

Policy Watch

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The Migrant Economy During the Pandemic: An Exploratory Study in Baisi Block, Bihar

Girija Shankar and Rakhi Kumari



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Photo Caption: Migrants travelling on a truck to reach their native places braving the scorching heat during lockdown imposed in the wake of COVID-19 pandemic in Patna on May 17, 2020. Photo: Ranjeet Kumar/The Hindu

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ABSTRACT

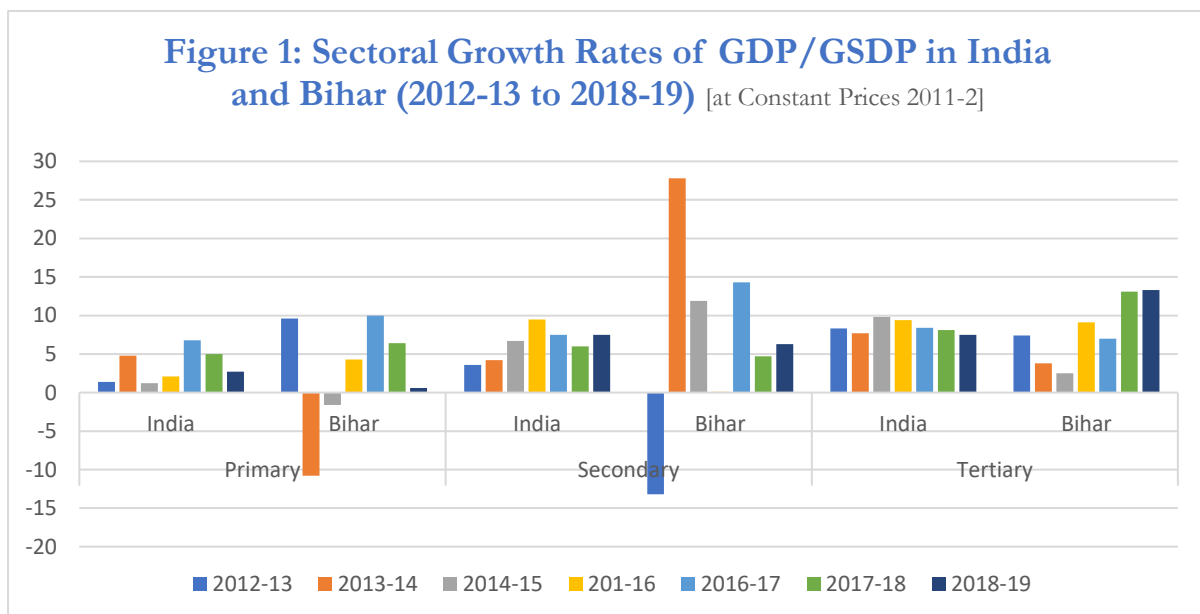
Migration from India's villages is linked to poverty, the lack of livelihood opportunities and, in some States, feudal structures that dominate rural societies. COVID-19 and the lockdown implemented on March 24, 2020, to contain the spread of the pandemic resulted in traumatic conditions for migrant workers stranded across India.

Bihar is second only to Uttar Pradesh in the number of out-migrants. In this Policy Watch, **Girija Shankar** and **Rakhi Kumari** discuss the impact of the COVID-19 lockdown in Baisi, a block (sub-district) in Bihar, from where workers move to 17 States and Nepal as short-term migrants. In an exploratory study conducted in April 2020, they find that the lockdown resulted in drastic changes in villages: the rural economy was disrupted, spending priorities had changed, and savings and investments fell. Interventions by the Union and State governments appeared to have a minimal effect on boosting demand and providing sustainable income support opportunities.

Keywords: Baisi, Bihar, BIMARU, COVID-19, ILO, Inter-State Migrant Workmen Act 1979, MGNREGS, migrant labour, National Food Security Act, Purnia, Report of the Working Group on Migration, Seemanchal.

I. INTRODUCTION

Bihar, with nearly three times the national population density and about a third of its urbanisation rate, has been a source State for internal migration for centuries.¹ It is India's most densely populated State (1,102 persons/per square kilometre), compared with a national average of 382.² Moreover, with only 11.30 per cent of its population living in urban areas, it naturally follows that Bihar's population is predominantly rural (88.70 per cent). The Bihar Economic Survey 2019-20, provides sectoral growth rates in GDP/GSDP³ from 2013 to 2019.⁴ Figure 1 shows the growth in GDP/GSDP in the secondary (manufacturing, EGWUS,⁵ and construction) and tertiary sectors (transport, communications, and storage), and a sharp decline in the primary sector (agriculture and allied activities) in 2018-19.



Source: Bihar Economic Survey 2019-20.

¹ Although in the initial stages of outmigration, the region comprising present day Bihar (which was created in 1912) was a source for military recruits for the Mughals and the East India Company, after the Permanent Settlement Act of 1793, a mix of factors resulted in distress migration. (*Draft Policy Framework for Improving the Conditions of Labour Migrants from Bihar*, Prepared by Aajeevika Bureau and TISS for the ILO-supported State Consultative Meeting on Labour Migration from Bihar, October 12, 2017.)

² Government of Bihar (n.d.). *Distribution of Population Decadal Growth Rate, Sex Ratio, Density and Literacy by State - 2011*. [<https://state.bihar.gov.in/main/cache/1/Figures/Table-001.pdf>].

³ GDP/GSDP: Gross Domestic Product/Gross State Domestic Product is the standard measure of the value-added created through the production of goods and services in a country/State during a certain period.

⁴ Government of Bihar. 2020. *Bihar Economic Survey 2019-20*, Finance Department, p. 5.

[<http://finance.bih.nic.in/Reports/Economic-Survey-2020-EN.pdf>].

⁵ Electric, gas, water supply and other utility services.

The State's poor performance in development indicators has placed it in a cluster referred to as the BIMARU,⁶ an acronym for Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh (U.P.). The State has high levels of poverty and illiteracy, a defunct health care system, and a corrupt political administration. However, the situation was not the same historically, as the region was the seat of empires in ancient India. There are several reasons behind the economic decline of Bihar from its ancient glory despite its rich alluvial river valley and generous natural resource endowment.

Economic policies and the State's decline

One view on the economic deterioration in the modern period is that it began with the introduction of opium and indigo farming at the behest of the British in the 1920s, which took over almost entirely the land under sugarcane cultivation. Around the same time, the textile industry, which began in the early nineteenth century and sustained about 60,000 people in the region, was also on the decline^{7,8} due to a combination of social, economic, and political factors.

According to Rasul and Sharma, the process of marginalisation, which began during the colonial rule, was

“further reinforced by the [Union] government's policy of ‘freight equalization’, which nullified the comparative advantage of Bihar and U.P. in natural resources by subsidizing railway freights of industrial inputs like coal, iron ore, steel, cement, and other bulk resources...which undermined the State's “capacity to invest in health, education, and other social and physical infrastructure, and resulted in low human development.”⁹

Added to these factors is the reality that people employed in the agricultural sector had among the lowest wages across the country. Between 1987-88 and 1989-90, the average per capita income (at current prices) in the agriculture sector was ₹948, against the national average of ₹1,522. This deficit was primarily due to a severe lack of research facilities and technology support, and institutional backwardness. In 1989-90, the per capita net value added¹⁰ in the manufacturing

⁶ BIMARU is a term coined by the demographer Ashish Bose in 1985 for the States of Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh “to pinpoint India's demographic malady” when he was “asked to brief the then Prime Minister [Rajiv Gandhi] on India's family planning programme.” (See: Ashish Bose, *Beyond Population Projections: Growing North-South Disparity*, *Economic and Political Weekly*, Vol. 42 No. 15. April 14-20, 2007. p. 1328.) In the Hindi dialect of eastern U.P., *bimaru* means ‘sick’ (or ‘sickly’). (See: Ashish Bose, *National Population Policy, 2000: Swaminathan to Shanmugam*, *Economic and Political Weekly*, Vol. 35, No. 13 (Mar. 25-31, 2000), p. 1059.)

⁷ **de Haan, A. 2002.** Migration and Livelihood in Historical Perspective: A Case Study of Bihar; India, *The Journal of Development Studies*, pp. 115-142.

⁸ **Datta, A., and Mishra, S. K. 2011.** Glimpses of women's lives in rural Bihar: Impact of male migration, *The Indian Journal of Labour Economics*, Vol. 54

⁹ **Rasul, G., and Sharma, E. 2014:** Understanding the poor economic performance of Bihar and Uttar Pradesh, India: a macro-perspective, *Regional Studies, Regional Science*, Vol. 1, No. 1, 221-239, DOI: 10.1080/21681376.2014.943804

¹⁰ Net Value added: Net value added is the value of output less the value of both intermediate consumption and consumption of fixed capital.

factory sector in Bihar was only ₹305, against the national average at ₹514.¹¹ Nevertheless, in recent years, the Bihar government has claimed that the poverty ratio has reduced compared with previous years.¹²

Migration, an escape from economic and social subjugation

A historical trait that has dotted Bihar's socio-economic landscape is out-migration. As per the estimate of the *Economic Survey of India 2017*, inter-State migration in India was close to nine million between 2011 and 2016, with the highest number of migrants hailing from U.P. and Bihar, followed by Madhya Pradesh, Punjab, Rajasthan, Uttarakhand, Jammu and Kashmir, and West Bengal.¹³ Migration from Bihar can be traced back to the 1830s when people were moved as indentured labourers to the British colonies of Mauritius, Guyana, Trinidad, and Fiji. In the 1960s during the spread of the Green Revolution, migration began to Calcutta (now Kolkata), the capital of West Bengal, and in the 1990s and the 2000s, people started moving across the country.¹⁴

This phenomenon of outward migration from Bihar is intricately linked to poverty, the lack of livelihood opportunities, and the prevalence of feudalism in the agriculture sector. In *Migration and livelihood in historical perspective: A case study of Bihar, India*, Arjan de Haan¹⁵ discussed a unique pattern of migration that existed for 100 years, where the work offered was relatively permanent in nature. Unskilled labourers migrated to the industries in Kolkata while their roots remained in the villages of their origin. Their savings were first spent on the basic needs of the family and then on asset creation, like buying agricultural land.¹⁶

In his speech at the United Nations General Assembly in 2006 on international migration, the then Secretary-General, Kofi Annan, pointed out that "Migration is a courageous expression of an individual's will to overcome adversity and live a better life".¹⁷ Mobility is the inherent characteristic of an individual. As the *World Migration Report 2020*, highlights, it "appears to be closely linked with the level of development in each country, which, in turn, is linked with the distribution of the

¹¹ Sharma, A. N. 1995. Political Economy of Poverty in Bihar, *Economic and Political Weekly*, October 14, Vol. 30, No. 41-42, pp. 2587-2602.

¹² Op. cit. Government of Bihar. (2020).

¹³ Sharma, K. 2017. [India has 139 million internal migrants. They must not be forgotten](https://www.weforum.org/agenda/2017/10/india-has-139-million-internal-migrants-we-must-not-forget-them/), *World Economic Forum*, October 1. [https://www.weforum.org/agenda/2017/10/india-has-139-million-internal-migrants-we-must-not-forget-them/].

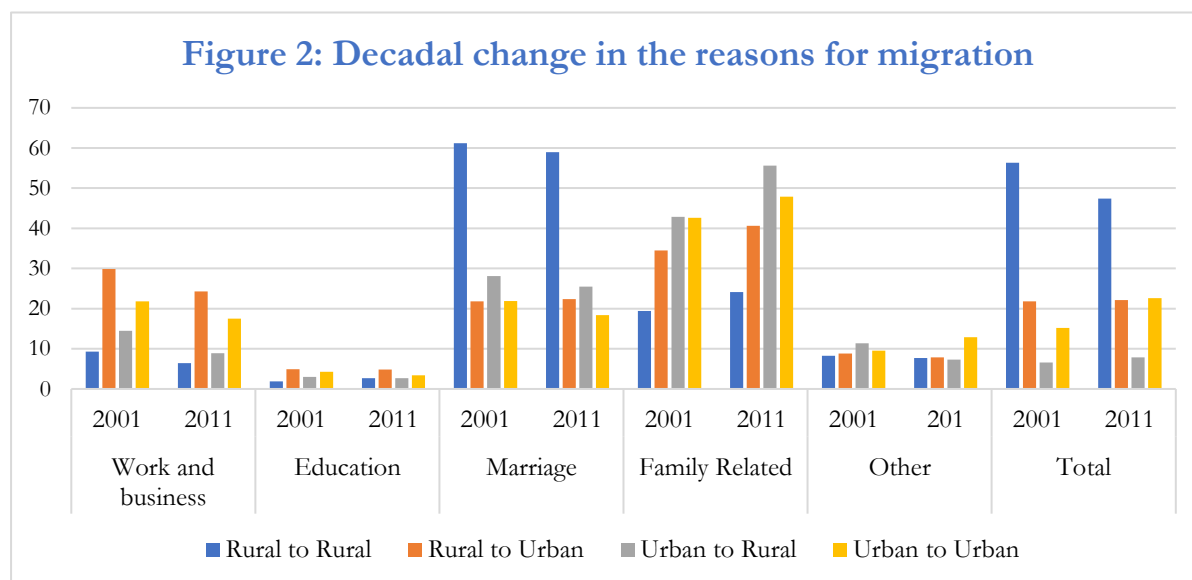
¹⁴ Datta, A., and Mishra, S. K. 2011. Glimpses of women's lives in rural Bihar: Impact of male migration, *The Indian Journal of Labour Economics*, Vol. 54, p. 458.

¹⁵ Arjan de Haan is the director of IDRC's Inclusive Economies Programme and a development expert who focuses on poverty and public policy.

¹⁶ Op. cit.

¹⁷ United Nations. 2006. [The Secretary-General\[s\] Address to The High-Level Dialogue of the General Assembly on International Migration and Development](https://www.un.org/migration/sg-speech.html), September 14. New York. [https://www.un.org/migration/sg-speech.html].

population in each country”.¹⁸ It is the result of the individual’s endeavour towards a social, political, spiritual, economic, and environmental balance. However, the proximate reasons for migration have always changed with time and space. Figure 2 shows the change in the reasons and destinations for migration over the period of a decade.



Source: Report of the Working Group on Migration, Govt. of India, 2017.¹⁹

Migration and the migrants have always been a serious branch of inquiry among researchers and have fascinated policymakers. Development expert de Haan, in his work on migration²⁰ in Bihar, focused on “how migration has been caused by and in turn influences poverty and livelihoods for men and women”.

Dutta and Mishra focused on the impact of male migration on the lives of the women in Bihar.²¹ They pointed out that male migration functioned as the catalyst for enhancing women’s mobility, even as their burden of work increased in agriculture. Although most women remained in jobs that conformed to their traditional roles; in some communities, the women switched over to other occupations. In terms of changes in the pattern of household behaviour, the decision on spending of money was taken by the women even in castes placed lower in the social hierarchy.

The Government of India sees migration as an opportunity. Its *Report of the Working Group on Migration* highlights the view that migrants “fuel the Indian economy by carrying human capital to

¹⁸ **International Organization for Migration (IOM).** 2019. *World Migration Report 2020*, UN, New York, p.5. [https://publications.iom.int/system/files/pdf/wmr_2020.pdf].

¹⁹ **Government of India.** 2017. *Report on the Working Group on Migration*, Ministry of Housing and Urban Poverty Alleviation, January. [<http://mohua.gov.in/upload/uploadfiles/files/1566.pdf>].

²⁰ Op. Cit.

²¹ Op. Cit.

regions where it is needed, and enabling the acquisition of new skills and a better standard of living”.²²

Definitional framework of migrants in India

Studies on migration in India are shaped by official definitions. In addition to migration figures based on place of birth and duration of migration, data are also available on migration by place of last residence, which are more accurate in analysing current migration. According to the Census of India 2001's *Data Highlights - Migration Tables*,²³

“A person is considered as migrant by place of birth if the place in which he is enumerated during the census is other than his place of birth. As a person could have migrated a number of times during his lifetime, migration by place of birth would not give a correct picture of the migration taking place currently. A person, on the other hand, is considered as migrant by place of last residence, if the place in which he is enumerated during the census is other than his place of immediate last residence. By capturing the latest of the migrations in cases where persons have migrated more than once, this concept would give a better picture of current migration scenario.”

The National Sample Survey Organisation (NSSO), in its 64th survey,²⁴ defines migration and migrants²⁵ as follows:

Those movements which resulted in change of the usual place of residence (UPR)²⁶ of the individuals were treated as migration and a household member whose last usual place of residence was different from the present place of enumeration was considered a migrant. [Emphasis added]

²² Government of India. 2017. p. 7.

²³ Census of India. 2001. *Data Highlights, Migration Tables*, Government of India.

[https://censusindia.gov.in/Data_Products/Data_Highlights/Data_Highlights_link/data_highlights_D1D2D3.pdf]

²⁴ National Sample Survey Office, 2010: *Migration in India, 2007-2008, NSS 64th Round (July 2007-June 2008)*,

Ministry of Statistics and Programme Implementation, Government of India, June.

[http://mospi.nic.in/sites/default/files/publication_reports/533_final.pdf].

²⁵ The NSSO's 64th Round surveyed households across India on employment-unemployment and migration, enumerating people who migrated to the place of enumeration during the past 365 days.

²⁶ *ibid*: Footnote 1 “A household member whose last usual place of residence (UPR) was different from the present place of enumeration was considered as a migrant member in a household. In this survey, usual place of residence (UPR) of a person was defined as a place (village/town) where the person had stayed continuously for a period of six months or more.” p. H-i

II. THE MIGRANTS FROM BAISI

India's internal migration numbers (from rural to other rural areas and urban areas) stood at 73.8 million during the decade ending 2001.²⁷ The COVID-19 pandemic has rendered India's migrant workforce vulnerable, especially those working in the informal sector. In addition to comprehensive government support in health, cash transfer, and other social programmes, these migrants need protection from discrimination.²⁸

The plight of the migrant workers after the lockdown was imposed was traumatic: images and videos of the multitude treading the roads on foot or by any other means—children in tow, carrying whatever they considered valuable—to make their way home stirred the soul of the nation. The workers, who were termed the “fuel of the Indian economy”, were suddenly considered liabilities. The Union and State governments, as was required of them, did put in place some relief measures²⁹ but they were clearly overwhelmed by the sheer magnitude and suddenness of the reverse migration. Soon, the need to recount the figures of the migrants became an urgent requirement, exposing the manner in which the Inter-State Migrant Workmen Act, 1979, had been given the go-by in the past. As opinion-writers had correctly pointed out:

“In the immediate aftermath of the lockdown, state governments were taken unawares by inter-state migrants who were desperate to return home. Many had lost jobs, would not be able to afford rent and were afraid of falling seriously ill away from their families. The full and proper implementation of this law would have meant that state governments had complete details of inter-state migrant workmen coming through contractors within their states. While this would still leave out migrants who move across states on their own, a large segment would be automatically registered due to the requirements of the Act. States would consequently have been better prepared to take steps to protect such workmen during this lockdown. However, almost no state seems to have implemented this law in letter and spirit.”³⁰

²⁷ Op. cit. Census of India, 2001.

²⁸ **World Bank. 2020.** *COVID-19 Crisis Through a Migration Lens*, Migration and Development Brief no. 32, World Bank, Washington, DC, April. [<https://openknowledge.worldbank.org/bitstream/handle/10986/33634/COVID-19-Crisis-Through-a-Migration-Lens.pdf?sequence=5&isAllowed=y>].

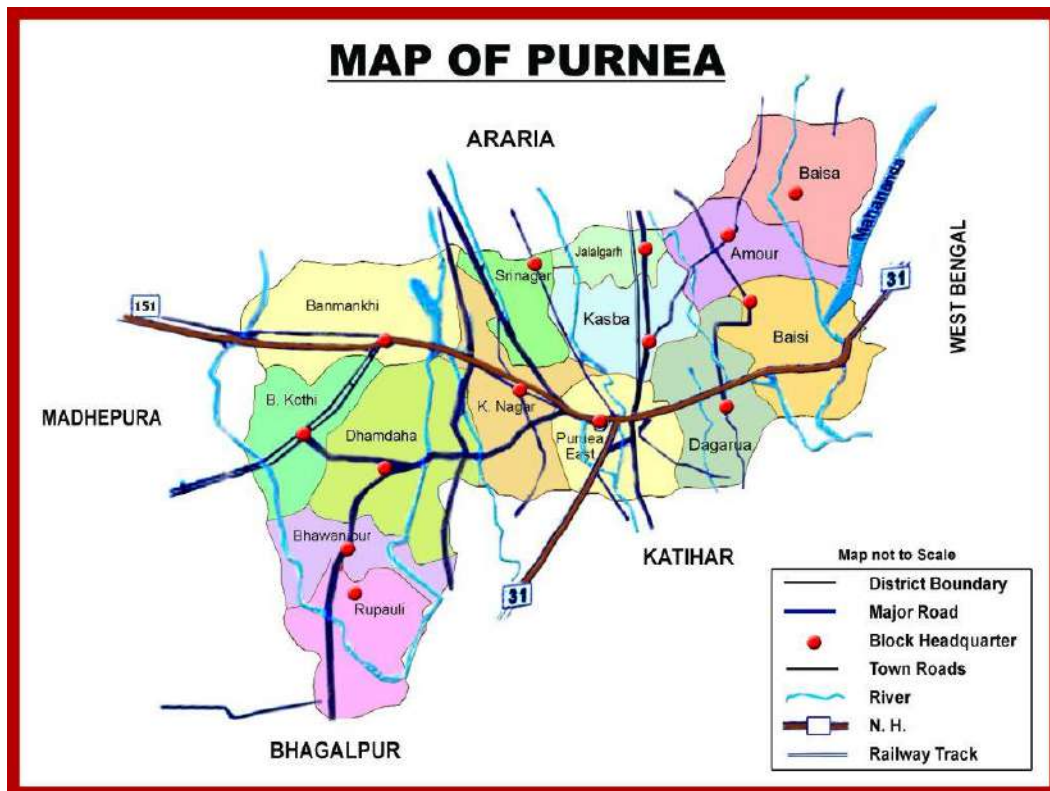
²⁹ **The Economic Times. 2020.** [More than 21,000 camps set up for over 6,60,000 migrants: State governments](https://economictimes.indiatimes.com/news/politics-and-nation/more-than-21000-camps-set-up-for-over-660000-migrants-state-governments/articleshow/74920798.cms), April 1. [<https://economictimes.indiatimes.com/news/politics-and-nation/more-than-21000-camps-set-up-for-over-660000-migrants-state-governments/articleshow/74920798.cms>].

³⁰ **Krishnan., et al. 2020.** [Migrant Workmen Act, 1979, must be rationalised to remove requirements that disincentivise formalisation](https://indianexpress.com/article/opinion/columns/india-lockdown-inter-state-migrant-workmen-act-6400710/), *The Indian Express*, May 9. [<https://indianexpress.com/article/opinion/columns/india-lockdown-inter-state-migrant-workmen-act-6400710/>].

Decades of indifference to this important legislation to safeguard migrant labourers was evident when Governments were unable to provide even estimates, thereby affecting relief work.³¹

Baisi's migrants – patterns and reasons

Baisi block in Bihar's north-eastern Purnia³² district is a remote block with 45,092 households and a population of 2,27,706. Illiteracy is acute, with only 73,825 persons registered as literate (32.42 per cent).³³ A majority of its population are Muslims and most of them are migrant workers.³⁴ The Mahananda River that flows through the block, floods its plains almost every monsoon leaving behind very fertile soil. A major chunk of the population are "non-workers", who, in all probability, migrate mainly to Gujarat, Maharashtra, Rajasthan, Delhi, U.P., and Haryana. Some migration to 17 other States and Nepal also takes place.



Source: Government of Bihar [<https://purnia.nic.in/about-district/map-of-district/>]

³¹ Raghu, C. 2020. [Lack of identity of migrant workers](https://countercurrents.org/2020/06/lack-of-identity-of-migrant-workers/), *countercurrents.org*, June 4. [<https://countercurrents.org/2020/06/lack-of-identity-of-migrant-workers/>].

³² Purnia is also spelt as Purnea. The Census of India uses the former spelling, and the Government of Bihar's District website uses the latter. In this Policy Watch, the spellings in the Census of India are used for all place names. However, in the District Map, which is reproduced from the Government of Bihar's website, the spelling used on the website is retained.

³³ Directorate of Census Operations, Bihar. 2014. *Census of India, 2011 – Bihar, Series-11, Part XII-B, District Census Handbook Purnia, Village and Town-wise Primary Census Abstract (PCA)*. [https://www.censusindia.gov.in/2011census/dchb/1009_PART_B_DCHB_PURNIA.pdf].

³⁴ Deshingkar, P., et al. 2006. *The Role of Migration and Remittances in Promoting Livelihoods in Bihar*, Overseas Development Institute, London. December. [<https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2354.pdf>].

The weighted mean of the distance travelled by the outward migrants from Baisi block is 1,727.23 km. The sector in which they find employment determines the duration of migration. Agricultural labourers migrate for 45 days-60 days in a year during the sowing and harvesting seasons; in the construction sector, migration is for 6 months-8 months depending upon the contractors and the contract; and in tailoring it is for 8 months-10 months. If migration from the villages is for a short period of time, it is either circular migration³⁵ or seasonal migration³⁶ (as in the case of agriculture).

Although migration theories view such movement of the workforce simply as consequence of economic development,³⁷ reasons for migration may vary depending on the socio-economic condition of the individuals. For some it could be for medical purposes, marriage, or to earn money to repay loans, while for others it could be to shore up savings to construct a house, or for other forms of asset creation. Higher wages and easy availability of work are, therefore, also factors that attract migrants to venture out of the comfort of their villages/towns.

Migrant workers in Bihar generally move in groups and follow familiar patterns. Workers from a particular village/town migrate to the same State and take up the same occupation (Table 2.); they sometimes find employment in the same company that is referred to them either by their family members or by the contractor.

Migration to the same profession from the same village depends on the "caste structure" of that village. For example, members of the Sharma³⁸ community in Chopara often find employment as carpenters in Gujarat. The highest number of migrant workers engaged in carpentry is from the Chopara Panchayat, in tailoring from Minapur, and in construction from Bangaon (Table 1).

³⁵ Circular migration, also known as repeat migration, is temporary and usually repetitive movement of a migrant worker between home and host areas. For further reading on impact of lockdown on seasonal migrants, read Ravi Srivastava's [Understanding Circular Migration in India: Its Nature and Dimensions, the Crisis under Lockdown and the Response of the State](#) (Institute for Human Development, WP 04/2020).

³⁶ Seasonal migration is the movement of population from their place of origin for short periods depending on the sector in which they work as migrants.

³⁷ **de Haan, A. 2002.** Op. cit.

³⁸ The Sharma community is involved in carpentry in Bihar, and they are classified as an Other Backward Class.

Table 1: Profession and Panchayat-wise Percentage of Migrants

Migrated From	Agricultural worker	Carpenter	Construction	Tailoring
ASJA MAWAIA	11.57	3.81	2.10	5.61
BANGAON	0.52	3.93	15.87	6.50
CHIRAI	12.10	11.45	11.46	7.98
CHOPARA	12.63	13.60	3.98	2.90
GANGHAR	0.00	6.20	2.57	7.78
MALHARYA	3.15	8.23	4.74	9.16
MINAPUR	27.89	3.69	15.73	19.36
PURANAGANJ	1.05	13.24	9.56	10.44
SADIPUR BHATHA	3.15	10.14	9.09	3.54
SIRIPUR MALLAHTOLI	0.00	7.15	2.1	7.04
Other Panchayats	27.94	18.56	22.80	19.69
Grand Total	100.00	100.00	100.00	100.00

Source: Primary data collected by authors from migrant workers in quarantine.

Although a majority of the migrants are employed in tailoring, construction, and carpentry, others take up different trades. Table 2 presents the professions generally taken up by migrants from the Baisi block.

Table 2: Occupations of migrant workers from Baisi Block

Migrant Occupation	Number of Migrants	Percentage
Agricultural worker	190	3.83
Carpenter	838	16.85
Construction	1,474	29.63
Cook	36	0.72
Driver	8	0.16
Electrician	9	0.18
House Keeping	3	0.06
Marketing	6	0.12
Mechanic	10	0.20
Other	71	1.43
Retail Sector	14	0.28
Tailoring	2,029	40.79
Teacher	1	0.02
Technician	285	5.73
Grand Total	4,974	100.00

Source: Official records maintained for the quarantine of the migrant workers.

A major chunk of this migrant workforce is employed in tailoring (40.79 per cent), followed by construction (29.63 per cent) and carpentry (16.85 per cent). Migration begins at a very young age

for the residents of Baisi; the youngest among the migrants were found to be 10-year-olds who migrated to Delhi and Rajasthan to work in the construction sector and/or tailoring units.

Mohamed Afraz of Harintor Panchayat, a village of 784 houses and a population of 3,867,³⁹ migrated with his maternal uncle to Rajasthan to be employed in a sports tailoring unit when he was 14 years old. Initially, he worked with his maternal uncle and gradually acquired the skills required to move into the job market. Now he is 22 years old and stitches 8-10 pieces of sports material a day. He is paid on a piece rate basis and ends up earning, on an average, ₹15,000 to ₹20,000 per month.⁴⁰ He and his five brothers own less than half-an-acre of agricultural land in which he has a small share. The land is looked after by his elder brother. Mohamed got married at the age of 20 years and now his responsibility towards his family has increased.

The story is similar for almost all labourers in the tailoring sector who migrated when they were very young. Initially, they spent time picking up skills and later started working, often with the same employer but on a higher wage. Most of them are either landless or have a paltry share of land. The needs of the family dictate the duration of migration.⁴¹ The maximum numbers of outward migration came from those in the 20-29 years age group, followed by those in the 30-39 years age group.

Table 3: Age Group Distribution of the Migrants

Age Group	Number of Migrant	Percentage
10-19	670	13.47
20-29	2,334	46.92
30-39	1,232	24.77
40-49	516	10.37
50-59	188	3.79
60-69	32	0.64
70-79	2	0.04
Grand Total	4,974	100.00

Source: Official records maintained for the quarantine of the migrant workers.

As Table 3 shows, 46.92 per cent of the migrant workers are in the age group of 20-29 years. With an increase in age, there is a decrease in the percentage of migrants as the responsibility of earning is passed on to the younger generation and the elders remain at home and take care of the family.

³⁹ **Census 2011.** *Harintor Population - Purnia, Bihar.* Census Population 2020 Data. [<https://www.census2011.co.in/data/village/223988-harintor-bihar.html>].

⁴⁰ From an interview with the respondent.

⁴¹ The major reason for the migration is in search of livelihood opportunity, however, short-term migration is basically for the need of the family either for the medical purpose, marriage or for repaying debts.

**THE MIGRANT ECONOMY DURING THE PANDEMIC:
AN EXPLORATORY STUDY IN BAISI BLOCK, BIHAR**

Amar Kumar Yadav, who used to migrate to Punjab for agricultural work, is now a farm hand in his village. He is 31 years old and lives with his family. For the past two agricultural seasons, he did not migrate for work in Punjab but lives in the village and takes care of his family.⁴² It is now the turn of his younger brother, aged 24 years, who migrated to Pune this March as a contract worker in a construction firm. His earnings will enable him to contribute to the construction of his family house, which is in progress in Baisi. He plans to get married soon and it is his responsibility to provide financial support, as he will require a separate room after his marriage.

If seasons, availability of food, and reproductive cycles determine the migratory patterns of birds, agricultural seasons and festivals are the deciding factors for Bihar's agricultural workers. Normally, a labourer migrates for 9 or 10 months for work and spends 2 or 3 months at home. Generally, the migrants return home at the end of April when the harvesting of maize is at its peak and for the Ramadan celebrations. A migrant, Sahanawaz, returns home in mid-April every year to look after the harvesting needs at his small landholding and returns to his workplace after celebrating Ramadan with his family.

Table 4: Baisi's Migrants and the Agriculture/Festival Calendar

January	February	March
<ul style="list-style-type: none"> • Sowing of Garma rice after harvesting of mustard • Migrants at work 	<ul style="list-style-type: none"> • Migrants at work 	<ul style="list-style-type: none"> • Harvesting of maize starts at the end of the month • Migrants at work
April	May	June
<ul style="list-style-type: none"> • Harvesting of maize, solarisation, and selling • Start of the month of Ramadan • Migrants start returning 	<ul style="list-style-type: none"> • Ramadan and Eid • Harvesting of Garma rice • Return of migrants continues 	<ul style="list-style-type: none"> • Start of monsoon and sowing of rice • Migrants stay at home
July	August	September
<ul style="list-style-type: none"> • Monsoon and floods • Migrants stay at home 	<ul style="list-style-type: none"> • End of monsoon and floods • Transfer of flood relief amount (₹6000 per HH) • Bakrid • Migrants stay at home 	<ul style="list-style-type: none"> • Transfer of agriculture loss compensation • Migration resumes / begins
October	November	December
<ul style="list-style-type: none"> • Sowing of maize (early variety) and mustard • Some migrants migrate after the sowing of maize. • Migrants at work 	<ul style="list-style-type: none"> • Sowing of maize (late variety) • Migrants at work 	<ul style="list-style-type: none"> • Migrants at work

Source: Based on the authors' observations for two years.

⁴² From an interview with the respondent. The migrant starts as a second/additional earner in the family and then becomes the primary source of income.

III. THE DISRUPTED MIGRANT ECONOMY

What is the purpose of migration? Deshingkar et al.,⁴³ attempt to derive the quantum of remittances using Money Orders sent from different States to Bihar. However, there are various other methods to transfer money, which has become easier over the years. After the implementation of the Pradhan Mantri Jan Dhan Yojana, many villagers have bank accounts.⁴⁴ A migrant now remits his savings either to his own account or to his wife's account, albeit with caveats on spending. In Baisi, migrants generally use more than 50 per cent of their savings to either repay loans or redeem mortgaged jewellery; the rest is spent on agriculture, festivals, marriages, medical exigencies, or for establishing a small business. Migration had offered them good returns, enabling them to afford a few non-essentials after fulfilling their needs. The pandemic, however, resulted in several disruptions for the migrant economy.

Changing priorities for borrowing

Vishal, a moneylender in the Baisi local market, says that during this pandemic, loan disbursement had increased compared with previous years. Many women mortgaged their jewellery for petty loans. Often, such loans were to purchase rations, start a small business, or to meet medical expenses. Why would the women not sell their jewellery to derive the maximum value? They generally mortgaged their jewellery instead of selling them because someone from the family would migrate for jobs and soon be able to repay the loan and repossess the pawned jewellery. Although this is a common trend in Baisi, the lockdown changed things around. There are several loans that are not repaid, he said. "In February, I was afraid seeing the falling value of gold. If it continues, I am going to run into a big loss. Migrants are the major investors in the local markets."⁴⁵

A vendor at a textile shop said that his annual income depended on the festival and marriage seasons (October to June). This year, the entire month of Ramadan was under lockdown. Although he could not estimate the decline in the number of customers, he is certain that his monthly income fell by 75 per cent. There was hardly any supply of new clothes and footfalls were also decreasing.

The individual's capacity to invest in the market reduced, consumption priorities changed, and people started buying groceries at higher market prices. The workers who lost their jobs and

⁴³ Op. cit.

⁴⁴ Under Pradhan Mantri Jan Dhan Yojana, total number of accounts in the rural/semi-urban areas is 31,396,414. [<https://pmjdy.gov.in/statewise-statistics>].

⁴⁵ In Baisi, women invest a large amount in purchasing jewellery if they have money in hand to spare.

returned home due to the lockdown met the expenditures from their savings while waiting for the lockdown to end, so that they could return to work. Not surprisingly, by the end of April, buses from States like Punjab, Haryana, and Rajasthan were seen in the villages of Baisi Block to ferry back the migrant workers.

Bihar is a predominantly maize-growing State, contributing 8.9 per cent of India's total maize production.⁴⁶ It is a cash crop that requires high investments. Although many migrants do not own much agricultural land, some of them invest in maize cultivation or extend loans to family members.

With the imposition of a nation-wide lockdown between March 24, 2020 and May 17, 2020, all shops were ordered to be shut down and only emergency services such as medical stores and ration shops were permitted to function. In Baisi, however, the lockdown was followed more in the breach. Barely a week into the lockdown, textile shops were functioning surreptitiously, vegetable vendors were back on the roads, mobile shops up and about, barber shops open, and many other activities going on. Farmers, for their part, waited for middlemen to sell harvested maize but disappointment was in store, as this year's price of maize was at least ₹500 lower per quintal than the previous year.⁴⁷

Market prices of vegetables, however, remained constant or fell only marginally as locally grown vegetables were in abundance. This, in turn, affected the vegetable-growing farmers as they were paid less for their produce. The opportunity to market agricultural produce was lost due to breakdown in the supply chain during the lockdown.

Loss of incomes resulted in drastic reductions in consumer spending. In addition to decreased remittances from the migrants, their investment in the rural economy fell. The economic consequences of the pandemic have, therefore, been adverse for Baisi's rural economy on all fronts: income, expenditure, savings, and investment.

⁴⁶ **Department of Agriculture, Cooperation and Farmers Welfare. (n.d).** *Farmer's Portal – Maize*, Ministry of Agriculture and Farmers Welfare, Government of India. [https://farmer.gov.in/m_cropstaticsmaize.aspx].

⁴⁷ In 2019 the price of maize was ₹1,700/- to ₹1,900/- per qtl and in 2020 it is ₹1,100/- to ₹1,200/- per qtl.

IV. THE IMPACT OF THE PANDEMIC ON SPENDING PATTERNS

The pandemic and the subsequent lockdown brought into sharp focus issues concerning public provisioning of food and access to government services. Bharat Yadav, a 45-year-old construction worker, has been working for the past seven months in a private construction firm in Purnia. He said the situation in Purnia city, where all shops were shut and there was no movement of people, was far different from what prevailed in the villages. He receives his monthly salary (₹12,000) either on a weekly or monthly basis. Construction work, however, stopped after the lockdown. There are six members in his family. He has access to the Public Distribution System (PDS) and there is no problem in accessing the ration shop, but he now has to purchase more than what is provided through the PDS, which includes 5 kg of rice, 3 kg of wheat flour, 4 kg potatoes, and 2 kg pulses.

This exploratory study in Baisi, conducted during the month of April, finds that soon after the enforcement of the lockdown, the basic need for people was food and medicine. In many cases, only a single member in the family had access to the PDS, which was not sufficient for the rest of the family members. The required rations had to be purchased from the nearest PDS outlet, and some households were left with rations that lasted merely 4 or 5 days. Soon, the price of groceries started increasing in the market. Though the administration did try to put a check on such malpractices, it could not be enforced beyond a point. Supply was limited and people had little choice but to buy the commodities at a higher price. To meet such expenses, they began borrowing money from easily accessible informal sources, for instance relatives.

Once support from relatives dried up, they had to fall back on moneylenders. Those who had jewellery for mortgage could borrow at 4 per cent interest but others, without collateral, had to pay anywhere between 6 per cent and 10 per cent. A customary practice in Baisi block is that the women generally borrowed money by mortgaging their jewellery. They get an amount equivalent to half the current value of the jewellery. In an interview, a local moneylender said during the lockdown people borrowed extensively to purchase rations and migrants often took loans to meet their daily expenses.

Meanwhile, the Government of Bihar provided some welfare measures: offering free ration for a month to all ration cardholders, a one-time cash transfer of ₹1,000 to ration cardholders, payment of pension for three months in advance to all pensioners, including old age pensioners, widows,

and the physically challenged, and releasing pending scholarships to all students (Surya, 2020). The monetary benefits were deposited directly into the beneficiary's account. Once the cash transfers were made, people began thronging banks in the hope of withdrawing the sum to buy essentials. Lockdown restrictions, however, ensured that their access to money in the bank was severely curtailed.

Bihar holds the dubious distinction of having the highest number of people excluded from the National Food Security Act (NFSA): almost 14 lakh people in the State do not have a ration card.⁴⁸ Administrative lapses coupled with the indifferent attitude of officials and political corruption relegated these people to a state of exclusion. Recognising the need to act in a hurry, the State government took some steps to issue new ration cards during the pandemic. It was, however, too little too late.

The inability of migrants to return to their villages in the early days of the lockdown resulted in a new difficulty to their families. Across Bihar, it is almost always men who visit government offices for any official work that needs to be done. Even before the lockdown, interactions with families of migrant labourers revealed that women knew little about government procedures and documents. In the absence of the men who could not return to their villages, this responsibility of interacting with government officials fell on the women who had no exposure to the workings of officialdom. They were either guided from afar by their husbands or sought help from *tola sevaks* (volunteers who assist children with their education and prepare them for enrolment in mainstream school, provide basic literacy to women, and create awareness about social security and welfare schemes among them) or relied on touts who had to be paid for their services.

The lockdown brought another additional burden for the women in Bihar. In families owning agricultural land, the men often returned from their places of employment to work in their fields during the Rabi crop harvest season or the Kharif crop sowing season (see Table 4). This year, the lockdown put paid to their plans. The responsibility of managing such farm-related operations also fell on the women who were already saddled with running their households under uncertain conditions. They had to either seek help from neighbours or spend money hiring farm labour for sowing/harvesting. Many of those interviewed said that they did not know where their husbands worked as it had never been important for them; some of them only knew the name of the State where their husbands had gone in search of employment.

⁴⁸ PTI. 2020. [14 lakh people in Bihar not getting benefits under food security act: Paswan](https://economictimes.indiatimes.com/news/politics-and-nation/14-lakh-people-in-bihar-not-getting-benefits-under-food-security-act-paswan/articleshow/75323510.cms), *The Economic Times*, April 23. [https://economictimes.indiatimes.com/news/politics-and-nation/14-lakh-people-in-bihar-not-getting-benefits-under-food-security-act-paswan/articleshow/75323510.cms].

V. REVIVING RURAL BIHAR – AN UPHILL TASK

The International Labour Organisation (ILO) in its latest⁴⁹ briefing note, *COVID-19 and the World of Work*, observed that

“[w]orking-hour losses are expected to remain high in the third quarter of 2020, at 12.1 per cent or 345 million full-time equivalent (FTE) jobs. Moreover, revised projections for the fourth quarter suggest a bleaker outlook than previously estimated. In the baseline scenario, working-hour losses in the final quarter of 2020 are expected to amount to 8.6 per cent, or 245 million FTE jobs.⁵⁰”

However, developing economies were witnessing weaker economic growth even before the onset of COVID-19. In India, the real gross domestic product (GDP) had fallen over nine consecutive quarters (EPW, 2020). According to Dev and Sengupta,⁵¹ industry’s contribution to GDP, which was normally in the range of 30 per cent, had shrunk by 0.58 per cent in the fourth quarter of 2019-20, unemployment reached a 45-year high, investments in the private sector decreased, and rural consumption was also on the decline due to the effect of demonetisation.

The pandemic, which came at a time when the economy was already slowing down, aggravated the downside and the prolonged lockdown severely affected the labour market in India through overnight loss of livelihood for many especially those in the informal sector. A nation-wide lockdown started on March 24, 2020, and continued until May 17, 2020, with conditional relaxations after April 20. Much research was conducted on the effectiveness of the lockdown; a group of scholars came together to study the policies of five State governments—Maharashtra, Delhi, Tamil Nadu, Gujarat, and Punjab—and observed that enforcement of lockdown was done in places where there was high incidence of symptomatic infection among the population. They felt that the governments should conduct more tests in those areas (Sardar, T., et al.). Soon after the lockdown was announced, all modes of transport were suspended, and migrant labourers were stranded at their places of employment with no work and meagre savings. As the number of cases began increasing, so did discrimination against the labourers, forcing the migrants to resort to desperate means to return home.

⁴⁹ As on December 7, 2020.

⁵⁰ **International Labour Organization. 2020.** *ILO Monitor: COVID-19 and the World of Work, Sixth Edition, Updated estimates and analysis*, September 23. [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_755910.pdf].

⁵¹ **Dev, M.S., and Sengupta, R. 2020.** *Covid-19: Impact on the Indian Economy*, Indira Gandhi Institute for Development Research, Mumbai, April. [WP-2020-013.pdf (igidr.ac.in)].

The first COVID-19 positive case in Bihar was reported on March 21, 2020. With numbers rising, a central team visited the State.⁵² The number of government hospitals, the numbers of beds, doctors, and nurses available became a matter of concern. This is not surprising given the record of the State Health Department's utilisation of funds from the Centre and the State.

On average, the State's Health Department managed to utilise only 53.86 per cent of the funds made available to it from the State and central pool from the financial year 2012-13 (Annual Report, 2018-19). These data clearly point to the State's inefficient absorption capacity and its failure to use the available funds to improve infrastructure and services. Against this backdrop, the imposition of the total lockdown by the government was perhaps a mistake. Instead, the government could have initially implemented a partial lockdown allowing the migrant workers from other States to return home. A total lockdown could have been enforced once the movement of the migrants had stopped or declined. A strict quarantine policy for the returning migrants could have eased the possible spread of the virus among the local population. Improper facilities at quarantine centres also resulted in truancy whereby migrants slipped out during the nights owing to lack of any basic facilities except "free food".⁵³

Merely offering subsidies to increase purchasing capacity may not be enough, as was experienced during the Bengal famine in 1943. The then colonial government, faced with severe scarcity of food grains, had allowed grain markets to sell the available grains at cheap prices. But the absence of regulation resulted in spiralling prices,⁵⁴ which worsened the fallout of the famine.

It may be argued that comparing a famine and a pandemic is like comparing apples and oranges. However, lessons can definitely be learnt from the past. The Bihar government had announced a one-time subsidy of ₹1,000 and additional rations for all ration cardholders but the large-scale exclusion from PDS facility resulted in these benefits not reaching the people. To overcome this failure, the government employed the services of self-help groups like Jeevika to identify families who were eligible for the subsidy but did not have ration cards.⁵⁵ Even after such an exercise, the

⁵² Tewary, A. 2020. [Coronavirus | Central team visits Bihar as COVID-19 cases rise](https://www.thehindu.com/news/national/other-states/as-cases-surge-central-team-visits-bihar-to-assess-the-covid-19-situation-and-preparedness/article32130388.ece), *The Hindu*, July 19.

[<https://www.thehindu.com/news/national/other-states/as-cases-surge-central-team-visits-bihar-to-assess-the-covid-19-situation-and-preparedness/article32130388.ece>].

⁵³ Tewary, A. 2020. [Coronavirus | Migrant workers slip of out Bihar quarantine centres at night, return by day](https://www.thehindu.com/news/national/coronavirus-lockdown-many-quarantined-bihar-villagers-missing-from-centres-at-night/article31291139.ece), *The Hindu*, April 8. [<https://www.thehindu.com/news/national/coronavirus-lockdown-many-quarantined-bihar-villagers-missing-from-centres-at-night/article31291139.ece>].

⁵⁴ Brennan, L. 1988. Government Famine Relief in Bengal, 1943, *The Journal of Asian Studies*, August, Vol. 47, No. 3, pp. 541-566.

⁵⁵ Kumar, M. 2020. [Bihar: Ration card-less families identified as eligible by 'Jeevika' to be paid assistance of Rs 1,000, says CM](https://timesofindia.indiatimes.com/city/patna/bihar-ration-card-less-families-identified-as-eligible-by-jeevika-to-be-paid-assistance-of-rs-1000-says-cm/articleshow/75279178.cms), *Times of India*, April 21. [<https://timesofindia.indiatimes.com/city/patna/bihar-ration-card-less-families-identified-as-eligible-by-jeevika-to-be-paid-assistance-of-rs-1000-says-cm/articleshow/75279178.cms>].

number of deserving beneficiaries who would remain excluded is still anybody's guess. Ideally, the State Government should have provided free rations to all residents for a brief period, as was done by the Governments of Kerala⁵⁶ and Tamil Nadu,⁵⁷ to name two, and supplemented this by creating livelihood opportunities to boost consumer demand.

The State Government now faces an uphill task of reviving the rural economy. In Bihar, 92.8 per cent of the farmers are small and marginal, which is higher than the national average of 83.5 per cent.⁵⁸ The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) fits into the scheme of things here quite well, satisfying both individual and societal needs and is the most easily available option before the government. Although the performance of the State Government in the implementation of the programme has not been very encouraging, (Chopra, 2016), the fact that it had enormous potential was not lost on them. The Jind district in Haryana had shown positive results with a 135 per cent increase in physical performance and 36 per cent compound annual growth in financial performance (Sharma & Didwania, 2013). Tragically, the Union government has reduced the total fund allocation under the MGNREGS by 13 per cent this year.⁵⁹

Revising budgetary allocations and establishing efficient monitoring mechanisms to oversee resource utilisation and implementation of ongoing schemes will help in boosting the rural economy in the short term, especially during unforeseen emergencies such as the COVID-19 pandemic. A series of corrective measures to address institutional weaknesses, if required through effective utilisation of community and local grass-roots institutions, can help in the long run to both upscale rural economies like Baisi and meet the challenges posed by sudden disruptions.

⁵⁶ *The Hindu*. 2020. [COVID-19 | Kerala to provide free ration to all](https://www.thehindu.com/news/national/kerala/covid-19-kerala-to-provide-free-ration-to-all/article31160410.ece). March 25.

[<https://www.thehindu.com/news/national/kerala/covid-19-kerala-to-provide-free-ration-to-all/article31160410.ece>].

⁵⁷ PTI. 2020. [Tamil Nadu to continue free Covid ration for family cardholders in June](https://economictimes.indiatimes.com/news/politics-and-nation/tamil-nadu-to-continue-free-covid-ration-for-family-cardholders-in-june/articleshow/76032890.cms), *The Economic Times*, May 27.

[<https://economictimes.indiatimes.com/news/politics-and-nation/tamil-nadu-to-continue-free-covid-ration-for-family-cardholders-in-june/articleshow/76032890.cms>].

⁵⁸ Behera, D., et al. 2013. [Enhancing agricultural livelihoods through community institutions in Bihar, India](http://documents.worldbank.org/curated/en/467261468258525242/Enhancing-agricultural-livelihoods-through-community-institutions-in-Bihar-India) (*English*), South Asia rural livelihoods; Series 3 note no. Washington, D.C.: World Bank Group. April 1.

[<http://documents.worldbank.org/curated/en/467261468258525242/Enhancing-agricultural-livelihoods-through-community-institutions-in-Bihar-India>].

⁵⁹ PTI. 2020. [Budget 2020: MGNREGA funds down by 13%, marginal dip in other rural development schemes](https://economictimes.indiatimes.com/news/economy/policy/budget-2020-mgnrega-funds-down-by-13-marginal-dip-in-other-rural-development-schemes/articleshow/73847723.cms),

The Economic Times, February 1. [<https://economictimes.indiatimes.com/news/economy/policy/budget-2020-mgnrega-funds-down-by-13-marginal-dip-in-other-rural-development-schemes/articleshow/73847723.cms>].

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