

Urban Poverty and Migration in the Context of Neo-Libral Globalisation in India



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Abstract

The study attempts to understand disparity between regional development, migration and deteriorating condition of migrants, mainly in developed regions of India. Our results indicate that while the growth rate of gross domestic product has improved only marginally in the post-reform decade, the regional disparity in state domestic product has widened much more drastically. Industrial states are now growing much faster than the backward states, and there is no evidence of convergence of growth rates among states. Even more disturbing is that there is now an inverse relationship between population growth and state development growth. The inverse relationship is stronger for the per capita income growth among states. This has a very serious implication not only for population dynamics but also employment and the political economy of India. As we know migration, urbanisation and regional disparities are strongly interrelated.

Keywords: Agrarian Distress, Exchange Rate, Income Disparities, Centrisperibus, Liberalisation, Neo-Liberal Globalisation.

Hypothesis

The paper focuses on the following hypotheses-

1. Developed states get more investment.
2. India has been witnessing the triple dynamics of growth, rapid urbanisation and growing poverty.
3. Disparities in development promote inter-regional and intra-regional migration.
4. Large-scale migration in a country with wide diversities in religion, language, caste and education levels can create socio-political problems.
5. The migrant labourers face additional problems and constraints as they are labourers and migrants both.
6. Most of migrants are illiterate and not aware of their legal provision and security rights.

Methodology

Simple analysis method has been used on the basis of various articles, journals, census data etc.

Introduction

Migration is an important feature of human civilisation. It reflects, human endeavour to survive in the most testing conditions both natural and anthropogenic. Migration in India is in extent also a historical phenomenon, but in the context of Neo-liberal Globalisation era it assumes a special significance for the Civil Society. As a consequence of the neo-liberal policies implemented by the successive governments, there are serious income disparities, agrarian distress, inadequate employment generation, vast growth of informal sector and the resultant migration from rural areas to urban, urban to urban and from backward to relatively developed regions in the most appalling conditions. Under the pressure from the international finance capital, Governments both central and provincial are further de-regulating the labour markets resulting in to enlargement of informal sectors.

As the world moves into the year 2013, there will be significant increase in the number of people living in urban areas than rural areas. In fact, the 20th century witnessed a rapid growth in urban population. The next few decades will see unprecedented scale of urban growth in the developing world. The urban population in India will double in next 30 years.

India has been witnessing the triple dynamics of growth, rapid urbanisation and growing poverty. While many Asian countries witnessed higher economic growth, the growth pattern brought about enormous disparities across and within nations.

As per 2001 census report the slum population of India in cities and towns with a population of 50000 and above was 42.6 million which is 22.6 % of urban population . This could also be roughly the size of Columbia and Spain. In Maharashtra 11.2 million of the total slum population of the country is living followed by Andhra Pradesh (5.2 million), and Uttar Pradesh (4.4 million). Although the slum population has increased the number of slums is lower (National Sample Survey, 58th survey) which make them more dense. There is higher concentration of slum population in urban centres (2001). India has shared the growth pattern and rapid urbanisation with some of the fastest growing regions in Asia. Urban population is also increasing at a faster rate than the total population, with over 575 million people, India will have 41% of its population living in cities and towns by 2030 AD from the present level of 286 million or 28%.

Economic development and urbanisation are closely linked. In India cities contribute over 55% Of country's GDP and urbanisation has been recognised as an important component of economic growth. Here it is noticeable the growth rate of gross domestic product (GDP) accelerated since 1980s. The average annual GDP growth rate in the first three decades (1950s to 1980s) was only 3.6 percent. During the 1980s, the GDP growth rate accelerated to 5.6 percent, and after economic reforms in the 1990s, it has further accelerated to 6.0 percent. The reforms led to a lot of structural changes in the Indian economy, such as, deregulation of investment – both domestic and foreign – and liberalisation of trade, exchange rate, interest rate, capital flows and prices. The post reform period also witnessed a sharp deceleration in public investment due to fiscal constraint. At the aggregate level, the average share of public investment in total investment has declined from 45 percent in the early-1980s to about one-third in early-2000s. Although, there is very little information on investment at the regional level, the available indicators suggest that more and more investments are now taking place in richer states. The RBI data on capital flows show that four/five developed states have cornered the major chunks of foreign direct investment in India. The poorer states with inadequate infrastructure are not able to attract foreign investment. The poorer states are also investing less because historically they mobilised resources for public investment mainly through grants and assistance from the Centre, which are now declining due to fiscal constraints. Amitabh Kundu says this situation "centrisperibus" in his article "migration, urbanisation and inter regional inequality." (EPW, vol-21, no-46, p.p.-2005-2008)

With India becoming increasingly globalised and urbanized, there is also an increase in the number of poor people living here. As per the latest NSSO survey reports there is also increasing of poor people and as per TCPO estimates 2001 over 61.80 million people were living in slums. It is interesting to note that the ratio of urban poverty in some of the larger states is higher than that of rural poverty leading to the phenomenon of 'Urbanisation of Poverty'. Urban poverty poses the problems of housing and shelter, water, sanitation, health, education, social security and livelihoods along with special needs of vulnerable

groups like women, children and aged people. Poor people live in slums which are overcrowded, often polluted and lack basic civic amenities like clean drinking water, sanitation and health facilities. Most of them are involved in informal sector activities where there is constant threat of eviction removal, confiscation of goods and almost non-existent social security cover.

With growing poverty and slums, Indian cities have been grappling with the challenges of making the cities sustainable i.e. inclusive, productive, efficient and manageable. The sustainability of urban development in India is seen in the context of shelter and slums . Basic urban services, financing urban development and Governance and planning India has entered the 11th plan period with an impressive record of economic growth. However the incidence of decline of urban poverty is very slow. In fact urban poverty will become a major challenge for policy-makers in our country as urban poverty is growing along with the urban population.

It is mentioned that the level of urbanisation in India and its pace over time has been amongst the lowest in the world. It has in fact been lower than the previous decade in 1991-2001. According to U.N. reports rate of urbanisation in India is only 24% in 2013. The slow growth of urbanisation is also due to the structure of employment in India where a large proportion of total number of workers continue to be engaged in agriculture in spite of its slow growth and declining share in GDP. Although growth rate of urbanisation in metro and bigger cities has been higher than the small and medium towns. Higher degree of urbanisation is seen associated with lower levels of poverty. Quality of employment productivity and returns on education are likely to be better in large cities than small towns. Urban poverty is not a spill over of rural poverty as generally perceived and the manufacturing sector in India has not been able to provide necessary pull to rural workers.

Migration, urbanisation and regional disparity are strongly interrelated an attempt to understand the underlying forces and their interrelations would be extremely useful in the context of the development dynamics in a large country like India.

Migration in India is mostly influenced by Social structures and pattern of development. The development policies by all the governments since independence have accelerated the process of migration. Uneven development is the main cause of migration. Added to it, are the Inter regional, intra regional disparities amongst different socio-economic classes. The landless poor who mostly belong to lower castes, indigenous communities and economically backward regions constitute the major portion of migrants. In the large Tribal regions of India intrusion of outsiders, settlements by the outsiders displacing the local tribal people and deforestation has also played a major role in migration.

The Hindustan Times on 14th October 2010, revealed that according to a study by a Government institute, 77% of the population i.e. nearly 840 million Indians live on less than Rs 30 a day. Indian agricultural has become non remunerative, taking the lives of 100000 peasants during the period between 1996 to 2003, i.e. a suicide of an Indian peasant every 45

minutes. Hence, the rural people from the downtrodden and backward communities and backward regions such as Bihar, Jharkhand, Orissa, Uttar Pradesh travel to far distances seeking employment at the lowest rungs in construction of roads, irrigation projects, commercial and residential complexes, in short, building the "Shining India". There is wide increase in disparity can be noted in case of other infrastructural facilities and basic amenities like power consumption, transport system, health services etc. In some of the social dimensions like access to education, water supply and sanitation facilities, the regional disparity has however registered a decline. But in the other social dimensions viz. incidence of poverty, population growth, infant mortality rates etc. the disparity has gone up. In India regional inequality has increased despite high economic growth. It is found that the incidence of migration in India has shown an increase in 2001 as compared to consistent decline during 1961-1991. Increase in percentage of migration due to the new policy of liberalisation could not be established. Change in administrative boundaries of various districts and states have also contributed to increase in percent of migrants. Migration in India is predominantly short distance with around 60% of migrants changing their residences within their district of birth and 20% within their state, while the rest move across the state boundaries. The total migrants as per the census of 1971 are 167 million persons, 1981 census 213 millions, 1991 census 232 million and 2001 census 315 millions. As per the census of 1991 nearly 20 million people migrated to other states seeking livelihood. Within a decade, the number of interstate migration doubled to 41,166,265 persons as per the census figures of 2001. It is estimated that, the present strength of interstate migrants is around 80 million persons of which, 40 million are in construction industry, 20 million as domestic workers 2 million as sex workers, 5 million as call girls and somewhere from half a million to 12 million in the illegal mine otherwise called as "small scale mines".

It is stated that at present around five and a half million Indians are working in the oil exporting countries of middle-east and another 2 millions in the developed world. 92% of the domestic workers are women, girls and children and 20% of these females are under 14 years of age, as per a study of conducted by an organization called "social Alert". There is a perceptible phenomenon in this migration that is the tremendous increase of women workers migrating either individually or in groups to find work. They are travelling very long distances even for short-term employment, in the absence of any prospect or promise of employment, still they are migrating. This is a disturbing trend, as in the event of not getting employment, they end up as victims of sexual abuse. Even if they get employment, they have to work under inhuman conditions.

Legal Provisions

The Government of India made an enactment in 1979 in the name of "Inter-state Migrant Workmen (Regulation of employment and Conditions of Services) Act 1979". Although the act covers only interstate migrants, it lays down that contractors must pay timely wages, provide suitable residential accommodation, prescribed medical facilities, protective clothing, notify accidents and casualties to specified authorities and

kin. The Act provides right to raise industrial disputes in the provincial jurisdiction where they work or in their home province. The act sets penalties including imprisonment for non-compliance. At the same time the act provides an escape route to principal employers if they can show that transgressions were committed without their knowledge. Needless to say, that the Act remained only on the paper. The record of prosecutions or dispute settlement is almost nil. The migrant labourers face additional problems and constraints as they are both labourers and migrants.

Spatial disparity in development should centripetally encourage migration towards the developed states and regions, as per the neo-classical models of growth and labour mobility. Interestingly the migration pattern in India, as observed through the data of NSS, fits well in these models that assume that optimality in the spatial distribution of economic activities in the long production. Indeed the backward states had high rates of outmigration while the developed states were absorbing these migrants. This centripetal condition of states supports uneven interstate migration. This situation emerged due to disparity of development and it promotes disparity in future. Rapid rate of urbanisation in developed cities create civic problems, congestion, population pressure on cities. The declining trend in the urban population growth rate observed during the 1980s and 1990s was reversed at the national level, and the level of urbanisation increased faster during 2001-2011. The urban population grew from 286 million in 2001 to 377 million in 2011 – an increment of 91 million, which is larger than the rural population increment of 90.5 million for the first time since independence. A substantial increase in the urban population is due to a net rural-urban classification and rural-to-urban migration. A huge number of new towns emerged during the last decade, contributing significantly to the speeding up of urbanisation. On the other hand, although the contribution of the natural increase in urban growth has declined in terms of proportions, its share in absolute numbers (about 40 million) continues to be huge due to the large base of the urban population. This has implications not only for providing urban infrastructure and civic amenities, but also for reproductive and child health services in urban areas.

Conclusion

The growing regional disparity in the post reform period is now a matter of serious concern. With deregulation of private investment, faster growth in turn would induce more investment, and this in turn would further accentuate regional disparity. The problem is compounded by the negative relationship between population growth and income growth during the 1990s. Unfortunately, backward states with higher population growth are not able to attract investment – both public and private – due to a variety of reasons, like poor income and infrastructure and probably also poor governance. Our results support the view that there is a strong case for pro-active public policy to induce more investment in backward states either through public investment or through fiscal incentives. Simultaneously, efforts should be made to restrain population growth, especially in backward states. Finally, the quality of governance and in particular the efficiency of investment

should be given more attention at the state level. The inverse relationship between population growth and income growth at the state level in the recent years can become an explosive issue not only economically but also politically. States with higher population growth and lower income growth would tend to have higher unemployment rate. Migration can only partially mitigate this thorny problem. Besides, large-scale migration in a country with wide diversities in religion, language, caste and education levels can create socio-political problems. It is already evident in some states and regions. In China, the social discontent of rising regional disparity and consequent migration is contained by a strict communist party dictatorship. In India, the democracy is very vibrant. If the inverse relationship between income and population growth persist longer then sooner or later there would be a serious conflict between states in terms of sharing of resources. It is already evident in the allocation of resources through the Planning Commission and the Finance Commission. The social consequences of migration could become an additional source of conflict. The solution, however, does not lie in curbing growth in fast growing and market friendly states, but in accelerating reforms in backward states to attain a balanced regional growth.

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