Assessing The Impact of Planned Industrialisation in Rural Areas: Positive & Negative Effects of Industrialisation

Dr. Gawade Hemkant Nivrutti\* (M.Com, PhD, NET, GDC&A)

CSM’s Arts & Commerce College, Chakan, Pune 410501, India

A B S T R A C T

The Indian Industrial Revolution significantly impacted the agricultural economy. With the introduction of more industries to rural areas, resulted the rural areas into small towns and transforming rural areas into prosperous environments. This ultimately developed the technology and infrastructure in these areas. Furthermore, it witnessed the increased employment prospects, income, wealth and change in the spending habits, and lifestyles of rural population.

Industrialisation has resulted in more job prospects in rural areas, modern communication, roads, transportation, and schools have also altered the situation. But it has also led to issues of population explosion, crimes, diseases, pollutions, traffic issues and few more. Each coin has two sides. One has to accept that the industrialisation can not be with all goodies, it has definitely brought some issues with it.

**Keywords:** Industrialisation, Impact, Effect of industrialisation, Positive effects of Industrialisation, Negative effects of Industrialisation,

# Industrial Growth

##  Introduction

Manufacturing is crucial for a country's economic growth, with the Fourth Industrial Revolution transforming global industrial systems. India has the potential to leapfrog to the next phase of development by identifying and planning for its comparable benefits across industries and value chains. India has traditionally benefited from its low labor costs as a competitive advantage.

The socioeconomic position of residents in industrial areas, particularly rural citizens, has been greatly impacted by industrialisation. Better health care, education, and employment prospects have resulted from increased work options, higher salaries, and improved infrastructure. However, this has also resulted in growing inequities between rich and poor people. Land acquisition for industrialization has resulted in deforestation, resource exploitation,

## Impact of industrialisation

These Industrialisation in rural areas has helped to generate lot of employment in the rural area. People residing in this area, are working in such industries from workers to managers. Even some people have established their own business, due to these increased industrialisation & nearby industries. There are small-scale business, raw material supply business, manufacturing of some components required for such industries and many other dependant business with the help of these industries.

Another aspect of Industrialisation is that, the rates of land have gone up. Some of the farmers are selling their land and becoming rich by doing this. Some people have started their hotels, rooms on rental basis, transportation. People also have received employment in the industrial area. This all has led to increase in income of rural people.

Infrastructure is changing in the locality. There are modern means of communication, good roads, good transportation, and easy access to market, establishment of Schools, Colleges, Vocational Education Training Institutes and many other things. This is entirely changing the look of rural area and rural people.

Thus, it can be said that trend in rural area and rural people residing in industrial area is changing. Due to industrialisation, employment opportunities have increased. Income of rural people has gone up and it is not purely dependant only on agriculture. Source of income, wealth, investment portfolio, spending habits, lifestyle in this area, are changing. Tests, habits, preferences of people are changing.

### Positive Impacts:

1. Agriculture: Industrialisation has led to mechanization in agriculture. Prior to industrialisation, agricultural activities were done manually. But with the introduction of new machinery, farming became less labour intensive and more productive with increased farm lands and more crop production which led to greater profits from agricultural output.
2. Economic Benefits: Industrialisation provided a lot of economic benefits to rural areas, through the introduction of new manufacturing industries. These new industries provided employment opportunities to the local people, who were in need of jobs, as agricultural labour was no longer as productive as it once was.
3. Health: Industrialisation also led to improved health standards in rural areas. The introduction of electricity and better healthcare facilities in the areas helped improve the quality of life for people living in rural areas. The introduction of electricity increased the hygiene standards, leading to a reduction in diseases.
4. Education: Industrialisation also provided a large number of new job opportunities in rural areas, allowing people living in rural areas to make money and move away from their families and homes into cities.
5. Increase in income for the farmers: As mentioned before, increased mechanization in agriculture lead to increased profits from farming and greater farm lands. In addition, industries and businesses were attracted to rural areas for the abundant cheap labour.
6. Housing: Industrialisation also lead to the development of new, more advanced housing styles and techniques. These developments led to better overall housing conditions which further led to an improvement in the quality of life in rural areas.
7. The Development of Modern Communications: The introduction of electrical power, helped develop telecommunications, which led to the development of modern communication services in rural areas.
8. Reduction in Poverty: Industrialisation also led to a significant decrease in the number of people living below the poverty line, by introducing industrial enterprises within rural areas and providing new economic opportunities for unemployed individuals looking for work leading to reduced unemployment rates within rural areas.
9. The Creation of New Industries: Industrialisation also led to the creation new industries, that were previously non-existent within rural areas, such as automobile and heavy machinery manufacturing, etc. which created more job opportunities, within the area making it more well off economically, than it was before.
10. Increased Trade: Increased trade was a big factor in bettering the living standards of rural areas in several ways. First and foremost, industrialisation made it possible for agricultural goods such as grains, fruits, vegetables and fish to be transported, between rural areas and cities.
11. Better Roads for Easy Access: In conjunction with increased transportation, industrialisation also led to the development of new road building techniques which allowed for better roads in rural areas, allowing more efficient transportation overall.
12. Better Access to Education: Industrialisation also led to an increase in the availability and standard of education within rural areas. This was mostly due to the increased wealth, that industrialisation led to within rural areas, which allowed for more schools, libraries and hospitals to be built in rural areas.
13. Better Infrastructure: The higher levels of economic growth within rural areas, also lead to a greater infrastructure in rural areas as well. This increased infrastructure, allowed for better roads, better education and better healthcare to be developed within rural areas, in addition to allowing more jobs and jobs opportunities for those living in the area.

### Negative Impacts:

1. Poverty- The entire rural areas & entire rural population could not enjoy, the benefit of the modern industries, that were set up.
2. Intensified regional differences- Greater economic development in Maharashtra led to a widening of the divide between the prosperous towns and regions of Western Maharashtra, Konkan and Mumbai, on one hand, and the backward regions in Eastern Maharashtra mainly concentrated around Vidarbha region on the other.
3. Brain drain- Educated people left for better opportunities, while the unskilled people had very few and limited options for employment.
4. Lack of infrastructure - Factories were built without adequate planning for water supply or sewage treatment plants. This further created severe issues in rural areas.
5. Industrial pollution- In the absence of, adequate and appropriate treatment plants for the waste water, factories pollute the water, air and soil in an around the industrial areas.
6. Inadequate infrastructures - Though, Roads, schools, hospitals, bridges and houses were developed in these areas but it is not adequate, as required to the factories built by western companies. These factories, which has adopted new technology and therefore the standards, these industry expect, were not up to the mark.
7. Decline in agriculture- As the land was acquired for the industries, farmers lost their traditional sources of income, due to industrialisation.
8. Destruction of forests- The basic requirement of industrialisation was huge area of land, utilising forests for this purpose, cutting down trees and setting up industries has led to deforestation.
9. Loss of natural resources- Excessive use of natural resources by the industries, resulted in scarcity of water and minerals, that have affected the villages farther away from cities/industries as well.
10. Loss of biodiversity- Industrialisation further impacted on the bio-diversity of the region, and the biodiversity in such regions, has been considerably reduced due to deforestation and exploitation of nature.
11. Eviction of farmers- Growing industrialisation and the acquisition of the land for industrialisation adversely impacted on the farmers, as they lost their traditional occupation of farming, that was snatched due industrialisation.
12. Increase in homeless populations- Due to industrialisation, large numbers of people were forced to migrate to other areas, the land they were cultivating, the house they were living was acquired for industrialisation. The people who lost their source of employment, traditional occupation, few of them became homeless.
13. Intensified regional inequalities- Industrialisation brought new growth in fields of education and health in such areas, further leading to regional inequalities in and around such industrial areas.
14. Loss of identity- The traditional life in rural Maharashtra, it’s culture before industrialisation was totally different. It was quite simple but enriched in culture. The originality of that identity was lost due to greater extent, because of industrialisation.
15. Economic dependence on agriculture - Agriculture accounts for a very large percentage of employment and income in rural Maharashtra, even today; as such it cannot be neglected. The role of agriculture in employment generation cannot be ignored when looking at rural development, besides of industrialisation.
16. Reduction in the amount of land, that can be cultivated due to industrialisation.
17. Exposure to new cultures and change in traditional lifestyles.
18. Inter-state migration leads to breakdown of family structure and affects the process of socialization among children.
19. Impact on social, cultural and religious practices.
20. Environmental impact - Industries led to causing pollution & exploitation of natural resources like forests cannot be replaced.

**Conclusion:**

The industrial development has significantly contributed to the growth and development of rural areas, constructing and maintaining various utilities, ensuring sanitation, and playing a crucial role in the job market. However, the area faces challenges such as increased population density, lack of infrastructure facilities, pollution levels, higher crime rates, and malpractices and corruption in land disposal and lease transfer procedures. The use and disposal of land in the MIDC area also causes problems, as multiple parties sell the same land and resell it at a higher price, leading to disputes and frauds. Despite these challenges, industrialisation has played a significant role in the growth and development of rural areas, contributing to the overall growth and development of the city. Though there are many positive effects of industrialisation, but it comes with certain issues also that can not be ignored.

**REFERENCES**

1) Aghi, M.C., et al. (1990). "Evaluation of industrial estates in Maharashtra." Economic and Political Weekly, Vol. 25, No. 38.

2) Gawade, Hemkant Nivrutti (2022). A Study of Impact of Industrialization and Development of Industrial Estates on Socio Economic Status of Rural Citizens. Savitribai Phule Pune University, Pune.

3)Hemlata Raw, Inter-State Disparities in India, an article in ‘Regional Structure of Development and Growth in India’, Vol. I edited by Mishra G.P.(1985), Ashish Publishing House, New Delhi.

4) K. Sundar & T. Srinivasan (2017) “Rural Industrialisation: Challenges and Proposition”, highlights problems of industrialisation in rural areas - web article. Pages 23-29 | Published online: 09 Oct 2017.

5) Maharashtra Industrial Development Corporation. (n.d.). Introduction to Maharashtra. midcindia.org.

6) Planning Commission Government of India. (n.d.). Five Year Plan. Planning commission, Government of India : Five Year plans.

7) Wikimedia Foundation. (2021, March 10). Maharashtra Industrial Development Corporation. Wikipedia.

8) WordPress, &amp; Name. (2017, June 13). Positive and negative effects of industrialization - essay and speech. Positive Negative Effects. Retrieved September 18, 2020