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Impact of industrialization in Rajasthan (With special reference to socioeconomic problems)

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Abstract

Rajasthan has been pitiable on several social issues like femininity and child marriage. The government targets to check all social menace through education, creating more jobs and building many skills for the people. Industrialization will help raise money for the poor and ignorant. They will sharpen their skills and learn more. Awareness would not be possible without the spread of industrialization. If the people have money in pockets, they will go for education. If they were educated they would not follow non-sense social menace and superstitions. Industrialization has been quite successful in involving the rural people and bringing a change in their livelihood. So the government is encouraging industrial development to bring a significant change in their livelihood. Present problems of power shortages, the scarcity of certain raw materials, and deficiencies of infrastructure should be overcome in time. The study also considers the governmental role in establishing and promoting industrial development, and the patterns that will emerge if the Indian government's policy of balanced regional development. Reduction in poverty and unemployment in the state is the core of study. The paper has shown the views of rural habitans regarding getting industrialized along with the inconveniences faced by them. The study is basically analytical in nature, and the collection of data has been made via secondary sources.

Keywords: Industrialization, femininity, unemployment reduction, rural

Introduction

Social and economic changes are consequences of industrialization. Impacts of industrialization include financial growth, well-organized labor, and using technology for curbing dependency and solving problems, which are not in the control of human being. The working becomes easier than earlier because the machines would further do the work, which was done by people. It is a system, which has arisen from the scientific knowledge. In the process of industrialization vital and methodological changes take place. In developing countries like India industrialization plays a major role in the economic development. It is the approach to growth of construction units. The prior administration laid a great emphasis on the development of industries. The environment is created through industries where manpower is highly utilized. It gets more income opportunities for the people who are indulged in the agriculture for their livelihoods. The countries where industrial development is on hike per capita income is comparatively higher than those who are having less industrial units. Capital formation and industrial development has the positive correlation. More industries lead to more capital generation. Various economic resources are used in industrial economy compared to agriculture economy. Industries use those resources more efficiently which are not used by other sectors of economy. Foundation of more and more industries enlarges the opportunities of employment generation. Where export incomes are lower than import expenditures. To curb the same other than agriculture substitution is required in the form of industrialization.

67% of Indian economy is agro based. Application of various technologies and new production techniques may help increasing the production. Use of chemical fertilizers, harvesters and tractors makes the agriculture economy stronger which is formed such with the industrialization. The India economy growth is not steady in nature therefore industrialization is must for improving the stability of the economy. It depends on the industrial growth. To achieve the equilibrium in the pace of growth of economy a healthy industrial development is essential.

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Review of Literature

The primal studies and researches show that enhanced and upgraded industrial development is the need of hour.

An article shared by Bhimamsen Hantal states that the industrialization is very much essential for the economic growth of developing nations. Increase in per capita income, rise in capital formation, optimal use of economic resources, creation of employment, agriculture improvement and stable economic growth are good indicators of development of industries in nation.

Sanjaya lall in 1992 has reviewed in the paper the suggestions regarding the industrial strategy. It concluded that interventions, carefully and selectively applied, are necessary for industrial success.

Kjetil Bjorvatn in year 2000 stated that poor industrialization reduces the profitability of modern sectors. Therefore industrialization has its significance in economic growth.

Aradhna Agrawal and Nagesh Kumar stated in the chapter named Structural Change, Industrialization, and Poverty Reduction in case of India. The section has reviewed the pattern of growth and structural change in GDP. Other section focuses on manufacturing sector and examines the growth and structural change in both value added and employment within the sector.

A review and comparison of developing and industrialized countries made by Sarah Schomers and Bettina Matzdorf in February 2013 identifies research overlap between developing and industrialized countries.

Objectives of the Study

The paper studies about the industrialization as a step curbing poverty and unemployment. Efforts of government to spread the industrialization and organizations indulged in industrial development are the core of the study. The projects launched and their impact on the states, are key objectives of this study.

Scope of Study

The study basically focuses on the area of Rajasthan. The impact of industrialization on the state and views of people related to industrial transformation are the major part of the paper.

Research Methodology

The research is analytical in nature where facts and information already available are used. Which are analyzed to make a critical evaluation of the material?

Industrial Policy

It's a strategic effort for the growth of manufacturing units as well as other sectors of the economy. Promotion of structural transformation, advancing competitiveness and potentials are encouraged through it. Telecommunication, transportation and energy industries are major part of the information policy. The formation of industrial policy is the foremost requirement of speedy economic development. The policy envisages the attractive packages of incentives to industries which includes, octroi exemption, DG subsidy, subsidy for agro based units, incentive for quality certification, reduction in stamp duty, special scheme including interest subsidy etc. The need of the time and industries, are the cause for the policies to be made accordingly. Policies have an intension to promote not only

the industrial investment, but also service sector enterprises. Special emphasis is laid on infrastructure and skill development to meet out the problems of unemployment. As the policies have a lot to give to the area it needs fund which are provided through the administration. The all-round development of the state and the prosperity of its people depend on industrialization.

Government Endeavours for Promotion of Industrialization

The Government of Rajasthan has committed to bring on the opportunities for investments and acceleration of comprehensive economic growth and the creation of huge employment openings for habitants. Creating supportive policies for making an appropriate institutional environment, balanced regional development as well as the infrastructure that facilitates the private sector undertakings. Inspiring flying multiplications of the sectors in which Rajasthan has inherent enjoyments. The state administration aims to improve the business climate, promotion of high-class infrastructure, enhancing skill levels and employment availability, assurance for easy approach for attainment of lands for projects and endeavoring MSMEs. The objectives are being achieved by adopting strategies. The task of improving the infrastructures keeps the highest priority. Special emphasis laid on thrust sectors for the growth of potential for employment generation. Liberation in rules and regulations and timely conveyance of services, human resource requirements has the greatest priority to be meet out the industrial needs. The most significant approach to increase the greater participation of private enterprises for economic growth of the state. The declaration of an area to be industrialized one has many obligations to be filled. The formation of industrial areas in industrial townships, development of integrated industrial parks, reduction of the prohibited area from 10 km to 5 km for the establishment areas, the liberation in conversion of agriculture land in the industrial land, uninterrupted supply of powers, reduction in contract demands, and system of reducing the loans are the major steps taken by the Government of the state to promote industrialization.

Organizations Indulged in Industrial Development

Rajasthan is giving prime concern to development of industries with a motive to transfigure the agriculture based economy in up to the minute industrial economy. Rajasthan State Industrial Development and Investment Corporation or RIICO is a top ranking organization of Government of Rajasthan that is playing an important role in the industrial development of Rajasthan. Site selection, acquisition of land, financial aid to small medium and large-scale projects, equity contribution in enormous projects, technical counseling for project recognition and technical tie ups, defender services, assistance for government demolitions, merchant banking, extending incentives and making concessions are the important exertions the RIICO is engaged in.

- a) Providing with loans facility.
- b) Contribution in share capital of companies
- c) Interest free loans
- d) Extends loan facility in association with RFC
- e) Distribution of capital investment grants for setting up new units

- f) Providing with seed capital
- g) Promotion of industrial enterprises
- h) Software Zone: A software premises was developed with the Cooperation of Rajasthan Electronics and Instrumentation Limited. It is proposed to set up a gold jewelry zone and an export promotion zone for handicrafts and garments, near Sanganer airport in the near future.
- i) Campaigning towards industrial development: The Business Promotion Unit of Corporation, in association with the RFC and Directorate of Industries, has initiated a campaign for industrial development in the state. This has motivated the original residents of Rajasthan and Non-Resident Indians to set up industries in Rajasthan.
- j) Providing with technical and managerial services
- k) Merchant banking services
- l) Rehabilitation of sick units
- m) Special concessions to entrepreneurs in allotment of lands:
- n) Industrial Area and Other Scheme

Rajasthan Financial Corporation- Rajasthan Financial Corporation (RFC) is the term lending development financial institution in Rajasthan state in India. It provides finance to small and medium scale enterprises. Rajasthan Financial Corporation speeds up the development process in industrial policies and priorities of the Central and the State Governments and help them by providing immediate assistance in the planned and balanced development of industries in the State, particularly in the small and tiny sectors. Rajasthan Financial Corporation working for the fulfillment of its prime objective to distribute loan schemes for the tiny, small and medium scale industries, many of them tailor-made for specific entrepreneurial classes. RFC also prepared to adopt as well as to adapt itself to the changing industrial needs; RFC has over the period, widened its network, multiplied its numerous schemes and added multifold to its policies and incentives, liberalizing them with the need of the hour. RFC main loan schemes:

- a) General Term of Loan Scheme
- b) Scheme For Service Sector- Hospital and Nursing Home, Tourism Sector, Information Technology
- c) Scheme for Textile Industry
- d) Saral Scheme for SME Sector
- e) Single Window Scheme
- f) Scheme for financing against assets
- g) Scheme for CRE Projects
- h) Scheme for Qualified Professionals
- i) Top- Up loan scheme for existing borrowers
- j) Loan to Units Intending to Switch Over Their Loan Accounts From Banks and other Financial Institution to RFC
- k) Schemes For Good Borrowers
- l) Special Loan Scheme for marble Processing Units having import license.

Socioeconomic Development through Industrialization

Employment growth and poverty reduction are the depending factors on industrial development. Unskilled labors basically find the employment opportunity where incomes are quite low which leads to an insignificant contribution to the growth of economy. Where as in manufacturing sectors workers take on the job training.

Which increase the potential of the labor and somewhere eradicates the poverty and unemployment. In compare to agrarian economy the industrial one has more openings for job seekers. The wage gains associated with industrialization can play an important role in pulling significant proportions of the population out of poverty. In addition to these direct effects, industrialization can also be crucial in reducing poverty indirectly through the economy-wide positive employment effect of economic growth (Lavopa and Szrimai 2013, Weiss 2013). Industrialization can potentially be a powerful force for employment generation and poverty reduction. Industrialization can potentially have a strong positive effect on job creation and consequently, poverty reduction, under the appropriate policy environment.

Impacts of Industrialization Over State-

In the area of the Rajasthan a region called Gheeloth is facing severe difficulties on the cost of industrialization. Availability of employment and basic amenities have become a dream for the habitants of this area; more over most of the area of the region has been seized by RIICO. A huge area has been occupied by this giant organization for the establishment of industries, which has made the people residing over there like jailbirds.

A report by Rajesh Yadav, Shahjahapura states that the people named Prabhuram Numberdar, Ramfal Sampat Ram, Poorav Panch Shersingh have reported that the principal organization committed them that it would reimburse the people of that area via providing them basic resources in lieu of taking their lands but nothing happened such. Rather than fulfilling this commitment they left just a single road commutable for village. Area of village surrounded by Aravali and RIICO is torturing the people living therein.

A boundrywall made by RIICO has imprisoned the villagers and abolishment of the Government school situated over there has created a question mark on the future of the pupils.

The arrangements made by MNREGA for collection of rain water has messed up by RIICO which has left the villagers in the troublesome situation and the collected water in the village area has become a big problem for the villagers.

The making of land areas by RIICO is not according to the ancient texture of the villages. The construction of roads has been made higher by 7 to 8 feet and the drainage systems are not according to the requirements of the people, which have caused the blockage of germy water nearby residences.

Lands made for morgues have also been occupied by RIICO and have been merged with industrial areas. The initiatives taken by villagers have checked on the building of boundary walls but the corporation has captured the space left for cultural activities and rituals.

Sarpanch of gram panchayat Siryani has revealed that the RIICO has dominated the whole area of the village for serving its own purposes and did not provide any facility to the habitants. No legal action is being fruitful for serving a decision in favour of households.

Shishram Prajapat a villager and lecturer has notified that RIICO has created apprehension for rural people instead of facilitating them with comforts and amenities. Lands are being allotted for industrial purpose. The future of rural people seems to be in dark due to such inconveniences.

Another negative impact of industrialization is, Bandi River has been affected by industrial affluent discharged. The samples collected from sites reveals that area of neighborhood is mostly affected due to this.

Balwant Singh lecturer in Government schools points out the importance of play grounds for rural kids, which is not facilitated to them because of capturing land by RIICO.

The petitions made by village habitants will soon be served with proper solutions after communicating those states Ravi Kumar Sharma an officer of RIICO area Gheeloth.

Conclusion

Industrialization is very much essential for developing nations. Tropical issues such as poverty and unemployment are creating an open challenge to economies of these nations. Industries create number of opportunities for the people. Timely renewed industrial policies have a great forecasting for bright future. Creation of more and more golden opportunities can lead the economy on the path of success. But every aspect has its two folds, as industrialization is the boon for the economy, it may not become a curse for the people residing there in. problems faced by the habitants who are illiterate and rural should be served with the solution for their problems. As the study highlights the problem of particular area of Rajasthan named Gheeloth, many of the areas will be facing same situations due to industrialization. Curbing poverty and reducing unemployment will however help the economy to get stable, but along with a vision made for the future, the troubles coming in present should be looked after.

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