

IMPACT OF INDUSTRIALIZATION ON SOCIAL MOBILITY IN PUDUCHERRY

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Though the impact of industrialization on social structure has engaged the sociologists after the Second World War, it was largely confined to the advanced industrial and modern societies of the West. Countries like India are generally characterized by peasant and agricultural economy was not considered for such analysis. Nevertheless, the impact of industrialization has become wider and rapid with the liberalization process of 1991, which is likely to have created economic opportunity structures facilitating conditions for social and economic mobility. However, there is no indication as to what extent the social structure, has improved or been changing due to this industrial growth. Against this background the present study makes an attempt to understand the impact of industrialization on social mobility with reference to Puducherry which is one of the emerging industrial hubs in India. The present study is made at macro level analysis covers mobility in overall Puducherry, based on information collected from secondary sources like Census Reports, Statistical Abstracts of Puducherry, and Economic Survey of Puducherry. The analysis clearly reflects that industrial development has significant impact on occupational structure in the study area.

Key words: social mobility, industrialization, occupation, social structure, Puducherry

INTRODUCTION

Industrialisation is perhaps the most pervasive and fundamental trend affecting national societies in the recent periods. Across the globe countries are industrializing as fast as they can muster the resources to do so. As this transformation takes place it necessarily entails changes in the different aspects of social structure (Treiman, 1970). Sociological literature on historical changes in social mobility has mostly focused on Western European patterns (Mass and Leeuwen, 2010). A shortlist of historical sociological work on mobility includes studies on Great Britain by Miles (1994), Lambert, Prandy and Bottero (2007); on the United States by Grusky & Fukumoto (1989), Guest, Landale, and McCann (1989); Guest (2005); on the France by Fukumoto and Grusky (1993), provinces in the Netherlands by Leeuwen & Maas (1997), in Sweden by Maas & Leeuwen (2002), as well as cross-country comparative work by Long and Ferrie (2007); Bourdieu, Ferrie, and Kesztenbaum, (2009). Nevertheless these studies analysed the impact of industrialization on social structure which was largely confined to the advanced industrial and modern societies. Countries like India are generally characterized by peasant and agricultural economy was not considered for such analysis. With the development of the nation-states in the 20th century adopting the modernization model, the effects of

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industrialization on the socio-political and economic structure received the attention of sociologists who were until then preoccupied with the study of family and kinship relations. The impact of industrialization has become wider and rapid with the liberalization process of 1991, which is likely to have created economic opportunity structures facilitating conditions for inter-generational social and economic mobility. However, there is no indication as to what extent the social structure has been changed due to this industrial growth. Against this background the present study will make an attempt to understand the impact of industrialization on social mobility with reference to Puducherry which is one of the emerging industrial hubs in India.

Industrialisation has been viewed by scholars from different perspectives. Nevertheless, for the conceptual clarity the study referred the definition of Sweezy (1964) who defines industrialisation as the establishment of new industries or building up of new means of production. Further, Pie-Kang Chang (2014) defines industrialisation as a process in which changes of a series of strategically production functions are taking place. It involves those basic changes that accompany the mechanisation of an enterprise, the building of a new industry, opening of a new market and the exploitation of a new technique. This is, in a way, a process of deepening as well as widening of capital.

From the above definitions, it can be gathered that industrialisation involves the establishment of industries, the use of mechanical power, absorption of newly accumulated capital, the use of capital goods and building up of new means of production. The process of Industrialisation confers several benefits which are conducive to the promotion of economic growth and alternation in social structure of a state or a region or a territory. It increases social mobility because it creates employment opportunities and thereby raises the standard of living of the people.

The structure of society powerfully influences the process of social mobility. Societies may be of two types – closed societies and open societies. People in closed societies have very backward and narrow thinking. They weigh everything on the basis of their birth, tradition and old customs. In such societies they do not get opportunities for requiring ascending and descending vertical social mobility. Thus, the chances of social mobility are very low in such societies. On the other hand in open society's individuals have full freedom and opportunities to do or adopt anything as they like. For example, any person belonging to any caste or creed can marry any women of an caste or creed. No one in the society care who marries whom. Thus, open society is better than closed society which is not conducive to social mobility. Urban societies are somewhat open societies where social mobility is possible. But in India the societies are very closed in structure where social mobility is very difficult. This rigidity is being slowly loosened up through education and promotion of progressive democratic ideas.

Nevertheless there is limited number of social mobility studies on Indian society were carried out by sociologists. M.N. Srinivas has explained the process of social

mobility by the concepts like Sanskritization and westernization (Srinivas, 1966). Sharma (1968) explained downward mobility by proletarianization of Zamindars and upward mobility by ‘bourgeoisification’ of tenants in his study on villages in Rajasthan. He also highlights how increased agricultural production, business, prestigious occupation and education contribute to the enhancement of status of certain families. Dubey (1975) studied changes in the occupational structure and intergenerational mobility in Gorakhpur city. These studies have concentrated on socio-cultural dimension of mobility research in pre-liberalised Indian society. Critics tend to treat them as “general levelling of culture” rather than social mobility. However in post-liberalised society some of the studies on mobility like Jalan and Murgai (2007) find encouragingly that inter-generational mobility in education has improved significantly and consistently across generations. Mobility has improved, on average, for all major social groups and wealth classes. Similarly, Azam and Bhatt (2012) find significant improvements in educational mobility across generations in India. The popular media in India has especially of late been playing up this impression by highlighting accounts of and by individuals whose rise, especially in the world of business, has been nothing short of meteoric. Most of the studies are focussed on mobility pattern at national level and they found that social mobility started showing its face due to access to higher education and industrial development in the nation. The reflection of this on state need to be analysed, against this background the study focussed on social mobility in the Union Territory of Puducherry.

METHODOLOGY

The present study mainly focused to analyze the impact of industrialization on social mobility in Puducherry. For that purpose the study is made at macro level analysis covers mobility in overall Puducherry, based on information collected from secondary sources like Census Reports, Statistical Abstracts of Puducherry, and Economic Survey of Puducherry. Puducherry is small union territory and had experienced large scale industrialization in the recent past. To go by the Statistical Abstract of Puducherry, as of March 2015 there are 77 large scale, 190 medium scale and 7792 small scale industries in Puducherry which as only area of 479 square kilometres with a population of 12,44,464 (as per 2011 Census). Moreover, the social structure of Puducherry is different from rest of India due impact of French colonialism. The layout of Puducherry region described below which is located within Tamil Nadu presents a peculiar picture of territorial jurisdiction, perhaps the only one of its kind in the world. The historical reasons, which prompted the French and the British to limit their territories in the intermingling manner, are not known.

RESULTS AND DISCUSSION

Industrial growth contributes to the economic growth of a nation. Therefore, industrialization has been accorded a place of priority in the agenda of economic

development of all countries, especially, in developing countries like India. When we attained independence in 1947, the economy was a moribund economy characterized by all conceivable economic problems. The economy was primarily agricultural with a few industries scattered here and there. Per capital income is one of the lowest in the world. Therefore, the process of industrialization was initiated by Government. The public and private sectors were encouraged to undertake the development of industries in the country. Industrial policy resolution was passed in 1948 and 1956. These policies determined the process of industrial development in India. Following the footsteps of government of India, all the state government and Union territories embarked upon a process of industrialization in their State and union territories.

The process of developments of industries in the union territory of Puducherry started only with the commencement of second five year plan (1956-61). Out of the total plan expenditure of Rs.339.23 lakhs, industries and minerals claimed Rs.18.29 lakhs which represented 5.4 percent of the total outlay (An economic review, 1968). During this plan period, 35 small scale industries were established in the private sector. Sugarcane factory was the first large scale industry to be established in the Territory after merger. The schemes for the establishment of an industrial estate at Puducherry were sanctioned at a cost of Rs.5.2 lakhs. In third five year plan (1961-66) an amount of Rs.26.10 lakhs was incurred for the purpose of industrial development. During this plan period, several subsidy on power tariff for small industries, subsidy towards interest on loan, equipment subside were given.

During the fourth plan (1969-74) an amount of Rs.94.67 lakhs was spent on industries and minerals. It amounted to 6.21 percent of total fourth plan expenditure. Puducherry territory was declared industrially backward during this plan and new large and medium sale industries were exempted from sales tax and they were provided subsidies for electricity consumption. The establishment of Puducherry Industrial Promotion Development Investment Corporation (PIPDIC) by the Government of Puducherry in the fifth five year plan (1974-79) is one of the milestones in the history of industrial development of Puducherry. A district industries centre was started in 1978 and two additional industrial estates was also set-up during this period.

During sixth plan period (1980-85), an amount of Rs.869.92 lakhs was spent on industrial development which accounted for 8.79 percent of the total plan expenditure. The schemes contemplated during this plan aimed at increasing employment opportunities and promoting economic and social growth. At the end of this plan, 9 large scale, 9 medium scale industries and 2043 small scale industries were set-up, providing employment to about 30,000 persons. Separate industrial training institute for workers was also opened. Creation of more employment opportunities and social justice were the main objective so seventh five year plan.

The growth rate for the industrial sector (in terms of value added) between 1993-94 and 1998-99 was 21.09 per cent. Manufacturing industry grew at 23.66 per cent and registered manufacturing at 26.82 per cent. There seems to have been some type of a revival in the construction industry as well which registered a growth rate of 3.61 per cent. Electricity, gas and water supply grew at 5.34 per cent. Part of the higher growth rate of industry could be attributed to the liberalisation process - industries did not need to get a license from the Centre in most cases. Industrial development during the nineties took place due to the implementation of policies encouraging industrial development and due to liberalisation. These policies included incentives and concessions with regard to sales tax, income tax, power and pollution control. The response from the industrial sector was impressive in the last decade.

The Puducherry government has been implementing various schemes, incentives for the development of small scale industries such as providing:

- (a) Plots and sheds facilities in the industrial estates.
- (b) Financial assistance upto Rs.2 lakhs under the state aid to industries act;
- (c) Interest subsidy for loans upto rs.25000
- (d) 15% outright grant on the capital investment under the backward area scheme;
- (e) Grant of financial assistance on the Tamilnadu industrial investment corporation and credit facilities upto 25 lakhs from this institution.

During eighth plan period (1992-97), an amount of Rs.71.2 crores was spent on industrial development which accounted for 10.3 percent of the total plan expenditure. The liberation policies assisted industrial growth exponentially during their period. The same result also reflected in the ninth five year plan as number of industries in the union territory is increase from 3953 units (1990-91) to 6555 unit in (2000-01). After ninth five year plan the growth rate in the industries is maintained at the same level during the other plan period (refer table 1).

TABLE 1: INDUSTRIAL DEVELOPMENT IN VARIOUS PERIODS

<i>Years</i>	<i>No. of SSIs</i>	<i>No. of MSIs</i>	<i>No. of LSIs</i>	<i>Total</i>	<i>Employment (in numbers)</i>
1990-91	3883	53	17	3953	85,843
2000-01	6388	125	42	6555	1,36,450
2010-11	8141	183	75	8409	98,048
2014-15	8699	190	77	8966	103071

Sources: Department of Industry and Commerce. Puducherry, 2015.

The distribution pattern of working population under various occupations is dealt within this chapter. The entire population of the territory may be divided into two broad categories viz., workers and non-workers. The working population in

the Territory formed 37.4 percentage of the total population according to the 1961 census. While the population increased from 3,69,079 in 1961 to 12,47,953 in 2011, the working population increased from 1,38,370 to 3,93,316. However the proportion of working population to total population is declined from 37.49 percent in 1961 to 31.52 percent in 2011.

TABLE 2: DISTRIBUTION PATTERN OF WORKING POPULATION FROM 1961 TO 2011 OF UT OF PUDUCHERRY

Sl. No.	Workers category	1961	1971	1981	1991	2001	2011
1	Cultivators	22054 (15.94%)	16709 (11.85%)	15841 (9.14%)	17959 (6.86%)	10511 (3.31%)	10763 (2.74%)
2	Agricultural Laborers	38807 (28.05%)	46275 (32.81%)	54514 (31.47%)	77203 (29.49%)	59594 (18.78%)	50607 (12.87%)
3	Other workers*	77509 (56.02%)	78041 (55.34%)	102892 (59.39%)	166638 (63.65%)	247262 (77.91%)	331946 (84.39%)
	Total	138370 (100%)	141025 (100%)	173247 (100%)	261800 (100%)	317367 (100%)	393316 (100%)

*Other occupations included workers engaged in mining, quarrying, livestock, forestry, fisheries, household industry, manufacturing, construction, trade and commerce, transport, storage and communication and govt. services

Sources: District census handbook, Puducherry 1961 to 2011

It may be gathered from the above table that as per the 2011 census 61,370 were engaged in agriculture either as cultivators or agricultural labourers. This works out to 15.61 percent of the total working force. While the percentage of cultivators declined from 15.94 percent in 1961 to 2.74 percent in 2011 that of agricultural labourers also declined from 28.05 percent to 12.87 percent during the same period. This reflects a sharp decline in the number of cultivators and significant decline of work force in the agricultural sector. However, the percentage of workforce employed in other services increased from 56.02 percent to 84.39 percent due to well established industrial growth in the Territory. Owing the long coastline, fishing is also well developed. The above table clearly reflects the social mobility occurred in Puducherry.

CONCLUSION

In recent years, Puducherry has witnessed significant development in most of the sectors. The global public goods like health and education sectors have displayed remarkable strides. Though agriculture has not shown much development in consonance with other sectors, the industries sector and service sectors have been growing exponentially. The progress in these sectors is made possible by the generous central grants to the level of 'special category states. The population growth over the last three decades has been remarkable. A significant transition is taking place in most of the demographic aspects. The decadal growth has come

down during the last decade. The sex ratio has become 1001 females to 1000 males. The rural population tends to be only one-third of the total population of the whole Union Territory of Puducherry. Being the administrative headquarters of Puducherry; the city acquires considerable administrative importance. Besides, there is a Central University, a good number of medical Colleges and other educational institutions and a modern civil airport indicate towards its growing position. The analysis of various plan documents, economic survey reports and census documents of Union Territory of Puducherry reveals that large scale of shifting from agricultural occupation to industrial based occupation. But at what extent and which section of population has gained in this social mobility is unknown. Further study need to be undertaken on empirical level to access which group is mobilised or benefited out of this industrial development in the Union Territory of Puducherry.

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