Chapter 6

Conclusion

To draw an epitome of this thesis let us remind the following words of Nobel Laureate J. Stiglitz in describing the present globalization, ‘‘Needy nations are subject to (1) privatization (2) free flow of capital (3) market-based price (4) free trade before extending financial loans by the World Bank.’’ And, on the other side, as report that also concludes that South Asia, which is the home of the largest number of poor people in the world (515 million), did not make much progress towards poverty reduction as a result of globalization. The balance sheet of gainers and losers in the globalization process shows the uneven burden is borne by the poor within and among the nations. Previously, reports coming from different studies reveal that ‘‘the number of people in poverty has increased. The poor are being marginalized. The resource allocations to the poverty alleviation programmes are declining, reducing their effectiveness.’’ These large number of rural and marginal poorest along with the rich and the richest ones are continuously (consistently) concentrate in Class I cities. In India, with the revival of secondary productive activities since Independence, when the legitimate interests of these sectors were firmly protected by the Government, urbanization has been gaining momentum along with industrialization. After more than four decades, India now possesses a diversified service-led industrial base and is poised to emerge as an industrial nation of high rank in the world. The effects of industrialization on Indian urbanization processes will become increasingly evident in the coming decades also. Industrialization has already contributed to the rapid growth of the one-lakh populated cities and the million populated cities. Kolkata, Mumbai, Delhi, Chennai and Bangalore are major industrial centres today as it was mentioned in earlier chapters. Industrial estates and townships have proliferated at the peripheries of metropolitan cities. Around Delhi, for example, industrial belts have been established beyond the limits of the National Capital Territory of Delhi, taking advantage of accessibility to the metropolitan city as well as concessions offered by concerned State Governments. The Government of India is focusing attention on these mega cities as a part of its open door economic policy. It aims at making these metropolitan centres attractive for foreign development authorities to overcome some of their
resource crunch and in developing, to some extent, infrastructural facilities like roads, sewerage and water supply.

There is no doubt that secondary urbanization has made a strong impression on the Indian landscape. However, this does not mean that all urban places in India are being industrialized and thus, further urbanized. There are indeed a large number of Indian cities which do not have even a single factory establishment of moderate size. On the other hand, factories registered under the Factories Act, which includes small scale industries, are found in most towns, with few exceptions. This means that industrialization is a contributing factor, though not necessarily an important or dominant factor, in the growth of all towns and cities in India. Herein, industrialization continues to be a significant factor, though not a uniform factor in explaining the level and growth of urbanization across the states in the 1990s. India has reached a point of take-off in industry and the future decades will demonstrate more substantial growth and a significant change in the urban industrial landscape. Indian cities are not adequately equipped to handle the problem of rapid growth in industrial land-use. As a result, industries are likely to be allocated space in an unplanned and haphazard fashion. This becomes evident from the fact that even for those towns and cities for which master plans have been prepared, it has not been possible to implement them. Industrial urbanization brings with it a host of problems for planners and administrators. Studies in the Third World countries which have liberalized their economies show that large-scale, hi-tech, and innovative industries tend to locate in large cities where skilled labour and business infrastructure are available. This increases the polarization of population and urban primacy already plaguing these countries. The selected mega cities in India attract more people as MNC industries are alluring them by State initiatives and propaganda. The urban system in India is also undergoing a change both at the national and the regional levels. India continues to be the perennial periphery with stagnant regions. This will further accentuate the inequality levels which are generally found to be higher in larger cities. Restructuring and Globalization should not only be seen as economic processes but also as political and social processes. ‘Urbanization’ should be understood not in terms of some socio-organizational entity called ‘the city’ but as the production of specific and quite heterogeneous spatiotemporal forms embedded within different kinds of social action. Urbanization, in this manner, is constitutive of and constituted by social processes. Urbanologists should aim at finding out how these processes
are so harnessed that their long-term societal outcome is not exclusion and marginalization but promotion of economic development and efficiency, improvement of equity, reduction of poverty, and preservation of environmental quality to be enforced. In this thesis, there was an attempt to study the growth and employment of New Industrialization Policy in India especially of export promotion trade, since the last two decades, and its socio economical impact.

Historical explanations have allowed us to highlight how urbanization and industrialization have not been universally coterminous. Urbanism is perceived to be a complex social organization and a well-developed power structure contributes to the formation of cities. Hence any attempt to explain the causal factors and effects in the emergence of towns/cities is incidental to this study as said earlier. In studying the evolution of urban forms, there is the additional hazard of taking a single factor as universal and attributing absolute primacy to it or overstressing one aspect as innovative or catalytic at the expense of others. ‘Urbanization’ in relation to industrialization, is used in a more sociological sense, to refer to changes in social behaviour. Somehow the contradiction between forces of production and relations of production processes create social conflicts and lead to the growth of social movements within the urban arena. On the other side, ‘industrialization’ is a change in the daily living (livelihood) patterns of the urban community, particularly for the emerging working and middle classes.

In India, majority of settlements now classified as towns, and especially the larger cities, have exhibited urban characteristics for a very long time. It is seen that 37.2% of India’s total urban population has been living in large cities since 2011. And from the past studies by the other economists it is seen that in the four metropolitan cities, in India, between them account for over 80% of the richest people in the nation. The urban statistics of growth from Census of India is showing the existence of the gap widening between the cities and the smaller towns in terms of opportunities for employment, education and medical facilities. The process of urbanization has, thus, after 1991, become concentrated in developed region. The general trend, in most of the states, is towards concentration of population in the larger cities. W.B is the only exception among the developed states where the growth rate of Class I cities is below that of the lower–order towns. On the other hand, coefficients of variation for the growth
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rates of urban centres belonging to the different size categories became quite high in Class I cities of developed states, especially in Tamil Nadu. Hence, the larger cities have recorded relatively higher growth when compared to smaller towns. And also the facts are that economically better off states should tend to have good percentage of urban population. That is justifying the process of urbanization throughout the period. In the country this can possibly be attributed to the process of liberalization which has resulted in the shift of populations to urban centres in developed states which have received a large part of the industrial and infrastructural investment. The important feature of this decade was that the studies were not based on primary data but were problem-oriented and analytical in their own approach. Here, a city-wise survey among wage/ salary earners in various large firms had been taken into account.

During last two (coming) decades when we were (or will) study the scenario of industrialization and urbanization in India, it is obvious to judge it under the context of Globalization. Globalization has increased the share of these cities in export processing and has led to a proliferation of formal and informal economic activities which support and subsidize export production. Globalization means a set of processes which embodies a transformation in the spatial organization of social relation and transactions—assess in terms of their extensity, intensity, velocity and impact—generating trans-continental or interregional flows and networks of activity, interaction, and the exercise of power. The processes of selective de-industrialization, tertiarization, and informalization characterized the urban economy. In developed countries, employment in the tertiary sector is greater than the combined employment in the primary and secondary sectors. The growth of tertiary activities in a city contributes in a direct way to city growth. In every city, a part of the city is engaged in tertiary activity meant for its own population, but a second and perhaps more significant part, exists for the benefit of the people in the city’s hinterland. It examined the growth of million-plus populated cities in terms of the core (main city) vis-à-vis the periphery (urban areas around the main city is periphery). In the growth of million-plus populated cities in the country, three important features should be noted, namely, declining core-growing periphery, growing core-declining periphery, and declining core-declining periphery. That means in metro city, suburbs are growing more than the core area. Cities are the centers of globalized production as well as globalized consumption. It is within
them that labour is reproduced, made ‘civil’ and anchored in a ‘universal’ culture. Employment generation declines in the low skill sectors and increases, although to a much lesser extent, in upper, middle and lower middle management sectors. The rate of employment in male and female is worse in urban area from 1998 to 2005. Though, the concentration of labour is more in 500+ labour units firms compared to other Size Class irrespective of 1998 and 2005. That is, Indian labourers are basically hired in nature in urban as well as in rural areas, irrespective of Size Class employment. Gujarat and Tamil Nadu are showing continuing upward movement from 1990 to 2005 in growth rate of establishment among all states in India. And in W.B the situation is decreasing from last 20 years. The number of establishment or enterprises is growing rapidly than labour engagement and this is bondage of jobless growth in urban area in India since 1991.

Since 1991, urbanization in the developed states has been largely confined to the class and cities and their peripheries, which reflects a process industrial concentration and, in some cases, limited industrial dispersal. Many industrial cities came into existence and in these cities (e.g. SEZs) the service sector developed along with manufacturing. SEZs are supposed to attract investment because they do away with the inherent disincentives and distortion within the host economy that inhibit export growth. The new settlements, SEZs can found at peripheral locations of mega cities they are embedded in a highly modern and mostly private infrastructural framework. The shares of SEZs export in total export are increasing and it is now 30% and Indian export is losing its momentum from 2008. On urbanization context under the new industrialization location policy, most of the Sectoral SEZs are located near about 25 Kms to 30 Kms vicinity of large metropolitan cities. They are not self sufficient but urban sprawl is inevitable. As population grows, migration takes place in search of employment opportunities. SEZs are a potential tool to promote planned urban development based growth-induced migration on city outskirts. The new industrialization policy is ushering in Urban Township and promotes urban influx at different states, especially, in different fringe city in India. There are different cities emerging in SEZs environment that have or have not city status earlier when the export promotion strategies were taken. There is a need to develop regional/ sub-regional plans around the SEZ areas. Development of SEZs needs to be integrated with existing master plans and regional plans. The ministry of urban development, GOI could
issue set guidelines for State Governments in this regard. Health, housing and transport facilities are there and labour satisfaction is favourable in the SEZs. Though, its legal, political and resource allocation have some disparity and discrimination which have to be sorted out by political, administrative and legal measures.

The total number of SEZs should be pegged so that indiscriminate sanctions do not lead to regional imbalances. It may be called *Regional Disparate Zones* (RDZs). Different political parties’ view differently and different State Governments have passed different laws in this regard. Even different ministries in GOI have taken different observations and attitudes which are ushering in more confusion in Indian soil of this particular type of export promotion in the new industrialization policy. As far as location is concerned, the SEZs in India are basically a Southern Concentration phenomenon followed by Western India. The share in employment and investment in all India scenarios depicts that southern states are leading in employment and Gujarat, largely in investments in SEZs. Land distribution pattern is also of discriminating nature—mainly in 5 states, namely, A.P, Gujarat, Maharashtra, Tamil Nadu and Karnataka have required maximum land within India which leads to regional disparity of SEZs and export promotion industrialization strategy in land distribution. Indian EPZs had approved most of the number in leather product but there is a steady share in Electronics sector since 1985; and Engineering and Gems and Jewellery are shifting its share from 1995, Gems and Jewels are maintaining its lion’s share since 1995. Sector-wise share of total employment and investment is basically IT and Textile driven phenomenon respectively. Land acquisition and rehabilitation package should be sorted by legal intervention whereby no political dichotomy will be able to stop industrial growth in India.

The social or moral aspect of this new industrialization policy may be described under Globalization which implies the creation of new opportunities, knowledge, risks and benefits; and hence, new sources of potential social friction. If women have afforded the opportunity to sell their labour on their products and earn a ‘living wage’, or more, on their own, then their economic dependence on men (father or husband) is lessened, and their bargaining power in household is increased. By its very nature, it throws people into close
contact with strangers, facilitates the rapid diffusion of news and fashions, permits a high degree of individualism, and stimulates invention, social mobility, secularization, and a complex economic system involving diversity and specialization of occupations. The development and application of new techniques affects the whole character and social significance of the family. Dealing with complex issue like empowerment of women, it has to be conceded that the life of a woman is being many sided now. There is an economic aspect, a legal aspect, a political aspect, an aesthetic aspect, a personal aspect, a religious aspect and so forth, but blending all into them is a social aspect. From an earlier study in metro city, it was proved by secondary data that the vast majority of female who were working (say they are); do so because they want to and not because they have to, while those who are housewives say they prefer not to work. In Bengaluru the comparison of data on the Single Earner Wife and Dual Earner Wife in relation to the degree of freedom on matters such as manner of dress, choice of friends, visiting with friends, and spending money on herself–suggests that DEWs clearly enjoyed great advantage over the SEWs. The adherence to the norms of endogamy doesn’t imply that working women in cosmopolitan area espouse conventional patterns in the inter-personal relations. Within them in Indian domestic conditions an approach which categorically asserts that ‘what is his is his and what is her is her’. Female working in Information and Broadcasting sector are in more decaying trend in compare to other sector’s working women.

The objective of purposive investigations/ field survey was to explore some of those factors which seem to contribute the general image of a livable city among the population of four metropolitan cities in India such as, Delhi, Kolkata, Chennai and Bengaluru to study the hypothesis had been set in this thesis. In other words, this study sought to help and understand what kind of physical city wanted by the urban people who are basically engaged in different firms within various sectors and have been drawing handsome money or pay package in terms of their salary. Or one can say that it is an attempt to see industrialization and urbanization in the light of middle class city dwellers’ observation from organized sector, both male and female in different salary slab. The major stakeholders’ observation is IT sector had been affected from the recession and overall service sector was in leading role in pre-recession boom in India. Mostly they are satisfied in their existing salary and there is no such wage/ salary
discrimination in between male and female belonging to the same experience category and the same quality of job. The middle level salary holders (Rs. 5 lakhs- Rs. 7 lakhs) salary was in more elastic in nature than the other two salary slabs. Male and female worker’s number variations are there and it is related with in between all sector and individual unit. Service industry growth, city growth and urbanization are highly associated with one another. Service industry growth, city economic development and urban poverty are highly associated. There is a gradual decay in social and cultural matter in male, female and family since 2004 to 2007. There is an intimation of legal and resource allocation’ adverse effect in city life, but no such adverse effect from political reason. Though, in chapter 4 it has been discussed that there is political hindrance in this new industrialization strategy. Service industry growth, urbanization and urban resource allocation are highly associated. There is a clear tendency to prioritize the parameters for relocation such as security, family problem, child education, city life, income and health & hygiene from existing set up, There is a tendency to relocate preferably within existing state compared to the willingness to relocate at anywhere in India. There is clear indication that, compared to the males, females are more desperate after getting jobs at least for any of the choices of ‘Outing with Friend’, ‘Spending money for yourself’, ‘Go as you like’, ‘Do as you like’ though they are too, to some extent, choosy in selecting friends after getting jobs with limited option and/or custom from family (in-law) ethos. Habits are highly associated with job and jobless situation (before and after situation). Habits are highly associated with gender (before and after situation). Habits or preferences of female workers to live modern and liberal life after getting job compared to before situation (before and after situation), are associated with husband’s employment as well as her own income. At last I can excerpt from this thesis that industrialization and urbanization have some causal factors but not necessarily in every occasion. Under new industrialization strategy industrialization have a prominent role to play in mass urbanization. This strategy has an adverse effect on legal, political and resource allocation in urban India. And it led to social and cultural decay in urban family life as well as more in female counterpart followed by male. A socialist democratic approach for policy decision, and, in micro concept, proper counseling to them, who are deemed to prefer to live alone (lonely) after entering family life; could be a major remedy, remarkably, to overcome from this situation. This societal problem is, now-a-day, seriously decaying urban India.