

Thesis title: Informality and Accumulation in India- From the Standpoint of Capital

Abstract

The thesis explores variations in the informal accumulation patterns in India. It locates informality within diverse agrarian and non-agrarian accumulation processes in the Indian context. The contribution of the thesis to the literature on informality is threefold. Firstly, it draws attention to the importance of the agrarian transition in studying the non-agrarian informal sector, particularly rural informal sector. Consequently, the thesis contributes to debates on partial-proletarianization. Secondly, it approaches informality from the standpoint of capital as opposed to the standpoint of labour which recognizes the role of informal sector merely as a site of surplus labour. Using the standpoint of capital, the thesis argues against the view that non-agrarian informal enterprises are necessarily incapable of growth and accumulation. The thesis argues that it depends on the nature of market growth which itself is contingent upon agricultural labour productivity growth. Thirdly, the informal accumulation processes studied in the thesis are located within the growth dynamics of the reform process initiated in the early 1990s and the corresponding switch in the investment and accumulation model towards urban-biased growth and consequently away from agriculture towards urban non-agriculture. The economic growth driven by urban services also manifested in the expansion of informal sector in this category in high per capita income (rich) and low per capita income (poor) states.

The thesis is divided into six chapters. The **First chapter, 'Locating informality within Accumulation Processes- An Introduction'** lays out the motivation for the thesis and critically discusses the existing approaches to informality. The chapter attempts to marry together the debates around structural change and informality with the literature on diverse paths of agrarian transition and accumulation. It argues that the existing duality frameworks, be it exogenous or endogenous, are not suitable to comprehensively understand the dynamics of informal accumulation atleast in the Indian case. The chapter highlights the limitations of the mainstream discourse on informality emphasizing on its urban bias and the neglect of rural sector, the standpoint of labour, and dislocating informality studies from agrarian accumulation processes. The thesis proposes that the lens of accumulation, and within that petty commodity production approach is more appropriate for the study of non-agrarian informal sector and its

relationship with the agrarian accumulation. This chapter attempts to provide a broader theoretical and analytical framework to understand the changing nature of agriculture and the emergence of partial proletarianization in India in the post-reforms period. It also extensively discusses the role of understanding historical diversity of agrarian transition paths and their implications for the differences in the political economy context of different regions.

The **second chapter, 'Structural Change and economic growth in India since the 1990s- A State-level Analysis'**, explores the structural changes in the composition of output and employment between agriculture and non-agriculture sectors comprising industry and services. The chapter mainly focuses on the nature of the output per worker gap, a proxy for the productivity gap, between the two sectors to study the patterns of economic growth and structural transformation across 21 major Indian states since the 1990s. The per capita income levels, agriculture and non-agriculture output per worker kicked off since the mid-2000s in India. The period of 2004-05 to 2011-12 registered a high growth phase followed by a slowdown during 2011-12 to 2017-18. The chapter identifies three broad trajectories of growth and transformation within India: a) economic growth with convergence, b) economic growth with divergence, and 3) relatively stagnant economic growth. It argues that differences in

Rich states had higher public and private investment levels per hectare than poor states. The changing accumulation model at the all-India level with declining investment share and rates of growth in agriculture since the 1990s, volatile global prices in the primary commodity markets, and dismantling of price support and procurement mechanisms within the country generated a deep a

Subcontract (OAE_NSC), Own Account Enterprises on subcontract (OAE_SC), and Establishments in manufacturing, trade, and services.

This chapter reveals that the non-agrarian informal sector in India has different patterns of accumulation in the following four regions: rural-poor, rural-rich, urban-

Lastly, the **sixth chapter**, '**Conclusion: Towards a Political Economy View**', attempts to provide a Political Economy viewpoint to integrate the findings emerging from the above