## Deindustrialisation

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#### Decline of Kanpur as an major industrial area

Kanpur once has many industries of textiles, leather, chemicals and fertilizers. Because of so many industries, it was once called "Manchester of the East". But now, most of these industries have been shut down. There are many reasons for this decline. One of them was the inability to adapt to technological advancement. Owners were focused more on expanding their business instead of modernization. Other factors include poor infrastructure in the city like erratic power supply, bad road conditions and poor air connectivity. Also, the lack of skilled labour is a big problem in the city.

Although many textile mills were nationalized and revival packages were issued. But this doesn't improve the situation due to mismanagement, lack of modernization and corruption. Shutting down of the factories left people unwaged and triggered an upsurge in crimes in the city.

Due to old machinery, a lot of air pollution occurs. Also, disposal of harmful chemicals into the Ganga river by the leather industries causes water pollution. Due to this pollution and erratic power supply, living conditions become difficult. With the rise of a nearby city Lucknow, many people who work here prefer to live with their families in Lucknow and come here for work. Although Kanpur is the state's highest tax-paying city, still the people are waiting for jobs and mill revival.

-Abhishek Agrahari (190123066)

#### The Fall of Kolkata as a major economic hub

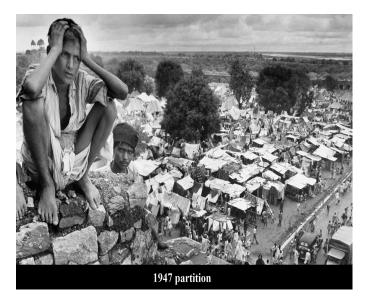
"What bengal thinks today, india thinks tomorrow". These were the words said by gopal krishna gokhale more than a hundred years ago. It accurately represented the mindset of residents of the city.

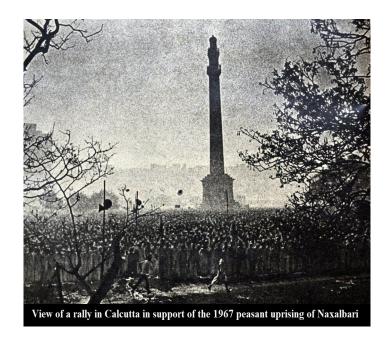
It was also a home to the greatest intellectuals and nobel laureates of the subcontinent. It was also the capital of British india (known as calcutta). What once was an economic powerhouse is now in shambles on the socio-economic front.

Statistically speaking, the GDP of Bengal went from being 1st in all of India in 1960 to 23rd in 2019. One might question what led to the transformation of such an industrial conglomeration into an urban hellscape.

We need to consider two factors that led to such deindustrialisation. One of them being subjection of Bengal to partition twice in its history. Once when it was split into regions of hindu and muslim majorities in the west & east respectively & the second partition happened during the split of pakistan and india which led to cutting of resources and capital on which industries of calcutta ran.

The other major setback Bengal faced was the death of jute industry. It provided 20% of india's foreign earnings. After the partition majority of jute growing areas went to pakistan but export hubs remained in india. This led to the death of the jute industries.





## Further decline of the economic environment of Kolkata:

The act of deindustrialisation can be blamed on the faulty management from New Delhi. The freight equalisation policy was introduced in 1952 stated that a factory could be setup anywhere and transport cost of minerals would be subsidised. The law reduced the locational advantage of Bengal which was mineral rich.

Another instance of mismanagement was the refugee crisis after the Indo-Pak war. It led to refugees fleeing into west Bengal and Assam. This strained the resources even more. Soon such mismanagement led to the rise of naxalism in Calcutta and rest of Bengal. It also gained momentum which led to militant trade unionism ,crimes and violence greatly increased. Due to such heinous acts, many business owners gave up on their businesses as there was no security. Numerous strikes and factory lockouts worsened the economy and unemployment. Once prosperous Calcutta was in a state of crisis.

After left front led by CPI(M) co-founder Jyoti Basu came to power in 1977, various land reform and industrial policies were introduced. One such was a promise to fix industries in the state although it was not successful meanwhile the port of Bombay was gaining more traction. All such events led to decline of the economic/industrial ecosystem of Calcutta.

The city had a lot of potential to metropolise in the 1991 liberalisation but its decline held back. The decline is reversible, but it may take decades of a disciplined action plan.

Abhishek Verma(190103004)



#### Fall of Kolkata as the capital city of India

Calcutta (as then known) was one of the greatest cities of Asia and a powerhouse for commercial and intellectual development. It was the capital city of India until 1911. Despite Bengal's early historical lead in modern education, computer literacy among children aged 7 to 14 is now less than 50% in Kolkata compared to over 80% in Bangalore and Chennai.

The turn of the 20th century marked the beginning of a troublesome period for Calcutta. The partition of Bengal in 1905 and the shifting of capital to New Delhi in 1911. Coinciding with the war, millions starved to death during the Bengal famine of 1943 due to a combination of military, administrative, and natural factors. Worse was to follow with the Partition of India (and Bengal) in 1947. Thousands of large and small landowners living in Calcutta equally suddenly found themselves landless.

The next major economic blow to Calcutta came from the Fabian-socialist government of independent India when it announced the notorious policy of Freight price equalization. The demise of the flourishing jute and engineering industries struck at the economic heart of Calcutta. The problems were compounded by the flight of capital triggered by the urban violence of the Naxalite years. The Bangladesh Liberation War of 1971 led to a massive influx of thousands of refugees, many of them penniless, that strained Kolkata's infrastructure.

It would take many years of disciplined and focused economic and social policy that might put Kolkata on a virtuous cycle of economic and social regeneration.

-Ishank Tambi (190107026)



#### Deindustrialization/Speculative urbanization in Panipat

Delhi-NCR area includes Panipat where thermal power station was built in 1979 with eight units, but in 2015 unit number one to four are closed and got demolished, later there is no further development taken to increase electricity production.

"Haryana, which is facing power crisis, has increased its dependence on other states, despite having one and a half times the generation capacity. The electricity demand in the state is 7500 MW per day. 3256 MW of electricity is being generated in its own power thermal stations. The remaining 4244 MW power is being drawn from power plants located in other states." – Newspaper report. This is also happen that Haryana has to provide electricity support to Delhi as well.



Still population in Panipat got increased from 55K (1950) to 1.2M (now) because of industrialization in other sectors. Panipat city is known as Textile City. The handloom and pitter loom units established after independence have rapidly expanded and taken the form of modern textile industry. The small scale industry has an export of five thousand crore rupees and a domestic market of about 25 thousand crore rupees. Two and a half to three lakh laborers work here. There is an export and domestic turnover of two thousand crores of medium industry. 50 thousand people are associated with these industries.

Ansal Project Sushant City in Panipat is planned to offer a modern lifestyle to all the residents. Project with concept of gated community, connected society as well as with privatized electricity to attract moneybags (rich people). Other rich class areas include Model town, Hudda etc.

There are backward area next to these mega projects and industrial area as well like kabbdi village which shows segregation.

#### Simran Garg

### Key Takeaways:

- There are lots of things to take away from these instances of de-industrialisation; the major ones being the lack of management from the government side in modernising and expanding the businesses that fuelled the economy of these once prosperous cities. Also, the independence of India also led to some major socio-economic changes, some good some bad that led to such vast differences in the process of industrialisation.
- The phenomenon of factories and outlets shutting down is something that all these cities share in common. In the case of Kanpur, textile mills were shut down rendering many people jobless, in Kolkata jute mills fell apart due to the partition while Panipat met the same fate as the other two cities. The fall of Kolkata was so bad that it was demoted from being the national capital of India.
- We saw that because of deindustrialisation, income inequality increases leading to the coming up of gated
  communities in these cities. With the large population becoming jobless, crime also increases in the city, as in Kanpur
  and Kolkata. Effects of deindustrialisation are visible from the falling GDP of these cities primarily because of the
  decreased contribution from the manufacturing sector. We learnt from these stories what was the role of
  deindustrialisation in the making of these cities.

# **Thank You**