CONTENTS

Chapter 4  New Economic Policy and the Tribals  96-122

   Introduction  96

4.1 Globalization Around the World  96
4.2 The Delhi Consensus  97
4.3 Globalization: Policies and Programmes  98
4.4 Poverty and Deprivation  99
4.5 Inequality  101
4.6 Employment & Unemployment  102
   4.6.1 Employment in Kerala  105
4.7 Affirmative Action  106
4.8 Educations and New Economic Policy  108
4.9 The Market and the Marginalized  112
4.10 Technology and Globalization  115
4.11 Gender Dimension of Globalization  117
   Summary  119
   Endnotes  120

List of Tables

4.1 Annual Growth of Employment in India in the organized sector 1983-2004  103
4.2 Employment in the Organized Sector in India (in lakhs) 1994-2004  104
4.3 Employment in Public Sector in Kerala 1994-2004  105
4.4 Gainers and Losers of Globalization  114

List of figures

4.1 Organized sector Employment in India (1994-2004)  104
4.2 Organized sector Employment in Kerala (1994-2004)  106
Chapter 4

New Economic Policy and the Tribals

Introduction

This chapter deals with consequences of the government relinquishing the welfare agenda aimed at providing state support on the poorer sections of the society. It is premised on the postulate that globalization with all its concomitant manifestations only aggravates the problems of poverty, deprivation, inequality, unemployment and the peripheralization that beset all the subaltern groups in India. The deleterious effects of the New Economic policy of India on the vulnerable sections of the society are felt very keenly on the tribal front. In order to make the progress more inclusive certain safety nets are inevitable.

4.1 Globalization Around the World

Old order changes giving place to new. Although the apothegm sounds platitudinous, it is a truism indeed. This is true in development also. ‘The new development paradigm that underpins the current globalization process is based on an ideal view of the world where markets work efficiently, capital and technology flow freely and that people have all the knowledge, information and ability to take part in the market on an equal footing’.

“The era of globalization has been marked by dramatic advances in technology, trade and investment-and an impressive increase in prosperity”. But its impact on the various sections of the society cannot be counted as a
‘blessing’. Instead it has deepened the crisis in many a section. Here an attempt is made to assess the unfavourable impact of globalization on the tribals of India.

4.2 The Delhi Consensus

India embraced a comprehensive reform of the economy by adopting a market-oriented strategy during the closing years of the past millennium. Immediately after the independence India followed an inward looking development strategy based on governmental initiative, which lasted for nearly four decades. “The first wave of reforms launched in 1991 by Dr. Manmohan Singh and Shri. Narasimha Rao was essentially crisis driven”3.

The change in the economic policy of India has been described using different terminologies. Globalization, New Economic policy, Structural Adjustment Programme (SAP), Neo-Liberal Development Paradigm and Marketisation, are only some of these descriptions. But essentially all these terms represent the same phenomenon.

“Globalization is defined as the free movement of goods, services, people and information across national boundaries. It creates and, in turn, is driven by an integrated global economy, which influences both economic as well as social relations within and across countries. The opening up of an economy increases competition internally as well as externally, and leads to structural changes in the economy, alters consumer preferences, life styles and demands of citizens”4.
4.3 Globalization: Policies and Programmes

The crux of the New Economic Policy measures can be explained in terms of the Stabilization Policies and Structural Adjustment Programmes. Stabilization policies aim at reducing fiscal and balance of payment deficits and control of inflation. For the fiscal deficits, these policies include reduction in government spending. This involves withdrawal of subsidies and price support programmes, reduced investment in socio-economic infrastructures, disinvestments of public sector units and closing down of sick state enterprises. To contain balance of payment deficit the prescriptions include reduction of import duties for capital goods and raw materials, introduction of new rules for foreign unrequited capital, foreign investment, new incentives for technology inflows and the convertibility of the rupee.

Structural rigidities in industry, trade, market and taxation are counted as interventionist auxiliaries and they have to be avoided for a smooth onset of globalization. For this purpose some measures are adopted which include privatization, de-licensing, foreign technology agreements, amendment of the MRTP Act and new rules for foreign investment. Some more measures are on the offing like reduction in export subsidy, abolition of import licensing and drastic reduction in import duties on a wide range of articles. Full marketization of the product and factor markets and tax reform form the gist of the structural adjustment programme^5.

The protagonists of the New Economic Policies give precedence to growth allowing inequality to persist, deprivation to rise and unemployment to mount. The new policy formulations work towards relieving and relinquishing the government of the commanding height role it had over the economy^6.
4.4 Poverty and Deprivation

Poverty is not merely the inability to satisfy the basic minimum needs of the people. It must be understood in a wider socio-economic frame, taking into account the problems such as illiteracy, ill health, poor housing and inadequate provision for social and economic infrastructure. “The end of starvation is the beginning of the solution for other elements of capability poverty. The steamroller analysis on the virtues of liberalization overlooks the disparities and deprivations that it inescapably engenders. Neo liberal economic policies have become an albatross around the poor man’s neck”\(^7\).

The peripheralized socio-economic groups suffer from triple alienation from wealth, knowledge and power. The state failed in mainstreaming them and the market (neo-liberal substitute) excluded them. Thus both the options resulted in more poverty for the tribals\(^8\).

“India has been widely heralded as a success story for globalization. Over the past two decades the country has moved into the premier league of world economic growth; high technology exports are booming and India’s emerging middle class consumers have become a magnet for foreign investors…The incidence of income poverty has fallen from about 36% in the early 1990s to somewhere between 25% and 30% today. Precise figures are widely disputed because of problems with survey and data. But overall evidence suggests that the pick up in growth has not translated into a commensurate decline in poverty”\(^9\). This statement itself is the best judge of the prevalence of poverty in rural India.

The views of the noted economist, Kunhaman, on the problem of poverty are worthy of note. He mentions the following points:

(1) Endemic character of poverty.
(2) The *dalits* and *adivasis* continue to be the predominant poverty groups. This is the case even in the so-called ‘God’s own country’, Kerala.

(3) Poverty in India is a social problem and its solution is political.

(4) The government is seeking to alleviate poverty accentuated by liberalization through the further deepening and widening of liberalization\(^\text{10}\).

“The market led structural adjustment programme has been displacing many persons and groups from the mainstream production through processes such as downsizing, outsourcing, contract labour system and feminization of labour processes rendered possible by what John Harris rightly calls ‘flexibilization’. Thus, it is marginalizing many of those previously mainstreamed. It scarcely results in mainstreaming any of the peripheralized”\(^\text{11}\).

Most recent estimates of poverty and inequality in India and a comparison of the same with the pre-reform and post reform period revealed that reduction in poverty and inequality slowed down during the reform period. Based on National Sample Survey data, Himanshu, came to the conclusion that “on a mutually comparable basis, Uniform Reference Period poverty from Consumer Expenditure Survey has come down in all states between 1993-94 and 2004-05, but the annual poverty reduction is slower than in the 1970s and 1980s”\(^\text{12}\).

Dev and Ravi in a similar study reached the same conclusion. “The total poverty ratio based on Uniform Reference Period declined by 0.85 percentage points per annum in the pre-reform period (1983-94) and 0.70 percentage points in the post-reform period (1994-05)”. Regarding the distributive aspect the authors remarked, “inequality increased significantly in the post-reform period as compared to the earlier decade”\(^\text{13}\).
4.5 Inequality

Plato, the great Greek philosopher, said “There should exist among the citizens neither extreme poverty nor again excessive wealth”\textsuperscript{14}. “Ideas about inequality, like ideas about fairness and social justice, are rooted in values. As Amartya Sen has argued, virtually everybody today believes in equality of something; equal rights before the law, equal civil liberties, equality of opportunity and so on. Similarly most people would accept that not all inequalities are unjust”\textsuperscript{15}.

“Inequality in income is an inevitable product of any functioning market economy though there are questions about the justifiable extent of income inequality. At the same time, few people would accept in principle that inequalities in opportunity are tolerable when based on gender, inherited wealth, ethnicity or other accidents of birth over which individuals have no control. The idea that people should be consigned to an early death, illiteracy or second class citizenship because of inherited attributes beyond their control violates most people’s sense of what is fair”\textsuperscript{16}.

“The ongoing globalization process in South Asia has focused on integrating markets without improving the condition of the vast majority of South Asians. As a result, income inequalities have widened, the number of people in poverty has gone up during the period of globalization and human development levels, through improved since 1960, have started to stagnate or decline. The poor are being increasingly marginalized. Some ethnic groups are virtually faced with a complete exclusion from the benefits of globalization”\textsuperscript{17}.

The rise in inequality in India after the onset of the liberalization has been the result of three factors according to R. Jha.
1. “A shift in earnings from labour to capital income;
2. The rapid growth of the services sector particularly, banking, financial institutions insurance and real estate, with a consequent explosion in demand for skilled workers and
3. A drop in the rate of labour absorption during the reform period. There has also been an increase in regional inequality, especially in the incidence of rural poverty. This rise in inequality has implied that, despite better growth, poverty reduction has been sluggish”\textsuperscript{18}.

The inability of the Delhi Consensus (Indian brand of Liberalization) to make a serious dent in poverty is attributed to two reasons. One is the phenomenon of growth occurring only in the non-farm sector. The second is the ineffective nature of anti poverty programmes\textsuperscript{19}.

The vulnerable sections of the society, especially the tribals are victims of this type of growth occurring only in non-farm sectors of the economy. They are unable to supply the ‘qualified people’ for employment in these economic pursuits. Thus the impact of reforms on the poorer sections of our society is negative.

The state of Kerala has achieved considerable increase in the growth rates during the recent past. But the increase in income was the result of a boom in real estate business and tourism. Services sector flourished and it aggravated the problem of unemployment and consequent economic maladies.

4.6 Employment and Unemployment

The increases in output as a result of the New Economic Policies have not resulted in a corresponding increase in employment. Thus "the gap between
the rate of growth of output and employment has been rising... Even high rates of growth created little employment”\textsuperscript{20}.

“If the existence and continuous increase of unemployment is a destabilizing factor in the society, then the so called stabilization programme is in essence a destabilization programme because it not only pushes Indian society deeper into the debt trap, it also pushes it further into the quagmire of serious unemployment”\textsuperscript{21}. Government of India Economic Survey 2006-2007 outlined the gloomy employment scenario. It states “employment growth in the organized sector, public and private combined, declined during the nineties. Annual employment growth in establishments covered by Employment Market Information System of Ministry of Labour declined from 1.20% during 1983-1994 to –0.38% per annum during 1994-2004”\textsuperscript{22}.

\textbf{Table 4.1. Annual Growth of Employment in India in the organized sector 1983-2004 (in percent)}

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector</td>
<td>1.53</td>
<td>-0.80</td>
</tr>
<tr>
<td>Private sector</td>
<td>0.44</td>
<td>0.61</td>
</tr>
<tr>
<td>Total organized</td>
<td>1.20</td>
<td>-0.38</td>
</tr>
</tbody>
</table>

Source: Govt. of India Economic Survey-2006-2007

Regarding the future of employment generation, the Economic Survey suggested the creation of more employment in the private sector. “While the rightsizing of the public sector, whose primary objective is to deliver essential services such as education, health, roads and irrigation and not for providing direct employment, is a welcome development and should continue, there is an urgent need to step up employment growth in the organized private sector”\textsuperscript{23}.
### Table 4.2 Employment in the Organized Sector in India (in lakhs) 1994-2004

<table>
<thead>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Govt.</td>
<td>33.92</td>
<td>33.95</td>
<td>33.66</td>
<td>32.95</td>
<td>32.53</td>
<td>33.13</td>
<td>32.73</td>
<td>32.61</td>
<td>31.95</td>
<td>31.33</td>
<td>30.27</td>
</tr>
<tr>
<td>State Govt.</td>
<td>73.37</td>
<td>73.55</td>
<td>74.14</td>
<td>74.85</td>
<td>74.58</td>
<td>74.58</td>
<td>74.60</td>
<td>74.25</td>
<td>74.84</td>
<td>73.67</td>
<td>72.22</td>
</tr>
<tr>
<td>Quasi Govt.</td>
<td>65.14</td>
<td>65.20</td>
<td>64.58</td>
<td>65.35</td>
<td>64.61</td>
<td>63.85</td>
<td>63.26</td>
<td>61.92</td>
<td>60.20</td>
<td>59.01</td>
<td>58.22</td>
</tr>
<tr>
<td>Total</td>
<td>190.57</td>
<td>194.45</td>
<td>194.67</td>
<td>195.59</td>
<td>194.18</td>
<td>194.15</td>
<td>193.14</td>
<td>191.39</td>
<td>188.74</td>
<td>185.80</td>
<td>181.97</td>
</tr>
</tbody>
</table>

Source: Directorate General of Employment & Training, Govt. of India Ministry of Labour.

**Fig 4.1 Organized sector employments in India (1994-2004)**
The linear trend fitted to the employment data in India shows that there is a declining trend.

4.6.1 Employment in Kerala

The problem of unemployment assumed the worst proportions during the globalization period in India. For Kerala this policies sounded the death knell for the educated unemployed. “Trade liberalization has exposed domestic industries to fierce competition from imports”. Over-staffed public enterprises have been either privatized or restructured resulting in loss of jobs… The increased exports of labour intensive goods that are expected to happen never did. Trade barriers have dampened the demand for manufactured goods from South Asia. So the workers have seen globalization as leading to job losses increasing work insecurity and lower wages”\textsuperscript{24}. 
The unemployment rate in Kerala increased from 15.51% in 93-94 to 20.97% in 1999-2000. During the same period the unemployment rate in India increased from 5.99% to 7.32%.25

“In Kerala, the total employment in the organized sector which has been increasing marginally since 1996 started declining from 2000”.26

Table 4.3 Employments in Public Sector in Kerala 1994-2004

<table>
<thead>
<tr>
<th>Year (End of December)</th>
<th>Central Govt.</th>
<th>State Govt.</th>
<th>Quasi Govt.</th>
<th>Local Bodies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
<td>620422</td>
</tr>
<tr>
<td>1995</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
<td>624534</td>
</tr>
<tr>
<td>1996</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
<td>625966</td>
</tr>
<tr>
<td>1997</td>
<td>99333</td>
<td>275947</td>
<td>223261</td>
<td>23434</td>
<td>621975</td>
</tr>
<tr>
<td>1998</td>
<td>103265</td>
<td>291256</td>
<td>224712</td>
<td>24551</td>
<td>643784</td>
</tr>
<tr>
<td>1999</td>
<td>102185</td>
<td>292527</td>
<td>226710</td>
<td>22505</td>
<td>643927</td>
</tr>
<tr>
<td>2000</td>
<td>101908</td>
<td>292950</td>
<td>231363</td>
<td>25020</td>
<td>651241</td>
</tr>
<tr>
<td>2001</td>
<td>97115</td>
<td>294469</td>
<td>227745</td>
<td>26341</td>
<td>645670</td>
</tr>
<tr>
<td>2002</td>
<td>83496</td>
<td>289473</td>
<td>238242</td>
<td>26785</td>
<td>637996</td>
</tr>
<tr>
<td>2003</td>
<td>80979</td>
<td>272483</td>
<td>238568</td>
<td>27233</td>
<td>619263</td>
</tr>
<tr>
<td>2004</td>
<td>78348</td>
<td>279595</td>
<td>230794</td>
<td>26464</td>
<td>615201</td>
</tr>
</tbody>
</table>

Source: Directorate of Employment & Training, Govt. of Kerala
We can see a clear declining trend in the employment figures of Kerala from the year 2000 onwards.

The implications of a general decline in the employment opportunities in the organized sector are clear. This will have an adverse impact on the employment opportunities of the tribals. The reservation vacancies depend on the general employment level in the govt. sector. The waning role of government in an integrated global framework can offer only marginal gains to the marginalized. Thus we accept the third hypothesis.

4.7 Affirmative Action

The socio economic exclusion suffered by the weaker sections cannot be addressed simply by policies of pro-poor growth and redistribution. Here comes the need for affirmative action to redress the past wrongs. “Relying only
on general policies of economic growth with equity for removing such group inequalities would take an insupportably long time, leading to resentment or even civil conflict”27. History is the best judge and we have enough number of cases where inequalities between groups fuelled conflicts and tension. Severe rioting against the Chinese in Malaysia in the late 1960s, the civil war in Sri Lanka since 1980 and the similar instances in Uganda, Mexico, South Africa, Fiji, Indonesia, Guatemala and Nepal bear testimony to the above argument28.

“Around the globe people with different cultural identities live side by side, but often in different worlds. Black South Africans still earn about a fifth of the incomes of whites. Romas in the Czech Republic, Hungary and Slovakia believe that their ethnicity is the main reason they cannot find a job”29.

“Affirmative action has reduced inter group inequalities in places where it has been effectively implemented. But studies of countries with extensive recorded data and a long history of affirmative action-India, Malaysia, U.S. and over a shorter period, South Africa-show that inequalities between individuals (vertical inequalities) as opposed to inequalities between groups (horizontal inequalities) have either increased or remained stable”30.

Reservations in India too had its impact on various sections of the society. Human Development Report 2004 testifies to this. “Reservations have changed the nature and composition of the Indian middle class. A sizable portion of the middle class now consists of the second and third generation beneficiaries of reservations … Education has become a social and cultural value, helping to create an upper crust whose members serve both as role models and as ‘spearheads’ for their people to enter the economic and political mainstream”31.
In India, the Government has not effected any change in the reservations for the Scheduled Tribes. But with the advent of the neo-liberal development trajectory the spirit of reservations is lost. In the case of job reservation, the government sector is shrinking and job opportunities and recruitments have dwindled. Apparently the reservation provisions are kept intact. But the benefits fail to flow in the desired channels. This forms the hidden and in-built danger of globalization on reservation policy. Thus the constitutional mandate of the reservation policy has been nullified, to a greater extent, by the adoption of a policy change.

4.8 Education and New Economic Policy

Education is the process of forming and transforming personality. It “is the most important means that initiates a multifarious process of humanizing which has been in vogue from the very beginning of human existence. In general, education involves imparting or acquiring knowledge through which the distinctive powers of reasoning and judgment could be developed, thus intellectually and integrally preparing human beings to achieve maturity in life”\textsuperscript{32}.

“The paradigm shift necessitates redefinition of the role of education and redesigning and restructuring of curricula, courses and syllabi and refashioning of pedagogic practices in response to market stimuli and technological advances”\textsuperscript{33}.

“Though globalization has been considered as an ongoing process for more than four centuries, “for the first time in history, economic affairs are being organized around the pursuit of knowledge” (Halal). The present phase of globalization, in other words, entails the shift from capital intensive industrial economy to knowledge/skill intensive new economy … The new
global economy is based on private appropriation and application of knowledge for making and maximizing private profit”\textsuperscript{34}.

As a result of a change in the developmental paradigm, structural shifts are taking place in the higher education sector, especially in Kerala. These changes can be summarized as

(a) A shift in favour of professional and technical courses pushing the traditional courses to the background.
(b) Greater emphasis on the formation of skills rather than on acquiring knowledge.
(c) The product (student) assuming importance over the process (Teaching and Learning)
(d) Preference for quality and excellence over access and equity.
(e) Market relevance gaining superiority over social relevance\textsuperscript{35}

Employability becomes the norm for the relevance of education nowadays. This undue importance to employment oriented education created a sense of ‘cut throat’ competition in the educational field.

The spread of self financing institutions and courses in the Kerala education sector is a clear indication of counting education as a non merit good, implying the realization of full cost from the student. Thus the higher education sector will be accessible only to the affluent and the influential. Tribals of the country will remain idle spectators.

“There is a complaint that education is being commercialized. We notice a mushrooming of private schools, money minting centres or teaching shops charging capitation fees, frequently raising the dues under various heads, and imposing many other burdens on the students. Industrial houses and NRI’s are going in a big way into the field of education seeking higher profits. There
are reports of fake varsities coming up and distributing fake certificates … some autonomous colleges are churning out degrees that have no reference to any standard”.

The role of education in enabling the peripheralised groups to attain progress can be evaluated only on the basis of some concrete results in this direction. “In the Indian contest the marginalized would include the poor, dalits, tribals, women in general, rural women in particular, slum dwellers, child labourers, unorganized workers, physically or mentally challenged people, drug addicts, victims of violence and displaced people”.

Yet another disturbing characteristic of globalization is its asymmetric nature. Movement of goods and services and capital are comparatively free but the movement of labour and technology is impeded by the constraints imposed by the developed countries. Knowledge generation has become costly and therefore unaffordable for many countries. Therefore “given the multi-caste and multi-class structure of our society, the market processes will work for the advantage of a few, marginalization of many and the deprivation of the majority of our people”.

The undue importance attributed to information technology is not likely to be beneficial for the economy in the long run. “In the development context, education must aim at unlocking the hidden strengths of the educated rather than imparting employable skills to them”.

Machine and technology are assuming greater roles in our system rather than man and thinking. This is one of the dangerous consequences of embracing material advancement at the cost of human values and life guiding principles. Moreover the economic policies followed by the government will
have a lasting influence on its educational endeavours. Therefore economic integration will have its impact on educational policies always and everywhere.

“Education has both an intrinsic value and an instrumental significance. The intrinsic value is derived from the fact that education is regarded as a desideratum; an educated person is considered superior to an uneducated person. Education also has its instrumental significance. This significance has two dimensions, economic and political. The economic dimension pertains to employability. As a political instrument, education has wider implications. As, for the dominating class, education is an instrument of domination and exploitation while for the dominated class, it serves as an instrument of liberation”⁴⁰.

The present system of education has not enabled the tribals to acquire physical capital and modern entrepreneurial skills. “Dalits and adivasis had been denied access to education for centuries through a process of socio-cultural and geographical exclusion. Their underdog position is chiefly attributable to this fact. Traditional scholarship as embodied in and transmitted through Sanskrit education was totally denied to them… even the limited opportunities for education obtained through constitutional provisions in the post independence period are being lost due to privatization. In the wake of liberalization, privatization deprives the scheduled categories of even reservation”⁴¹.

“Education promotes a more equal distribution of income by facilitating the social and professional mobility of the educated, and there is evidence that greater income equality promotes economic growth. In some, the total long-term social benefits from education are greater than the sum of the benefits to individuals. This if left to the free market, investment in education would be sub-optimal, resulting in a lower than justified supply. Public
investment or a subsidy from public fund is needed to expand total investment to the socially optimal level”\(^{42}\).

“Globalization of higher education would block the social mobility of the Scheduled categories. Only a regime of inclusive and state provided education can help their socio-economic progress. They require liberation rather than liberalization”\(^{43}\).

One of the handicaps, which continue to disturb the ethnic groups of India, is the lack of functional literacy and inadequate educational advancement. The absence of a central co-ordinating body, is very often considered as a serious limitation in motivating the various tribes to acquire the basics of scientific education. Even in Kerala, where the educational attainment of the people is very high, the tribal groups are sidelined in terms of educational achievements.

### 4.9 The Market and the Marginalized

Deep dependence on the market was considered an efficient mechanism for allocating resources between competing ends. This was the prevailing principle during the time of the Classical School. Things changed a lot and the supremacy of the market and its forces were challenged and disproved later. But again there occurred a resurgence of the primacy of market in the form of integration into the global system during the fag end of the past millennium.

The heavy reliance on the market to attain growth and development assumed greater significance in the wake of globalization. Here an examination of the role of market with reference to the development of the poorer sections of the society is undertaken with special reference to tribal development.
“…Markets are not very friendly to the poor, to the weak or to the vulnerable, either nationally or internationally. Nor are markets free. They are often the handmaidens of powerful interest groups, and they are greatly affected by the prevailing distribution of income … Is everybody in a position to compete in the market, or will some people fall outside the market place because they do not have enough education, health and nutrition to compete on any footing, let alone an equal footing. That is why much better distribution of income and assets, of credit, of power structures and certainly of knowledge and skills are vital to making markets work more efficiently. Markets can not become neutral or competitive unless the playing field is even and playable.”

The theory of a perfect market seldom works. Imperfections in the functioning of the market are manifested in the inefficient working of the price mechanism. A competitive market and its functioning can not last long. Sooner or later it will get transformed into an oligopoly or a monopoly.

In a democracy the government is the most important development agency, which sets the targets, priorities and plans. But when the market is allowed to function freely the priorities will undergo change. Market excludes those who are unwilling and unable to pay. The poor will naturally fall victims to the priorities determined by the market. The government, to a greater extent, will become redundant and otiose.

Market is the place where ‘preferences of the people are revealed’. The gainers and losers of globalization can be determined on the basis of the priorities dictated by the market. Streeten presented the balance sheet of globalization by classifying the gainers and losers of globalization in the form of a schematic presentation.
<table>
<thead>
<tr>
<th>Gainers</th>
<th>Losers</th>
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</thead>
<tbody>
<tr>
<td>Output</td>
<td>Employment</td>
</tr>
<tr>
<td>People with assets</td>
<td>People without assets</td>
</tr>
<tr>
<td>Profits</td>
<td>Wages</td>
</tr>
<tr>
<td>People with high skills</td>
<td>People with low skills</td>
</tr>
<tr>
<td>Educated</td>
<td>Uneducated</td>
</tr>
<tr>
<td>Professional, managerial and technical people</td>
<td>Workers</td>
</tr>
<tr>
<td>Capital</td>
<td>Labour</td>
</tr>
<tr>
<td>Creditors</td>
<td>Debtors</td>
</tr>
<tr>
<td>Those independent of Public Services</td>
<td>Those dependent on public services</td>
</tr>
<tr>
<td>Large firms</td>
<td>Small firms</td>
</tr>
<tr>
<td>The strong</td>
<td>The Weak</td>
</tr>
<tr>
<td>Risk Takers</td>
<td>Human security</td>
</tr>
<tr>
<td>Global markets</td>
<td>Local Communities</td>
</tr>
<tr>
<td>Sellers of technically sophisticated products</td>
<td>Sellers of primary and standard manufactured products</td>
</tr>
<tr>
<td>Global Culture</td>
<td>Local cultures</td>
</tr>
<tr>
<td>Global Elite</td>
<td>Global poor</td>
</tr>
<tr>
<td>Firms with market access and branding</td>
<td>Firms without market access and no branding</td>
</tr>
</tbody>
</table>

Source: Streeten P 45
The tribals of this great country fall in the right hand side of the above table. They are the losers always and everywhere. The benefits of the economic integration flowed to the well off sections of the society and this is the reason why there is greater resentment against the very spirit of liberalization.

4.10 Technology and Globalization

The revolution in science and technology is one of the most powerful vehicles of integrating world economies. “In the economic sphere, the mechanical-materialistic approach has led to economic development being equated with economic growth. This has meant neglecting or reducing to secondary position the other goals of economic development namely social justice, self-reliance and protection of the ecological basis of life”46.

“Motivations of profit and values of consumerism and aggression have been integral to the momentum of high technology generated in the modern world. So one may say that modern high technology itself has an exploitative and imperialistic character, which gets exacerbated by the process of globalization”47. New technologies are applied on a large scale in industries where production is conducted on a massive scale. The question of access to new technology is another real problem in developing countries like India.

Thomas highlighted five destructive aspects of high technology. They are.

1. “The high productive potential of technology has been instrumental in destroying the integrated subsistence economies of traditional societies. It has helped create mass poverty and unemployment and widened the gulf between the rich and the poor among nations and among classes within the nations.
(2) The relentless march of technology has destroyed the subsistence economies but also community structures, the sense of mutual responsibility and the attitude and practice of interdependence among nature, humanity and spirituality. These have been replaced by the individualism and material consumerism that go hand in hand with urbanization and industrialization. The result has been a thorough going mechanization of life. Further, by empowering the oppressors, technological advancements have accentuated caste, ethnic, patriarchal and other forms of oppression of traditional society.

(3) It is in a large measure responsible for polluting the air, water, and soil, wasting non-renewable natural resources and doing violence to nature’s efforts to renew it.

(4) The culture of high technology has produced the technocrat and the bureaucrat

(5) Military technology has made wars destructive to an unprecedented degree.

The free flow of technology in an integrated system considerably reduced the demand for unskilled labour. The tribal people are labourers without any skills. Thus the employment prospects of tribesmen in a globalized economy are bleak. Again the digital and genetic technologies are likely to offer opportunities for development. But the poor tribals are not able to secure employment in these areas for want of necessary skills. Moreover, if the handicap of skill formation is overcome, the companies recruiting personnel are in the private sector where reservation is not applicable.

Most of the tribesmen are marginal farmers. They eke out a living by applying the primitive techniques. They are unaware of and unable to adopt the new technologies because of the small size of their farm. In Kerala incidence of
suicide of the farmers is on the rise recently because of the unprofitable nature of agricultural pursuits.

The knowledge based industries in India made considerable progress in the recent past. But the participation of the marginalized sections in this industry is practically negligible.

The interaction between the administration and the citizens can be speeded up by the use of information and communication technologies. But this is only a remote possibility for the tribals because of the isolation they experience in the system.

New Technologies make goods and services cheap and increase the productivity of the factors. But the adoption of new technology is a costly affair and it is not affordable for the peripheralized people. In making available good roads and tele-communication system technology offers much better services. Thus technology excludes the weak and the vulnerable.

4.11 Gender Dimension of Globalization

Ever since the United Nations Summit on Women (Nairobi 1985) gender issues and empowerment of women have become integral parts of the discourse on developmental issues. Thus feminist studies have become accepted as a separate branch of social science dealing with the problems and solutions for the development of the womenfolk. Women all over the world constitute a vulnerable group who are discriminated against socially, economically and politically.

The Human Development Report 1995 notes “women still constitute 70% of the world’s poor and two thirds of the world’s illiterates. They occupy
only 14% of the managerial and administrative jobs, 10% of the parliamentary seats and 6% of cabinet positions"^{49}.

“Any talk of empowerment (of women) without entitlement is idle talk. Across the globe, the prerequisite for women’s emancipation is to enhance their capability through the provision of literacy, sustainable livelihood and entitlement"^{50}.

With the implementation of the neo liberal economic policies governments have withdrawn from their social commitment resulting in the reduction of programmes meant for the weaker sections and women. This will have adverse impact on the welfare and empowerment of women especially the tribal women.

The market oriented development paradigm apparently created more jobs for women but that is in the unorganized sector where there is no job security and benefits. Again this increased feminization of labour resulted in the retrenchment of male workers and the wage rate prevailing in the labour market discriminates the women. “The share of women in the total work force declined from 35% in the early 1990s to 30.3% in 1999-2000”^{51}.

Low economic status brings pressure on women to seek work for pay as reflected in the much higher work participation rates among the Scheduled Caste/Scheduled Tribe women in Kerala. The rural work participation rates were 40.8% for ST women, 32.7% for SC women as against 22.6% for OBC and 22.1% for other groups of women in 1999-2000^{52}.

“If a single fact were to convey the intensity of the problem of unemployment in Kerala, it is (sic) that unemployment among women is two to three times higher than among men”^{53}. 
“Women across socio-economic classes, irrespective of educational profiles, religious and cultural backgrounds are victims of gender specific crimes. Reported crimes against women have been steadily rising in the country. There has been a persistent increase in the number of crimes against women in Kerala since 1991. In 1991 crimes against women registered were 1867. It rose to 7743 in 1999 and came down to 7681 in 2004”\textsuperscript{54}.

Summary

It is an irony that in spite of the so called positive discrimination or the much vaunted reservation policy launched by the government, the impoverished segments of the Indian society remain where they have been over the millennia, although one cannot wink at the fact that a few elitist categories have emerged thanks to the protectionist policies proffered. The preponderance of the market oriented development strategy has created a sense of insecurity among the marginalized sections of the society. It is a pity that the failings of the state have accentuated the deprivations of the tribals. Therefore the economic reforms in India need a more ‘humane’ approach.
Endnotes

1 Human Development in South Asia 2001: Mahbub-ul-Haq Human Development Centre Oxford University Press-page 10
4 Human Development in South Asia 2001: Mahbub-ul-Haq Human Development Centre, Oxford University Press-page-10
6 Ibid-pages 102 and 103.
8 For a detailed analysis See M. Kunhaman- Globalization A Subaltern Perspective, Centre for Subaltern Studies Thiruvananthapuram, 2002
10 M. Kunhaman: Globalization A Subaltern Perspective, Centre for Subaltern Studies Thiruvananthapuram, 2002 page 25
11 Ibid-page 24
14 Plato
15 UNDP, Human Development Report 2005 page 52
16 ibid
17 Human Development in South Asia 2001: Mahbub ul-Haq Human Development Centre Oxford University press. Page 16
18 Raghbendra Jha- “Reducing poverty and Inequality in India: Has Liberalization Helped’ Article in ‘Inequality, Growth and poverty in an era of

19 Ibid page 315
22 Govt. of India-Economic Survey 2006-2007. page 211
23 Govt. of India-Economic Survey 2006-2007. page 211
24 ibid
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27 UNDP Human Development Report -2004-page 35
28 UNDP Human Development Report 2004 page 69
29 ibid
30 For a detailed analysis see. UNDP. Human Development Report 2004 page 41
31 UNDP Human Development Report 2004 page 69
32 UNDP Human Development Report 2004 page 71
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36 Ibid pages 105 & 106
38 Ibid-179
40 ibid, page 109
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Chapter 5

PRESENT SOCIO-ECONOMIC STATUS OF THE TRIBES UNDER STUDY