

Reflections on My Immersion in India
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I'm going to divide my reflections on my days with my host lady, Kalavatiben, into two parts. First, I'll talk about the human experience. Then, I'll talk as an economist.

Kalavatiben and her family are relatively fortunate poor people. I was amazed that they lived in a cement house with two rooms and a loft, electricity, running water, a toilet in the house. From what I knew of the kind of work she does and the poverty of India, I was thinking it would be a shanty without any of these amenities. The house was in quite good shape, much better than those of many other city-dwellers doing comparable work in other poorly-paid occupations.

Kalavatiben exhibited an incredible sense of hospitality. She took so much time away from her productive work to be with us and to cook and clean. Because she works on a piece rate basis, she couldn't be rolling beds during those hours, and so she lost days of badly-needed wages, which made me feel terribly guilty. I insisted to our SEWA facilitators that I give her money for the lost wages, which went against SEWA policy. The compromise we reached is that I could buy them needed provisions, which I did. Kalavatiben was overwhelmed. "What did I do to deserve so much from you?", she asked. My answer to her was, "You've opened your home to us and shared all you have with us. This is a small way of thanking you for all you've done." Given her circumstances, her generosity was extraordinary.

I was struck too by the sense of community on her street. The more I took pictures and talked to neighbors, the more people came out to be a part of things. They invited me into their homes, asked for their pictures to be taken, and offered tea (and in one case, sweets). These people may be poor financially but they have a very rich community, much richer than we do in Ithaca (the town where Cornell is located).

Kalavatiben has lived a life marked by great personal pain. She was orphaned at age 3, married at age 9, and taken far away from her home (Solanpur) to Ahmedabad at age 13. She has suffered an abusive husband, harsh in-laws, death of a daughter-in-law, and two sons who have caused much trouble, one because of gambling and one because of drinking. Following the death of her daughter-in-law, she also has responsibility for two grandchildren, who live with her. She exhibits much love for them. Her husband lives up in the loft and came downstairs to use the toilet and eat, always by himself. I never saw her look at him with any kind of love or even friendliness.

Kalavatiben said her neighbors wondered how she could look after us. Her response to them was, "They will stay with me and sleep where I sleep and eat what I eat." That is what we did. She made us a part of her family. We stayed the night sleeping on the floor in the main room with all the others. It wasn't comfortable but it was special. As for the eating, the food Kalavatiben and her daughter-in-law prepared was delicious. In Ithaca, we have two Indian restaurants. I told Kalavatiben, "If you could make such delicious food in our town, you'd drive those two restaurants right out of business."

Turning to the professional side of the trip, our facilitators, Manaliben and Shaliniben, are both labor lawyers. We were fortunate in being able to accompany them to the Gujarat Commissioner of Labor's Office. We sat in on two meetings, the first to establish a minimum wage for kite-makers and the second to establish a Provident Fund for bedi workers. We watched as SEWA negotiated with the three employer-owners. "We" included the negotiating team led by Manaliben, as well as Padmaben and myself and Kalavatiben and five other bedi rollers. I can't even begin to imagine that in the U.S. there would be a group of workers like this welcomed into a meeting with the assistant commissioner of labor. Though they didn't speak, they were there, and their very presence added a very vivid touch to the proceedings. The negotiations were successful, so for Manaliben and Shaliniben, it was a day of victories.

Because of what I saw on the ground, my professional judgment about minimum wages and supplementary benefits changed. With the standard labor economics model in mind,

I had worried that the minimum wage might hurt the very women it was meant to help, because of a loss of jobs. In this context though, the minimum wage does not act as a wage floor. It acts as an aspirational target. If bedi rollers earn Rs. 36 per 1000 bedis and a minimum wage is set at Rs. 80 or 90, there would probably be major job losses. However, the SEWA team is astute enough to take this into account, and so they negotiate for minimum wages, expecting that they will not be paid, at least not now. However, the very fact that a minimum wage is set at so (relatively) high a level strengthens SEWA's negotiating position.

In this context, the "minimum wage" is not the usual one of an above-market-clearing payment per unit of time. It is, rather, a negotiated piece rate. Similarly, a Provident Fund, with contributions from employers and workers, is also better seen as an increase in the piece rate. Watching the employers negotiate, they seemed to be quite unconcerned about the effect of the Provident fund on their costs. It appeared to me that they would continue, as now, to buy up at the negotiated rate as many bedis as the women produce. It appears therefore that these women will earn more with essentially no effect on their employment.

Set in this way by negotiators who take full account of possible job losses as well as earnings gains, the minimum wage and Provident Fund are meant to help all of the women in their respective occupations and not, as is often the case in other contexts, insiders at the expense of outsiders. This kind of "wage" increase is something that I favor. Without this experience on the ground, that is not something I would have said two days earlier.

I will conclude with one final thought. I have long thought that if I do my homework before I set off on a trip, nine out of ten notions that I had before are confirmed, but it is the tenth one that makes the trip worthwhile. That is exactly what happened this time. Truly, this was a life experience I will never forget.