

Labour hour and wage problem in our rural economy

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The rural economy of Bangladesh is computed by both household and agro-based works like crop and non-crop production, working in others' lands and business, services, agro-processing and cottage industries.

Both men and women of the families work relentlessly for driving the rural economy. Although household works mostly done by the women have huge economic value, it is hardly counted in national income. Women's household contribution is seldom addressed as an identical partner in the rural economy of Bangladesh.

A Singapore-based think tank five years ago revealed a report on the work of both women and men based on quantity (categorical) in which women do double work compared to men along with household works.

But the study also said that most of the work of women is indiscernible and difficult to calculate. Here mental strain is more than physical stress. For instance, fetus in womb bored by women as mother is tremendous harried work that men cannot imagine as they have no scope to experience this.

In the rural areas, labor power is mainly male-centric and they contribute a lot to propel the rural economy being engaged in agricultural works as the country is predominantly agrarian society from its birth to present. Agriculture has still been the nucleus of the economy of Bangladesh.

But now the rural economy is witnessing labor related crisis that resulting in lower production of agricultural commodities like food grains, cereals and

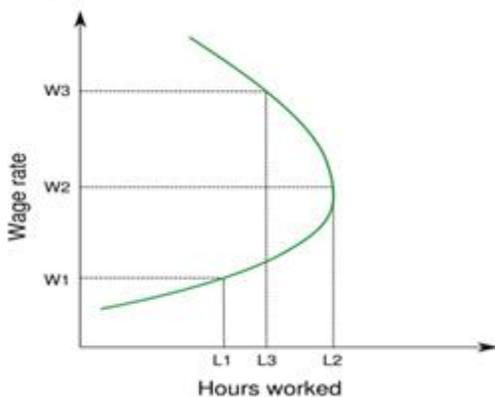
livestock etc. The land owners and the farmers are counting losses in producing agro-commodities, like paddy, wheat, potato, maize etc, and in their processing due to high wage of laborers.

The labor-centered crisis may be explained through Backward Bending Labour Supply Curve in which income and substitution effects dominate the affair. The shape of the supply curve depends on income and substitution effects. With a rise in wage level, a worker can earn more by putting in less hours of labor. The residual time may be used for rest or entertainment.

Initially, however, labor hours increase with rise in income as labor substitutes leisure for work (called substitution effect). But, at a later stage, it could decrease with a rise in the wage rate (called income effect). That is why the supply curve of labor may not rise smoothly upwards, but could bend at some point to reduce the supply of labour hours.

This is called backward-bending supply curve of labor - the negative income effect from higher wages outweighing the positive substitution effect.

Diagram of Backward Bending Supply Curve



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In the recent times, labors in rural villages are drawing an exorbitant charge for their work. Not only this, they are not working for eight hours; but four to five hours a day. It is evident that they are receiving high pay; but employing low labor in terms of time. It is, by and large, lessening the rural production.

Here, benefit from the laborer's work the producing classes are receiving is less than that of payment for labor. The loss of land owners is immense as they are

giving high payment in exchange of lower return.

In this critical situation, cultivators have no scope for trade-off i.e. to switch to produce other commodities as food grains like paddy, potato, wheat etc. are indispensable for life. Besides, most of the rural lands are very much worthy of producing food grains. So, cultivators have no alternative to produce such commodities.

Similar to high wage payment, producers are being cheated also by the millers who mainly procure rice from the farmers.

Despite the government fixed procurement rate of rice, every year the millers deprive the farmers of procuring rice at the lower rate. In fact, high payments for labor and lower price of agro-commodities have been the leading cause for the sluggish growth of the rural economy of Bangladesh. Lack of seeds, fertilizers and electricity for irrigation are also responsible for the quasi-static economic condition of rural Bangladesh.

In the rural area, due to high wage (income effect), labor classes are enjoying leisure through employing less labor or not to work for all days in a week. In leisure, they are wasting time in unproductive ways like gossiping in tea stall, gambling, taking drugs etc. These types of entertainment in leisure period have economic cost that exceeds the high wage of labor paid by the cultivators in the rural areas of Bangladesh.

This leisure consumption of labor classes bears their moral degradation that is very harmful to rural society. What's more, as inflation rate remains same, high wage is not developing the condition of labor classes. Besides, detached from work, labors become lazy and in this essence, they even force women to work to field outside household works. It is posing serious threat to the women health considering fertility.

Now, it is time to check the matter by applying coordinated effort of local representatives, influential, land owners and labor representatives. Their harmonized attempt may build awareness and pursue the labor classes to pay due time for work and enjoy leisure to be engaged in productive self-development activity regarding socio-economic condition of rural Bangladesh.

Drawing high wage and leisure enjoyment may be applicable for the workers of

developed countries, but not for ours. It is, in no way, wise to enjoy leisure and pay less time for work in the rural area of a country like Bangladesh whose per capita income is less than that of maintaining their livelihood adequately applicable for a large section of people.

In this situation, labor may draw high wage; but they have to pay much time e.g. at least six to seven hours a day. Labors' such keenness to work duly would build nexus between land owners and labors in boosting the growth of agricultural production. Hence, it would contribute to lessen the import of food grains for bringing a positive impact on the Balance of Trade (BoT).

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