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Economics

A PERSPECTIVE STUDY ON RURAL DEVELOPMENT UNDER GLOBALIZATION - SOME THREATS AND OPPORTUNITIES

KEY WORDS: Globalization – Rural Development – Threats – Opportunities

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INTRODUCTION

In a globalized world the dynamics of rural development in India has changed immensely. Globalization, free trade and privatization have brought about many positive and negative impacts on rural development. This article tries to focus on three major impacts of globalization on rural development such as impact on environment, poverty and women. In responding to the research questions that how globalization affected environmental degradation, what impact it has done on poverty reduction and women in India, the author used a combination of both quantitative and qualitative methods. From the content analysis it was observed that globalization has seriously affected environment such as land degradation; deforestation; soil erosion; soil fertility loss; water logging; salinity and toxification of soils; damage and destruction of coral reefs, mangroves, fisheries; loss of bio-diversity and ecosystem; pollution of air and water bodies etc. that caused huge environmental disasters in India. The research findings relating to impact of globalization on poverty reduction unearthed the fact that due to huge remittance from the expatriate foreign labours, exponential increases of agricultural growth especially in cereal crops and increase in labour cost have contributed to reduction of rural poverty in India. The increase of agricultural growth was the end result of massive privatization of agricultural sector in India that in fact helped the rich farmers to adopt HYV and modern agricultural practices, agrochemicals, pesticides, fertilizers; and privatization also helped them availing of low cost tube wells and agricultural inputs, increase of irrigation facilities. But the poor farmers were hardly affected by the privatization strategy. But the negative scenario in case of poverty is that globalization has increased income inequality in India. Lastly, from both content analysis and case studies, it was found that globalization has created employment opportunities of women in the garments industries (RMG) in the export processing zones of India. Mostly these women are the poverty stricken women who migrated to city areas from rural areas for employment but the foreign investors are exploited these women by providing a low salary and employed them excessive hours for ensuring their optimum production. The article concludes that government should immediately enact laws so that without establishing treatment plants, nobody is allowed to set up industry in India for the greater interest of the future generation. Government should also create more employment opportunities in order to reduce income inequality. In order to reduce exploitation of women, government should fix minimum wage and working hour and should help promote some basic amenities for the women workers working in those foreign companies. In a globalized world, it is not possible to live alone keeping isolated India from the rest of the world. Therefore, India has no choice but to be integrated with the global economic system. Hence, the best way to deal with globalization is to coexist with it so that India can solve its problems utilizing mutual cooperation and collaboration at regional and global levels.

BACKDROP

Globalization has emerged as an irresistible force to sway the economic, social and cultural activities to all states of the world. The unobstructed or free trade of goods, services, capital, technologies, ideas, information and human resources etc. across the globe appears to be the overwhelming demand of globalization, and there is hardly any scope to escape from this reality. Globalization has both positive and negative consequences and implications to all nations. It brings opportunities and poses

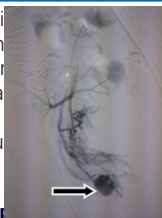
threats to the rural communities. Free trade, privatization and its concomitant competitive market forces are increasingly putting the rural economy at stake. In order to reverse the situation, the threats have to be coped with and opportunities have to be grasped. The aggressive advancement of globalization coupled with market economy has been persistently changing the old concepts, practices and systems of rural development, especially in the developing countries. Against such a back drop, through this paper, an effort is employed to delve into the impact of globalization on rural development in India.

CONCEPT AND ISSUES OF RURAL DEVELOPMENT

The concept of rural development is all embracing encompassing multidimensional factors of rural life. Conceptually rural development is multidisciplinary relating to economics, political science, public administration, public health, business management, cooperative credit, community operation, calculation and other fields (Mashreque and Nasrullah, 2005:1). The World Bank (quoted in Obaidullah, 1995) defines rural development as a strategy designed to improve the economic and social life of a specific group of people. It involves extending benefits of development to the groups who seek a livelihood in the rural areas. It seems that the concept that appears in the sector policy papers of World Bank has a reference point for the amelioration of the conditions of the poor that include marginal farmer, landless, sharecroppers, tenants, small traders and other occupational groups who lived at subsistence level. Rural development means raising the productivity and consequently the real income of families earning their livelihood in rural areas, by increasing employment opportunities in farm and non-farm activities, there by facilitating their levels of physical, social and cultural well-being (Sen, 1996). It encompasses wide range of developmental activities involving productive sectors like agriculture, fisheries, livestock, industries, infrastructural development (irrigation, roads, electricity, etc.), social welfare (health, nutrition, deduction, etc.) and support for productive activities like research, extension, credit, processing, marketing, etc. Thus, rural development is everywhere a concept, which confronts governments with every complex problem of administrative management including the orchestration of numerous public services and non-governmental organisational efforts.

Rural development means creation of those values, socio-economic systems, institutions and incentives which will provide people greater meaning and purpose to life and will assure reasonable satisfaction of basic, physiological, psychological and aesthetic needs to all members of the rural society (Ahmed, 1983). Very often little distinction is made between national development strategy and rural development policy in political discussions, planning exercises and academic discourses. According to President Julius Nyerere of Tanzania "A policy of rural development is a policy for national development". Such a policy of rural development as a strategy for national development is necessary for countries having a sizeable rural sector (Todaro, 1991). Rural development connotes the idea of development which implies induced qualitative and qualitative changes in a socially desirable direction (Faizullah, 1981). It means improvement of living standard of rural people. It involves change in agricultural and industrial productivity of the rural sector changes in health, education and communication levels, changes in attitudes of life of rural people towards better thinking and better living. It includes

technical changes and in order to meet rising demand appropriate policies for creating an appropriate social institution to change living (Assaduzzaman, and food supply to support (Abdullah, 1979).



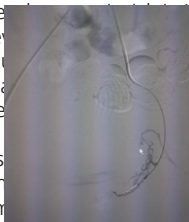
modernizing farm structures appropriate govt. economic supporting system, supportive government to improve levels of development creates markets globalization of the country

globalization) thinking meaning that it work for the poor while some scholars belong to globaphobes (anti-globalization) thought meaning that free trade is inherently bad for poor states.

There are supporters and critics of the globalization. Supporters equate globalization positively with openness, cosmopolitanism, integration where as the critics equate it with western imperialism, corporate domination, rampant consumerism.

THE CHANGED PERSPECTIVES ON RURAL DEVELOPMENT IN INDIA

The history of rural development in India and the journey of conventional rural development in this subcontinent with the Village Agriculture Development (V-AID) program, which was a community development program. It was started in India, India and Pakistan and many other developing countries with different name and program but the main aim was USA with food assisted development program, PL-480. Basically, the food assistance was provided by the USA with a motive to encounter revolutionary tendencies in the third world countries.



In the advent of globalization since the early eighties, with privatization, free market and revolution of NGOs, the phase of rural development underwent massive change and state-fostered rural development programs have been shared by a lot of actors. In this changed context and perspectives, government line agencies are deemed as inefficient, technically incompetent, understaffed and philosophically conservative for ushering rural development. Now, it has been recognized that NGOs and community level-organizations have a significant role to play in improving service delivery and for providing improved mechanisms for targeting the disadvantaged groups in the field of rural development. The following figure can present the today's rural development actors in India.

CONCEPTUAL UNDERPINNING OF THE GLOBALIZATION AND RURAL DEVELOPMENT

In this part concepts and dynamics of globalization and rural development are discussed very briefly. In an age of globalization the traditional concept and role of rural development has been changed with different perspectives. Both the concepts are analyzed beneath with little details of intricacies and dynamics involved in it.

CONCEPTS AND ISSUES OF GLOBALIZATION

Globalization is now a crosscutting issue in the firmament of academic discourse. The concept of globalization has been generally depicted as an irresistible new force that will either wreck or save the planet. Globalization connotes free flows of goods, services, capital, ideas, information and people, which produce national cross-border integration of a number of economic, social and cultural activities. Rapid globalization has narrowed distance between the world's people, some have gained and others have lost opportunities. Political economist, Robert J. Samuelson (2012) says, "globalization is a double-edged sword: A powerful vehicle that raises economic growth, spreads new technology and increases living standards in rich and poor countries alike but also an immensely controversial process that assaults national sovereignty, erodes local culture and tradition, and threatens economic and social stability." Globalization is highly contested, complex, multidisciplinary discourse. No single definition can tap its broader meaning, implications and its ramifications. According to Stiglitz (2002) globalization means "the removal of barriers to free trade and the closer integration of national economies". It means worldwide interpenetration and interdependence of all sectors-economic, political, social, cultural, and military (Barakat, 2007). Globalization is perhaps the most profound source of international transformation since the industrial revolution. The adjective 'global' refers less to a place than to a space defined by electronic flows and a state of mind" (Kofi Annan, 2000).

Globalization process involves costs, risks, challenges, conflict, and potential benefits. Some scholars belong to globaphiles (pro-

In a globalized world political, economic, cultural and social events are intertwined with one another. This integration of global political, cultural, social norms, intensification of activities, interconnectedness is resulting in concepts like "shrinking globe". Kegley (2004:267) referred globalization "as shorthand for a cluster of interconnectedness phenomena that together are transforming world politics. The most common notion has conceived globalization in terms of internationalization, which describes the increase in transactions among states reflected in flows of transaction, investments and capital. The process of internationalization has been facilitated and is shaped by interstate agreements on trade, investment and capital as well as by domestic politics permitting the private sector to transact abroad (Woods, 2008:252). From this perspective, Scholte (2000:15) puts "global" as simply another adjective to describe cross-broader relations between actors and "globalization" designed a growth of international exchange and interdependence. Internationalization purportedly includes enlarged movements between countries of people, messages and ideas. Globalization refers to a process by which economies of the world become increasingly integrated with global economy and policymaking and it also refers to an emerging "global culture" in which people more often consume similar goods and services across countries and use a common language of business such as English- these changes facilitates economic integration and help further expansion of it (Todaro and Smith, 2006).

Globalization connotes a continuous process of internationalisation of capital accumulation. There are some guiding forces of globalization concept that encompass some key ideas, issues and concepts like liberal democracy, freedom, individualism, free enterprise and pluralism, which are indistinguishable from the process of globalization. Global pressures are increasingly changing the character of the state and nature of rural development, local governance and institutions. Globalization is also discussed in terms of homogenization versus heterogenization (or unification versus fragmentation) and is here linked to discussions of modernization and development (Robertson, 1992; Featherstone, 1995; Hall, 1997). Globalization is only another term for Western colonialism and a buzzword to denote latest phase of capitalism. Globalization emerged differently to different people. Economists consider globalization as a step towards a fully integrated world market. Political scientists consider globalization as decline of territorial sovereignty and the rise of non-government power players. Business school applies the term to mean borderless world. In case of this paper globalization is referred to free trade, openness of the economy, privatization and interconnected of India economy with the global economic systems.

CONCLUSION

Globalization, as an institutional process began in 1986 through the Uruguay Round of trade negotiations which was completed in 1994. Then WTO was created in 1995. It is an international organization designed to enforce rules of game in international trade. Though globalization has become an often-repeated jargon and a buzz word among the development thinkers and practitioners, globalization has not been defined properly yet although all definitions miss out the point that capitalism is the current force of globalization. Globalization is a phenomena produced by historical changes within a broader framework of continuity. The history of globalization passes through five different phases such as mercantilism (1350-1650), colonialism (1650-1830); imperialism (1830-1945); Neo-colonialism (1945-1985) and globalization (1985 - onward).

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