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Worker Co-operatives in India

By Timothy Kerswell and Surendra Pratap
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Co-operatives in all their different forms have become a convenient and somewhat fashionable vehicle to help fight poverty, unemployment and inequalities in developing countries. Often based on the principle of solidarity and self-help in deprived, rural communities, they tend to strive for the maintenance of subsistence economies where the lifebelt of State intervention has ceased to exist. The authors of this book decided to focus on the most working-class, industrial type of co-operatives — worker co-operatives — in one of the largest agricultural countries, and an under-industrialised former British colony. This contrast offers a singular stance on co-operative issues. At the time they wrote, Timothy Kerswell was an Assistant Professor at the Department of Government and Public Administration of the University of Macau, China while Surendra Pratap is the director of the Centre for Workers Education in New Delhi, India. Their collective work draws on a series of fieldwork studies carried out across India mainly in 2015 during which they were able to interview many prominent local activists, in particular members of trade unions, political parties and co-operative organisations. The book is divided into seven chapters, including the introduction and conclusion. Together, these chapters deal with various local initiatives ranging from purely industrial co-operation to fully fledged village collectivism or communalism, covering the last third of the twentieth century.

The philosophy underpinning the work is overtly anti-capitalist and anti-imperialist from the outset. A clear distinction is made in the introduction between two radically different discourses about alternative economies. The first one is fully compatible with a capitalist environment, supported by US-initiated international programmes (for example those of the United Nations, the International Labour Organization or the World Bank) and serve purely economic and neo-liberal interests. In contrast, the other discourse values grassroots, economic but also political and cultural movements hoping to serve as social laboratories for the empowerment of working classes. This short chapter then goes on to briefly sum up the next ones.

The second chapter further clarifies the conceptual framework of the study and debunks the westernised rhetoric of the 'informal sector'. After demonstrating that India's economic growth has essentially not created jobs in the 1970s and 80s, the authors argue that the huge officially inactive Indian population survive as a reserve army of labour and a "source of profit maximisation in the new international division of labour" (p. 21). The rise of capitalism in the Third World is dated back to the end of colonialism which had hindered the economic development of colonised countries by making them exporters of raw materials and importers of finished products manufactured in industrialised economies. This led to the formation of a vicious circle of low added value, low incomes, low consumption and weak industry. Kerswell and Pratap then denounce the deregulatory reforms of the 1970s which reversed previous legal achievements of the trade unions and undermined the domination of the public sector. These reforms not only concerned labour relations in industry but also, and indeed principally, the agricultural sector where most of the population was then employed. Thus, the 'informal sector' is primarily described as a consequence of this capitalist exploitation and liberalisation which benefited transnational corporations and badly damaged working-class movements, forcing the local population to find employment in labour-intensive, home-based activities at the margins and to the advantage of capitalist companies. The diversity of the 'informal sector' is also underlined to help deconstruct this catch-all term.

A very original social experiment is presented as a breach in this imperialist deadlock in chapter 3. According to the writers, The Chhattisgarh Mine Workers Movement (CMSS) in the Indian

mining town of Dalli-Rajhara embodied a new approach to unionism as a part of workers' life. This trade union set up a network of co-operative societies (for mine workers and for farmers) and encouraged local communities to engage in political activism and collective farming. One of their most important successes was the creation of a public hospital. The CMSS emerged in 1977 from a dispute within the All-India Trade Union Congress (AITUC) about contract workers' wages. They organised these disadvantaged employees and managed to set up co-operatives in an area which capitalist concerns were progressively abandoning: "We were able to gain control of the co-operatives which meant for the first time we were able to share the profits with the workers" (p. 60). Their charismatic, leading figure Shankar Guha Niyogi had been a member of the Communist Party of India (Marxist-Leninist). His innovative conception of unionism and political organisation guided the movement. The other side of the coin was that the organisation relied too heavily on his leadership. CMSS could not survive Niyogi's assassination in 1991 and eventually splintered, leaving tremendous social achievements.

The following chapter tells the story of the Alcond Employees Industrial Co-operative Society which is reminiscent in many ways of worker co-operative movements in other countries, in particular Great Britain (see, for example, the worker co-operatives which the then Labour Secretary of State for Industry Tony Benn helped set up in England in 1973-74 — Coates, 1976). First, co-operation was only considered as a defensive reaction to capital flight and factory closures. Secondly, it was closely linked to a regional left-wing political government, the Communist Party of India (Marxist) which governed West Bengal from 1977 to 2011 and its union, the Centre for Indian Trade Unions (CITU). Also, the deep involvement of the trade union meant that the formation of the co-operative was initially a top-down decision: "CITU made all the co-operatives and societies; workers did not think of the co-operatives ideas, CITU did" (p. 74). The co-operative started production of electric wires in 1989, employing 230 workers. It benefited from the support of the local government in the form of loans and public contracts. Each worker was a shareholder and could participate in management. By the early 1990s, their number had grown to 600 and they enjoyed material benefits as well as healthy working conditions. The Golden Age ended though, with the election of the Bharatiya Janata Party (BJP)-led conservative alliance to India's central government and further deregulation measures.

Chapter 5 is undoubtedly the most polemical. It offers a controversial account of the Self-Employed Women's Association's (SEWA) action which the authors describe as "trade union imperialism". Far from empowering female workers and improving their living conditions, they argue that "SEWA is characterised by an ideology of liberal entrepreneurialism which enables the movement to seamlessly dovetail with imperialist organisations ..." (p. 94). Among this NGO-like association's donors we find, among others, the Rockefeller or Gates Foundations and the World Bank. Kerswell and Pratap go back to the ideological roots of SEWA and its class collaborationist model inspired by Ghandi's writings. That is why, apart from low pay and mediocre working conditions, working-class women in SEWA co-operatives are consciously 'deradicalised' and rely on microfinance for mostly unsustainable employment. One leader of the association's thoughts are highly indicative of how they consider co-operative development: "I do not know why we need trade unions, we should just organise all women into co-operatives" (p. 107). This case for co-operative organisation as a means to undermine trade union machinery and reconcile capital and labour is also very common in academic works about British industrial relations; see, among others, Alasdair Clayre (1980).

Chapter 6 illustrates the broader possibilities of co-operative organisation at the community-level with a case study of the small tribal village of Menda. The movement grew out of a protest against the building of a dam which would have forced all inhabitants to leave their land in the late 1970s. Tribal people around the region united and obtained the withdrawal of the project in 1985. But they did not stop there. Villagers decided to reconstitute a traditional local government institution named Gram Sabha. In a country where most farmers own less than 1 hectare of land, they agreed upon the need to manage all resources collectively (land, water, timber, etc.) and to protect and preserve their natural environment. Indeed, the whole story of how Menda

villagers collectively organised to secure a living from their natural resources is very similar to some experiments described in Elinor Ostrom's (1990) *Governing the Commons. The Evolution of Institutions for Collective Action*. A democratic committee was set up to rule by consensus instead of simple majority rule and education was also secured by common endeavour. The authors see here a successful attempt to contradict the widely accepted, Eurocentric assumption that capitalist expansion is a natural phenomenon with neo-liberal thinkers arguing that capitalism will ultimately shift the workforce from labour-intensive agriculture to capital-intensive industry (see the "jobs trickle-down theory" (théorie du déversement) from French economist Alfred Sauvy) and a large part of the Marxist Left welcoming this form of proletarianisation as a necessary step towards socialism.

The final chapter mainly consists of a summary of the conclusions which have been reached in the preceding case studies and particularly insists on "the importance of structural democracy and political solidarity in forming sustainable co-operative enterprises" (p. 145). This book is a very valuable contribution not only to the history of the little-known worker co-operative movement in India but also to the identification of practical issues encountered by working-class movement in developing countries, especially former colonies. Some repetitions are easily made up for by the different interviews and contributions of the movements' actors and the extensive use of local literature and sources. Moreover, such reading is of particular interest when one considers the current, massive Indian farmers' protest against new legislation aiming at deregulating the market of farming products (see, for example, Democracy Now!, 2020).

The Reviewer

François Deblangy is an international member of UKSCS and part of the research network — CorNet — an initiative of the UK Co-operative College (re-named from CERN — Co-operative Early Researchers' Network — see also Webster & Kuznetsova 2018, this *Journal*). He is a PhD candidate at the Université de Rouen-Normandie where he is completing his thesis on the history of worker co-operatives in the UK. His research interests include worker co-operation, industrial democracy, and economic history.

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