



# URBAN- RURAL DEVELOPMENT DILEMMA -A STUDY WITH REFERENCE TO INDIA

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Article DOI: <https://doi.org/10.36713/epra15843>

DOI No: 10.36713/epra15843

## ABSTRACT

The 20<sup>th</sup> century witnessed a significant change in population from rural to urban areas in most of the countries of the world. In the last two decades, India has experienced accelerated economic growth after the launch of economic reforms in 1991. The economic reforms resulted in loosening the hold of government in many sectors, which has led to the concentration of semi-urban areas across the countries. The economic reforms of 1991 played a big role in the decentralization of powers and it has encouraged many entrepreneurs to invest in India. In the early stages of Indian industrialization, both rural and urban economies immensely suffered from the adverse effects of capitalism and the exploitation of natural resources. Capitalism-oriented industrialization had the requirement of a productive and well transformed agricultural sector. In this paper, we are going to highlight the need and strengthening of agriculture from the grassroots level and enlightening educated youth regarding the benevolence and benefits of self-employment and agriculture. Strengthening of village economies are most recommended for the sustainable development of Indian economy. Increasing trend of farm housing and involvement of educated youth gives hope for solving the dilemma of balanced urban rural development. This paper reviews some of the main interpretations in urban rural development dilemma. It explores the relationship between the primary and secondary sector as well as the rural and urban economies. It examines the parochial strategy of development of urban sector by neglecting rural economy.

**KEYWORDS:** Development, Economy, Reforms, Urban-Rural

## 1. INTRODUCTION

In early stages of Indian industrialization, both rural and urban economies are immensely suffered by the adverse effects of capitalism and exploitation of natural resources. The capitalism oriented industrialization had the requirement of a productive and well transformed agricultural sector. On the verge of becoming the largest manufacturer, India has compromised with the stability and sustainability of rural economy. Today India is at a turning point where the urban population is increasing at a higher rate than rural population. Even today in India, poverty is the face of rural economies (Minhas, 1970). Global warming, deforestation, lack of education and infrastructure and untimely famine and flood, lack of employment opportunities are compelling people from rural areas to migrate into cities or urban areas. Since independence the governments have given more importance to sophisticated cities by ignoring backward rural economy. Traditionally agriculture was the main occupation of Indian society and disguised unemployment was the major challenge in agricultural sector. The excess importance to industrialization leads into the migration of laborers in to urban areas (Williamson, 1988). The lack of vision and planning has led early urbanization as a major challenge for the new settlement of Indian economy. Lack of electricity, irrigational facilities and basic infrastructure has attracted millions of people from rural sector into urban areas.

The high population flow into urban areas are creating big catastrophe for the policy makers to provide basic amenities. Pollution, water and waste resource managements are turning into a real challenge for the administrators (Cosgrove & Loucks, 2015). While recognizing the importance and relevance of all this issues the paper does not deal specifically with most of them. Instead, it is concerned with the broader issue of finding a new development strategy which is able to generate a development process which helps rural economies to achieve well-being by reducing inequalities and poverty. In this paper we are going to highlight the need and strengthening of agriculture from the grassroots level and enlightening educated youth regarding the benevolence and benefits of self-employment and



agriculture. Strengthening of village economies are most recommended for the sustainable development of Indian economy. Increasing trend of farm housing and involvement of educated youth gives a hope for solving the dilemma of balanced urban rural development (Ahaibwe et al., 2013). This paper reviews some of the main interpretations in urban rural development dilemma. It explores the relationship between the primary and secondary sector as well the rural and urban economy. It examines the parochial strategy of development of urban sector by neglecting rural economy.

## 2. OBJECTIVES

- To study the causes and consequences of Urbanization.
- To analyze the parochial strategy of development and its impact on urban and rural sector.
- To understand the urban-rural dilemma and suggest the positive remedies to overcome.

## 3. METHODOLOGY

This study is purely a descriptive study, in order to achieve the objectives of the study and to understand the development dilemma of the urban and rural economy the study is carried out with the help of available secondary data, published reports and research articles in journals and edited books.

## 4. CONCEPTUAL FRAMEWORK

### 4.1. Urban Rural Dualism

Sivramakrishnan et al. (2007) states that “developed states attracted migrants in their urban centres due to industrialization and infrastructural investment, while the backward states experienced rapid urban growth due to push factors operating in rural areas” This situation changed drastically in the 1990s when the developed states started to register urban growth faster than the national average while the backward states lagged behind or stayed at the same level;

The urban-regional development scenario is a complex and “synergy-laden” system that may show variations according to a lone factor, or an interplay of many factors, such as national and state policies and programs, market demands, and differences in “ideological affirmation of the values of urbanism and its equation with development” (Patel and Deb, 2006).

Kant (2004) noted a “significant bias for states having big metropolitan centres, well-developed physical and social infrastructure, political stability, and high return potential” in competing for proposed foreign direct investment, as well as a widening of regional inequalities in economic growth, and the expansion of political and economic divides between urban and rural areas.

Kundu (2002) commented that with the changes brought forth in the post-reform era, such as drastically reduced government subsidies and greater reliance on “combinations of locally generated resources”, evidence for an accentuation of the “inequality across regions and between different sizes or class of urban settlements” was beginning to accumulate.

## 5. URBAN RURAL DEVELOPMENT DILEMMA

20th century witnessed a significant change in population from rural to urban area in most of the countries of the world. India is one of the countries which has seen a significant growth in urban population and immensely suffered by the hazards of urbanization. The urban rural developmental dilemma has created a big catastrophe in effective policy making and balanced economical development. In last two decades India has experienced an accelerated economic growth after the launch of economic reforms in 1991. The economic reforms resulted in loosening the hold of government in many sectors, which has lead to the concentration of semi-urban areas across the countries. The economic reforms of 1991 were played a big role in decentralization of powers and it has encouraged many entrepreneurs to invest in India (Sinha, 2004). This has stimulated the investment and our economic growth has reached about 8% per annum during the first decade of the new millennium compare to just 3% growth in the early 1980s. This has spectacularly changed the planning and vision of the central government about urbanization. It has



argued that urbanization should be seen as a positive factor which can change the paradigm of Indian economic growth pattern.

The urban transition is considered as one of the major challenges which will require a massive expansion in urban infrastructure and services under this backdrop the results of recent census on urban population growth assumes enormous significance in enhancing our understanding about the magnitude, growth, inter-sector and inter-regional variation in the levels of urbanization in India. The process of urbanization has immensely increased with industrial revolution in the world and in India it has increased with the revolution of information and technology sector (Franco et al., 2017). The expansion of infrastructure such as transport and communication lead rural people into urban areas. The key factors which were caused urban migrations are as follows:

### **5.1 The Parochial Strategy of Development**

The Indian policy makers play a big role in the process of urbanization (Nath, 2007). The globalization had an overwhelming impact on the framework of new urbanization policy in India. The policy makers believed that the globalization will have a big influence in all cities. They have given more importance to sophisticated urban sectors at the cost of rural economies. The major policies were framed in favor of urban areas by neglecting the welfare aspects of underdeveloped rural areas. The revolution in information and communication sector has pressurized the governments to go for immediate infrastructural development at both center and state. The dream of creating infrastructure at par with global standard many a time ignored increasing expenditure and social cost. The high cost, high end strategy completely ignored the changing perceptions of globalization (Schaeffer, 2003). The initial euphoria around the process may have led to the idea of a global village, a world in which everyone lived in the same urban condition. As we know many developing countries like India are experiencing rapid urbanization and the consequential changes in urban systems. Though different policies framed to develop urban areas, the operating politico-economic forces appear to be stronger obstructions to implement the policies successfully. Despite the vision of planned development in India, the area of urban development remained most unplanned, unregulated and hence, chaotic. The lack of political desire and willingness has created chaos in urban development. In fact, urban policy objectives remained pious hopes in the absence of planning and administrative follow up measures at various levels.

### **5.2 Arbitrage and Rural Migration**

Population relocation driven by economic reasons or caused by lack of infrastructure has led to people settling in peri-urban areas. The in-migration of population and emergence of new activities is transforming in such areas, as seen in changes in land use and changes in occupational patterns, declining farm activities and growth of constructional activities (Choithani et al., 2021). Inadequate planning and policies, lack of proper housing facilities, electricity, and employment issues is compelling people to migrate into urban areas. The lack of vision and commitment by different governments is resulting in various problems. With India urbanizing and the scarcity of land for the expansion of cities, will create much more pressure on these peri-urban areas. Many people wishing to migrate to cities for engaging in economic activity or pursuing other interests are unable to do so because living costs in cities are high. A more reasonable option for them is to reside in rural areas that are situated just outside of city limits, or in the periphery within city limits. In Indian context, these kind of migration to peri-urban areas as well as towards unplanned townships creates a lot of hazards to the society.

### **5.3 Issues and Problems in Semi Urban Areas**

There are enough evidences that an eco-system is bound to be affected when its carrying capacity is pushed to the limits. This is a clear fact which has proven in the context of Indian economy. The absence of statutory development plans, laws, land monitoring systems are leading into uncontrolled growth of population in peri urban areas which are leading ahead unregulated development. The proper management of water supply and sanitation systems is turning out as a real headache to local statutory bodies (Reymond et al., 2016). Absence of land and building development controls are causing increase in population density and construction of new buildings. Fragmented and uncoordinated planning by the authorities is leading into the construction of high rise built structures. The unregulated migrations in semi urban areas are leading into forced land acquisition by mafia which ends in anarchy among the cities. Lack of clarity on the part of administrative bodies is leading to shrinkage of open spaces around the urban areas and compelling people to changing the pattern of land usage. Unplanned dispersal of industries and other economic activities from city is causing the displacement of native population. Reduced farm activities are drastically resulting



in the reduction of food grains and production of vegetables. Rise in the prices of vegetables and other basic essential goods is haunting the living standard of common people.

### 6. RECOMMENDATION TO SOLVE THE ISSUES OF URBAN-RURAL DEVELOPMENT DILEMMA:

1. **Building sustainable and environmental friendly Villages:**

Governments should pass laws that plan and provide economically sound villages and smart growth techniques, considering that people should not reside in unsafe and polluted areas (Marckmann et al., 2012). The objectives of the government should be here is to build rural areas which are ready to embrace modern infrastructural facilities like irrigation projects, 24\*7 electricity supply, high speed internet facilities and good educational institutes with all other basic infrastructure facilities and safe habitats for all urban populations.

2. **Provision of essential services:**

The Government must ensure all populations within the rural areas have access to adequate essential social services namely education, health, sanitation, and clean water, technology, electricity and food. The objective here should be to provide and implement employment opportunities and wealth creation activities so that people can earn their livelihood and can lead a standard life. Subsidies can also be availed by the government to lower the costs of basic healthcare, basic education, energy, public transportation, communication systems and technology (Serebrisky et al., 2009).

3. **Creation of more jobs and need to increase of per capita income in rural sector:**

To reduce the negative effects of rapid urbanization while at the same time conserving natural eco systems, the rural people should be encouraged so as to utilize natural resources and create more job opportunities. Tourism promotion and the sustainable exploitation of natural resources can create more jobs for the rural populations. Subsidies and grants may encourage more people to engage modernized agricultural activities which are enough to create job opportunities (Reardon et al., 2001).

4. **Adoption of agricultural models of developed countries:**

Adoption of technological innovations and modern techniques in agriculture has attracted considerable attention among development economists because the majority of the population of less developed economies derives its livelihood from agricultural production and because new technologies and methods seems to offer an opportunity to increase production and income substantially (Feder et al., 1985).

### 7. SWOT ANALYSIS

Based on the objectives and conceptual framework the Strengths, Weaknesses, Opportunities and Threats have been outlined for the study.

Strengths	Weaknesses
<ol style="list-style-type: none"> <li>1. Economic Development in Urban Areas: Through industrialization and more of employment opportunities, urbanization may stimulate economic growth and development.</li> <li>2. Infrastructure Development: The transportation, healthcare, and educational systems are all often more developed in urban areas.</li> <li>3. Creativity and Technology: Cities are frequently centers of innovation and technical progress, which advances society as a whole.</li> </ol>	<ol style="list-style-type: none"> <li>1. Rural-Urban Disparities: When it comes to opportunities and resource accessibility, urbanization may cause notable differences between rural and urban regions.</li> <li>2. Infrastructure Strain: As a result of rapid urbanization, there may be problems with the current infrastructure, including traffic jams, subpar housing, and overworked public services.</li> <li>3. Deterioration of the Environment: Urbanization frequently leads to higher pollution levels and environmental deterioration.</li> </ol>



Opportunities	Threats
<ol style="list-style-type: none"><li>1. <b>Balanced Regional growth:</b> Policies that encourage equitable growth between urban and rural regions have the potential to be put into place, which would lessen inequalities.</li><li>2. <b>Agricultural Innovation:</b> Increasing productivity and income levels in rural regions can be achieved by implementing new agricultural methods.</li><li>3. <b>Development in Rural Areas:</b> Rural economies frequently have agriculture as their main industry. Promoting agriculture offers the chance to advance sustainable rural development, generating jobs and strengthening local economies, particularly at the grassroots level.</li></ol>	<ol style="list-style-type: none"><li>1. <b>Unplanned Urbanization:</b> Without careful planning, uncontrolled urbanization can cause anarchic expansion and worsen already-existing problems.</li><li>2. <b>Restricted Resources:</b> Development initiatives may be hampered by unequal resource distribution, which may affect both urban and rural communities.</li></ol> <p>Social inequalities: The division between Urban-rural has the potential to exacerbate socioeconomic inequality and spark political and social unrest</p>

## 8. CONCLUSION

An appraisal of conditions in various urban areas of India reveals a transformation in character and emergence of different kinds of problems due to growth, which affect people's lives and the environment in numerous ways. While Indian cities and towns too display problems and deficiencies, the urban areas are worse in this regard. Area of concern is the inability of the rural/urban governments to deal with the changing circumstances in urban areas. Such deficiencies give opportunity to influential groups and individuals to operate in an undesirable manner. The absence of laws, rules and mechanisms also creates difficulties for the local and regional authorities to control wrongdoings. In view of these emerging trends, and to benefit from the urbanization phenomenon, it is necessary for the national government to formulate a broad policy for planned spatial growth of megacities in order to ensure sustainable development. In doing so, it is imperative to ensure that the vulnerable groups and their social and cultural practices and economic activities are protected, and the actions of the government or individuals do not disturb the environment.

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