

Globalisation and Pattern of Marginalisation as Experienced by India

¹Dr. Ranjan Bhattacharyya and ²Dr. Susmita Priyadarshini

¹Associate Professor, Department of Assamese, DCB Girls' College, Jorhat-1 Assam

²Associate Professor, Department of Economics, DCB Girls' College, Jorhat-1 Assam

1. Introduction

Marginalisation is the process of making group or class of people less important or relegated to secondary position. The economic globalization of 19th century creates a new kind of marginalization in India or changes the pattern of marginalization. It is a multi-dimensional, multi-cultural phenomenon. There are, of course, no general law to comprehend the complex nature of marginalization. As marginalization varies in different settings, so, analytical tool that is used in most cases of marginalization includes class in relation to specific social, economic, cultural, political or ideological system. Here we discuss it from the point of view of globalization. Globalization has accelerated the flow of capital, labour and technology among countries. But it is a destabilizing force simultaneously opening up and narrowing down opportunities for various groups of society. It has changed the very character of labour market. The process of marginalization creates a sense of uncertainty and leads to poverty due to insufficient labour market access to opportunities. The shift towards the high skill economy has marginalized the unskilled labourers. The year 1991 was the epitome of globalization in India under the regime of Prime Minister PV Narasimha Rao. Various policy reforms like fiscal and monetary reforms, industrial and trade policy reforms were undertaken to facilitate globalization. Govt. had to change its stance on protecting domestic industries. India opened space for outsourcing of domestic enterprises or industries so as to ensure efficiency and cost-effectiveness. MNCs, FDIs and FPIs were welcomed. In later days several doses of reforms have been initiated one by one. Along with globalization we have to consider marginalization. Of course, marginalization is not a new phenomenon. Poor are always marginalized in India. It is globalization that has changed the pattern of marginalization in India

2. Objectives:

1. To study the impact of globalization in labour market,
2. To study impact of globalization on the displaced people

3. Methodology:

It is an analytical study based on secondary data. Data are collected from every possible source including survey report, journals and websites. Details are given in references.

4. Analysis:

Here we will analyse how the broader pattern and process of marginalization are changing in India after globalization. These are, of course arising from the nation state but due to the adoption of policies facilitating privatization and liberalization as twin brothers of globalization. We will start with labour market. The study of how globalization impacts on the position of the low skilled and those who have skills but potentially outsourceable to other countries arrive us two different patterns of marginalization.

a. Globalisation and marginalization of informal Labour

The labour market marginalization is described well by Sirovatka(1997) as the process of job allocation to certain groups of labour force. This labour force is willing to work full time but is unable to be fully integrated in the long term process in the sense of making full use of their labour potential(Loverifge and Mok,1979).As a result both the individuals and the work positions are marginalized. Employment in the informal labour market plays an important role in most developing economies. Informal labour market includes labourers in the informal sector as well as the casual labourers in the formal sector. There is difference between employment in formal and informal sector in terms of the conditions of work, whether they are subject to Government taxes, have access to social security measures, are casual or contract workers or whether or not they receive the minimum wages. After the announcement of New Industrial Policy in 1991 with three objectives of globalization, liberalization and privatization, it was expected that the process of formalization of Indian economy would get started.

Depending on employment, informal work and workers are divided in the following way—

Table-1.1

	Organised	Unorganised
Formal	Regular salaried work with some job security and benefits, in enterprises employing 10 or more workers	Regular salaried employment with some benefits, in enterprises employing less than 10 workers
Informal	Different types of contract work and employment of short duration, without job security, in enterprises employing 10 or more workers	All types of casual work, work for daily, weekly or monthly wages and self-employment with no benefits or security, in enterprises employing less than 10 workers

But analysing the data of NSSO for 2011-12, it is seen that of around 61 million jobs created in 22 years since liberalization, 92% are informal jobs. In 2011-12, 51% of all jobs in the organized sector were informal. The number of informal sector workers increased from 341.28 million in 1999-2000 to 386.02 million in 2011-12, showing 13% increase over 13 years. The number of formal workers increased by 81.5% from 20.46 million to 37.15 million in the same period. The formal workers comprised 92% of the total workforce in 1999-2000 while it rose to just 95% in 2011-12. It means most of the

jobs created in the formal sector were informal characterised by low income and lack of social security. This analysis is from the latest available data. These informal workers are low-skilled or unskilled workers. Even after Globalisation and consequent privatization, there is limited scope for these labourers. They can get employment in certain kind of jobs which do not require specialization. This is a kind of marginalization of informal labourers brought out by globalization. These labourers are vulnerable without social protection.

Table1.2
Sector-wise Breakup of Informal Workers,2004-05

Sector	Organised sector-formal	Organised Sector-Informal	Unorganised sector-formal	Unorganised sector-Informal	Total-Formal	Total-Informal
Agriculture	0.2	4.1	0.1	264.2	0.3	268.2
Manufacturing	5	10.3	0.6	38	5.6	48.3
Non-manufacturing	2	7.2	0.1	20.1	2.1	27.3
Services	19.5	10	1.1	76.8	20.6	86.7
Total	26.7	31.5	1.9	399	28.6	430.5

Table1.3
Sector-wise breakup of informal Workers,2011-12

Sector	Organised sector-Formal	Organised sector-Informal	Unorganised sector-Formal	Unorganised sector-Informal	Total-Formal	Total-Informal
Agriculture	0.5	17.7	0	213.6	0.6	231.3
Manufacturing	6	15	0	38.7	6.5	53.3
Non-manufacturing	3	20	0	32.7	2.9	52.3
Services	24.2	16.1	1	85.8	25.4	101.9
Total	34	68	2	370.8	35.4	438.9

Source: National Institute of Labour Economics Research,2014

Note: Figures are in million

In the post globalized India, manufacturers have been facing stiff import competition. Manufacturers may seek to improve their competitiveness by paying lower wages to informal labourers and making savings by forgoing expenditure on worker's benefit (Oxfam Report,2018). Consequence of this kind of informalisation is seen now at the time of Covid 19. What is particularly important for India is that a large no. of these informal labourers is migrant labourers, inter-state or intra-state. Though we don't have concrete data base of them, according to 2011 census 35% of the urban population of 377 million constitutes migrant labourers. According to census 2011, it is 139 million. As per the Economic Survey of 2017, interstate migration during 2011-16 was close to 9 million. The very fact that they returned home proves how precarious the lives of these migrants were. According to the latest available data from the Chief Labour Commissioner under Ministry of Labour & Employment over 26 lakh labourers are lodged in relief camps, workplaces managed by employers and other migrant clusters (June 5). As is evident from the following table maximum no. of migrants are in Chattisgarh, followed by

Kerala and Maharashtra. According to the data given by states to SC on June 2, 25 lakh migrants returned to Uttar Pradesh, 28 lakh to Bihar, 13.6 lakh to Rajasthan and 20 lakh to Gujrat. The real picture was that with no way to survive in the cities after lockdown brought all work to a halt, and India's vast railway network shut down, lakhs of migrants had decision to walk thousands of kilometres back to their rural homes. Several had died along the way in accidents or due to hunger. These are the people who work, as plumbers, carpenters, domestic workers or construction workers. Most of them are informal workers. Most of them don't have formal contracts and they have been working in the same way for most of their lives. So, they had no alternative to return to their native place. Most of them don't have ration card, Aadhar card or any document to prove their present residence. A good many numbers are addressless people, who move from one place to another as their contractor demands. They are considered so insignificant that even before announcing lockdown, our policy makers did not think the possible consequence of lockdown on them.

Table 1.5
Migrant labourers stranded in different states

State	Migrant Workers (in Lakhs)
Chattisgarh	10.86
Kerala	2.87
Maharashtra	2.01
Tamil Nadu	1.93
Telangana	1.84
Andhra Pradesh	1

Rajasthan	92,883
Karnataka	88 , 852
Odisha	56,662
Haryana	48,195
Gujrat	47,566
Uttar Pradesh	36,421
Assam	25,926
Delhi	20,783
Jharkhand	16,616
Uttarakhand	9650
Madhya Pradesh	9621
Tripura	8201
Nagaland	7762
Bihar	7719
Goa	7678
Himachal Pradesh	5541
Arunachal pradesh	3057
Andaman and Nicobar Islands	2472
Punjab	2040
Puducherry	2031
West Bengal	1867
Mizoram	768
Meghalaya	1864
Chandigarh	1199

The very fact of introducing Make in India Campaign and Skill Development Initiatives proves that the country has failed to divert the benefits of globalization and consequent upsurges in manufacturing by MNCs to the unskilled unemployed labourers of India. The Make in India program was announced in 2014 with the aim of utilizing Indian talent base, creating additional employment opportunities and empowering tertiary and secondary sectors. Similarly, Skill India mission was started in 2015. In an effort aimed at providing job and self-employment opportunities to migrant workers in their home states, the Ministry of Skill development and Entrepreneurship has recently worked out a comprehensive plan to impart skill training to 3 lakh migrant workers in 116 districts across 6 states over 125 days. This very move is indirect admission of the marginalization of unskilled labourers in the form of informal labourers in the post globalization period. All these prove, so called private sector led industrialization has failed the migrant labourers.

b. Displacement led marginalization:

The acquisition of land for large industries, mines or special economic zones has given rise to livelihood insecurity for the less privileged people. The development of various infrastructure projects, creation of dams , privatization and free trade led to control of market forces over our resources. The issue of involuntary displacement and marginalization of inhabitants of resource rich areas has arisen from it. As there is no Government data on displacement and rehabilitation of the people displaced by industries and SEZs in the post globalization period we have to discuss the issue on the basis of certain case studies. Hi-tech cities are the result of globalization. Let us take the case of Cyberbad area. In the Cyberbad area, earlier there was a Dalit colony next to Infosys. They had proper ration cards and all that they needed was the right to their land. But they were shifted to the place 15-18 kms with absolutely no facilities. Their entire livelihood was ruined as they could not find jobs there. They have to travel all the

way using two-three modes of transportation back to these hi-tech areas to get some work as labourers in construction sector. The question that comes to the mind of anyone who visits Cyberbad for the first time is where have its original people gone? People who had a decent life earlier now as a victim of industrialization and globalization are living a subsistence life. Even when the market value of the land is paid then also we have to admit that they are not fully compensated. That is why even after the withdrawal of POSCO plant villagers of Nuagaon are marginalized. In 2005 Posco signed a MOU with Odisha Government to set up a 12 million tonne capacity steel project in Jagatsinghpur district with FDI of 12 billion. From the very beginning villages of that area opposed acquisition of their lands-in a fertile strip on the coast of Bay of Bengal. Farmers were dependent on betel vines. This betel based economy sustained 20000 odd people in 8 villages in Dhnkia, Nuagaon and Gadakujanga gram panchayat.About 3000 acres of 4000 acres of land required for the steel plant were from forest land, its sandy landscape had around 5000 betel vines.The vineyards gave farmers an assured average income of at least Rs..20000 per month. Though Nuagaon village allowed their betel vines to be torn down, in exchange for compensation, other protested. So, Dhnkia viillage was excluded. It was an ambitious project including a port, and mine along with steel plant. Even after handover 1700 acres of land out of the total 2700 acres to Posco, work was not started. However, in January 2015, an amendment of the Mine and Miners Development and Regulation Act in the wake of allegations of scam across the country put a scanner in Posco's plant. Though the project did not start, yet the people lost their livelihood and marginalized. Naugaon, the village that backed Posco was devastated by this withdrawal. Villagers exhausted their amount of compensation with the period and left with no other measures to sustain themselves. Those who owned betel vines and employed people to work on them had to make a living as a daily wage labourer in the vineyard of Dhnkia forest. More than half of the

villages was unemployed. We cannot ignore the multiple returns obtained from land. Land as a livelihood generates much more complex security and livelihood than what the compensation can offer. Besides the main crop, land provides certain foods, environmental services, fodder, medicinal plants etc. So, the artisans and pastoral communities that entirely dependent on land will be at a loss. In this development induced displacement the people who suffer the most is share cropper. But they don't have any legal basis for compensation. The rehabilitation package, though gives one job per displaced family yet in a good many numbers of families there is not a single member with the required qualification of SSC pass. One of the promising objectives of SEZ is employment generation. The Govt. enacted the SEZ Act in 2005. Since 1991 neoliberal reform, the govt. is a promoter of corporate led growth where the state is supposed to acquire land for SEZ and transfer the land to the private developers. Here the issue of displacement is being transferred to the private arena, compensation to be negotiated by the market. Marginalisation occurs when families lose economic power and move on downward mobility path. Many individuals cannot use their earlier acquired skills at the new location, so, human capital is lost or rendered inactive or obsolete. Economic marginalization is often accompanied by social and psychological marginalization. It is seen in drop of social status, inresettler's loss of confidence in society as

well as themselves, a feeling of injustice and vulnerability. Let us discuss the plight of fishing communities in Mundra. Mundra Port and SEZ Ltd. is located in the coastal part of Mundra Taluka in Kachchh district in Gujrat. MPSEZL is the most ambitious SEZ in the state. It was evolved from an already existing port in Mundra. MPSEZL consists of both the expanded port and industrial unit. The SEZ is spread over 3111 hectares of land acquired over time from 14 villages. The final notification of the port came during 2007. It led to the loss of livelihood of 700-1000 households in villages in Mundra. The fishing communities in these talukas faced difficulties after development of the port. SEZ authority blocked natural drainage by constructing 15-20 kms long bund on the coastline, dishonouring the directives under land allotment. This negatively affected the ecology including mangroves and fish catch. These fishing communities operated from various fishing sites on the coastline. The fishing communities in the region shift to the fishing sites during 8-9 months in a year. Their shelter along the fishing sites is transient in nature so, they don't have any legal rights over the land at the transient harbor. They were evacuated from the place from where they undertook their sole economic activity. They were not entitled to compensation. But due to this SEZ these otherwise well earning fishing communities have been marginalized.

Table 1.6
No. of Fishing sites and Communities in Mundra

Harbour	Village	Taluka	No. of Families
Randh	Bhadreshwar	Mundra	316
Bavdi	Kukadsar	Mundra	40
Juna	Shekhadia	Mundra	40
Luni	Luni	Mundra	178
Vira	Vira	Anjar	85
Bharudiya	Bhadreswar	Mundra	30
Tragadi	Tragdi	Mandvi	35
Shekhadia	Shekhadia	Mundra	75
Zarapara	Zarapara	Mundra	101
Navina Kutadi	Navinal	Mundra	30
Veera Pagadiya	Sangad and Vandi	Anjar	90
Total			1020

Source: SETU(2009), Impact of Industrial Development in Mundra coast and Peoples demand

5 Conclusions:

From the above discussion we have arrived at the following conclusions-

- Globalisation has failed to formalize the informal India.
- It has led to marginalization of informal labourers by restricting the job opportunities to them.
- Since a significantly large proportion of land is already under various primary sector activities like forestry, crop-farming and allied activities, the issue of land use and its allocation across sectors remains dormant until the economy starts sectoral transformation from primary to secondary and tertiary sectors. Most countries including some of the developed economies have tried to maintain balance by putting in place a large no. of land from primary to other sectors and at the same time following a systematic land use planning under the of regional and urban development. India followed both but

the actual operationalization found to be very weak. India's land acquisition and rehabilitation measures have failed to give justice to displaced people. In case of compensation only direct monetary loss is considered ignoring all other indirect benefits which have a bearing on both money income and wellbeing. Govt. should think about it.

- Skill training and strict implementation of labour laws are the solution for informal labourers. It will deter the situation like migrant crisis experienced by the country during the period of lockdown announced due to the spread of covid19. Just like globalization, Make in india has also failed to formalize our economy. These informal labourers are Atmanirbhar people. In Atmanirbharat Bharat they should be given both the dignity and security by strictly enforcing labour laws.

References:**Data Source:**

1. NSSO Report, 55th Round
2. NSSO Report, 61st Rounds
3. NSSO Report, 66th round
4. NSSO Report, 68th Round
5. National Institute Of Labour Economics Research, 2014
6. Ministry of Labour and Employment
7. Ministry of Skill Development and Entrepreneurship
8. NHRC, Vol 15, 2016

Papers:

1. SETU(2004), Implication of SEZ on the Fishing Community of Kutchh (Gujrat) along with Yusuf Maheraully Centre (YMC) and Kutchh Mahila Vikas Sangathan (KMVS)
2. SETU(2009), Impact of Industrial development in Mundra Coast and People's Demand
3. Kushal, Nandita, (2009), Displacement; An undesirable and unwanted consequence of development, The Indian Journal of Political Science, 19(1), 77-89
4. Sampat P (2008), Special economic Zones in India, Economic and Political Weekly, Vol 43(28), p, 25-30s

Books:

1. Bhadra D and Brando A. S. (1993), Urbanisation, agricultural development and Land Allocation, World Bank discussion paper, 201, Washington DC, World Bank
2. Fernandes Walter and Bharali Gita (2011), Uprooted for Whose Benefits/ development – induced displacement in Assam, 1947-2000, North Eastern Social Research Centre, Guwahati

Websites:

1. www.civildaily.com
2. www.firstpost.com
3. www.downtoearth.org.in
4. www.ndtv.com
5. economictimes.indiatimes.com
6. www.indiaspend.com
7. www.theguardian.com