CHAPTER - III

URBAN-RURAL RELATIONS IN INDIA: AN OVERVIEW

In this chapter an attempt has been made to: (i) present a historical overview of the urban-rural relations in India and (ii) examine the latest regional patterns of urban-rural relations in India.

This has been done to understand the evolutionary process of urban-rural relations in Indian history in the broader global context before looking for an existing pattern of urban-rural relations in the country.

I

URBAN-RURAL RELATIONS: A HISTORICAL PERSPECTIVE

India has a long history of settlements going back to about five thousand years. However, detailed and reliable information on this aspect is available for only about three thousand years. Under these circumstances, whatever sketchy information was available from the different sources about the early history of India, has been used to build a story of its urban-rural relations.

To begin with, we divide urban-rural relations in India into four phases. This has been done by using Friedmann’s (1956) methodology which takes the analogy of evolving relationships between the core (developed heartland) and the periphery (less developed surrounding area). These four phases are:

(i) Phase of Exploitation
(ii) Phase of Unequal Exchange
(iii) Phase of Conscious Inequality, and
(iv) Phase of Equilibrium.
(i) Phase of Exploitation

As evident from archaeological excavations, there flourished urban communities in the Indus Valley region as early as 2500 B.C. These communities existed on Indian soil before the advent of the Aryans whose civilization was rural based. Hence, the process of urbanization received a setback with the coming of Aryans. Villages during the early period of Aryan settlers in India were more or less self-contained communities. In either of the two cases the then level of socio-economic development left a limited scope of interaction between the rural and urban counterparts.

In the post-Aryan period, the process of urbanization had to wait till the Gupta period (4th and 5th century A.D.) which is known as the Golden Age of Indian history (Gazetteer of India, 1973, pp. 69-72). With the increased security of life and prosperity, there was an all-round development in the fields of agriculture, industry and trade (Maity, 1951, pp. 71-140). The rulers, besides developing tools for increasing agricultural production, improved the transport facilities in the rural areas as a welfare measure. This furthered the interaction between urban and rural areas. Since Aryan society and polity were based on the lineage system, it formed the basis of the urban-rural linkages. The lineage was further determined by clan solidarity. Hence, urban-rural linkages had a sociological base. Towns and cities were dependent on the countryside for foodgrains, fuel wood, vegetables and labour. They were, however, hardly giving anything in return to the countryside. The urban-rural relations, thus, evolved were exploitative in nature. This process has been true of the entire ancient period (2750 B.C. – 647 A.D.) of Indian history. The content and intensity of the exploitation recorded some change depending upon the character and conduct of the ruling class in different sub-periods.
In the medieval period (A.D. 647 - A.D. 1761), the Muslims, who were the dominant ruling class, were mainly urban based. Hence, they favoured the growth and development of the urban centres (The Gazetteer of India, 1973, p. 406) and neglected the countryside. In fact, the countryside was left to fend for itself. Not only did the Hindu and the Muslim rulers fight for supremacy and territorial gains but the Hindu rulers also fought within themselves for petty gains. Political instability was the order of the day. Defending the capital towns was the prime objective of the ruling class. This further led to the fortification of capital towns, usually located on inaccessible sites like hill tops. As regards urban-rural relations the early phase of the medieval period of Indian history, thus, was turned into a phase of urban-rural separation. However, the situation recorded a gradual change with the coming of Mughal rule in India even though there remained a glaring urban-rural dichotomy in administrative practices throughout the Muslim rule in India (Kant, 1988, p. 42). After the decline of Mughal power (AD 1526-1707 AD) in India, the Britishers became the rulers of India. The fiscal, industrial and political policies which the British regime pursued in India accelerated the process of exploitation covering both urban and rural areas. British rulers exploited the wealth of the country under the policy of “Imperial Preference”. The sale of mill-made cloth from England completely destroyed the Indian cottage industry which had been providing sustenance to the villagers. Also, many of the traditional industrial and trade towns declined throughout India (Bala, 1986). The new regime brought more area under cultivation of cash crops like cotton, indigo, jute and tea for export. Consequently, there was a decline in foodgrains production. The widespread pauperization of artisans and the peasantry eroded the traditional Indian economy and its social base (Singh, 1997). Despite the release of the new forces of modernization from the urban metropolitan centres, the balance between the town-country relationship could not be restored. Briefly, the phase
of exploitation in urban-rural relations continued for a very long period. It started from the early phase of Indian history and ended with the British rule in India. Though the urban-rural relations throughout remained exploitative yet their nature and intensity kept on changing.

In the early phase, the relations stayed least exploitative as the rural areas were by and large self-sufficient. The interaction between the centres of political and administrative power (urban centres) and ruled territories (rural areas) was limited only to the collection of revenue. However, the intensity of exploitation increased with the rise and growth of feudalism and trade in agricultural commodities during the Gupta period.

With the advent of Muslim rule in India, the urban-rural relations changed in their intensity as well as nature. The ruling Muslims were fond of urban living and bureaucratic functioning. Urban-rural relations in both the situations became exploitative. With the coming of the British regime, the urban-rural relations attained the heights of exploitation. Urban centres were not only sucking the rural economy and society but were also developing extra-territorial relations. A few pockets of their (the British) interest were benefited with irrigation facilities, railways and postal services while a large part of the country was exploited till 1947 after which India became an independent nation. Undoubtedly, the intensity of urban-rural relations increased during the British rule with the introduction of commercial agriculture in select-pockets alongwith urban industrialization and expansion of administrative and military activities.

(ii) Phase of Unequal Exchange

After Independence, when India embarked on the planning process of development, the abolition of Zamindari, institutions of land reforms, tenancy reforms and consolidation of land holdings were given top most priority. The
urban and rural areas underwent a radical transformation as a result of these structural changes. Besides these constitutional provisions, rapid strides were made in rural and agricultural development.

Introduction of technology leading to the Green Revolution in the mid-sixties vitalized commercial agriculture in the country. A huge marketable surplus in wheat and rice was generated. This marketable surplus entering into the market network introduced a variety of economic linkages between the urban and rural areas. Simultaneously, increased income from the farm sector encouraged farmers to re-invest in commercial agriculture as well as improve the level of social well being. Farmers opted for improved variety of seeds, increased use of chemical fertilizers and purchase of new agricultural implements. Also, greater attention was paid to the expansion of educational facilities and overall standard of living. In a way, this also created a demand for goods and services originating in urban-industrial centres. The commercialization in agriculture promoted urban-rural interaction through backward and forward linkages of the agricultural sector.

Green Revolution, however, had a dual consequence for urban-rural relations. On the one hand, it led to technological advancement and change in rural agrarian structure, on the other it increased the dependence of modern agriculture on urban industrial inputs, (like seeds, fertilizers and agricultural machinery) banks, market and pricing mechanism. Development policies, even though they appeared to be pro-rural, favoured the urban areas, as the distributive aspect of development benefits was ignored. In these conditions, the urban-rural links strengthened to the benefit of both but decidedly more in favour of the urban (Krishan, 1991, p. 100).

The phase of unequal exchange commenced with India’s independence and continued till the period of liberalization (1990s). However, the degree of
unequal exchange between urban and rural areas kept on changing. This phase can be broadly classified into two sub-periods (i) Pre Green Revolution and (ii) Post Green Revolution. In the period before Green Revolution, the socio-economic disparity between the urban and rural areas was more as compared to the other half. Imbalances in the flow of resources and investments accentuated socio-economic disparities between rural and urban areas (Choudhry, 1997). Industrial development had an inherent tendency to take place in the already developed areas which were necessarily urban.

In the post-Green Revolution period, with the introduction of new agricultural strategy and considerable emphasis on rural development programmes, the urban-rural links could be strengthened in all parts of the country. The launch of Community Development Programme, Minimum Needs Programme and Basic Needs Programme under the national dispensation emphasised the development of rural infrastructure in the sphere of agriculture, marketing, health care, education, transport and communication. These worked for leveling the urban-rural chasm by accelerating the process of socio-economic transformation in villages. All this bears a close relationship with the changes that have occurred in the rural economy, polity and society. The change in lifestyle, housing, consumption pattern, attitudes and priorities of rural folk is quite evident. Besides, there has been a remarkable change in their field of information by virtue of the telephone, newspapers as well as television and radio sets. Consequently, their level of awareness improved. The peasantry was quite aware of terms of trade between agriculture and industry and strongly resisted any kind of discrimination against them.

(iii) Phase of Conscious Inequality

Consequent to the Green Revolution, rural society has been witnessing an emergence of a new class in the villages called the “bullock – capitalists”. They
are known to organize agitations over pricing of electricity, diesel, fertilizers and support prices for grains (Omvedt, 1981). This “new agrarian politics” has been most evident in North and West India where farmers are very vocal about the farm input and output prices. Organisation of mass farmers movements engaged in anti-urban politics by means of rasta roko (road block), gheraos and dharnas (sit-ins) and long marches to New Delhi and other towns and cities has become a common phenomenon (Omvedt, 1998).

The rural segment is quite conscious of any discrimination against it. A demand for higher support price for agricultural products in frequent agitations organized by the Bhartiya Kisan Union (led by Mahinder Singh Tikait) in Uttar Pradesh and Punjab (led by Baldev Singh Rajewal), Shetkari Sangh (led by Sharad Joshi) in Maharashtra and Tamil Nadu Agriculture Association (led by Narayan Swami Naidu) in South India are testimonials.

In commercial agricultural areas, articulate and well organized farm lobbies (tobacco growers in Andhra Pradesh, apple growers in Himachal Pradesh, onion growers in Maharasthra, wheat and paddy growers in Punjab and Haryana and cane growers in Uttar Pradesh), supported by vote bank interests of the politician, keep on pressurizing the respective state governments as well as the national government to provide higher support prices for their marketable surplus and raise subsidies on inputs (Kant, 2000, p. 122).

On the other side of the scale, the urban voter especially the middle class is equally conscious and strongly feels the burden of subsidies given to the farm sector by the government. This is largely passed on to them by a periodic hike in the administered prices of food articles distributed through the public distribution system (Kant, 2000, p. 122).
The current phase of conscious inequality would be taken over by a new phase in urban-rural relations in the future. Under this phase, urban-rural conflicts will get resolved to take on an egalitarian shape. Contrary to the belief of many scholars, urban-rural relations in India are no more in the exploitative phase. These have matured to a stage of conscious inequality which is considered a necessary phase in the move towards the desired goal of an equilibrium stage.

II

URBAN – RURAL RELATIONS: THE REGIONAL PATTERN

The nature of urban-rural relations varies in different parts of the country. This is primarily due to the differences in socio-cultural patterns, physical diversity and the development levels of various states. A spatial picture presented below will make this clearer.

A picture of urban-rural relations has been arrived at with the help of four indicators reflecting the dimensions of commuting and commodity and service exchange by applying the index method. Finally, a composite picture of the urban-rural relations is arrived at with the help of the composite index method. The assumption is that the indicators (i) and (ii) represent the magnitude of rural-urban commuting while indicators (iii) and (iv) take care of the commodity and services exchange. The following are the four indicators:

1. Percentage of rural non-agricultural workers
2. Percentage of villages connected by pucca roads
3. Agricultural productivity per worker
4. Density of towns per 10,000 km²
The index value for each indicator was prepared by using weighted score method, wherein the maximum obtainable score value for an indicator was assigned a value of 100 and the scores for the lower values were proportionately computed. This is illustrated through an example below:

Highest percentage of non-agricultural workers – Goa (83.4 per cent)

Lowest percentage of non-agricultural workers – Himachal Pradesh (31.4 per cent)

<table>
<thead>
<tr>
<th>State</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goa</td>
<td>83.4</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>31.4</td>
</tr>
</tbody>
</table>

Goa’s value of 83.4% is taken as 100 to calculate index value for Himachal Pradesh (having the lowest share of non-agricultural workers)

\[
\frac{83.4}{31.4} = \frac{100}{37.64} \approx 37.64
\]

Accordingly, index value for all the states falling between Goa and Himachal Pradesh have been calculated for all the indicators and then arrived at a composite index of urban-rural interaction for each state.

In the following an attempt has been made to discern the spatial pattern of urban-rural interaction at the state level for 2001. Based on index scores and using breaking point method, states have been grouped into four categories of urban-rural interaction. Accordingly, states have been grouped into four levels: high, moderately high, moderate and low (Table 3.1).
Table 3.1
India: Urban-rural interaction index by states, 2001

<table>
<thead>
<tr>
<th>States</th>
<th>Index Values</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Level</strong></td>
<td></td>
</tr>
<tr>
<td>Goa</td>
<td>306.72</td>
</tr>
<tr>
<td>Kerala</td>
<td>299.08</td>
</tr>
<tr>
<td>Punjab</td>
<td>292.96</td>
</tr>
<tr>
<td><strong>Moderately High Level</strong></td>
<td></td>
</tr>
<tr>
<td>Haryana</td>
<td>226.43</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>212.84</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>206.08</td>
</tr>
<tr>
<td>Gujarat</td>
<td>158.14</td>
</tr>
<tr>
<td>Karnataka</td>
<td>156.39</td>
</tr>
<tr>
<td>West Bengal</td>
<td>151.69</td>
</tr>
<tr>
<td><strong>Moderate Level</strong></td>
<td></td>
</tr>
<tr>
<td>Tripura</td>
<td>129.11</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>124.45</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>123.63</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>123.33</td>
</tr>
<tr>
<td>Assam</td>
<td>119.27</td>
</tr>
<tr>
<td>Manipur</td>
<td>108.33</td>
</tr>
<tr>
<td>Sikkim</td>
<td>106.54</td>
</tr>
<tr>
<td>Bihar</td>
<td>101.69</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>100.56</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>99.24</td>
</tr>
<tr>
<td><strong>Low Level</strong></td>
<td></td>
</tr>
<tr>
<td>Mizoram</td>
<td>95.70</td>
</tr>
<tr>
<td>Chattisgarh</td>
<td>93.58</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>92.74</td>
</tr>
<tr>
<td>Utttrakhand</td>
<td>90.24</td>
</tr>
<tr>
<td>Orissa</td>
<td>87.58</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>85.67</td>
</tr>
<tr>
<td>Nagaland</td>
<td>78.56</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>77.34</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>61.16</td>
</tr>
</tbody>
</table>

Note: States have been arranged in descending order of their scores on urban-rural interaction index.
Levels of Urban-Rural Relations

There are wide variations in the levels of urban-rural interaction (Fig 3.1). The interaction index varies from a high of 306.72 in Goa to a low of 61.16 in Arunachal Pradesh. The range difference is 245.56. In other words, the state at the top has an interaction index value five times higher than that of the state at the bottom. The coefficient of variability comes to about 50 per cent which indicates that there exist wide regional inequalities in the urban-rural relations in the country.

States with High Level of Interaction

Three states categorized ‘high’ in the interaction index are Goa, Kerala and Punjab. The range difference is 13.76 and the coefficient of variability is 2.29 per cent. Obviously, intra-group inequalities are much lower within high interaction level states.

In Goa and Kerala high level of urban-rural interaction is attributed to the high urban-rural connectivity and density of towns. In Kerala, commercialization of plantation crops like coconut and rubber have intensified since mid seventies owing to a sharp increase in their prices. Similarly in Goa, coconut and cashew nut plantations fetch a handsome price. Consequently, the rural income has increased and has raised the demands of urban goods in rural areas. An emphasis placed by the government on the development of social infrastructure especially of education, health and roads in the rural areas has also played a significant role to strengthen rural-urban interaction. Besides, the settlement pattern in Kerala creates a rural-urban continuum rather than the rural-urban divide throughout the state.
In Punjab, high level of interaction is explained by the high degree of agricultural commercialization, rural-urban connectivity and density of towns. Endowed with natural conditions favourable to human settlements and good agriculture, the northern Punjab Plains have high density of population and prosperous agriculture. High density of population provides a threshold for urban centers and the forward and backward linkages of the developed commercial agriculture give the necessary impetus to urban centers for further growth. High agricultural productivity both in terms of land as well as labour has been responsible for rural prosperity. There is therefore a huge demand for consumer and capital goods, catered by urban centres. Better rural-urban connectivity further helps to strengthen the urban-rural nexus. Such economic linkages bear a close relationship with social, political and ideological changes that occur in rural society.

**States with Moderately High Level of Interaction**

Six states out of 28 fall in this category. These are Haryana, Tamil Nadu, Uttar Pradesh, Gujarat, Karnataka and West Bengal. Amongst these, the interaction index ranges from a high of 226.43 in Haryana to a low of 151.69 in West Bengal. The range difference is 74.74. The coefficient of variability is 18 per cent which is the highest of all the categories. The inter-state disparities are maximum for this category. In fact this is in consonance with Williamson's inverted ‘U’ hypothesis.

In Uttar Pradesh and Haryana, a high level of urban-rural interaction is attributed to high town density, urban-rural connectivity and agricultural productivity. These states are marked with extensive availability of large, leveled, deep alluvium filled plains with most productive soils and favourable rainfall conditions which make them agriculturally prosperous regions.
INDIA
Level of Urban-Rural Interactions
2001
(Data by States)

Highest index value: Goa (306.72)
Lowest index value: Arunachal Pradesh (61.16)

Fig. 3.1
regions have highly developed commercial agriculture. Consequently, these regions enjoy surplus which promotes commodity and capital flow between rural and urban areas. Moreover, high density of towns and rural link roads enable the urban areas to serve a substantial segment of population thereby strengthening the urban-rural interaction.

In Tamil Nadu, high level of interaction is attributed to industrial development and its dispersal. In recent years industries have decentralized in the rural areas being attracted by low land prices in rural areas, infrastructural facilities provided by the government and various concessions and subsidies extended to backward areas for establishment of industries. Consequently, the urban-rural interaction has become stronger.

In Gujarat, high rural-urban connectivity, town density and diversification of rural economy have helped strengthen the urban-rural interaction. In Karnataka, high urban-rural interaction is a feature mainly of the inland and southern Karnataka where there is high rural-urban connectivity and high town density. The industrial dispersal in the backward districts has attracted a considerable number of industrial units and has also generated the flow of labour between urban and rural areas. Goods manufactured in rural industries find a lucrative market in urban areas. All this is responsible for the strengthening of the urban-rural interaction.

In West Bengal, high level of urban-rural interaction is a feature mainly of the eastern plains of West Bengal and Himalayan West Bengal. In the eastern plains of West Bengal, the high level of urban-rural interaction is explained by high diversification of rural economy, high agricultural productivity and high town density. The Calcutta Hoogly industrial belt and jute cultivation in this region has increased the urban-rural interaction. Attracted by the low cost of
land and cheap labour, industries have shifted to rural areas. This has helped diversify the rural economy. In Himalayan West Bengal the commercial tea plantations speak for its rural prosperity. Besides, the non-farm workers engaged in activities associated with processing, transport, storage and trade of tea also increased the diversification of the rural economy. All this facilitates the urban-rural interaction by promoting commodity and service exchange between urban and rural areas.

**States with Moderate Level of Interaction**

In ten out of 28 states, urban-rural interaction is at a moderate level. The states falling in moderate category are Tripura, Jharkhand, Maharashtra, Andhra Pradesh, Assam, Manipur, Sikkim, Bihar, Jammu & Kashmir and Rajasthan. The index varies from a high of 129.11 in Tripura to a low of 99.24 in Jammu & Kashmir. The range difference is only 28.55. The value of coefficient of variability is 9.46 per cent. Intra-group disparities are the lowest in this category of states.

In Tripura, Assam, Manipur, Sikkim, Jammu and Kashmir and Rajasthan moderate level of interaction is conditioned by high diversification of rural economy and agricultural productivity per worker but lower level of urban-rural connectivity and density of towns.

In Jharkhand, Bihar and Andhra Pradesh, there is high urban-rural connectivity and higher diversification of rural economy but lower agricultural productivity and town density keeps it in the moderate category. In these states the agricultural and industrial development is of a very low order. In the absence of either of the two, scope for urban-rural relations becomes limited.
States with Low Level of Interaction

In nine out of the 28 states the urban-rural interaction is at a low level (Table 3.1). Among them, the interaction index ranges from a high of 95.70 in Mizoram to a low of 61.16 in Arunachal Pradesh. The range difference is 34.54. In other words, the state at the top is more than one and a half times higher than the state at the bottom in this group. The coefficient of variability is 12.85 per cent which is much lesser than that of moderately high category (18.0 per cent). This indicates that inter-state disparities are low in this category.

In this category, fall the states of Mizoram, Chattisgarh, Madhya Pradesh, Utranchal, Orissa, Meghalaya, Nagaland, Himachal Pradesh and Arunachal Pradesh. In the states of Madhya Pradesh, Chattisgarh, and Orissa, low level of urban-rural interaction is explained by the low level of agricultural and industrial development in these areas. The agricultural productivity is quite low. In these areas the town density in terms of rural population served is also quite low. The tribal villages of the Chota Nagpur Plateau, still function as social and ritual units. Their structure and organization is least effected by external influences (Sachchidananda, 1968). The same is true of tribal areas in Mizoram, Meghalaya, Nagaland and Arunachal Pradesh where physical constraints, low population density, past neglect in developmental matters have been responsible for their low levels of interaction.

Main Highlights:

The following points emerge strongly from the above discussions:

1. During a long history spanning over about five thousand years, the urban-rural relations in India passed through various phases. During the feudal and colonial times the urban-rural relations remained exploitative in nature. However, the degree of exploitation varied. They were least exploitative during ancient times and most exploitative during the British
A phase of unequal exchange ensued after Independence. Currently, they are passing through a phase of conscious inequality. It is visualized that in future they will become egalitarian.

2. During the larger part of the medieval period of Indian history, urban-rural separation dominated the interaction scenario. During the modern period with the advent of British rule in India, the process of exploitation accelerated with urban dominance. The same process continued for more than a quarter of a century even after Independence till the farming community, who benefited the most from the Green Revolution, started challenging the urban dominance and exploitation, giving vent to their conscious inequality in urban-rural relations.

3. Given wide physical diversities and inequalities in levels of socio-economic development, there existed wide interstate variations in the levels of urban-rural interaction in the country. The state at the top (Goa) has an interaction index which is four times higher than that of the state at the bottom (Arunachal Pradesh).

4. High level of urban-rural interaction is found in states which have (i) strong industrial base and or (ii) developed agriculture with allied activities. Reverse is the case of areas having low levels of interaction which are at a disadvantage of physical constraints and peripheral location.

5. The inter-category variations in the interaction index were the maximum for states placed in moderately high category of states. It shows that, as the development process moves away from low to moderate level, different areas and sectors of economy respond differently to development inputs, resulting in the widening of inter-sectoral as well as inter-regional inequalities in the development process. This is in consonance with Williamson’s (1956) inverted ‘U’ hypothesis.