Crisis without Collapse: Reproduction of Plantation Capitalism in the Dooars under Neoliberal Restructuring

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Abstract: *The paper examines how plantation relations persist even in the face of the withdrawal of capital from direct production and welfare provisioning. The crisis has destabilised the plantation as a relatively enclosed economic and social space. However, its hierarchical foundations remain intact. Relations of domination are reconstituted through informal and temporary institutional arrangements that involve trade unions, intermediaries, and local political actors. They regulate labour mobility and manage and mediate access to state welfare benefits. These arrangements enable capital to externalise costs. At the same time, the arrangements defer reinvestment, thereby sustaining the plantation economy in a suspended state. The paper conceptualises plantation closure as a crisis of social reproduction rather than mere economic collapse. The breakdown of earlier paternalistic arrangements has displaced the burden of reproduction onto workers. The state, on the other hand, is reshaping everyday labour relations and political claims of the workers. By situating the Dooars within broader transformations of contemporary capitalism, the study highlights how identities shaped by class, ethnicity, and gender are reworked amid prolonged uncertainty.*

Keywords: Plantation Capitalism, Social Reproduction, Neoliberal Restructuring, Withdrawal of Capital

1. INTRODUCTION

India's tea plantation economy emerged as a colonial enterprise. Tea is grown as cash crop in majorly four belts in India, they are situated in Assam, Darjeeling, Dooars[1]and in the southern India (Nilgiris, Anamallai, Kerala, and Karnataka). The expansive growth of tea plantations owes its credits to various colonial state policies such as free land grants, nominal land prices, and tax concessions. These policies aided planters a great deal and at the expense of the traditional paddy-based peasant economy, the tea plantation economy saw a boom (Raman, 2010, p. 45). Griffiths (1967) notes the early growth of plantations in eastern India until 1861, followed by a crisis due to their haphazard expansion. A second wave of growth lasted until 1899, extending to South India, where tea developed on hill slopes and as a subsidiary to coffee (Griffiths, 1967; p. 156). By the late 19th century, European capital had monopolised the plantation economy, with companies functioning as managing agents, financiers, and distributors (Raman, 2010, pp. 64-65).The entry of local capital was stifled in the early years, but during the Great Depression and World War II, there was a notable increase in the share of local capital in the industry. However, in the post-independence period, multinational companies continued to dominate the industry until the early 1970s, after which pan-Indian capital gradually took over (Ibid., p. 164). The region was annexed in stages through war and diplomacy with Bhutan and soon became the frontier of plantation expansion (Roy, 2013; Besky, 2019).

In the post-colonial period, tea plantations face globalised pressures such as trade agreements, capital restructuring, misgovernance, and crisis externalisation to workers (Raman, 2010; p. 165). If viewed retrospectively, the tea industry of the country has been going through a crisis since the early 1990s because of various issues.The crisis began to show its face after the introduction of economic liberalisation. Later on, the issue of prolonged decline in Indian tea prices in the global market since the late 1990s has generated a deep and uneven crisis in the plantation sector. This crisishas been most visibly articulated through the closure and prolonged suspension of tea gardens in the Dooars region of Northern West Bengal.

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Year	Production (million Kgs.)	Export (million Kgs.)
1947	251.55	200.61
1957	310.8	200.87
1967	384.76	213.73
1977	556.27	230.2
1987	665.25	202.75
1997	810.03	203
2007	986.43	178.74
2017	1321.76	251.91
2023	1393.66	231.69
2024-25 (FY)	1315.77	250.73

Estimated from https://teaboard.gov.in/, Tea Digest published by Tea Board of India

The table shows the trend of tea production and exports in India from 1947 to 2024–25. A closer analysis shall reveal one clear pattern i.e. tea production has increased steadily over time but exports have remained stagnant or fluctuated. This growing gap between production and exports underscores a key dimension of the crisis. India is producing more tea than ever before, but it is becoming increasingly difficult to convert this output into stable export earnings. Several factors contribute to this situation, such asthe loss of traditional export markets, increased competition from countries such as Kenya and Sri Lanka, quality concerns, and price pressures in the global market are to name a few (Das Gupta, 1999). At the same time, domestic consumption has absorbed much of the increased production. It reduced the urgency for exporters to compete globally and, at the same time, also kept prices low. For producers, especially plantation owners, this implies lower profitability. As a result of this phenomenon, investment in replanting, technology and labour welfare has declined to a great extent. The crisis, therefore, is not about falling production. Conversely, it is a crisis of realisation and reproduction: tea is produced, but its value is not adequately realised in the market (Katz, 2001). This imbalance places pressure on plantations, leading to cost-cutting, labour informalisation, delayed wages and even garden closures, especially in regions like the Dooars.

Interestingly, the tea plantation economy of Dooars has been in a state of chronic crisis since the late 1990s. Declining international tea prices, rising production costs, competition from new tea-producing regions, and the restructuring of state policy under economic liberalisation have cumulatively destabilised plantation operations. Between 2002 and 2004, several tea gardens were closed or abandoned (Mishra et al., 2011). The trend of closure continues today in suspended animation (Besky, 2019). Numerous instances have been documented in which workers have succumbed to starvation in shuttered tea estates (Pandey, 2014) in the Dooars region, with some resorting to eating fried flowers from tea plants as a means of sustenance amid garden closures (Roy & Sen, 2024). The problems of the tea plantations in Dooars are part of the broader issues in the Indian tea industry, which are caused by both global and local factors. Numerous estates have faced lockouts, abandonment, or irregular production, resulting in severe livelihood insecurity for plantation workers. Yet, despite these disruptions, plantation capitalism has not collapsed. On the contrary, it has adapted and reconstituted itself in remoulded forms; therefore, instead of interpreting these closures as signs of terminal decline, this study argues that they represent a critical phase in the reorganisation of plantation capitalism, which is to be distinguished by shifts in how surplus is extracted, controlled, and socially reproduced.

This study conceptualises crisis as a structural condition integral to the contemporary reproduction of plantation capitalism and moves beyond explanations that treat the crisis as temporary or exceptional. The argument advanced here is that neoliberal restructuring has allowed plantation capital to persist by diluting its obligations to the labour force. However, it simultaneously retained control over land, production, and surplus extraction. By focusing on Dooars, a region historically shaped by colonial plantation expansion and coercive labour regimes, this study contributes to ongoing debates on the resilience of plantation economies in the Global South. It foregrounds the changing relationship between capital, labour, and the state and demonstrates how crisis management strategies have reworked, rather than dismantled, plantation capitalism.

2. PLANTATION CAPITALISM AND THE HISTORICAL MAKING OF DOOARS:

The plantation economy of the Dooars emerged in the late nineteenth century through various coercive colonial processes, such as the alienation of land from indigenous cultivators, rapid clearance of forests, and harsh forms of labour recruitment. Recruitment was backed by severe penal conditions for flouting labour contracts. In the initial years, tea plantations were established as enclaves of capital-intensive agriculture (Bhowmik 2011). The estates used to function like enclave economies, where workers depended entirely on management for subsidised rations, water, housing, and health facilities. During the shutdown of estates, these basic facilities collapse. Housing and sanitation, already poor, worsened further. Although post-colonial state intervention initially stabilised the plantation economy through price controls, subsidies, and regulatory oversight, the basic structure of plantation capitalism has remained intact (Bhaduri, 2018). Surplus extraction relied mostly on depressed wages, immobile labour and the social enclosure of workers within plantation spaces. As earlier scholarship has shown, this system was marked by structural inequality and dependency, even during periods of apparent stability, and the Dooars plantations thus entered the neoliberal era with vulnerabilities that are historically long-established. Therefore, the subsequent crisis cannot be understood without recognising the longue durée of exploitation and uneven development.

Global competition has increased since the 2000s.Other countries have competitive advantages. Kenya benefited from a tax system designed to promote exports; on the other hand, China expanded land under tea at a pace far greater than India's and allegedly employed forced labour to cut costs. Given these global shifts, the exogenous demand for Indian tea is unlikely to rise in the near future.Historically, employment growth in the industry was

driven by export demand, but with that engine faltering, the problem of providing jobs to "excess labour" in the plantations remained greatly unresolved (Mishra et al., 2008). Kenya, Sri Lanka, and Vietnam have expanded their exports. These countries achieved this by lowering production costs and increasing productivity. However, India has struggled with high production costs and an aging plantation base. Simultaneously, rising domestic consumption cushioned the industry from collapse but could not address its structural malaise. Various measures, such as the deregulation of trade, exposure to global price fluctuations, and the gradual retreat of the state from direct support, intensified competitive pressures on plantations. The decline in international tea prices from the late 1990s, coupled with rising input costs and stagnant productivity, has rendered many estates financially unviable. However, rather than leading to widespread de-plantation or land conversion, neoliberal restructuring has facilitated new survival strategies. As survival strategies, many plantation owners increasingly resorted to cost-cutting through labour retrenchment, employing more and more casual labourers, and non-payment of statutory benefits to permanent workers. Lockouts and 'abandonment' became mechanisms for suspending responsibilities without relinquishing ownership. In many cases, estates remained legally operational, but production was intermittently halted, effectively transferring the burden of the crisis onto workers, and although rising domestic consumption cushioned the industry from collapse, it could not address its structural malaise. Schemes such as the FAWLOI (Financial Assistance to Workers of Locked Out Industries) and MGNREGA[2] provided partial relief, but they were not able to substitute regular employment in the tea garden.

This period also witnessed the growing role of financialisation and speculative capital in the economy. As Dipak Mishra et al. (2011) have argued, the surplus generated within plantations is often externalised rather than reinvested locally. In this sense, crisis was not merely an outcome of market forces but a product of deliberate strategies of capital withdrawal and risk displacement. The crisis is further entrenched by persistent shortfalls in investment. Interestingly, this issue reflects the tendency of older, traditional firms to view the tea sector as a residual or fallback option rather than a priority for capital deployment, especially in the presence of more lucrative opportunities elsewhere. Although intensified competition from newer foreign producers in both global and domestic markets has eroded India's export share, declining productivity which is closely linked to prolonged underinvestment, appears to be the principal factor underlying the sector's deepening crisis.

3. LABOUR, INFORMALISATION, AND SOCIAL REPRODUCTION:

The deepening contradictions of plantation capitalism have opened fissures within the century-old structure of the tea economy. These contradictions are not merely conjunctural but are structural in nature. They operate both internally and well within labour relations, as well as within the production processes and, quite obviously, in the contested space of plantation governance. On the other hand, externally, the relations are manifested through constant fluctuation of markets, changing nature of state polices and the perceived mobility of capital. Rather than precipitating a collapse, these tensions have enabled a reconfiguration of the labour regime through which plantation capitalism continues to reproduce itself in altered and increasingly precarious forms, a central feature of which has been the systematic informalisation of labour. The decline in permanent employment has been accompanied by the incorporation of casual, temporary, and task-based work arrangements. This is often mediated by intermediaries or contractors. Therefore, the shift allows planters to reduce fixed costs, evade statutory obligations, and adjust labour inputs to fluctuating production cycles. Wages under these arrangements are persistently depressed. Wages frequently fall below statutory minimums, and the provisions of non-wage benefits, such as housing maintenance, healthcare access, ration entitlements, and education facilities, have steadily eroded. The plantation, once organised around a paternalistic yet coercive welfare regime, now functions through fragmented and unstable arrangements that externalise labour reproduction costs.

The legal transformation of labour regulations has further firmly established this precarity. The gradual dismantling of the Plantation Labour Act (PLA), 1951, and its subsumption under broader labour codes, particularly the Occupational Safety, Health and Working Conditions Code, 2020, marks a decisive shift in the state's regulatory orientation. This transition diluted sector-specific protections that acknowledged the spatial isolation and semi-enclosed nature of plantations. The transition certainly comes with a cost, where it is largely observed that enforcement mechanisms have weakened, employer obligations have become more discretionary, and welfare provisions are increasingly contingent (Sinha, 2023). Crucially, the reproduction of plantation capitalism during a crisis has been made possible by the increasing burden placed on workers and their households to secure social reproduction outside the plantation economy. Therefore, workers are compelled to diversify their livelihoods through subsistence cultivation, informal wage labour in nearby markets, seasonal migration, and reliance on state welfare schemes. These strategies enable households to survive in the absence of stable wages, but they simultaneously subsidise plantation capital by allowing estates to continue production despite irregular employment and deteriorating conditions of work. In this sense, the crisis is absorbed at the level of labour rather than at the level of capital. To endure uncertainty, workers stretch their household resources and try to combine multiple income streams. This trend is becoming central to the endurance of the plantation system. The plantation thus survives not by resolving its crisis, but by redistributing its costs downward-onto workers, families, and the state- thereby reproducing capitalist relations through intensified precarity and informalisation rather than through stability or growth (Harvey, 2005).

4. THE STATE, GOVERNANCE, AND SELECTIVE INTERVENTION:

The role of the state in the plantation sector during a crisis is deeply contradictory and cannot be understood simply in terms of retreat or withdrawal. Even though neoliberal policy discourses focus on strategies such as deregulation, market efficiency, and reduced state responsibility, in practice, the state continues to intervene

in the plantation economy in highly selective and uneven ways. In regions such as the Dooars, state action is most visible during moments of acute distress. The actions of the state become visible through providing food assistance, relief packages, and temporary welfare measures.At the same time, there is a systematic weakening of regulatory oversight, particularly in the enforcement of labour laws, wage payments, housing standards, healthcare provisions, and employer obligations under earlier protective legislation. This uneven mode of intervention produces a form of governance that normalises crisis rather than resolving it. By addressing only the most visible humanitarian consequences, such as starvation deaths, malnutrition, or extreme destitution, the state contains social unrest and political backlash without confronting the crisis's structural causes. In doing so, plantation capitalism survives in a degraded and precarious form, where production may halt or resume intermittently, but relations of domination, dependency, and control over labour remain largely intact. Thus, crises become routinised and are managed through short-term relief rather than long-term restructuring or reinvestment.

The shift from the Plantation Labour Act (PLA) of 1951 to the new labour codes illustrates this transformation in state logic. Earlier regulatory frameworks, despite their limitations, were premised on the recognition that plantation labour required state-mandated provisions for social reproduction, such as housing, healthcare, education, and welfare, as the estates are spatially isolated and semi-enclosed in nature. In contrast, the new labour codes prioritise flexibility, cost reduction, and ease of compliance for employers. Welfare obligations are diluted, enforcement mechanisms weakened, and the burden of reproduction increasingly displaced onto workers, households, and the state's general welfare apparatus (Katz 2001). In this context, governance operates not through the absence of the state but through strategic neglect and calibrated support (Mishra, 2011). The state intervenes just enough to prevent a complete social breakdown while simultaneously enabling capital to externalise costs, defer investment, and evade accountability. The Dooars case thus demonstrates how neoliberal governance reconfigures the role of the state as it transforms from a guarantor of labour welfare to a crisis manager, thereby sustaining plantation capitalism through a kind of controlled abandonment rather than active development**.**

5. CRISIS AS A MODE OF REPRODUCTION:

Let us move on to the central puzzle: how has plantation capitalism in the Dooars survived despite sustained economic stress and social crisis? Marx and Engels, at the broadest transhistorical level, noted that production inherently requires reproduction and vice versa (Gimenez & Marx, 2019). Specifically, producing goods depends on reproducing the material means of production and the producers themselves, whose ongoing survival relies on these continuous production-reproduction cycles (Ibid). The survival of tea plantations in Dooars demonstrates that crisis and reproduction are not opposing conditions. In contrast, the crisis has become a mechanism through which plantation capitalism is reproduced. In a political economic sense, crises should not only be understood as a moment of rupture. Rather, it can sometimes operate as a mechanism of reproduction, especially in spaces where production relations are historically sedimented and enclosed. From a Marxian perspective, capitalism reproduces itself through expanded accumulation and the reproduction of the social relations of production. By suspending obligations, informalising labour, and externalising costs, plantation capital survives without resolving structural contradictions. This is a kind of passive exploitation where workers remain spatially tied to the plantation even in the face of capital withdrawal, which retains control over labour and land.

From a Marxian perspective, this trend fundamentally disrupts the reproduction of capital, the cyclical process through which surplus value, once extracted, is reinvested to expand the productive capacity. In classical capitalist development, this reinvestment sustains technological upgrades, labour productivity growth, and social reproduction of the workforce. However, in the Dooars tea economy, this circuit is increasingly disrupted. Surplus is extracted through labour intensification, welfare retrenchment, and cost-cutting. However, instead of returning to the plantation in the form of replanting, revitalising bushes, updating machinery, or improving workers' living conditions, it is deployed externally. This has led to a structural shortage of productive capital within the sector, evident in over-aged tea bushes, stagnant yields, underfunded hospitals and schools, and a gradual breakdown of housing and sanitation systems (Khasnabis, 2008; Bhowmik, 2015).

Crises reproduce and intensify social differentiation. Plantation labour regimes, historically organised along ethnic, gendered, and caste-like hierarchies, do not wither under crises; they are reactivated and sharpened. Women absorb disproportionate burdens of unpaid labour and informal work and face heightened dispossession and mobility restrictions. Such a form of differentiation functions as a technology of rule that fragments labour and limits collective resistance in space(Guha, 1977; Breman, 1996). Therefore, a sustained crisis acts as a disciplinary regime. Chronic uncertainty normalises deprivation, lowers expectations, and produces what Bourdieu (2000) terms a "durable disposition" to precarity. Irregular wages, delayed payments, and dependence on welfare become routinised, weakening labour's bargaining capacity. In this sense, crises substitute growth as the condition of capitalist stability. It also reproduces the compliance of the workforce through exhaustion rather than striving for prosperity. These dynamic challenges linear narratives of decline or transition because the Dooars plantations neither fully collapse nor successfully modernise; instead, they endure through a politics of abandonment that is socially devastating yet economically functional. In this sense, crises are stabilised rather than being attempted to be overcome.

6. CONCLUSION:

This study argues that the crisis of the tea plantation economy in the Dooars must be understood not as a moment of terminal decline but as a historically specific condition through which plantation capitalism is reproduced in degraded and reconfigured forms. Rather than dismantling the plantation system entirely, neoliberal restructuring has enabled capital to withdraw from its direct

responsibility for labour welfare and social reproduction. But at the same time, this restructured scheme of things retained effective control over land, production decisions and labour discipline. In this sense, a crisis functions as a governing condition. It is constantly normalised, managed, and unevenly distributed, and as a result, accumulation continues by shifting costs onto workers, their households, and in a far-stretched manner, to the state.

The Dooars experience exposes how plantation capitalism survives by displacing its contradictions. Capital externalises risk by reducing reinvestment, informalising labour, and relying on state welfare mechanisms to stabilise the workforce during periods of closure or suspension. At the same time, workers absorb the crisis through livelihood diversification, migration, and intensified dependence on public provisioning, such as the public distribution system and schemes of direct cash transfers (e.g.Laxmir Bhandar). These dynamics unsettle earlier paternalistic arrangements without producing substantive transformations of power relations. Instead, they generate new, unstable institutional forms to a large extent mediated by trade unions, political intermediaries, and local authoritiesthat manage the crisis without resolving its structural causes. This perspective calls into question policy frameworks that approach plantation distress primarily through the binaries of revival versus closure. Such approaches tend to obscure the deeper political-economic relations at play in plantations, where crisis is not an anomaly but an integral feature of reproduction under contemporary capitalism.The interventions being taken up by different stakeholders who tend to prioritise measures such as productivity enhancement, land diversion, or short-term relief, without addressing owner-ship structures, reinvestment patterns, and labour security, ultimately risk encouraging the existing hierarchies and reproducing cycles of precarity for plantation workers.

Therefore, future research must move beyond diagnosing crises to examining their lived and contested dimensions. Greater attention is needed to workers' everyday practices of survival, resistance, and negotiation, including forms of collective action that emerge outside formal trade-union structures. Equally important is the exploration of alternative development pathways that move beyond the peculiarity of plantation form itself. It is also required to take up interrogation of possibilities for land rights, agrarian diversification, and democratic control over resources. Such enquiries are essential not only for understanding the future of the Dooars but also for rethinking the place of plantations within the broader debates on labour, development, and capitalism in the Global South.

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Notes:

1. Dooars, with its name meaning 'doors' in various languages, represents 18 gateways between Bhutan's hills and India's plains. Divided by the Sankosh River, it consists of Eastern and Western Dooars, spanning 880 sq. km. See: Wangyal, S. B. (2006, May). *A Cheerless Change: Bhutan Dooars to British Dooars*. Journal of Bhutan Studies, 15, 40-55. Retrieved from: http://himalaya.socanth.cam.ac.uk/collect ions/journals/jbs/pdf/JBS_15_02.pdf,

See also: Phuntso, K. (2013). *The History of Bhutan*. Haus Publishing. Retrieved from *https://www.jstor.org/stable/j.ctt1 hfr399*

2. The VB-G RAM G Act replaces the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005.