

Counting crises

Sukumar Muralidharan | Updated on February 11, 2021



Pandemic-induced changes will impact agriculture and the economy in ways beyond the comprehension of the upcoming census

*** Aside from impressionistic media coverage, the magnitude of that migration went unrecorded. As economic activity resumes, the reversal of that movement of working people remains an uncertain prospect**

*** What is known is that the return of the migrant caused a major spike in demand under the national rural employment guarantee programme, the MGNREGA**

*** The economist VKRV Rao in the '70s was among the first to flag the crisis of disproportionality emerging in the Indian economy: Of the decreasing share of agriculture in the national income, and its persistently high contribution to employment**

Census enumerators will begin fanning out across the country later this year, embarking on the enormous job of counting and classifying India's diverse people. They would encounter a situation that has changed radically over the

last year. Population is an entity that is never static and a census by its very character freezes that flux into a static frame.

Census enumerations record changes over a decadal period on macroscopic scale and break this down into smaller components. But the 2021 census is unlikely to provide an accurate gauge of how things have changed since the pandemic struck in 2020, inducing a mass migration out of urban India. Aside from impressionistic media coverage, the magnitude of that migration went unrecorded. As economic activity resumes, the reversal of that movement of working people remains an uncertain prospect.

Since the early years of the 20th century, the decennial census has recorded the magnitude of internal migrations. Enumerations since 1971 have sought to get hard data on various dimensions of the phenomenon with a fine-grained system of classification. But it has been hard to get more than a snapshot of two instances in a migrant's life: His or her birth and the moment of census enumeration. Other aspects, like duration of the migrant existence are tabulated but fail to yield the deeper story, such as frequency of movement.

The broad figures are clear enough. In the first decade of the 21st century, India's population was mobile like never before. That reading is consistent with the unprecedented record of economic growth through the decade. The 2001 census recorded a migrant population of 314 million, just over 30 per cent of the total at the time, a proportion virtually unchanged since 1971. The 2011 census showed a significant departure: Over 455 million or 38 per cent of the total population reported themselves as migrants that year.

The decade also brought the first significant shift in the rural-urban balance since independence. In 2001, the rural population was estimated at close to 73 per cent of the total. Within a decade, the figure fell to just under 69 per cent. This may seem a modest achievement until the larger context is taken into account — of an entire half-century from 1951 when rural population fell from 82 to 73 per cent.

The 2011 census occurred as India was on the cusp of another phase of declining economic fortunes. Since 2010, when the waves from the 2008 global financial crisis began washing up on its shores, India's growth momentum had

faltered, though there was no way the static frame of the 2011 census could yield an understanding of the directions of change.

How representative the figures uncovered in the 2021 census would be after last year's mass migration is a question that will engage minds for the foreseeable future. What is known is that the return of the migrant caused a major spike in demand under the national rural employment guarantee programme, the MGNREGA. The allocation for the programme under the Union Budget was raised from ₹68,000 crore to ₹1,00,000 crore; and physical achievement has supposedly gone up from 2,635 million person-days of employment in the year 2019-20, to 3,000 million person-days in the current year, while still leaving significant unmet demand.

Having disparaged it as an emblem of India's economic failure, Prime Minister Narendra Modi's government has found the rural employment guarantee an essential lifeline in turbulent times. But his regime has seemingly kept it going as a political expedient, without quite looking at the urgency of addressing the productivity imperatives that have severely undermined India's long record of implementing "work fare" programmes.

In the early years of India's planned development, the large rural workforce employed at low productivity levels was assumed to embody a huge investment potential. Large reserves of labour, it was confidently predicted, could be transferred into industry, services and infrastructure, with no loss of agricultural productivity. Interestingly, the global flu pandemic of 1918 provided the laboratory for testing out this hypothesis of "surplus labour".

As India struggled through an acute food shortage in the mid-'60s, it seemed that all the early optimism of planning had been seriously misplaced. Using figures of mortality from the 1918 pandemic and records of area sown and crops harvested in years before and after, Theodore Schultz, a future Nobel Laureate in economics, estimated that agricultural product after the pandemic fell exactly as much as the population decline would predict. There was, he said, no case to be made of "surplus labour" in Indian agriculture.

Amartya Sen, another future Nobel Laureate, contested this inference, arguing that aggregate measures of labour withdrawal from agriculture are not the full story. Farming is a family enterprise and a family of five from which one

member withdraws could presumably sustain output at erstwhile levels. The situation would be very different if the same 20 per cent withdrawal of labour were to take place “with no removal from some families and heavy removal from others”.

India’s planned development strategy conceived of the first kind of labour withdrawal — of individuals responding to opportunities in the urban-industrial frontier and quitting family agriculture while leaving output unchanged. The 1918 pandemic induced a withdrawal of labour more in accordance with the latter description.

While that academic argument has assumed more complex ramifications, the reality of Indian agriculture continues to be one of a burgeoning labour force with just not enough to go around. The economist VKRV Rao in the ’70s was among the first to flag the crisis of disproportionality emerging in the Indian economy: Of the decreasing share of agriculture in the national income, and its persistently high contribution to employment.



Poor yield: The reality of Indian agriculture continues to be one of a burgeoning labour force with not enough to go around
- REUTERS/ AMIT DAVE

The years since then have done little to mitigate the severity of this structural crisis. If anything the emergence of the “migrant economy” in the early years of the century may have been a salve that the pandemic has now shown up to be of transient value.



Sukumar Muralidharan teaches at the school of journalism, OP Jindal Global University, Sonipat

Follow us on **Telegram**, **Facebook**, **Twitter**, **Instagram**, **YouTube** and **Linkedin**. You can also download our **Android App** or **IOS App**.

Published on February 11, 2021

[economy \(general\)](#) [agriculture](#) [Covid-19](#)



COMMENTS