

Vinod Koshti (VK): In today's episode, we travel to Bangladesh, a country whose vibrant agricultural sector is at the heart of its economy and society. But beneath the green fields lies a complex and often unequal agrarian structure. To help us unpack this, I'm honoured to be joined by Prof. M. M. Akash, a leading Bangladeshi economist, an influential thinker, researcher, and a policy advisor. Prof Akash joins us today to talk about agrarian relations in Bangladesh, with a special focus on agricultural labour.

Professor Akash, welcome to Indian Ocean.

MM Akash (MMA): Thank you.

VK: So, Bangladesh is a country where agriculture remains the backbone of the economy. It is often portrayed as a success story in terms of rural development and food production. Over 60% of the population still lives in villages, nearly 45% of the workforce is engaged in agriculture. Over, 65% of rural households are either landless or marginal farmers. However, there is a complex class structure, not just between landowners and landless laborers, but a spectrum that includes marginal and small farmers who often double as wage laborers. So, Professor Akash, please tell us what are the key features of the agrarian structure in Bangladesh today? How does agrarian capitalism function in Bangladesh?

MMA: Thank you. The question about agrarian capitalism... let us conceptually understand it first. What do you mean by capitalism in the agricultural sector? Is it like the classical capitalism where the two classes face each other, the capitalist and the workers, and there are modern productive forces to extract surplus from the workers and the product is sold in the market and the surplus is realized. And then part of the surplus is reinvested again and the capital goes on increasing. It is actually not like that. It can't be like that in Bangladesh especially. This is how Marx described the abstract general features of model capitalism.

In real world Agricultural capitalism and Industrial capitalism do not work similarly, but perhaps in America or in very developed capitalist countries of today's world where large scale mechanized farming are running with inputs like insecticide sprayed from the airplane and production being done by robots. In those places you may have that ideal classical large scale modern model of capitalist agriculture. But in Bangladesh, it emerges from colonial and semi-colonial mode of production evolving under Britain and Pakistan respectively. The agrarian relation was not like that there. Slowly after passing through its past feudal and semi feudal stage, at present it has become almost a case of numerous mini-fundist small scale agriculture.

The most numerous actors in the agrarian sector, actually are small farmers who till their own small land or get some land leased in from the landowners and till it with biochemical technology. That means a high yielding variety of seeds and fertilizer requiring water too. And they not only want to maximize profit but also per acre production so that they can survive first and the rest of the surplus crop can be sold profitably and that surplus earning is used for buying other necessary products and only then a part is reinvested by buying inputs or leasing in further land. Again, with those inputs or sometimes if they want to increase their sphere of activity, then they can lease in land and for that they can use that surplus money to pay as cash

rent to the land owner, often who is also a small land owner living in the town or any small land owner living in the locality but who is not interested in agricultural cultivation. This type of farming is based on a fixed, contractual rent. Now, this type of farming is dynamic in one sense because it has highest productivity per acre and can compete even with mechanized large scale capitalist farming in Bangladesh. Perhaps the mechanized capitalist farming will not win with them because in terms of cheapness of labor, the mechanized capitalist farming will have proved to be too costly. Since the people who are running those small farms have family labor which they do not take into account as cost. That is why this mini-fundist case is surviving. Not only surviving but also increasing in the sense that pure landless tenant after becoming landless can become again a lease holder too if he can have some cash money in his hand to pay the contractual rent. In your question you pointed out that 64% of the rural population is now without land and perhaps without any surplus, but 45% of labour force is engaged in the agricultural sector. So they are actually the self-employed laboring class but they are not going to hire out themselves in large scale owner operated capitalist farms. Neither there are enough industries nor there are enough capitalist farms to recruit them in the rural areas. They either mutually supplement family farm labor in the peak season when there is a shortage of labor in those farms or they sometimes lease in land themselves to use their surplus family labour productively in the Agriculture sector.

Even if they do not have that capital for leasing in land initially, they get it from their remittance. The remittance earning members who are staying outside send remittance money and part of the money is used to first build a house. Part of it is used to lease in land if there are laboring members in the family. If that is not there, then the money will be spent otherwise. But in many small farm households they have two or three people sent for working outside in the agriculture sector who also may provide them with the capital. And that capital is to be used for leasing in land from larger or middle farmers. Larger and middle farmers in the rural areas are now no longer interested to stay in the rural areas. They think that farming is not a gentleman's job and they want to turn their children into gentlemen. So they send them to urban sector for higher education which is generally unproductive and after education they generally become unemployed. But anyway they will not be there to till their own land. So the farm households who send their children outside if they have kept some children permanently in the village for farm jobs then this kind of production relationship can hold. The money coming from outside using that money to lease in some land from those who are not interested to till their land and employing their son to look after agriculture production.

But nowadays a fundamentally new opportunity has been opened up for these poor rural households. That was opened up by the microcredit proliferation in the rural areas. Usually NGO based microcredit is targeted towards women members of the rural households.

So women have become more important in the family not only as a productive labour agent but also as a source of borrowed capital like a "milking cow". The male household head use her to get the credit or cash money. And after getting the credit from the microcredit agencies they use it for leasing in land. It is not leasing in land by small farmer from the feudal landowner or large land owner. This type of supplementary land leasing is not so small from the large but small

leasing in from a smaller! In the feudal system the land contract is between the rich and the poor. Now the land contract is among marginal farmers themselves, some of whom are not interested to till their farm land and do not have enough inputs or capital or wanted to shift out to a non-agriculture sector. They actually lease out those small land and they become absentee landowner or staying in the village but engaged with non-farm jobs or services.

This mutually beneficial market based land contract is expanding day and night everywhere and this kind of small mini-fundist labor intensive agriculture has proved to be very productive. They have turned Bangladesh self-sufficient in food production and some of them who have entrepreneurial quality are diversifying. They are not producing only rice or traditional crops. They are producing even vegetables, flowers, fishery, poultry, livestock, etc. They have started opening new branches of production.

So in agriculture, crop agriculture is supplemented with non-crop agriculture. To get food security and the food diversity problem is being solved by these small farmers. Who could think that these poor small farmers who were supposed to be proletarianized or pauperized and become landless will come back and be engaged in agriculture in the broad sense! They came back. They are staying there. But of course now at present we are in a crossroad because the labor has become costlier now. Because most of the family farm, family laborers have either gone out for external migration or shifted to non-agriculture or part-time non-agriculture labor, part-time seasonal. That's why the opportunity cost of working as a family labour has become very high. Mechanization has set in slowly to cope with the high wage situation.

Manual ploughing is no more popular. Ploughing with the plough which is driven by cow. Now it has been replaced by power tillers. The power tillers service and the irrigation service coming from pumps or shallow tubewells, this market has developed.

These require lumpy capital and that the small farmers do not have. So around these new mechanized tools and mechanized implements for agriculture and requirement of those services created some new agencies, some small repairing houses, non-agricultural centers from where those services are provided in the service market – service of irrigation, service of a power-tiller, service of spraying, etc. – might be sold and be used for cultivation. So that implies a new possibility of those who are mediating those services between the non-agricultural sector and the crop sector can become the new rich class in the rural area. They can then dominate the rural area and actually they are now dominating in the rural areas, whenever there are democratic elections, you will find those people who have two legs, one leg in the agriculture, another leg in the non-agriculture, they are becoming dominant. The non-agricultural leg consists of these modern machinery sector and buying of those inputs and also now they are mediating output selling and buy from those who cannot go to the urban market and sell their surplus. So they mediate those output selling and input buying and procuring them for the small farmers.

VK: Thanks for providing this comprehensive picture of the countryside in Bangladesh and you have already mentioned that there is a crisis of labor in the village areas. There are now

services which requires a different type of labor, for example spraying of pesticides, there is a class emerging who is procuring the produce from these small farmers and selling them in the markets. But because we want to focus more on the agricultural workforce, the agricultural labor, those who are providing the labor in the agriculture. Can you please describe who exactly constitute the agricultural workforce or who are the people who are providing the labor in the agriculture? Are they landless? Are they the small farmers? And what about their wages? I mean what is the wage situation of these agricultural laborers?

MMA: About the structure of the labor force? The structure of the labor force is family labor, mainly supplemented by wage labor and in certain farms or plantation agriculture, some permanent labor and some laborers are seasonal and some laborers are permanent. Some labor work in the agricultural sector and some labor works partly in the agricultural sector, partly in the non-agricultural sector. So in the rural areas, the notion of agricultural labor is not homogeneous. Agriculture labor is a group working both in non-agricultural sector and agricultural sector, that is the predominant group. Because seasonality is there, agriculture is a seasonal job. When labor demand increases and family labor is inadequate, only then agricultural labor comes as a wage labor. And that is supplied by the agricultural labor for that peak season only when the wages are also high.

And in the lean season, when the work is less demanded, they become unemployed. So if they are landless and not working in any non-agricultural enterprise, then they become wage labor to sell their labor in those rural districts where they can migrate to get a job. So they become migrant labor. From area of less activity, they go to the area of more activity. So there is a mobile migrant agricultural labor who throughout the year remains in the agriculture, but sometimes in this place, sometimes in another place, but in the agriculture sector. And there is another group of agricultural labor who sometimes go to the non-agricultural sector or the urban sector or the nearest town during say "Eid Festival" when there is enough demand for local transport. Some agricultural labor will shift to Dhaka and run transports for one month, the rickshaws and other things, and earn some money and come down again. And then perhaps he will wait for the next cropping season to get engaged in cultivation. So he is a very peculiar entity, working as a wage laborer, working as a farmer entrepreneur, working as a wage laborer in the crop sector, in the home district, and also perhaps at one stage in the urban sector or even in a foreign country like-Dubai, from there sending money to his brother to leasing in land and working as a farmer. But given this mobility and interchanges all of them can be treated as one kind of stock of or reserve force of rural workforce. They are not earning unearned income without work but the sector of their earning is changing.

That is the strength of Bangladesh agriculture. That is why mainly not by the middle class middle farmer or large landowner, but mainly by the small and marginal farmers who otherwise would have become completely proletarianized and become wage worker in the industrial sector. But because of lack of development in that formal sector, they remain in the informal sector. You will find it from the labor surveys done by Bangladesh bureau of statistics that almost 89% of the labor force work in the informal sector.

So there the mode of payment is very inhomogeneous since the area of work is various, time of work is various, labor laws are various, only for 15 to 16 modern formal branches there are effective trade unions. Now everybody agrees that agriculture labor is a trade, is a formal labor profession who are engaged in agriculture, but that kind of pure agricultural labor you will never find and he has no stable place to work. So that's why you cannot bring him under formal trade union movement. So this is one of the political problem for them to get organized.

VK: Professor Akash, you have also written a lot about depeasantization. Is this still happening in Bangladesh? And what is this all about? Can you tell us in the case of Bangladesh how capitalist agriculture displaces small farmers?

MMA: Okay, depeasantization is happening. No doubt about it. People are losing land and if you lose your land you cannot cultivate. That is in that sense depeasantization is happening. Landlessness is increasing. But why and how? That is the important question. Is it because of capitalist competition between more efficient agricultural farm and less efficient agricultural farm? It is not because of that. Because I have already told you that in agriculture of Bangladesh there is not happening large-scale capitalist wage labor based farming. That hasn't come into existence at least extensively till now. But is it not still a kind of capitalism? Yes, still it is capitalism because entrepreneur is here, small and effective, because he has labor of his family and also supplements that labor with partly agricultural wage labor and is also innovative. He has shifted from plough to power tiller. He has shifted from hand irrigation to power pump irrigation and he is producing surplus and few of them can even produce flowers and vegetables and export it to Italy. That is the dynamics of bottom-up capitalism. I would say that in rural sector of Bangladesh there is good chance of development of bottom-up capitalism where the entrepreneur himself becomes capitalist and slowly enlarge or supplement his capital very slowly. But that will be difficult and will depend upon a host of conditions prevailing in the market and state policies.

But your question was not about the mere presence or absence of depeasantisation. Your question was – that happens through what mechanism? That happens partly through demographic mechanism because the population is increasing rural household size is also increases over time. For example, you have three children. Then after your father, the three brothers will divide the land into three parts. So the farm size, average farm size, is bound to decrease not by capitalism but by demographic pauperization. So in Bangladesh, we are not observing market based polarization. We are observing pauperization because of demographic pressure which cannot be counterbalanced by growth of productive forces elsewhere to turn the pauper everywhere into proletariat.

Only some poor small farmers could survive and increase their land operation but not that land operation increase means buying of land by them. In Bangladesh rural areas, everybody loves his own smallest piece of land and clings to it like an ornament of the bride. And it is same as the old statement by Kautsky, the small farmer never sell their land. So not selling land means you have a constraint against expanding farm size. And you cannot have owner operated large-scale farm easily.

But you can have owner cum tenant operated large-scale farm by contracting in enough land. And that is happening not for every small farm but those who are efficient, those who have linked with the non-agriculture sector, those who can procure the new productive force, those who have linkage with the market, those who can export. And those who have linkage with a relative in the outside who will supplement them with capital or those who have wives and sisters who can procure a large number of credits from NGOs microcredit. So this complex nexus is creating the present scenario of Bangladesh.

VK: Can you also throw some light on the situation of women workers?

MMA: Yes, in Bangladesh, many wondered why in a Muslim dominant country women are coming out in the field and engaged in agricultural labor? Perhaps it is because of subsistence pressure of the small land from which they could not have enough income, forcing them to supplement their income and that's why man and women both should work. Bangladesh has successful record in reducing poverty but the main driving force behind that reduction of poverty was increasing the participation of women in the earning. So the dependency burden had declined in each family. That is why in Bangladesh we are now not observing extreme poverty or hunger.

Extreme hunger is not there. 'Monga', the old word for seasonal hunger which means a lean season in a drought prone area where people are unemployed and passing their days without food. That scenario has become absent now a days.

In rural areas, men and women both now work in the peak season, have money, save them, have microcredit from the NGO to supplement their lean season consumption and work in the peak season to pay that and this kind of mechanism has been set in and also have diversified agriculture.

One thing have been done by the agricultural scientist of Bangladesh, very positive, which was the research about varieties of crops which are drought prone, saline prone, can resist those problems and be grown and so those technologies are now available and so in all the seasonal gap and other things have been reduced, natural hazards and its negative impact has been reduced. You were saying that the agriculture of Bangladesh is thriving and it is known as a miracle case. The main two contributions if you tell me who did that, that is these poor small farmer, the laboring farmer, I will then add and say the laboring farmer and the agricultural scientist. These two things and perhaps also market. New markets for output, machines and tools and market connection all enabled it to work smoothly.

VK: Yeah, that's really great to hear about this that the farming, the labouring farmers, or scientists have done a lot to progress the agriculture in Bangladesh but still it is not the ideal situation which one could wish for. The work conditions, the life situations of these small farmers are not as good as compared to other countries of the world. It's still a long way to cover and

they are still underpaid or they don't get the return which they should be getting, which is good enough for leading a dignified life.

Having said that, you also said that the labourers in the rural areas are not a homogenous entity. They today are migrant worker, tomorrow they are seasonal worker, day after tomorrow they are working in their own leased-in fields or selling their labour out to other persons, other small farmer's field. So there is a lot of combinations which are going on. I would say all these as a strategy to survive to gain some sort of survival income in the rural areas. So because there are so diverse nature of work and there is no one single framework under which this all could be covered, what kind of efforts are going on to organize this section of masses? Are there efforts to organize these groups of people and what is the strategy to deal with the market forces or what kind of political choices are at play?

MMA: Okay, I have told you that capitalism has two variants of development. One is capitalism from above the German model of capitalism where the capitalists have enough money, go to the village, invest their capital to recruit labour and proletarianize them and increase their own fortune. This is the Western model where the capital comes from top. Another is capitalism from below, it can be seen to some extent in Bangladesh. Now Bangladesh is in a crossroad. Either it will be taken over by the capitalism from above or the capitalism from below will survive and make it more democratic and make it more prosperous, make it more universally shared.

Already Capitalism from above the challenge is coming from the multinational agro-business classes. Capitalism from above is coming from some man having an outlet for agricultural products in the top selling houses in the urban sectors where they sell those things at two or three times more prices which they give to the producer at the bottom, growers in the village from where they collect it and marketize it. Not only in Bangladesh but also in Italy, Canada, USA etc. So the value chain is organized for agricultural products in such a manner that the total surplus goes to them not to the producers.

These middlemen become more interested if the profit opportunity in these things are high enough and I think they are high enough and they are now becoming interested and they are now coming to the village from the top to engulf productive agricultural laborers with small farmlands and small capital. Given this whether they will survive that will depend whether their initially earned prosperity will be sustainable or otherwise they will be turned into wage labor.

This critical challenge is now faced in Bangladesh. Here the role of the government is important. If the government provides them with cheap electricity, with cheap productive technology, with cheap agricultural inputs then these poor farmers or laboring farmers I should say, laboring farmers will survive. But if those things are not available they are thrown into the free market and become pauperized and proletarianized. .

Then in that market they will suffer from two problems. They will have to buy inputs at a very high cost. Increasingly it will become high cost and they will have to sell their output increasingly at a lower or constant price and then that will cause them a problem.

Only surviving perhaps through over work and under consumption that is through a minimum wage of course that minimum wage will be higher than what they would have been earning before with endemic hunger.

But that may also go down that minimum level. But that minimum level as you have said that is not a dignified way of life. A dignified way of life will have to mean for them that they will have the opportunity for education for their children, hospitals for whenever they get sick and also they will have to have a pension after they get retired. They must have some crop insurance like those things. But those things can't be done by themselves. That will have to be arranged by an agriculture friendly government.

And in Bangladesh we find two main parties. These are Awami League and BNP and there are other friends of BNP and also friends of Awami League. Between them the difference is that Awami League is more rooted to village and is agriculture friendly, whereas BNP and their friends are relatively urban biased.

BNP is Bangladesh Nationalist Party and that's why rural basis of AL (Awami League) is stronger and urban basis of BNP is stronger because it has originated in the cantonment, although now have an extensive roots in the villages. This political difference and its evolution will play a significant role in the future evolution of agriculture sector in Bangladesh.

VK: If you have to advocate for the cause of agricultural laborers, what will be your main demands?

MMA: First demand will be those who are completely living on labor selling, their minimum wage has to be fixed in a dignified level. For example, once upon a time when in 1980s I was a friend of Bangladesh Khet Mojdur Samiti, the Bangladesh Agriculture Labor Union. We raised the demand of four and a half kilograms of rice per day. But now from the market they can get six to seven kgs. So that demand has become outdated. But now we can always say that what is the opportunity cost of agriculture labor is; what other opportunities he has. And in the peak season, agricultural labor wage rises to 500 taka or 700 takas. Even with 50 takas per kg rice, 10 kgs to 15 kgs of rice. So 500 to 700 takas in the peak season. In the lean season the wage comes down to 300 takas. That means six kgs. So the wage varies from six kgs to 10 kgs. But, I am not saying that you should determine the wage at that level. I am saying that for a dignified wage for a household you must calculate morally acceptable way of living of a four member family in an agricultural household with two persons working. So that in the urban sector now it is calculated for the garment sector 30,000 takas per month, 30 to 50 they say for the skill labor it is 50; and for the unskilled it should be 30. So daily earning will have to be 30,000 divided by 30 is 1000. So 1000 taka should be earned by a family member if he is exclusively earning everything from his labour. Then if there are two members in the family working then 500 taka per day wage must be the most minimum wage at least.

VK: So 1000 taka would be how much euro?

MMA: Now dollar is 120 taka.

VK: Yeah. So around nine dollars.

MMA: Nine dollars.

VK: So you are saying nine to ten dollars per day.

MMA: That is the point. So what will happen then? Then the surplus disguised laborers will come out of the agriculture sector will go for wage labor and the really productive agricultural labor will remain in the agriculture and the surplus will increase and we in the rural sector will have besides the agriculture, a prosperous non-agriculture sector. The rural sector will become a prosperous economic sector.

So that's the first demand that you are looking for a dignified wage. Wage first and then the creation of services supplementing the agricultural activities. That means the irrigation service. That means the power tiller service. That means the marketing service. That means the buying and selling of inputs and outputs service. All those services made available to the real productive classes, real laboring agricultural classes at a cheap and remunerative and economic pricing. And for that you have to do away with middlemen and introduce cooperative ownership of agricultural laborers themselves to manage those things.

VK: Cooperative ownership!

MMA: Not for production but for managing those non-agricultural inputs and output selling services.

VK: So now let us try to connect this local issue with the global challenges especially for the listeners in Germany or European Union. How does this entire situation connect to the global struggles? Can there be a solidarity between the global north and the countries like Bangladesh, to build a solidarity for the upliftment of the people in the rural areas.

MMA: Surely, surely there can be the agricultural products if increased further then will have to be sold outside our domestic market. So the consumers of the farm products in Bangladesh will be the consumers of western Markets. so if there is a linkage and friendship between the western consumers and eastern producers, poor producers in the east and poor consumers in the west, poor consumers in the sense they are poor in the western world. They are the mass consumers of the western world. So the mass poor consumers of the western world and the mass producers of Bangladesh world can come together to do away with the surplus appropriators in this chain and only then there will be a global peace.

VK: So you're saying a fair and just supply chain in agricultural sector.

VK: Fair trade. Fair trade to be managed not by multinational corporations, not by multinational wholesale agencies, not by exporters and importers mediating between the consumer and the producer, but by real producers and real consumers.

VK: You often speak about 21st century socialism. I think that's your very favorite topic. What does this mean in the context of Bangladesh agriculture?

MMA: Bangladesh agriculture needs to know that 21st century socialism means socializing means of production, not all and everything, of course not consumption goods or personal mutual services that take place in the market space and that allows the freedom of mutual consent based exchanges among individuals. Socialism has to be, in the 21st century, mediated by market in the matters of personal choices. Without market, socialism with wholesale socialization will not survive, cannot compete with capitalism in the global market, but at the same time unregulated all pervasive market will not be or should not be permitted. Because in the space of mutual exchange there can be at times some external diseconomy for society. So neither anti-market total planning nor too much centralized bureaucratic socialism will work, nor neoliberal unrestricted market will work.

We must understand – Social ownership is not centralized ownership. Social ownership in order to be efficient may need to operate on the basis of decentralized management of resources. In the past Centralized socialism was managed by centralized authority without democracy. 21st century socialism will be participatory and democratic in the grassroots. Authoritarian socialism will no longer work in the 21st century. We have to have diversified decentralized agencies of production but also need to partially control them, control them by the market as well as by the party and planning authority who is rooted and accountable to all the social participants in the production i.e. to all legally recognized citizens of the state. .

So, the 21st century socialism will be of the people, for the people, by the people type of democracy accompanied by decentralized management of socially owned means of production and a use of market for the interest of the people. These three things combined can give us some kind of model of 21st century socialism.

VK: Thanks Professor Akash for this incisive analysis. I think I'll just give you a last word to wrap up your ideas like what gives you hope for the agrarian justice in Bangladesh? What are those progressive and meaningful elements in Bangladesh which you are really looking forward to?

MMA: You see in the preface to the book, a contribution to the critic of political economy, Marx precisely formulated his thesis. In that Thesis he had a wonderful sentence, people take only those tasks, accept only those tasks, which are possible to do. They do not take collectively for long time any task which are not possible to do. I am thinking that the history of old socialism which I have described just before was a task which people took and succeeded. Now also they will be going to accept from their own experiences. The new task of building the new 21st century socialism. From their own experiences they will understand that market fundamentalism will not work. From their own experiences they will reject the capitalist model of concentrated

ownership of means of production which also will not work. From their own experiences they will understand that bureaucratic centralized socialism will not work and from their own experiences they will understand that productive force will have to be improved always. If they understand all those things and their experiences will show them their path of development and each country will converge to those experiences and have a convergence to 21st century socialism.

VK: Very well said. So on this positive note, Professor Akash, thank you so much for sharing your time, your scholarship and your passion with us today.

MMA: Thank you.

VK: You have been listening to Indian Ocean, a podcast from Rosa Luxemburg Stiftung, South Asia office. Follow us for more voices and visions from South Asia that speak to social and ecological justice. Until next time, stand in solidarity with the marginalized and the oppressed!

Thank you.