{25}\) https://fsii.in/ (last accessed 20 April 2021).

\(^{26}\) https://nsai.co.in/ (last accessed 20 April 2021).

\(^{27}\) https://www.apsaseed.org/ (last accessed 20 April 2021).

\(^{28}\) https://www.euroseeds.eu/ (last accessed 6 April 2021).

\(^{29}\) https://www.worldseed.org/ (last accessed 6 April 2021).

or regional level to put pressure on suppliers that are larger than any individual supplier. The sector may pool its leverage to put pressure on seed companies to address the risks linked to their upstream raw material production.

- Multistakeholder initiatives and other initiatives, including the Dutch Agreement on Sustainable Garments and Textile, The Partnership for Sustainable Textiles, the Fair Wear Foundation, the Ethical Trading Initiative, Fail Labour Association, Amfori and others should pay attention to the violations addressed in this report amongst their members.

Indian government

- There is need to formulate an Act that would cover all agriculture workers and ensure social security and decent work for them on the pattern of Kerala Agriculture Workers Act 1974.

- The minimum wages for agriculture workers should be brought on a par with industrial workers and updated every six months for inflation, as the state of Gujarat recently did.

- The practice of wage sharecropping should be recognised as another form of forced labour and bondage and liable for action under The Bonded Labour System (Abolition) Act 1976.

- In view of the large incidence of cases of sexual harassment at agriculture farms, there is a need to form Local Complaints Committees at district level to receive complaints of sexual harassment as provided for under The Sexual Harassment of Women at Work Place (Prevention, Redressal, and Rehabilitation) Act 2013.

- National and state level governments should enact equality laws that prohibit public and private employer discrimination on the basis of caste or analogous systems, take steps to remove customary constraints on leaving traditional caste-based occupations, and promote gainful alternative employment opportunities and full access to markets for members of affected communities.

- Ensure effective law enforcement and inspection.

Governments of countries where companies are headquartered and the EU

- Actively enforce existing legal instruments with regard to respect for human rights in international supply chains, such as the UK Modern Slavery Act (2015), the French Corporate Duty of Vigilance Law (2017), the Dutch Child Labour (Duty of Care) Act (“Wet Zorgplicht Kinderarbeid”) (2019); the German HRDD law (2021) and any other due diligence laws that are recently adopted, or will be adopted in other EU countries.

- Develop and adopt HRDD legislation – at a national level and in EU and international settings - that obliges companies, to conduct HRDD in line with the OECD Guidelines; that can be applied to companies of all sizes and types, including Small and Medium Enterprises (SMEs); and that covers the full supply chain.

- Support, also with financial means, credible national, international and/or sectoral MSIs that aim to improve working conditions in the global seed and textile industry, allowing for a ‘smart mix’ of binding regulations and improvement initiatives. Credible means in line with all aspects of the UNGPs\(^{31}\) and the OECD Guidelines and Guidance\(^{32}\).

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\(^{32}\) [https://mneguidelines.oecd.org/guidelines/](https://mneguidelines.oecd.org/guidelines/) (last accessed 9 June 2021)
In the context of political and trade relations with India, both bilateral and in EU/international settings, raise the issue of forced labour in the Indian seed production industry.

EU and EU member states amend EU custom regulations to allow further public disclosure of imports.

Ensure that only companies that apply enhanced HRDD and operate fully in line with OECD Guidelines and Guidance and the UNGPs have access to governmental support and contracts. Exclude companies with an insufficient HRDD track record, from public procurement, official trade delegations, state aid, etc.

Civil society organisations (NGOs & Trade Unions)

Together with companies and governments establish easily accessible helplines for suggestions and complaints from migrant seasonal agricultural workers, and provide counselling on working conditions, shelter and wage rights.

Ensure capacity and trust to be able to regularly assess the situation of workers and their labour conditions and enter into dialogue with stakeholders for improvements.

Initiate and support programmes that aim to organise workers to be able to understand and stand up for their rights, for instance: stimulate the bhagiyas to know the market prices of the products they work on, ask their employer to keep records of hours worked and payments provided for, and to keep those records themselves and join their employer to the market.

Caste and tribal based discrimination

All stakeholders that have a role and a stake in the Indian seed and textile sector – manufacturers, buyers, MSIs and other improvement initiatives, business associations, Indian and international civil society organisations, government representatives - need to acknowledge that discrimination on the basis of caste and tribal background is a highly problematic issue that needs to be urgently addressed. There are many ways of doing this. Suggested ways forward are:

Include discrimination on the basis of caste and tribal background, in corporate two-way codes of conduct and monitoring programmes. There are various helpful tools that companies, MSIs and RBC initiatives can use to help with this, such as the Dalit discrimination check (IDSN, 2008)\(^\text{33}\), ETI Guidance on Caste in Global Supply Chains (ETI, 2019)\(^\text{34}\), and the Ambedkar Principles and Guidelines to address Caste Discrimination in the Private Sector (ISDN, 2009)\(^\text{35}\).

The OECD should include discrimination on the basis of caste, and other similar forms of discrimination, in the OECD Guidelines for Multinationals.

Need for further independent research

While we are proud of this research, we also acknowledge this research is limited in scope. A number of topics have not received the attention they deserve. More research is required, to establish, in particular, how widespread the practice of wage sharecropping is and the correlation of various factors such as caste, tribal background, poverty, discrimination, wages and prices as well as to understand how labour and human rights are safeguarded in the cottonseed production. It is, in this context, that we call upon government and public funders to make this possible, and, at the same time we ask that corporate actors collaborate with follow-up research.


A draft version of this report was sent to all companies mentioned in the report for their comments or modifications. Two companies responded and Arisa appreciates the effort of these companies to do so. Below we summarise their response:

**Bayer**
In their response Bayer mentions that Bayer as a group takes the issues addressed in the report very seriously and recognises them. They mention that except the village Kotda they do not have production in any of the other villages mentioned in the report (Shihori, Danta, Kankrej or Deodar). They mention that “most of the Bayer cotton contracted farmers (around 94%) are smallholders with a farm size of less than 0.5 acres. Remaining 6% have less than two acres of land holding. In Kotda there are 23 plots of 0.25 acres and 10 plots of 0.5 acres. Given the small size of the farmers, the majority of the farmers do not need to hire external laborers. In certain cases, during the crossing stage, they seek help from neighbours. In rare cases, they also hire external laborers from other village(s) nearby as well depending on the need.” Bayer implements a Child Care program to eradicate Child Labour in the seed production supply chain and also a program, to ensure that minimum wages are paid to the hired laborers. They have a policy and dedicated in-house team to monitor child labour and minimum wages as also mentioned in their Sustainability Report 2020 (page 51-53). Bayer recognises the issue of non-payment of wages, especially of women workers who are often not paid the minimum wages. Bayer has initiated a pilot program in its cottonseed production farms and vegetable seed nurseries to encourage the contracted farmers to comply with the minimum wage regulation. They also stress that the issue of minimum wages would require efforts of all seed companies at industry level through collaborations. They joined with other seed companies in 2019 to establish the Enabling Child and Human Rights with Seed Organizations (ECHO) initiative.

**Tierra AgroTech**
Tierra AgroTech also recognises the observations made in the report and suggests we make a recommendation that companies add a minimum wages clause in the contract with organisers along with the child labour clause some of them already have. They already do so.

The other companies mentioned in this report: Ajeet Seeds, Ankur Seeds, Bioseed, Greengold Seeds, JK Seeds, Kaveri Seeds, Krishidhan Seeds, Mahyco, Meta-helix, Nath Seeds, Nuziveedu Seeds, Rasi Seeds, Seed Works, Tulasi Seeds and Vikram Seeds did not respond to the request to review the draft report. With Ganga Kaveri we did not manage to get in touch.
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Annex 1: Legal Framework For (Migrant) Agricultural Labour

**Minimum Wages Act, 1948** - An Act to provide for fixing minimum rates of wages in certain employments.

**The Interstate Migrant Workmen (Regulation of Employment and Conditions Of Service) Act, 1979** - An Act to regulate the employment of interstate migrant workmen and to provide for their conditions of service and for matters connected therewith (applicable only to those agricultural workers who undertake inter-state migration). It regulates the employment of interstate migrant workers recruited through contractors or middlemen and applies to companies employing five or more such workers. The Act protects interstate migrant workers, and their conditions of employment, including working hours and fixed wages.

**Bonded Labour System (Abolition) Act, 1976** - An Act to provide for the abolition of the bonded labour system with a view to preventing the economic and physical exploitation of the weaker sections of the people and for matters connected therewith or incidental thereto. Bonded labour is defined as a system of ‘forced or partly forced labour… under which a debtor accepts an advance’ of some kind, for a pledge of labour. This arrangement compels an individual to work until the debt has been paid.
https://pblabour.gov.in/Content/documents/pdf/rti/rti_chapter18.pdf,

In India, it is illegal to negatively discriminate based on caste. The Indian Constitution (1948) prohibits discrimination based on grounds of religion, race, caste, sex, or place of birth (article 15); abolishes ‘untouchability’ (article 17); promotes educational and economic interests of Scheduled Casts, Scheduled Tribes and other weaker sections of society (article 46); and includes provisions related to reservation and protection of seats for members of SCs, ST and OBCs in local administrative structures and in public employment (article 16, 335, 338, 340, 341 & 342).
Government of India,

**The Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Amendment Act, 2015:** Actions to be treated as offences - The Act outlines actions (by non-SCs and STs) against SCs or STs to be treated as offences. The Amendment Act amends certain existing categories and adds new categories of actions to be treated as offences.
1. Offences added under the Act include: (a) garlanding with footwear, (b) compelling to dispose or carry human or animal carcasses, or do manual scavenging, (c) abusing SCs or STs by caste name in public, (d) attempting to promote feelings of ill-will against SCs or STs or disrespecting any deceased person held in high esteem, and (e) imposing or threatening a social or economic boycott.
2. Assaulting or sexual exploiting an SC or ST woman is an offence under the Act - The Amendment Act adds that: (a) intentionally touching an SC or ST woman in a sexual manner without her consent, or (b) using words, acts or gestures of a sexual nature, or (c) dedicating an SC or ST woman as a devadasi to a temple, or any similar practice will also be considered an offence. Consent is defined as a voluntary agreement through verbal or non-verbal communication.

**The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**, seeks to protect women from sexual harassment at their place of work.
https://www.indiacode.nic.in/handle/123456789/2104?view_type=browse&samhandle=123456789/1362