

## Economic Development: It's Effect on Society

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### ABSTRACT

The concept of Make in India is a very promising and innovative initiative started by Indian government. The direct and indirect outputs of the Make in India concept include more job opportunities reducing unemployment, high purchasing power to better-living styles, better state of the art of infrastructure, smart cities etc. The role of the government is to be a facilitator rather than a regulator. Through this campaign, selected domestic companies with leadership in innovations and new technologies are also evaluated for boosting trade and economic growth and for turning them into global champions. The campaign is still in its initial stages so it will be very early to predict its success. With all these issues the sociologists have to see its side effects also in the form of family disturbances, pollution, migration, cultural effects also. So these and many other issues have to be taken care.

### Background

“Make In India is a Lion's Step.” So, pledged the prime minister of India, Narendra Modi, during the inauguration of the prominent ‘Make in India’ campaign.

Make in India, is a propaganda initiated for the sole purpose of inviting various commercial sectors from all around the world, to engineer their products in India and sell them anywhere they wish. The crusade had instigated on 25<sup>th</sup> September 2014, and since then has emerged as one of the grandest triumphs of the Indian economy.

Make in India has come with lots of benefits and advantages for the Indian Economy. Due to this fact companies from across the globe making a huge investment in Make in India project, and have thrived successfully, making India a hub for the manufacturing companies, overshadowing countries like the USA in the collection of FDI up to \$63 billion during the previous year. But, since the commencement of the make in India movement, a never-ending dialogue has taken place criticizing as well as succoring the campaign.

The finest of the industrialists, support the make in India operation and are happy to invest in the vision of an economically strong India, while on the other hand, there is another set of industrialists and economists who strongly hold the belief, that the Make in India might be a huge threat to the evolution of India, ecologically and economically.

The conclusion of Make in India can only be drawn if we take a look at the various arguments put forth by the credit as well as the debit side of the Make in India crusade. Here, we present a few benefits/ advantages along with disadvantages of Make in India the lion made up of clogs, to help you decide whether you should invest in Make in India project or not. I would also recommend you to go through our article on the impact of Make in India over different sectors, it will help you in understanding what's in the Make in India project for each sector and how it will effect the economy of India.

#### Advantages of Make in India:

##### 1. Develop Job Opportunity

One of the main purposes of Make in India crusade is to provide job opportunities for as many citizens of India as possible. It has targeted the young generation of the country as its prime beneficiary. The investments in the targeted sectors, i.e. telecommunications, pharmaceuticals, tourism etc. will encourage the young entrepreneurs to come forth with their innovative ideas without worrying about the source of speculation

##### 2. Expand GDP

Due to the manufacturing of products in India, economic growth is inevitable, which will not only boost the trade sector but also will increase the GDP of Indian economy as with the setting up of new factories and various investments being speculated in the Indian commercial sectors the flow of income will be humongous. Various sectors such as exportation, architecture, textiles, telecommunications etc. are likely to flourish inevitably, strengthening the Indian economy which is already the seventh largest in the world.

### 3. Fortify the Rupee

The emergence of the manufacturing industries would automatically convert India into a hub for the fabrication of various commercial products; as a result, there would be a grand collection of the FDI, which, in turn, would strengthen the rupee against the domination of the American dollar.

### 4. Increase in Brand Value

Most of the urban population prefer international brands rather than putting their faith in Indian retailers. As a result, the small manufacturing companies suffer an extreme loss in the market.

Due to the Make in India campaign, such small manufacturers will be provided with a real shot at the business. With, companies investing in such small time retailers from all around the world, the brand value of Indian merchandise will increase dramatically.

### 5. Up-gradation of Technology

India being an underdeveloped country obviously lack various latest mechanization, which, is a big hurdle in the path to development of the nation. Hence, with the myriad of countries coming forth by the make In India crusade, India will be given the opportunity to make use of the latest technology these countries bring along.

Not only will India benefit from the knowledge and use of the technology but also, the concerned nations will be provided with a skilled and erudite labor.

### 6. Availability of Young Minds

Most of the young generation of India plans to move out of the country in the hope of a better future. Due to the lack of young labor, India has always been deprived of innovative and new ideas. With the Make in India campaign, the young population would not only be provided with employment but also their young and fresh minds would take the industrial sector to new heights. Making it a win-win situation for the India as well as the concerned countries.

## 7. Development of Rural Areas

It is a well-known fact, that a factory set up not only improves a particular area but also provides for the locals with employment, thus the quality of life of people would automatically enhance. Amenities like schools, hospitals, and other public conveniences will be developed for the betterment of the public.

## Disadvantages of Make in India:

Now let's have a look the biggest disadvantages of Make in India

### 1. Negligence of Agriculture

The most negative impact of the Make in India campaign will be in the agriculture sector of India. It is a well-known fact that Indian Territory has 61% cultivable land. With the introduction of industrial sectors, the agriculture in India will be neglected somewhat.

### 2. Depletion of Natural Resources

Since Make in India is primarily based on manufacturing industries, it demands the set-up of various factories. Usually, such projects consume the natural resources such as water, land etc. on a large scale. With the rapid devouring of such precious resources, India might be left with zero opportunity to replenish them, threatening the survival of such a large population in the near future.

### 3. Loss for Small Entrepreneurs

The Make in India campaign welcomes foreign countries to manufacture in India with open arms, this automatically eases up the various restrictions over trade with foreign countries, inviting the attention of the international commercial companies. However, these companies will not only seduce the Indian population but also would dominate the small local entrepreneurs and force them out of business.

#### 4. Disruption of Land

As stated above, India is very rich in the agriculture sector. About 60% of the Indian soil is arable. With the emphasis being given to the Make in India campaign, thousands of companies would come forth to set up their factories on the land which could be used for cultivation. Eventually, this set up of manufacturing factories would lead to the permanent disruption of the agrarian land in the near future.

#### 5. Society and Development

The implementation of technology influences the values of a society by changing expectations and realities. The implementation of technology is also influenced by values. There are (at least) three major, interrelated values that inform, and are informed by, technological innovations:

- **Mechanistic world view:** Viewing the universe as a collection of parts, (like a machine), that can be individually analyzed and understood. This is a form of reductionism that is rare nowadays. However, the "neo-mechanistic world view" holds that nothing in the universe cannot be understood by the human intellect. Also, while all things are greater than the sum of their parts (e.g., even if we consider nothing more than the information involved in their combination), in principle, even this excess must eventually be understood by human intelligence. That is, no divine or vital principle or essence is involved.
- **Efficiency:** A value, originally applied only to machines, but now applied to all aspects of society, so that each element is expected to attain a higher and higher percentage of its maximal possible performance, output, or ability.
- **Social progress:** The belief that there is such a thing as social progress, and that, in the main, it is beneficent. Before the Industrial Revolution, and the subsequent explosion of technology, almost all societies believed in a cyclical theory of social movement and, indeed, of all history and the universe. This was, obviously, based on the cyclicity of the seasons, and an agricultural economy's and society's strong ties to that cyclicity. Since much of the world is closer to their agricultural roots, they are still much more amenable

to cyclicality than progress in history. This may be seen, for example, in Prabhat Rainjan Sarkar's modern social cycles theory.

#### 6. Manufacturing based Economy

Indian economy is one of the largest economies in the world. It constitutes of three sectors i.e. agriculture, industry, and services. Now the Indian economy majors up from the service sector which contributed up to 57% of the GDP. But with the introduction of the Make in India campaign, the economy is likely to rely completely on the manufacturing and exporting while the import industry will remain static. This eventually will be a huge loss for the other economic sectors and would automatically reduce the advancement of Make in India.

#### 7. Interest in International Brands

As stated earlier, the brand value of Indian merchandise will definitely increase. But the Indian upper class, which can actually afford such merchandise, is addicted to the foreign label. This will eventually become a big hurdle for the local entrepreneurs as a great level of promotion is required to build the confidence of people in the local brands.

#### 8. Pollution

One of the biggest problems which are prevailing in India is pollution. According to statistics, India has a pollution index of 76.50. With the make in India movement, this pollution level is likely to arise in a couple of years. Eventually, making the condition in India worse. Hence, Make in India might be economically but it will have an inverse effect ecologically.

#### 9. Bad Relations with China

The Indo-China relation is already a problematic cause for the country, with the initiation of the make in India crusade, India stands as one of the most promising rivals for China. This automatically will worsen India's long-term feud with China, gradually with the success of Make in India, it is possible for the situation to become worse among the two

economically growing countries because India has the advantage of young and skilled workforce over China which will expectedly take make in India to new heights in the near future.

#### Conclusion:

On a concluding note, it can be safely stated that make in India is an opportunity for everyone. It is a prospect, which if given time will flourish like a spring flower and would provide with the expected fruit. Beside this social institutions have to be modified in a right direction according to the need of the society nad these institutions are as important as economic development itself. Without fullfilling the needs of society there is no benefit of development.

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