

Impact of Modernization on the Socio-Economic conditions of the society

Dr. Rekha Kalia Bhardwaj

Principal, Hans Raj Mahila Maha Vidyalaya, Jalandhar (PB), India.

E-Mail: hmv_jal@yahoo.co.in

Technological Development makes us more independent from nature, At the same time, at a different level, it makes us more dependent on nature's whims- Salvoj Zizek.,

Socio Economic factors form an important component of modernization. These factors include employment opportunities, infrastructure expansion, consumption patterns, standard of living, reduction in poverty, educational and health facilities etc.

Modernization means advancement, urbanization, industrialization, adaptation of new technologies alongwith changes in social and cultural structures. Different anthropologist define modernisation in different ways. Modernization theorist from Karl Marx to Doniell Bell related modernization with adoption of culture and development processes of western countries so that non western societies could follow the western ways in place of their traditional culture for development. Historians like Kendall link modernization to the process of urbanization and industrialization alongwith better educational set up.

Modern age is of industrialization, mechanization, commercialization, information and technology and globalization leading to modernization and development. Modernized development in any society have substantial positive impact on socio economic conditions of a society-positively by directly increasing the employment, income for residents of nation, stronger infrastructure and broader tax base and further by improving the standard of living through better education and health facilities, removal of poverty, women empowerment and spiritual development. But on the other hand it also exploits natural resources of a country and leaves adverse environmental aspects.

Rapid structural transformation in industrial and developing countries i.e. product diversification, decomposition of process of production etc. has resulted in significant changes in the world trade in recent years and hence affected the socio economic status world wide. Modernization and Development world wide helped nations in rapid industrial growth, development of banking sector, increase in gross domestic product, foreign direct investment, foreign exchange reserves, foreign direct investment, employment opportunities and hence social welfare.

Modernization has lead to increase in banking facilities in terms of loans, advances and microfinance facilities which further resulted in increase in production, productivity, employment and income (RBI Report 2008). Moreover, advancement in technology have allowed society to produce more with less time, efforts, space and resources. Substantial increase in income, savings and household consumption has been observed all over the world. Improvement in banking facilities permitted the borrowers to use the credit for productive activities in subsequent stages of borrowing as compared to the same being used largely for consumption purposes earlier. (Bera 2011). Further, modernization and development helped in employment generation and reduction in poverty especially urban poverty (Shansad 2008). Provision of credit facilities at lower rate of interest have positive impact on standard of living and empowerment of societies (Khan and Rahaman 2007).

Development of science and technology has further lead to development of human capital through better education and health facilities. Educational facilities have improved world wide due to globalization and modernization. Use of modern techniques like smart boards, internet, online access

to lectures have resulted in more access to education by larger section of society. Moreover availability of educational loans also helped in the cause.

Improvement in educational facilities and development of new technologies resulted in better health facilities in terms of number of doctors, nurses, hospital and discovery of wonder medicines. This further cured the diseases and control epidemics like plague, cholera and small pox etc. Hence, life expectancy has increased and infant and maternal mortality rate has decreased. Both physical and mental health of people of society have been positively affected with the modernization and increase in growth facilities in society (Mohindra 2008).

With increase in modernization, status of women has improved over time. Today, women not only actively participate in family matters and decision making, rather also participate in socio-political matters. Women's control over household decision making and resource allocation has shifted the financial burden on the women folk on one hand and improvement in overall household environment and better children education on the other hand (Arku and Arku, 2009). Considerable social capital formation along with development of society has empowered the women in societies. Now, women are able to exert relatively greater influence in their communities political power structure (Gervais 2008).

Transportation facilities have improved over the time. Cheap and environmental friendly public transport is available for crowded and polluted metro cities. Metro trains facilitate the people to move from one place to another in lesser time. Moreover BRT designs incorporate traffic safety and provision of non motorized transport facilities and universal design concepts for integrating the cities closer to achieve the goal of a 'world class' (Marie Thynell et.al, 2010).

Physical infrastructure facilities and housing facilities have also improved with modernization. In addition to this, modernization broadened the outlook of the people who started talking of their rights and freedom. The introduction of new values, new culture, treats, institutions, behaviour pattern, belief system, ideologies of individualism, equality and justice changed the outlook of society from traditional to more scientific and secular. Several traditional beliefs and practices dysfunctional to society were discarded like Sati Pratha, patriarchal society child marriage etc. and many new customs and social practices were adopted like giving rights to daughters, introducing democracy etc.

Though, some problems have been solved due to modernization, yet the real picture is not too rosy as it seems to be. There is long list of worst of the times. Agriculture in India still plays a vital role for the provision of raw material to industries alongwith fulfilling the basic food and nutrition needs of the economy. In 1951, 72% of population was dependent on agriculture and contribution of agriculture in gross domestic product was 59%. However, in 2013 percentage of population depending upon agriculture declined to 50% whereas the share of agriculture in gross domestic product decreased to 13.5% which not only resulted in lowering the per capita income of farmers, increasing the rural indebtedness and widening the income inequalities but also lead to various problems like food insecurity, mal nutrition and under nutrition which further cause irreversible health damage, pre mature mortality and suicides.

The crux of any development strategy is in number and nature of jobs created each year. The comparison of employment situation between the pre-reform period depicts a dismal picture. The proportion of unemployed to total labour force has been increasing from 2.62 percent in 1993-94 to 3.06 percent in 2004-05 and further to 5.20 percent in 2012.

The number of persons below poverty line has decreased in absolute terms. But if comparisons are made for pre-reform and post reform period, poverty rate in 1960-61 was 62% which declined to 45.3% in 1993-94 and further declined to 21.9% in 2012. The statistics make it clear that there is not a significant difference in decrease in poverty ratio in pre-reform and post reform period. As rightly said by Peter Joseph this is profoundly critical to understand that one billion people, currently

starving on this planet, the endless slums of the poor and all the horrors of a culture due to poverty is not natural phenomenon and are not due to lack of earthy resources. They are products of creation, perpetuation and preservation of artificial scarcity and inefficiency which came into existence automatically with modernization. However, the lives of educated and rich has been enriched by globalization particularly that of information technology sector. But the benefits have not yet reached the majority and new risks have cropped for losers and socially deprived and rural poor and resulted in widening of income inequalities in economy.

Moreover, the accelerated economic growth since 1990's with increased participation by private sector and foreign sector plays a very significant role in aggravating the inter state disparities and regional disparities as more than 60% of proposals in post reform period were concentrated in the forward states only. Development strategies also aggravated the inter regional disparities. Though SHG - Bank linkage programme in India performed well, yet its benefits are not equally distributed. Rather it further deepened the divide as this programme gained maximum momentum in south in general and Andhra Pradesh in particular (Pokhriyal 2011).

Globalization also adversely affected the service sector especially education sector which plays a vital role in human capital formation. Globalization resulted in commercialization of education sector which aims at providing education to quantum of people but does not pay due consideration to quality of education. The aim of universalisation of education through SSA deteriorated the quality of education. According to a study stated in eleventh five year plan, 38% of children who have completed four years of schooling can not read a small paragraph with short sentences and about 55% of children can not divide a three digit number by a one digit number. Moreover, higher education is also ignored by government. Not only even 1% of total gross domestic product is spent on education in India. Moreover, development strategies, increase in credit access through microfinance reduced the likelihood of a child attending school due to increase in demand for child labour in household micro enterprise set up (Douglas, 2009).

Globalization resulted in consistent fall in value of Indian currency. At present, one dollar can be exchanged for about Rs.60/- which earlier in 1991 can be exchanged of Rs.20/-. With globalization, total external liabilities of Indian Economy shot up phenomenally. Total external debt has increased to Rs.182729 Crore in 2013-14. Moreover, balance of trade has also been adversely affected as increase in export earnings is still far less than increase in import payments. Trade balance deficit in 2012-13 has risen to approx. Rs.10.00 lakh crores. Moreover, portfolio investments have acquired a significant hold over Indian stock markets and can move market at their will. High volatility in stock markets is inimical to healthy development of economy.

In addition to all this there is degradation of natural environment on which we all depend for our lives. Economic globalization since 1991 has significantly worsened the negative trend by increasing rates of diversion of natural ecosystems for development purposes and rate of resource exploitation for production for domestic use and exports. Many poverty eradication and food security programmes are also ecologically damaging and deprecating environment.

Thus economic reforms opted for development, modernization and globalization have not succeeded so far in achieving the objectives. Though, globalization encouraged industrial growth, foreign direct investment and multinational companies in economy yet at the same time it also negatively affected the economy in terms of deterioration of value of rupee, trade balance, volatility in economy, health damages, increase in inequalities and environmental degradation and cause a threat to sustainable and inclusive growth of the economy. The tremendous and still accelerating development of science and technology has not been accompanied by an equal development in social, economic and political patterns..... It is safe to predict that such modern inventions as modern type capitalism will be regarded as primitive experiments directed towards the adjustments of modern society to modern

methods. Hence much more efforts are needed at individual, state and central government level to promote sustainable and inclusive growth in economy.

REFERENCES

1. Almond, Gabriel and Sidney, Verba. (1963). *The Civic Culture*. Princeton, NJ: Princeton, NJ: Princeton University Press.
2. Arku, C. and Arku, F. (2000), *More Money, New Household Cultural dynamics: Women in microfinance in Ghana*. Development in Practice 19(2).
3. Baker, et. al., (1981). *Germany Transformed*. Cambridge, MA: Harvard University Press.
4. Baker, Wayne E.(1999). *North Start Falling: The American Crisis of Values at the New Millen-nium*. School of Business, University of Michigan, Ann Arbor, MI. Unpublished manuscript.
5. Bell, Daniel. 1973. *The Coming of Post-Industrial Society*, New York: Basic Books.
6. Bera, SK (2011). *A study of SHC-Microfinance Initiative in Purbo Midnapore District of West Bengal*. Economic Affairs, 56 (2)
7. Bradshaw, York W.and Michael Wallace. (1996). *Global Inequalities*. Thousand Oaks, CA: Pine Forge.
8. Chase-Dunn, Christopher. (1989). *Global Formations: Structrues of the World-Economy*. Cambridge, England: B.Blackwell.
9. Chiro, Daniel. (1977). *Social change in the Twentieth Century*. New York: Harcourt Brace Jovanovich.
10. Chuanqi HE. *The Civilization and Modernization*. 36th World Congress of International Institute of Sociology, Social Change in the age of Globalization, 7th – 11th July, China Centre for Modernization Research, Chinese Academy of Sciences Beijing, PR China
11. DiMaggio, Paul. (1994). *Culture and Economy. The Handbook of Economic Sociology*, edited by N.J. Smelser and R.Swedberg. Princeton, NJ: Princeton University Press.
12. DiMaggio, Paul, John Evans, and Bethany Bryson. (1996). *Have Americans' Social Attitudes Become More Plorized?* American Journal of Sociology 102,690-755.
13. Dollar, David. (1992). *Outward-oriented Developing Economics Really Do Grow More Rapidly: Evidence from 95 LDCs, 1976-1985*. Economic Development and Cultural Change 13(79),523-44.
14. Duglas, KM(2009). *The impact of microfinance on schooling decision: Evidence from Hyderabad, India*. Columbia, Georgetown University, Public Policy and Policy Mangement.
15. Evans, Peter. (1995). *Embedded Autonomy: States and the Industrial Transformation*. Princeton, NJ: Princeton University Press.
16. Khan MA. and Rahaman MA. (2007). *Impact of Microfinance on living standards, empowerment and poverty alleviation and poor people: A caste study of microfinance in chittagon District of Bangladesh*. Umea School of Business, Department of Business Administrative, Fall www.umu.diva-portal.org
17. Gervais L. (2008). *Microfinance and micro enterprises: A study of Kadambashree programme in Kerala, India*. Columbia University of Northern British Columbia, University of Northern British Columbia.
18. Thynell Marie, Mohan Dinesh, Geetam Tiwari (2010). *Sustainable Transport and modernization of urban transport in Delhi and Stockholm*, www.elseveir.com.
19. Mohindra KS, H Slim, Narayana D. (2008). *Can micro credit help improve the health of poor women?* Some findings from a cross sectional study in Kerala, India. International Journal of Equity in Health, 7 (1).
20. Pokhriyal AK. (2011). *Progress of microfinance and financial inclusion – A critical analysis of SHG – Bank Linkage Programme in India*. International Journal of Economics and Finance. 3 (2).
21. RBI (2008). *Report on trend and programs of Banking in India 2007-08*, Mumbai, Rekha Mishra, Jayanti Printing.
22. Shansad S. (2008). *Socio Economic Dynamics of microcredit program in informal settlements: The case of Khulna City, Bangladesh, Hong Kong*, The Centre of Urban Planning and Environment Management, The University of Hongkong.