

Impact of Globalisation on Rural Odisha: Challenges

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“Where globalization means the rich and powerful now have new means to further enrich themselves at the cost of the poor, we have a responsibility to protest”.

Nelson Mandela

Abstract:- Globalization has been bringing about tremendous change in HDI, GDP, industry, technology, transport, and communication, rate of literacy, health & economic growth. In the process of development, many changes have been done in the economic, social and political system of Odisha. In due course of industrialization, improvement of employment opportunities, increase of export (GDP), receive of aid and support, creation of job, extensive rights to women, cheaper communication, information and generation of innovative ideas through education & research are some of the reformations marked out in Odisha. The NDP growth rate is 8.48% in Odisha where as GDP growth rate is 8% in India as per 2011 Economic and Human Development Indicator report. No doubt it is a major force of prosperity. If we look at the condition of rural Odisha, it is experiencing some of serious problems like poverty, injustice, starvation, backwardness, marginalisation, IMR, criminal activities, diseases like AIDS, HIV, Dengu & migration to a large extent. Urban-rural gap is gradually widening in matters of per capita income. Globalisation process badly affected the rural communities specifically the socio-economic life of farmers & women. The researcher attempts to suggest some measures to make globalisation process beneficial for more than 70% of rural Odisha rather than for only 30% of rural Odisha.

I. INTRODUCTION

Since the advent of globalization in 1991, India has been experiencing a lot of changes in economic, social, cultural & political spheres. Globalization brought about tremendous development in HDI, GDP, industry, technology, transport, communication, literacy, health & economic growth. It is multidimensional in nature. As IMF 2000 identified four basic aspects of globalization such as trade and transaction, capital and investment, migration-movement of people & the dissemination of knowledge, it is something that is more than economic factor. “Global markets, global technology, global ideas and solidarity can enrich the lives of people everywhere. The challenge is to ensure that the benefits are shared equitably and this increasing independence works for people- not just for profits” says HDR 1999, UNDP.

Odisha, one of the backward states of India has taken the advantages of new opportunities of globalization. It has designed its policies to attract foreign investment in its state. In the name of development, many changes have been done in the economic, social and political system of Odisha. In due course of industrialization, improvement of employment opportunities, increase of export (GDP), aid and support, creation of job, extensive rights to women, cheaper communication, information and generation of innovative ideas through education & research are some of the reformations marked out in Odisha. The NDP growth rate is 8.48% in Odisha where as GDP growth rate is 8% in India as per 2011 Economic and Human Development Indicator report. No doubt it is a major force of prosperity. India is getting global recognition & slowly moving forward to become a major economic & political strength which has tremendous influence on rural life (Manjunatha, 2014). If we look at the condition of rural Odisha, it is experiencing some of serious problems like poverty, injustice, starvation, backwardness, marginalisation, IMR, criminal activities, diseases like AIDS, HIV, Dengue & migration to a large extent. Urban-rural gap is gradually widening in matters of per capita income. Globalisation process badly affected the rural communities specifically the socio-economic life of farmers & women (Merrill, 2006). It caused massive damage to environment such as land degradation, deforestation, soil erosion, and degradation of soil fertility, water logging, and loss of biodiversity, pollution of air & water bodies (Mizaour, 2014). Benefits of globalisation are absorbed by urban population of India rather the rural population (Kumar, 2012). Though rural communities are using internet, mass media, communication tools & other resources, still many rural areas are unreachable to computer & even electricity facility because of geographical location, remoteness of area & lack of sufficient resources available in villages (Tolunay, 2009). In reality, if we estimate the growth of globalization in last few years in Odisha then we find the acceleration of growth is not as expected.

II. OBJECTIVES OF THE STUDY

The present study outlines how socio-economic, cultural & environmental status of rural Odisha is affected by the process of globalisation. It enquires whether globalisation is a blessing or curse for rural people in Odisha. The researcher attempts to suggest some measures to make it beneficial for 70% of rural Odisha rather than advantageous for 30% of rural Odisha. Our mission is to regulate globalisation in a proper direction so that majority will be benefitted out of it. Present paper is mostly based on the secondary data from various research studies, committee reports, Odisha Economic Survey Report, HDI, United Nation Report, World Bank Report, Annual reports & Report on Selected Education Statistics & NSS reports.

In due course of the process of globalization, rural Odisha has faced major challenges. These are discussed in the following manners.

III. STATUS OF RURAL POVERTY IN ODISHA

The situation of Odisha is bit complicated as we enter into the new millennium of globalization. Poverty has assumed in a newer dimension. According to the government report, steady decline in poverty ratio in Odisha between 1977-78 and 1993-1994 was marked out before globalization process. In the second half of 1990s, poverty ratio had remained stagnant. Poverty ratio in Southern and Northern Odisha has increased between 1993-1994 and 1999-2000. Inadequate rural non-farming, lack of employment opportunities and poor infrastructure are some of the causes of high incidence of poverty. BPL population in 2004-2005 was 39.9% (MRP) consumption. National Sample Survey (NSS) data shows the poverty ratio for Odisha vis-a-vis India i.e in 1973-74, total percentage of poverty was 66.18% and 54.08% in Odisha and India respectively. It was reduced to 32.59% in Odisha as against 21.92% in India in 2011-2012. Widespread economic insecurity by profound change in trade, finance and technology keep the poor out of market. Severe food insecurity in Odisha is due to vulnerable rural population with poor livelihood access. 48% of rural women in Odisha are suffering from malnutrition & deficiency, this number is highest in case of illiterate and ST. Nagada child malnutrition is one of the burning issues. People alleged that Government of Odisha has favoured the owners of large-scale land holdings at the expense of small farmers and merchants. Rural inhabitants are exploited as the state tries to promote prestige projects. Rapid industrialization has affected rural tribal. Questions of their rehabilitation, education, electricity, drinking water problem and overall sustainable livelihood still remain unresolved in Odisha. It was seen that in the name of welfare of Odisha, government seems to commit 'greatest happiness but to the smallest number of people'.

➤ *Economic Insecurity in Rural Odisha:*

Small and slow growing economy is one of the major issues faced by Odisha. The government has signed more than 60 Memorandum of Understanding (MoU) with different reputed investors in steel, aluminium, cement and power. For the year 2014-2015, the share of broad industry sector to GSDP of Odisha is 33.44% as against 33.08% of the year 2013-2014. But the manufacturing sub-sector and mining and quarrying sub-sector share only 4.19% and 2.30% respectively which indicates that this sector are adversely impacted by Global Economic slowdown. The growth and manufacturing depends on the strength of state governance and equation of economic system of state with appropriate management. The condition of small and medium scale industries is miserable in Odisha. The setting of new projects has led to a large-scale displacement of the marginal farmers because of their land being snatched away with the collusion of state machinery and the corporate. According to the State Economic Survey, in 2007-08 only 32 state owned companies are working out of 66 companies.

The abundance of natural resources such as minerals, water and land in low cost and cheap labour has attracted the corporate such as POSCO, Vedanta, Bhushan, Jindal, Mittal, Tata and a large number of Sponge iron companies to set up their projects. Without analyzing whether these projects actually benefit the people or worsen the situation, the state government allows them to continue their projects. The rich corporate continues their work rapidly without looking forward the development of the periphery areas. Poverty, inequality, injustice, starvation and backwardness are still problems experiencing by people of rural Odisha.

Share in agricultural sector in the GSDP in Odisha is more than 70% in the early 1950 and it has come down to 15.39% for 2014-2015. Local farmers lose their land at the cost of the interest of the big industrialists and other small farmers do not get water or irrigation facility to cultivate their land. Farmer suicide, farmer uprising & farmer movement are the classic example of our economic development. Economic inequality and exploitation due to displacement of rural poor is a common factor of globalisation. The rich corporate are richer at the cost of the poor. Rural poor of Bolangir, Kalahandi, Ganjam & Mayurbhanj are found migrating to Gujarat, Andhra Pradesh & Tamilnadu for better work, wage & employment. Again, the local business, products, small-scale industries are suffering a lot as they cannot meet the international standard in terms of price, quality or marketing strategies. Loss of economic independence, mortgaging to foreign capital, subjugation to the industrial countries, job and income insecurity are some of the negative impact of globalization on Odisha.

➤ *Environmental Pollution in Rural Odisha:*

Globalization brought out massive industries, mining, building of township by deforestation & rehabilitation which is found out in Jharsuguda, Angul, Sundargarh, Sambalpur, Keonjhar districts of Odisha. The corporate & multi nationals don't maintain minimum environmental standards and sometimes ignore environmental rules and regulations as a result of which drastic environmental degradation, global warming, climate change, food insecurity diseases, loss of biodiversity, trans-boundary pollution are profound problems especially in the industrial areas of Angul, Jharsuguda, Rourkela and Sambalpur etc. As we know, pollution of water, air and soil are more prominent for unsustainable developmental process, conservation of forest, lands, mountains, hills, rivers, streams and other natural resources and plantation in the industrial and mining areas are completely preserved so that balance between the process of development and the environmental protection could not be disturbed. There are frequent natural shocks due to heavy pollution. Climatic change is already experienced everywhere by people with frequent drought, flood, super-cyclone, stronger storm, rise in temperature and heat waves, these are greatest challenge on the part of Government of Odisha. As Giddens rightly mentions that there is riskiness to risk associated with globalization.

➤ *Social Injustice:*

Odisha is one of the poorest regions undergoing acute regional and social disparity. Equitable distribution of goods, adequate healthcare facilities and quality education are not primary concerns of political agenda of government in course of globalization. Therefore, a large number of meritorious students preferred to go abroad for good education, higher education and also for good job. This global liberalized market is not providing equal benefit to all groups of people. The people shoulder the risk of liberalization and not getting collective justice. The expenditure on education sector should be at least 6% of GSDP. But the projected expenditure in elementary education decreased to 6.58% in 2008-2009 budgets from 6.94 during 2006-2007. Decrease in the allocation of fund towards elementary education in turn, affects the quality of primary education in the state. Similarly, allocation for higher education decreased from 2.27% in 2005-2006 to 2.04% in 2008-2009 which is affecting the quality of higher education in Odisha. We are talking about development but without good and qualitative education or development of educational sector, how can we develop? Again, domestic violence, girl migration, child rape and sexual harassment are problems regularly faced by women in rural Odisha in the era of globalization.

➤ *Internal Security Problem:*

There is a free flow of goods, capital, labour and finance, ideas and information to rural Odisha in course of globalization along with drugs, modern sophisticated arms and weapons and terrorists across the borders which is a greatest challenge for our internal security. Left Wing Extremism is now a major challenge faced by Odisha. The state is unable to cope up with the social issues like human rights, drug trafficking, cyber crimes, maoist activities and its link with terrorism through Abdul Reheman. All these anti-social activities are facilitated to operate in Odisha due to improved communication and technology links worldwide.

➤ *Widespread Corruption and Mismanagement:*

Depletion of natural resources such as land, forest and minerals by corporates is totally ignored by the state in course of globalization in Odisha. Daily newspaper flashed out about the involvement of private and Government officials with various scams such as Mining Scam, Chit-Fund scam, Polythene Scam, Ration card corruption and BPL card irregularities which have been creating uproar in the Assembly for which the government has faced strong opposition from the people. There are no long term consequences to solve these problems. Debt burden is gradually increasing in the name of economic development in Odisha due to mismanagement of plans and programmes.

➤ *Disruption:*

Over the last decades, the open market policy has laid to increased privatization, huge layoff labours, and rise in corruption and debt burden on Odisha. 'Liberalization and technology penetration, while beneficial, have also deepened divisions in the country' viewed by G.S. Vasu, editor of TNIE. Disruption seems to be the big theme of this

century. New ideas of globalization has arranged, rearranged or disarranged every facet of life. Mobile phones have changed the way we keep in touch, malls have changed the way we used to shop which are threatened by online shopping and smart phone with 'selfie' culture and built-in-camera and facilities like OLA & Uber at one click of an App is available at competitive pricing. But, has this improved the condition of local drivers, small shops? Traditional social life drastically has been eroded. The benefits of development have not reached the poor sections of society. Once P.V.Narsimha Rao had regretted that liberalization was not yielding the desired results as a few only enjoyed the fruits of globalisation.

IV. SOME SUGGESTIONS

1. Large-scale industries are developing in due process of globalisation that provides employment opportunity & bring about a lot of development in Odisha. It is a welcoming step of government no doubt, but side by side the government has to think of the cottage, small scale & medium-scale industries which may not cause harm to ecology, displacement, utilisation of local products & employment generating to local tribal without rehabilitation tension at all.
2. Proper care should be taken regarding the sustainability of natural resources which is depleting day by day & over-utilised by industrial sectors. Excessive mining, cutting of trees due to industrialisation, deforestation, dust & smog eruption in the atmosphere & excessive use of ground water are dangerous & harmful for people as well as ecology for which strong rule, regulation & stringent action are to be taken by the government. Otherwise, there will be scarcity of these resources for which our future generation will suffer a lot.
3. Corporate and industrialists should strictly be inspected whether they are following the environmental protection laws, creating forestation & developing that areas, otherwise they must be banned in the state or strict action may be taken against them by the state because environmental protection is the urgent need of the hour.
4. The corporate should promote holistic growth in a transparent and healthy manner. They should not only become profit motive but also they are to work out for the development of these areas especially by facilitating infrastructure, looking after health, education, electrification, rail network, employment opportunities, strengthening social security needs & improving communication sector by applying new technological innovation.
5. Host of large number of Government welfare programmes, plans, provisions, rehabilitation policies and schemes are to be properly supervised, monitored, inspected and implemented in rural Odisha so that the fruits of globalisation could reach to the rural people.
6. Good governance with service delivery mechanism and public awareness is another significant factor that would make democracy really viable for rural Odisha. Participation of people, community, society as well as rural tribal is greatly needed to make it more viable. They are to accept, involve, suggest & cope up with this

- process in their areas by leaving their traditional & conservative outlook.
7. Much priority is to be given to sustainable, broad based and inclusive growth while welcoming to rich corporate to our state. Mobilization and empowerment the rural poor by enhancing their skill, imparting vocational education & developing infrastructure in rural Odisha is one of the important areas for rural development that must be focused while thinking of rural Odisha.
 8. While displacing the rural people from their homeland, agricultural livelihood in the process of industrialisation & mining, greater attention should be given to agriculture and allied sector, environmental pollution, forestation as well as preservation of tribal rural livelihood. Steps must be taken to improve their livelihood not to destroy it at the cost of industrialisation.
 9. As a part of the process of globalisation, Odisha has implemented poverty alleviation programmes especially for rural poor but these are not properly adopted due to lot of irregularities & corruption. So proper supervision, inspection, awareness & monitoring of these programmes must be made by government, and then only our target for millennium development can be achieved. New technological advancement especially in agriculture, farming should be made available easily & properly utilised by the farmers to produce more & more of agricultural products. Again, modern storage facilities are to be made to store the agricultural produce in rural Odisha which is a major problem for farmers now-a-days.
 10. Equality is one of the major democratic value which is not safeguarded politically & economically in rural Odisha in the process of globalisation, some are found more profitable than others in the socio-economic sphere though there is expansion of political interrelation & large scale welfare & enormous productive capacities of modern state. Greater disparity between rich and poor in socio-economic factor should be balanced by creating awareness among people about several institutions, programmes & policies of government.
 11. There is 'an electric network of interrelated power centres such as municipal & provincial authorities, regional blocs & national international private sector associations'¹⁶ Political globalisation is moving towards cosmopolitan democracy. As a result of which possibility of resistance, opposition, difference in accommodation & intolerance are found out in rural areas for which good governance & integration is required to bind them together.
 12. A network of cultural interconnectedness & interdependence is to be maintained through their language, music, image preservation, dissemination & articulation of knowledge. They should accept the expansion of democracy & free market. In this context the significant role of media & TV shows cannot be ignored.
 13. Intensive research, innovative ideas & projects on rural development, measures to benefit to a large number of

rural people, strong public visibility, government priority & influence of globalisation on market, agriculture & farmers' livelihood are some of the important factors to be studied carefully with utmost care & intensity.

V. CONCLUSION

No doubt, globalisation is a major force of prosperity. If we look at the condition of rural Odisha, it is experiencing some of serious problems like poverty, injustice, starvation, backwardness, marginalisation, IMR, criminal activities, diseases like AIDS, HIV & migration to a large extent. Urban-rural gap is gradually widening in matters of per capita income. Globalisation process badly affected the rural communities specifically the socio-economic life of farmers & women. Thus, globalization seems to be a 'necessary evil'. It would bring immediate prosperity and wellbeing of the people as well as the area. But the ground reality is not what we have been seen around us. All that glitter is not gold. Process of globalisation has become advantageous only for 30% of rural population, majority are excluded from its benefit. It is imperative for the Government and citizens to undergo intensive study, innovative ideas & projects to find out its effects on rural Odisha, profound outcomes & suggest measures to make fruits of globalisation available to majority of rural population of Odisha. Sustainability of natural resources along with the agricultural development, strict observance of the environmental laws by the corporate, creation of forestation & development of rural areas by facilitating infrastructure, looking after health, education, electrification, rail network, creating employment opportunities, strengthening social security needs & improving communication sector by applying new technological innovation, proper supervision of Government welfare programmes, plans, provisions, rehabilitation policies and schemes, good governance with service delivery mechanism and public awareness, mobilization and empowerment the rural poor by enhancing their skill, imparting vocational education & developing infrastructure in rural Odisha as well as preserving the network of cultural interconnectedness & interdependence of rural people are some of the suggestions to make globalisation process really fruitful for rural Odisha. Globalization need not be ended, it is happening & going to happen but the thing is to amend it to be more productive and beneficial for at least 60% of rural population of Odisha. Now it's time for our society to rise, awake and think ahead of it. Globalisation is inevitable having no better alternative to it. Let the people of Odisha think about the reality & suggest solution of all these problems.

"If you are blessed with intelligence, and empowered with education- it is your responsibility to change the world".

- APJ Abdul Kalam

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