Two Decades of Globalization in Uttar Pradesh and Increasing Problems and Challenges before Agricultural Workers

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Abstract
To overcome the financial crisis, occurred in 1980s, India had undertaken economic reform measures for economic growth towards reducing unemployment and poverty. In this period, decline of economic growth, Uttar Pradesh, had also experienced. Towards tackling the decline in agrarian economic growth, the state government, by trapping the opportunity of undertaken economic reform measures by the central government, had undertaken economic reform measures through formulating Industrial Policies 1998 and 2004. On the adopted pattern of the central government for achieving economic growth and development through designing pro-service sector (urban centric) economic reform measures (treating service sector as engine of economic growth and development), the state government had also made almost the same efforts. The economic growth was planned to be achieved through industrial and agricultural growth. Resultantly, state economy grew but with imbalanced growth in economic sectors. Now service sector is dominant over the economies of India and Uttar Pradesh. In the globalization period, economic reform has adversely affected growth and development of agriculture sector, which provides foods to State's 72 percent populations. Todate, agriculture sector is being characterized by low growth, low employment, low crop, low income and high inputs. The largest population of agricultural workers (landless families and small land holder families) has also got adversely affected. The policy discrimination with agriculture sector has widened the rural-urban and rich-poor divide. In result, agricultural workers are shifting from agricultural works to non-agricultural works. Today, they are facing problems and challenges, likes, inadequate and irregular employment days, inadequate wages, inadequate income, low bargaining power, poor access to social security scheme, etc. The post economic reform effects are also raising the questions on the achievement of objectives (reducing unemployment and poverty) of Industrial policies and advertisement of good governance and inclusive growth for all.
Keywords: Globalization, Shrinking Agricultural Growth, Indian Economy, Economic Growth, Imbalanced Growth, Agricultural Workers, Uttar Pradesh

In 1980s, India had faced the financial crisis. It was unable to conduct international trade smoothly due to deficit of foreign reserves. It was side effect of the previously highly regulated socialistic economic policies, adopted since independence. In the post-independence period, the import substitution industrial development policy (dominance of government over the economy) had affected the economic growth in 1980s. In result, annual growth rate of the economy had grown at the average of around 3.5 percent from 1950s to 1980s with average per capita income of 1.3 percent because of highly protection of Indian economy. The conservative Indian macro-economic policies were relying on the internal markets for economic development not on the international trade. In 1980s, the emerged situation of the balance of payment crisis had forced India to do complete overhauling of its economic policies and programmes. Since 1991, aiming the economy as fastest growing and globally competitive economy, on India's approach for financial assistance (hereby called the structural loan), on the terms and conditions of the International Monetary Fund and The World Bank, India had undertaken imposed structural changes or economic reform popularly known as "Globalization of the Economy". Through the economic reform, India had shifted from its traditional values of self reliance and socialistic policies of economic development to market led economic development, losing own control over its economy by handing over its economy to the markets.

1.1. Meaning of The Globalization

Globalization is described as a process of increasing economic integration and growing economic interdependence between the countries in world economy. It is linked with an increasing cross border movement of goods, services, capital, technology, information and people but also with an organisation of economic activities, which takes place in national boundaries. Globalization is also described as the integration of national economy with that of global economy. Through these types of economic reform process, reforms have been undertaken in Indian economy. Towards globalization of Indian economy, under taken measures include investment reforms, trade reforms, exchange rate reforms, fiscal consolidation, financial and banking reforms and industrial reforms. Investment reform includes, allowing entry of MNCs by scrapping restrictive laws like FERA and changing into FEMA, permitting Indian companies to collaborate with foreign companies in the form of joint ventures, liberalising inflow of foreign direct investment, incentives for MNCs and NRIs for investing in India, Expanding list of items for automatic approval of foreign equity. Trade reform includes, import liberalization (reduction of import tariffs, replacing import licenses with import tariffs, removing quantitative restrictions on imports), removing export subsidies, replacing licenses of exports with export duties, low flat tax on export income and decanalising oil and agricultural trade. Exchange rate reforms include, move towards flexible exchange rate (liberalized Exchange Rate Management System) and flexible Exchange Regime or managed float. Fiscal Consolidation includes, Reduce Fiscal Deficit, Reduction in Public Expenditure, Tax reforms: VAT and Income tax and Corporate taxes, and privatization, Financial And Banking Reforms include, allowing FIIs to invest in Indian Capital Market; allowing Indian companies to procure capital from foreign countries through "Euro Issues" and "Global Deposit Receipts" Is to invest in Indian Capital Market; allowing Mutual Funds to invest in foreign companies, Interest Rate to be market Determined, lowering SLR and CRR in banks and allowing private sector into banking, and Industrial Reforms include, de-Licensing; de-reservation; broad banding; and dilution of MRTP Act. After initiation of economic reform since 1991, intensive policy changes have been taken sofar and likely to continue in future. Through liberalization, privatization and globalization processes, socialistic economy has been transformed into capitalist economy. The doors of the public sector have been opened for private players and investments (including foreign and domestic). The focus of the economic reform process has mainly been centered mainly towards the service sectors treating as engine of economic growth and development ignoring rest two economic sectors.

As this paper gives focus on assessing impact of globalization on the agricultural workers in Uttar Pradesh, henceforth, before understanding the economic reform measures undertaken by The Government of Uttar Pradesh, it is necessary first to understand the adopted economic globalization process by the Central Government and their impacts. The central government's economic policies also affect the state 'economic policies.

1.2. Globalization of The Indian Economy and Its Impacts

With goals of reducing unemployment and poverty (existed in the large population) and enhancing wellbeing of the poor through strengthening economy, the process of globalization of the Indian economy was started since 1991. The series of economic reforms (popularly known as liberalization, privatization and globalization) were undertaken on the large scale with respect to industrial sector, trade as well as financial sector aimed at making the economy more efficient in the world. The major economic policy changes include devaluation of currency, dismantling of industrial licensing regime allowing foreign direct investment, opening of door of the public sector for private sector, abolition of Monopolistic and Restrictive Trade Practice Act, removal of quantitative restrictions on imports, reduction of export and import tariffs, wide ranging financial sector reforms etc. Though, economic reform policies were designed mainly for growth of service sector (treating as engine of India's economic growth), however, these policies had impacted all the economic sectors including agriculture sector. In twenty years of the economic reform, the given thrust on the opening of Indian economy for international markets and promoting private players (foreign and domestic) through liberalization, privatization and globalization of economy policies have made India as one of the fastest growing economy in the world. The remarkable growth of information technology has created

an atmosphere of optimism and has gained coined phrases, likes, Incredible India, India Shining and India 2020 around the end of the millennium. It is often considered as one of the major super powers. Now India's role has been seeing in world development .The economy of India has become the largest economy and stands on 3rd place in the world economy (PPP) in 2012. India's GDP has increased from Rs. 839 Billion 1990-91 to Rs. 1202 Billion in 2011-12. In the period from 2007 to 2011, growth

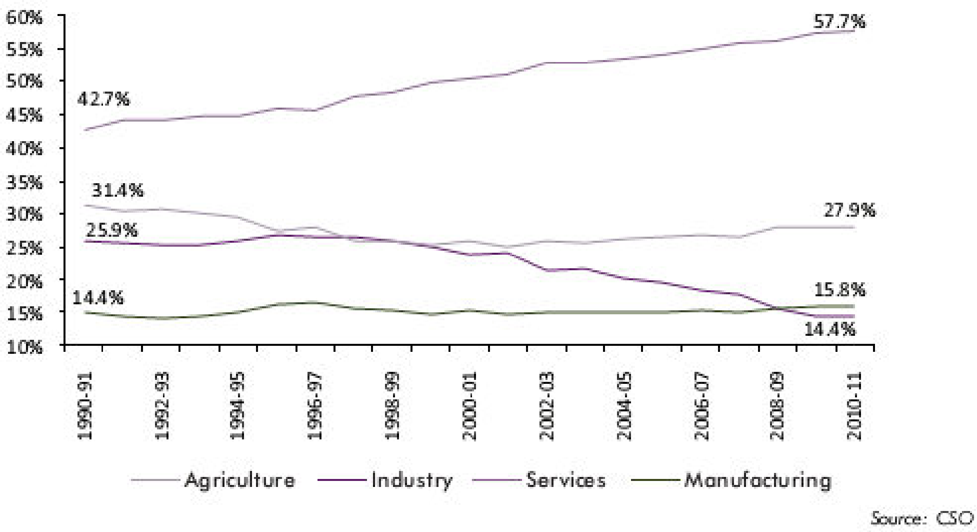
Table 1: India's Gross Domestic Products (INR Billion)

(At Factor Cost Base Year 2004-05)

	1980-81	1990-91	2002-01	2010-11	2011-12
India's GDP	692	839	1019	1186	1202

rate of India's GDP was at the second place after China. India's average annual growth rate was 7.68 percent while of China was 10.54 percent. In increase of India's gross domestic products, economic sectors mainly service sector has made significant contribution as clear from the Graph No.1. The graph clearly shows that in the period from 1990-91 to 2011-12, contribution of service sector to India

Graph 1: Economic Sector-wise Share in India's GDP



GDP has increased from 42.7 percent to 57.7 percent (increase of 15 percent) (around 62 percent in 2012-13) whereas contribution of agriculture GDP to India's GDP has drastically declined from 31.4 percent to 14.4 percent (decline of 17 percent) and contribution of manufacturing GDP has marginally increased from 14.4 percent to 15.8 percent (increase of 1.4 percent) whereas contribution of Industrial sector GDP has also marginally increased from 25.9 percent to 27.9 percent (increase of 2 percent). In the four economic sectors of Indian economy (actually 3 main economic sectors and manufacturing sector is part of industrial sector), highest increase and decrease in share of economic sectors GDP to India's GDP has been seen in service sector and agriculture sector respectively whereas marginal increase in share of manufacturing and industrial sectors. On the basis, increased share in India's GDP, the decreasing order of the economic sectors is as follows: service sector (15 percent), industrial sectors (2 percent), manufacturing sector (1.4 percent) and agriculture sector (-17

Table 2: Sectoral Growth Rate During Recent Five Year Plans

Economic Sectors	Eighth Plan (1992-96)	Ninth Plan (1997-2001)	Tenth Plan (2002-06)	Eleventh Plan (2007-12)
Agriculture	4.72	2.44	2.30	4.0
Industry	7.29	4.29	9.17	10-11
Service	7.28	7.87	9.30	9-11
India	6.54	5.52	7.74	9.0

percent). The comparison of five years plan-wise growth rate of economic sectors (Table No.2), indicates that growth rate of agriculture sector has been the worst in all the main economic sectors throughout the five years plans however, in eleventh five years plan, growth rate has improved marginally. In all the economic sectors, the growth rate of only one sector, which is service sector, has continuously increased whereas growth rate of industrial sector, which was almost equal to the service sector in eight plan, has initially declined in ninth plan but later sharply increased to the level of service sector and higher than of India's growth rate too. In the period of two decades of economic reform, India's GDP has increased at the growth rate of 6.54 percent in eighth plan to 9.0 percent in eleventh plan. Though plan-wise growth rate presents a good picture of economic sectors (except agriculture) and India's too however, comparison of annual growth rates of economic sectors presents real picture (as presented by Graph No.1). The Table No.3 indicates that growth rate of all economic sectors has initially increased from 1990-91 to 2007-08 and thereafter declined in 2012-13. In term of

Table 3: Growth Rate of Economic Sectors

(In percentage)

Economic Sectors	1990-91	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Agriculture	3.82	5.8	.1	.8	7.9	3.6	1.8
Industrial	6.15	9.7	4.4	9.2	9.2	3.5	3.1
Service	7.06	10.3	10	10.5	9.8	8.2	6.6
India	6.18	9.3	6.7	8.6	9.3	6.2	5.0

Source: Various sources and growth rate after 2007-08 at constant prices (2004-05) growth rate, the status of agriculture sector is also worst. The comparative analysis of contribution of economic sectors to India's GDP and their growth rates indicate that in agriculture based economy, during economic reform, agriculture sector (feeding 65 percent of the population, making India a food sufficient country and contributing in the national income), is the foremost and worst affected economic sector and after it, the manufacturing and industrial sectors are. In other words, service sector has dominated agriculture and industrial sectors and resulted imbalanced growth of economic sectors has created many problems and challenges. The decline of share of agriculture GDP also indicates that non-agricultural sectors are only growing. The design of economic reform policies favouring mainly service sector (treating as engine of economic growth and development) is the key factor behind the imbalanced growth of economic sectors. In the service sector, with aim of increasing investment for economic growth, the dominance of public sector was curtailed down by promoting private players (foreign and domestic) through economic policy changes. The continuous and large numbers of policy changes and promotion of private sector have resulted in higher growth in the service sector, due to mainly growth in sub-service sectors of information technology, communication and business service. In comparison of other two economic sectors, higher foreign direct investment in the service sector is another reason of growth of service sector. Whereas, in the industrial sector, growth has occurred because of undertaken major reforms include, setting aside of import substitution industrial development policy, de-licensing, opening of public sector for private players and their promotion, infrastructural development and special packages and incentives etc. The liberalization of industrial policy in the joint collaboration of supplementary reform measures had initially resulted in increase of both export and import. But, effective dismantling of protection in 2000 had resulted in much higher growth of value of imports than value of exports of manufacturing products. In result, growth of industrial sector is adversely affected. Thus, in twenty years of economic reform, growth rate of manufacturing goods and share of manufacturing goods in total exported commodities have declined. Also, in the world export, share of India's export could not increase at large. The dependency of India's export on imported manufacturing goods (raw materials) makes the India's economy vulnerable to the international politics and limits the growth of industrial sector too. Behind the relative poor growth of the manufacturing sector, other reasons include, poor planning and lack of co-ordination amongst various stakeholders, remained higher protection and protection in many other forms (non-tariff barriers, quantitative restrictions, licensing regime and selective protection), lack of major policy in labour regulations, labour intensive sub-sectors, high tariff on specially intermediate and consumable durables, crumbling infrastructure, slow progress in financial sector, shortage of skilled and semiskilled manpower, poor governance, etc.

Behind the poorest status of agricultural sector during economic reform, major responsible reasons are; lack of direct focus of economic reform on agricultural development and assumption of positive impact of economic reform on the agricultural growth and development though promoting agricultural trade (after implementation of the World Trade Organization Agreement on Agriculture in 1995 due to exchange rate policy and improvement in trade). These undertaken policy changes, before agriculture, resulted in severe and acute problems and challenges likes, deceleration in output growth, almost zero growth in employment in agriculture, etc. For enabling agriculture sector to face these problems and challenges, after facing all over huge criticism, under the all-around pressure, after 10 years of initiation of economic reform, first National Agriculture Policy in 2000 was formulated. To fill-up the gaps of plan and strategies n the National Agriculture Policy 2000, later various agricultural schemes and programmes (increasing financial allocation) were implemented for agricultural growth and development with aims of increasing employment, poverty eradication and ensuring food security. In addition to it, looking at declining trend of public investment, for promoting private investment in agricultural development and growth, adopted two major policy measures include, allowing foreign direct investment in agriculture sector and amendment in The Agricultural Produce Marketing Committee Act for opening door of contract farming and setting up of multi-stakeholders' committee. In result, the share of private investment has marginally increased but private players are not more interested in investing in agriculture sector due to inadequate economic policy reform. In this period, economic reform of agricultural trade has led to sharp increase in volumes of both export and import. However, in last 20 years of economic reform, the percentage of agricultural export to total export has declined and percentage of agricultural import to the total import has increased. The decline in agricultural export and increase in agricultural import have adversely affected agriculture sector and its dependents too. Overall, in two decades, agricultural growth and development are hampered because of policy reasons. In two decades, in this sector, employment growth has declined significantly.

Overall, in two decades of economic reform, growth in the Indian economy is occurred mainly due to remarkable registered growth in the service sector. The stagnant growth of industrial and manufacturing sectors have significant contribution in the economy. Though agriculture sector could not perform as it could have done but it has not lost its importance as it still provides employment to 65 percent of population and significant contribution in the national economy. Thus, globalization of economy has brought both positive and negative changes. One side, Indian economy is gaining appreciation because of; controlling 45 percent of the global outsourcing market (with an estimated income of USD 50 Billion), increase of national gross domestic product (at constant USD 2000) from Rs.2733.71 Crores in 1991 to Rs. 9714.86 Crores, growth of gross domestic products at the average rate of 7.51 percent per annum from 2007-08 to 2012-13, increase of cumulative foreign direct investment from USD 140 million in 1990 to USD $36 billion (increased by more than 250 times in the past 20 years), increase of export from USD 18 billion to USD 178 billion in 2012, increase of per capita income from Rs.11,535 in 1990-91 to Rs.41,129 in 2010-11, increase of forex reserves from USD 5.8 billion in 1991 to USD 279 billion in 2012, etc. Thus, India has also made remarkable progress in many areas apart from economic sectors. It has also increased expenditure on social welfare from 5.5 percent of Gross Domestic Products in 2008 to 7.1 percent of Gross Domestic Products in 2013. In result, poverty rate has declined from 65 percent in 1970-71 to 35 percent in 2010-11. At the same time, India is also being blamed for marking negative changes, likes, increase of fiscal deficit, current account deficits and short term external debt, declining growth rate of gross domestic products in recent years (mainly after 2007-08), imbalanced growth in economic sectors, relatively low agricultural growth rate, low-quality employment, poor education, inadequate health care services, rural-urban divide, social inequalities, widen gap between rich and poor, and regional disparities, corruption, poor governance, etc. The poor status of India on these indicators raises questions on India's economic reform agenda and economic empowerment. In two decades of economic reform, the occurred progress of Indian economy and goals of economic reform are completely mismatched. Further, India's economic growth has primarily been driven by the growth in service sectors (for mainly urban development and rich people) in result, rest economic sectors have not grown uniformly. The reach of share of service sector in the national gross domestic product to around 60 percent in 1012, raises the question on the policy and performance of rest two economic sectors. The widening gap between rich and poor is due to discrimination with rural economy and agricultural sector.

1. 3. Globalization of Uttar Pradesh's Economy and Its Impacts

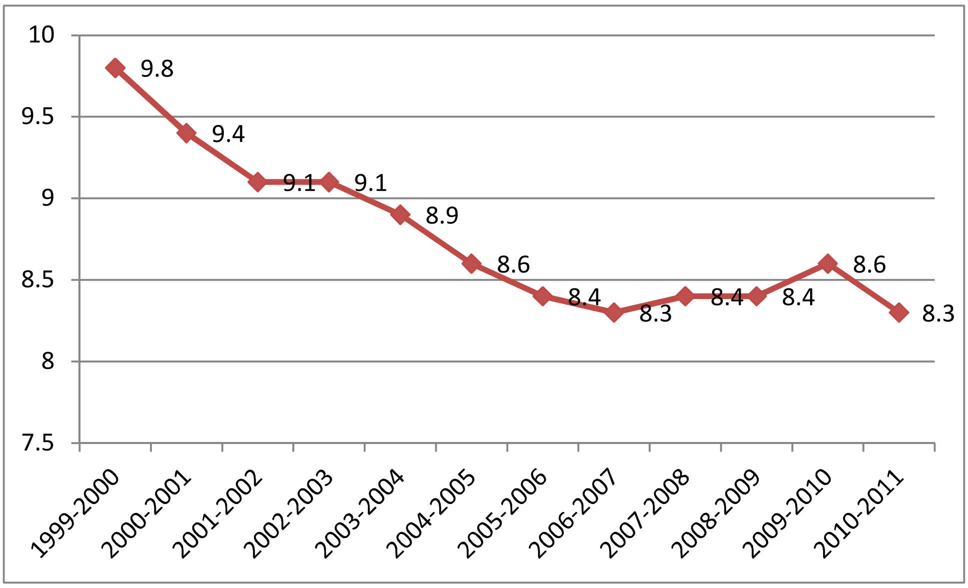
In Uttar Pradesh, before the start of economic reform, in the sixth five years plan (1980-85), the economic growth of Uttar Pradesh and its all economic sectors was all time highest but later from the seventh five years plan (1985-90), growth rate of economy of the Uttar Pradesh and its economic sectors had declined. In other words, similar to India's declining economic growth, declining of economic growth of Uttar Pradesh had also occurred. In this situation, economic reform measures, initiated by India, had brought a good opportunity before the Uttar Pradesh to improve economic growth and development. Unfortunately, because of several reasons, economic reform measures were undertaken in Uttar Pradesh after seven years since 1998-99. With aims of reducing unemployment and poverty by achieving economic growth through industrialization and agricultural growth, the economic reform measures were initiated. In 1998, by formulating The Industrial Policy 1998, on a small scale, economic reform measures were undertaken. But, series of economic reforms were undertaken mainly onwards 2007, after formulation of the Uttar Pradesh Industrial Policies and Service Sector Policy 2004. On the pattern of India's given more preference to the service sector, Uttar Pradesh had also followed the same roadmap with one key addition (i.e. economic development through also agricultural growth with promoting agro based and food processing industries). These two industrial policies are the foundation of all economic development measures, taken after their formulation towards reforming all the economic sectors. For achieving industrial development and economic growth, the economic policies had given focus mainly on providing an attractive base to the private sector and investors for setting-up industries and investments. To achieve the policy targets, the adopted strategies include, development of infrastructural facilities and industrial corridors, arrangement of financial and fiscal packages, institutional set-ups and changes, establishment of infrastructural initiative fund and industrial infrastructural development funds, development of special economic zones, rejuvenation of sick industries, rationalization of taxes, reduction of import and export taxes, incentives for promoting export, information technology parks and special economic zones, bio-tech parks, integrated agro/food processing zones, industrial clusters, export promotional industrial parks, integrated industrial township, etc. The created industrial base has been helpful in contributing in the development of all the economic sectors mainly service sector as similar to India's service sector. The economic policies, prepared in the capacity of the federal government, also affected the economic sectors of the Indian states including of Uttar Pradesh.

In the last two decades of economic reform, economic policy changes has resulted in economic growth and development of Uttar Pradesh. Being, one of agrarian states known as "The Food Basket of India" it has experienced a gradual shift to high-tech industries and service sectors. It has now become one of the fastest Indian developing states and top domestic investment destination in India.

A term "Rainbow Land" has also been coined for Uttar Pradesh. It is the second largest economy in India after Maharashtra. In the period from 1999-2000 to 2010-2011, the GDP of Uttar Pradesh has increased from Rs. 175159 Crores to Rs.595055 Crores (increase of 41.71 percent) whereas India's GDP has increased by 300.69 percent. In this period, share of GDP of Uttar Pradesh into India's GDP has declined from 9.8 percent to 8.3 percent. The decline of share of Uttar Pradesh to India's Total Income indicates that other Indian states are performing better than Uttar Pradesh. In the period from 1994-95 to 2003-04, state GDP had grown at the annual rate of 3.86 percent and after formulation of state Industrial policy 2004, the growth rate was started improving.

In the period from 2005-06 to 2010-11, the average annual rate of India was 8.65 percent whereas average annual growth rate of

Graph 2 : Contribution of Uttar Pradesh in India's Total Income (In Percentage)



Uttar Pradesh was 7.15 percent. This comparison of growth rate of gross domestic products indicates that Uttar Pradesh has lagged in increasing its economic growth and development. It is also seen that GDP of Uttar Pradesh has initially increased from 5.58 percent in 1991 to 8.1 percent in 2006-07 (all time highest) but later declined gradually to 6 percent in 2011-12. During the period from 1994-95 to 2011-12, growth rate

Table 4: Economic Sectoral Growth Rate in Uttar Pradesh

Year	Agriculture Sector	Industrial Sector	Service Sector	Uttar Pradesh
1994-95	2.9	17.3	3.6	5.8
1998-99	3.3	-0.5	3.9	2.8
2002-03	-5.1	5.0	2.8	3.0
2008-09	4.2	0.8	11.7	7.0
2011-12	4.4	3.7	7.8	6.0

of all the sectors has fluctuated but worst change can be seen in agriculture and industrial sectors. Along-with decline in share of State GDP in India's GDP, decline in share of agriculture GDP to Uttar Pradesh GDP has also been seen (Table No-6). The share of agriculture GDP has declined

Table 5: Economic Sectoral Distribution of Uttar Pradesh's GDP (In Percentage)

Year	Agriculture and Allied Sectors	Industrial Sector	Service Sectors
1994-95	38.80	19.20	42.00
1998-99	36.10	19.00	44.90
2002-03	34.70	17.90	47.50
2007-08	27.73	24.96	47.31
2011-12	28.84	21.39	49.77

gradually from 38.8 percent in 1994-95 to 28.84 percent in 2011-12 (declined of 9.96 percent). In the period from 2005-06 to 2011-12, in agriculture sector, particularly share of agriculture GDP has increased from Rs.70167.10 Crores to Rs.171902.43 Crores (increase of 144.99 percent) whereas its growth rate has increased from 2.3 percent to 4.7 percent (increase of 2.4 percent) with an average annual growth rate of 3.02 percent. In the rest two industrial and service economic sectors, share of their GDP to State GDP has increased but largest increase in service sector (7.77 percent) is seen. The share of Industrial sector GDP has declined from 19.20 percent in 1994-05 to 17.90 percent in 2002-03 and later increased to 24.96 percent in 2007-08 but further decreased to 21.39 percent. Overall, the share of industrial sector GDP to State's GDP has increased by 2.19 percent. Thus, in two decades of economic reform, agriculture growth and development has been adversely affected.

In comparison of industrial and agriculture sectors, more growth in service sector has occurred mainly due to growth of its sub-sectors of information technology, education, hospitals, cinema halls and multiplexes, shopping malls, and entertainment driven by various fiscal incentives and promotion of private sectors (foreign and domestic). In result, Uttar Pradesh has emerged as a key hub for information technology and information technological industries, including software, captive business process outsourcing (BPO) and electronics. Todate, the economy of Uttar Pradesh is dominated by service sector because of consideration of service sector as engine of state's economic growth and development, made available all policy supports and getting role of private players (for foreign and domestic investments) including largest foreign direct investment. Uttar Pradesh, known for being the leader in the industrial development area, during economic reform period, could not accelerate its industrial growth due to the major reasons, likes, inadequate and low infrastructure, lack of planned industrial development, low investment, etc. However, after economic reform initiation, industrial sector with ups and downs has performed well after service sector. The industrial growth is occurred due to created attractive base for private sector and investors for setting up industries and investments with key focus on development of small medium and large industries, trade and commerce sectors. In the recent years, industrial growth is driven by growth in manufacturing and construction sectors due to increase in capital investment and implementation of micro, small, medium and heavy industries and khadi and village industries. Regarding decline in growth of agriculture sector, noticeable thing is that despite aim of improving agricultural growth in the Industrial Policy 1998, lacked direct focus on and assumption of - improving agricultural growth through promoting agricultural trade and setting-up of food and agro based processing industries, resulted in decline in agriculture sector. However, for improving agricultural growth and development, a state Agricultural Policy 2005 was formulated giving thrust on seven key areas. In situation of declining public investment, for increasing investment in agriculture, private sectors have been promoted to invest in agro-based and food processing industries. In recent years, agricultural growth is seen due to growth in its sub-sectors dairy, horticulture, fishery, vegetables, sugar, and animal meats. In result, now, Uttar Pradesh, being a leading agricultural state, is amongst the top producers of major agricultural products (including wheat, rice and sugarcane) and is also one of the major agri - exporting states. Overall growth of agriculture sector has declined and employment generation has also reduced. With very high agricultural yield, in last 10 years; remain stagnant food grain production is an issue of concern. Despite it, agriculture has not lost its importance and still is one of the most significant sectors of the economy, which provides livelihood to its 2/3rd of the workforce.

In the last two decades of economic reform, Uttar Pradesh has also experienced some major positive changes. Its 7.04 percent average annual growth rate of state gross domestic products during 2006-07 to 2011-12 was occurred in the time when Indian economy had experienced adverse effect of the global recession. As per Annual Survey of Industries 2008-09, Uttar Pradesh was the highest contributor to the industrial output amongst the northern Indian states. Furthermore, it has been one of the five states including Bihar, Chhattisgarh, Punjab, Maharashtra, those have registered growth rates higher than their respective targets set for the 11th Five Year Plan period (2007–12) sofar. Despite its best efforts for attracting industrialist and investment in comparison of other states, it has not been much successful. In last few years, investment proposals and investments have declined. However, power and service sectors, being prominent sectors, have attracted major investment. The declining investments and imbalanced investment in the economic sectors have adversely resulted in imbalanced growth of economic sectors. Resultantly, Uttar Pradesh is lagging behind in many economic and social indices. In twenty years of economic reform, negatives changes include, decline in growth of gross domestic products of all the economic sectors, imbalanced growth of economic sectors, low and imbalanced investment in economic sectors, continued poor per capita income, widening gap between rich and poor and urban and rural, reduction of agricultural employment, income inequality, food crisis, etc.

1.4. Definition of Agricultural Workers

In Uttar Pradesh, 75 percent of working population is engaged in agriculture for their livelihood and survival. Agricultural workers, being in majority of the agricultural workforce and majorly representing backward and scheduled caste categories, work in the agricultural field of landlords. The works of agricultural workers are carried out by the members of both landless families and small farm holding families. The Census 2001 defines agricultural worker as "a person who works on another person's land for wages in money or kind or share is regarded as an agricultural labourer. (S)he has no risk in the cultivation, but merely works on another person's land for wages. An agricultural labourer has no right of lease or contract on land on which (s) he works". According to the National Commission on Worker "an agricultural worker is one, who is basically unskilled and unorganized and has little for its livelihood, other than personal worker." Thus, persons whose main source of income is wage, employment fall in this category. Mishra and Puri have stated that "All those persons who derive a major part of their income as payment for work performed on the farms of others can be designated as agricultural workers. For a major part of the year, they should work on the land of the others on wages." Agricultural workers can be divided into four categories –

1. Landless Workers, who are attached to the land lords;
2. Landless workers, who are personally independent, but who work exclusively for others;
3. Petty farmers with tiny bits of land who devote most of their time working for others and
4. Farmers who have economic holdings but who have one or more of their sons and dependants working for other prosperous farmers.

The first group of workers has been more or less in the position of serfs or slaves; they are also known as bonded workers. Agricultural workers can also be divided on the basis of (1) Landless agricultural workers and (2) Very small cultivators, whose main source of earnings due to their small and sub-marginal holdings is wage employment. Landless workers in-turn can be classified into two broad categories: Permanent Workers attached to cultivating households and Casual Workers. The Casual Workers can again be divided into three subgroups: (i) Cultivators, (ii) Share croppers and (iii) Lease holders. The permanent or attached workers generally work on annual or seasonal basis and they work on some sort of contract. Their wages are determined by custom or tradition. On the other hand temporary or casual workers are engaged only during peak period for work. Their employment is temporary and they are paid at the market rate. They are not attached to any landlords. Under second group comes small farmers, who possess very little land and therefore, has to devote most of their time working on the lands of others as workers. Share croppers are those who, while sharing the produce of the land for their work, also work as workers. Tenants are those who not only work on the leased land but also work as workers. Rural women form the most important productive work force in the Indian economy. The women workers also face discrimination in wage payment, atrocities at work places etc. The adverse conditions like double workload (domestic and wage labor), chemical farming practices, hectic physical works disturb their physical and mental conditions.

1.5. Impact of Economic Reform on Agricultural Workers

In India, mainly from initiation of economic reform since 1991, economic policies have shifted their focus from agriculture sector to service sector (as service sector is recognized as engine of economic growth and development in India) and trade including agricultural trade (hoping for contribution in the growth and development of agriculture sector). In result, overall growth of agricultural sector and its contribution in the rural economy has declined due to various reasons. The economic reform has exacerbated adverse effects of the green revolution technologies, agriculture experiences already. The factors likes, increasing cost of cultivation, inadequate agricultural price against investment, interference of multinational companies and control over agricultural inputs, ineffective crop insurance etc, have made agriculture a profitless occupation. These factors in association with other factors, likes, use of farm machines and chemicals, mono-cropping pattern, doing jobs of agricultural workers by the family members of small farmers etc, have resulted in decline in employment in agriculture sector. The lack of employment opportunities and inadequate wages in agriculture and rural areas, have forced the agricultural workers to move towards non-agriculture sectors in urban areas (which are recognized as the centre of economic growth and development of the nation). Though number of agricultural workers is increased but there is shift of agricultural workers into non-agricultural workers. In situation of low income from agricultural wages and increasing cost of living and maintaining socio-economic life, remittances, earned during migration, plays significant role at some extent in the management of the household affairs. Thus, agricultural workers face various problems, likes, unemployment, low and inadequate income, debt, food crisis, hunger, malnutrition, poor housing and sanitation conditions, poor health, poor access to government schemes and programmes, low bargaining problems with land owners and secure good wages, low caste and depressed classes, lack of information about modernization in agriculture etc. The resulted poor socio-economic status of agricultural workers have also many other repercussions. The agricultural workers, round the year, are engaged in meeting the food requirements for their survival. Overall, the socio-economic status of agricultural workers is not good during the economic reform period. They are out of mainstream of the development policies and ambit of inclusive growth for all. The decline or stagnant expenditure in social sectors and drying agriculture are failing to eradicate poverty and enhancing wellbeing of the people including agricultural workers. That is why Uttar Pradesh has highest contribution into India’s total poor (21.3 percent).

Conclusively, bright side of two decades of urban centric globalization of economy cannot hide its dark side, what the rural and poor people are experiencing. The emerging challenges and problems before agriculture and its dependents (farmers and agricultural workers) are raising the question on the objectives of economic reform policies. The government claims of ensuring good governance and inclusive growth for all are teasing the populations, victimized by the economic policies initiated under the pressure of few international financial institutions; those serve the purposes of only few international counties not of the developing and poor countries. The economic reform – only widening gap between rich and poor and urban and rural- needs to be evaluated now on urgent basis as economic growth is not just an economic agent of change; it is also an agent of social change**.**

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