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Land Management and Industrial Development in Tamil Nadu¹

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- *This paper addresses a central research question of how socio-political factors explain a high level of land acquisition in Tamil Nadu that is coupled with intensive industrialization.*
- *It answers the question by paying attention to the ideas of policymakers on inclusive industrial schemes and societal structure presenting the upward mobility of low caste groups in both political and economic spheres in the state.*
- *It argues that the state's commitment to land making and industry making has met the needs of citizens favoring urbanization, thereby contributed to industrial development. Fieldwork findings collated from a bargaining process between the state, society, and foreign capital for land acquisition at a special economic zone for a tire-manufacturing foreign company strongly support the argument.*

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- *It particularly stresses the significant role of bureaucratic elites who are proficient at dealing with land acquisition with knowledge and efficiency. The bureaucratic efficiency increases the capacity of the state in making industrial development transferrable.*

Introduction

Tamil Nadu is the most urbanized state in India with 48.45% of its population living in urban areas.³ The highest level of urbanization is commensurate with the state's commitment to industrialization. The state's aggressive land acquisition for industrialization supports it. As of February 2016, numbering at 36, Tamil Nadu has the largest number of operational special economic zones (SEZs) among many provincial states in India.⁴ Building SEZs primarily aims at promoting growth through a massive flow of foreign and domestic investment into the SEZs, particularly in infrastructure and productive capacity.⁵ It is also expected to generate additional economic activities, like the creation of employment opportunities. Such aims are clearly stipulated in the Tamil Nadu's Industrial Policy 2007, which promotes manufacturing capacity to meet global manufacturing competence.⁶

As such, the higher level of land acquisition in Tamil Nadu poses a question of 'how', particularly in its relations with socio-political facilitators, compared with other states that have struggled with land management for industrialization. How do socio-political factors explain a high level of land acquisition that is coupled with intensive industrialization in Tamil Nadu? This paper attempts to answer the question by paying attention to the ideas of policymakers on inclusive industrial schemes and societal structure presenting the upward mobility of low caste

³ The data is based on the ratio of population in urban areas to total population in Tamil Nadu measured for the Census 2011. See the Government of India (2011), "Selected Socio-Economic Statistics", Ministry of Statistics and Programme Implementation. The data is available at http://mospi.nic.in/mospi_new/upload/sel_socio_eco_stats_ind_2001_28oct11.pdf (accessed on 28 September 2015). Tamil Nadu is followed by Kerala (47.72%) and Maharashtra (45.23%).

⁴ See the Government of India (2016), "State-wise Distribution of Approved SEZs", Ministry of Commerce and Industry. The data is available at <http://www.sezindia.nic.in/writereaddata/pdf/StatewiseDistribution-SEZ.pdf> (accessed on 25 February 2016). Karnataka (26), Telangana (26), and Maharashtra (25) are following Tamil Nadu.

⁵ See the official website of Special Economic Zones in India run by the Government of India. It is available at <http://sezindia.nic.in/about-introduction.asp> (accessed on 28 September 2015).

⁶ See the Government of Tamil Nadu (2007), "The Industrial Policy 2007", Industries Department. The data is available at http://www.tidco.com/images/industrialpolicy_e_2007.pdf (accessed on 28 September 2015).

groups in the state. It argues that the state's commitment to creating industries by aggressively developing industrial land has met the aspirations and needs of citizens favoring urbanization, thereby contributing to industrial development.

The paper consists of two parts. The first part explores the political economy of Tamil Nadu in managing land for industrialization by tracing the ideas of policymakers toward land and analyzing the societal structure of the state supporting the state-led industrialization. The second part discusses how the state and society in Tamil Nadu bargain over the land conflicts where the large-scale investment projects are involved. It deals with a case study conducted in the village of Thervoy Kandigai, in the district of Thiruvallur, where a French tyre company proposed 3 million units of tyre production per annum within one of the SEZs. Data was collected from December 2011 to March 2012 during fieldwork and a short revisit in August 2013.

Political Economy of Managing Lands for Industrialization

Ideas for Industrialization and Land Management in the Bipartisan Leadership

In the 1970s, the DMK government showed greater initiative in transforming its economy by establishing state agencies for industrialization. For example, the Tamil Nadu Small Industries Development Corporation Limited (SIDCO) and the State Industries Promotion Corporation of Tamil Nadu (SIPCOT) were established to promote industrial development. These organizations, interestingly, later played important roles in supporting various foreign investment projects in the state, especially after the economic reforms of the central government in 1991. SIDCO was incorporated in 1970 with the specific objective of playing a catalytic role in the promotion and development of micro and small industries,⁷ while SIPCOT was built in 1971 to encourage the participation of big businesses and the private sector (GOTN, 1971: 11). SIPCOT has established, developed, maintained and managed industrial complexes and SEZs in 12 districts of the state since then, by acquiring land for domestic and foreign investors.⁸ The Tamil Nadu Industrial Development Corporation (TIDCO) also began to

⁷ See the official website of SIDCO. Available at <http://www.sidco.tn.nic.in/rti.pdf> (accessed on 23 February, 2013).

⁸ See the official website of SIPCOT. Available at <http://www.sipcot.com> (accessed on 29 September, 2015).

operate actively in the 1970s after it was founded in 1965. TIDCO has been supporting large and medium-scale industries by cooperating with the activities of SIPCOT.

The DMK government under M Karunanidhi's leadership strongly supported the enhancement of the state agencies. In the Budget Speech in 1975, Karunanidhi, the Chief Minister of Tamil Nadu at that time, appreciated their performance as follows:

In the last four years, TIDCO has initiated 37 projects which are designed to cover the gaps in our industrial structure in petrochemicals, pharmaceuticals, chemicals, engineering and other industries. ... The SIDCO will take up a program for the construction of 100 industrial sheds at a total cost of 1 crore rupees in 1975-76. A provision of Rs.20 lakhs as margin money has been made for this purpose in the Budget. ... The SIPCOT has sanctioned assistance to the tune of Rs.9.8 crore under various schemes and has canalized a total investment of 73 crore rupees with direct employment potential for over 12,800 persons. (GOTN, 1975: 12-13).

As can be seen in Table 1, Tamil Nadu presented a dramatic increase in its growth rate from 1960 to 1980. The Net State Domestic Product (NSDP) per capita in Tamil Nadu from 1970 to 1980 was sixteen times more than that from 1960 to 1970. Table 1 presents the trends of growth rates from 1960 to 1980 in some select states like Karnataka and Delhi that performed well. Tamil Nadu's NSDP during the period is under India's national average. However, it is remarkable that Tamil Nadu's NSDP per capita in the same period rose quickly. The rapid increase in the growth rate of the state, particularly in the 1970s, needs to be understood in the context of the industrialization that both the DMK and the AIADMK leaders pursued.⁹

⁹ DMK leaders initiated the Public Distribution System after the 1967 election. AIADMK government in the 1980s implemented massive welfare programs for schoolchildren, villagers, and the weaker section of society.

Table 1: Trends of Growth Rates in the Select States (1960-80)

States	Net State Domestic Product (NSDP)		Net State Domestic Product (NSDP) per capita	
	1960-61 to 1969-70	1970-71 to 1979-80	1960-61 to 1969-70	1970-71 to 1979-80
Karnataka	3.4	4.3	1.2	1.8
Delhi	5.1	6.2	0.7	1.7
Tamil Nadu	2.1	3.4	0.1	1.6
All India	3.0	3.6	0.8	1.2

Source: Central Statistical Organization. Cited in Government of India (2002: 35).

The economic growth of Tamil Nadu has been substantially contributed to by the private sector in the industry through its close ties with the state.¹⁰ The state leaders' ideas on industrialization by establishing close ties with the private sector has gradually evolved since 1967 in Tamil Nadu.

This argument challenges a perspective that the year 1967 was the beginning of the decline of economic growth in the industrial trajectory of Tamil Nadu. Sinha (2005) noted that Tamil Nadu in this period neglected growth-oriented industrial policies and the DMK government merely asserted cultural populism by failing to connect welfare schemes with the state's economic growth until the central government's economic reforms in 1991. As a significant factor that contributed to the failure of industrial growth, Sinha pointed to the political conflicts between the DMK and the Congress party. It is true that the election victory of the DMK under C.N. Annadurai's leadership in 1967 involved frequent political conflicts with the Congress party both at the union and the state levels. However, Sinha's analysis overlooks the ideas of DMK leaders on industrialization and the detailed institutional arrangements that were implemented for industrial growth.

I, instead, would say that such political conflicts between the DMK and the Congress party were extended to financial matters and encouraged the state leaders in Tamil Nadu to pursue industrialization by resorting to the private sector.¹¹ It is not obvious how much they depended

¹⁰ It would be possible to say that Tamil Nadu is a developmental state in this sense. For the discussion on the classification of Indian provincial states, see Kohli (2012). Kohli did not include the state of Tamil Nadu in the category of developmental state. Instead, Kohli indicated Gujarat and Maharashtra as developmental states in India.

¹¹ V R Nedunchezhiyan who served as the Finance Minister of Tamil Nadu from the AIADMK in the 1980s pointed out that the substantial curtailing of financial assistance from the central government toward Tamil Nadu was not simply because of the central government's poor finances (see GOTN, 1980). Nedunchezhiyan's

on open market loans and commercial borrowings. However, the state not only utilized external financial aid from international organizations like the World Bank, but also encouraged exports to get out of its financial difficulties.

In the process of industrialization, the ideas of political leaders were reflected in inclusive industrial schemes. They include land distribution, employment and the enhancement of vocational education. For example, many parcels of forestland were distributed to the landless poor from 1967 while the state secured lands for industrialization (GOTN, 1971: 20-21). Through the land distribution, urban landowners who lived in the city of Madras, in particular, had to pay increased taxes while small landholders were exempted from the tax increase (GOTN, 1971: 29).

Kosalram (1973) observed the revolutionary characteristics of the land reforms that was led by the DMK government at that time and highlighted that the Land Ceiling Act of 1961 was modified in 1971 and amended five times after then. As he put it: “the Government of Tamil Nadu shows the progress made in the assignment of surplus land. [It] has persuaded the landlords to offer concessions to the times (Kosalram, 1973: 13).”

A bureaucratic elite in the Land Reform Department at the Government of Tamil Nadu agreed with the perspective that the 1970s were a critical period for land reforms in the state. He said: “The land reform amendment in 1972 reflected the leaders’ ideas on the utilization of lands for industrial purposes. Lots of surplus lands were not only assigned to the poor but also commercialized with the purpose of selling to the private investors. Also, any public trust having aims to establish educational institutes or hospitals could easily purchase the land through the land reforms amendment.”¹²

State’s Commitment to Land Allocation and Upward Mobility Societal Structure

The ideas on industrialization were substantially materialized by making land available for industrial purposes in Tamil Nadu after the central government’s economic reforms in 1991.

remarks contain the connotation of political conflicts between the union government and Tamil Nadu that influenced the lack of Tamil Nadu’s financial security.

¹² Interview at the Government of Tamil Nadu in Chennai on 21 November, 2012.

For example, the Tamil Nadu Land Reforms (Amendment) Bill was enacted in 1991 aiming for retrieving *benami* [illegal] land and distributing them to the landless poor (GOI, 1994). The political leaders of the state thought that the speedy execution of land reforms was critical for securing more land for industrialization and strengthening the economy. Indicating Jayalalithaa Jayaram who led the land reforms at that time, a Member of Parliament from the AIADMK mentioned: “*Purachi Thalaivi* [revolutionary leader] has taken this commendable step to retrieve benami land from illegal holdings and to distribute them to the landless poor in the true spirit of land to the tiller (GOI, 1994: 375).”

The land reforms benefited citizens both in cities and in rural areas. Lindberg et al. (2011) also presented the positive effects of the land reforms in the rural areas of the state.¹³ Through a case study of six villages in the Kaveri Delta in the Tiruchirappalli district of the state, they highlighted that the land reforms and industrialization have contributed to the increase in total income and more equal distribution of assets and income in the villages.

The land reforms helped the state promote foreign investments. In the process of the reforms, the Tamil Nadu Urban Land Bill was amended in 1992 to increase the tax on landowners in urban areas. The Acquisition of Land for Industrial Purposes Act was also enacted in 1997 in the context of the revision of the Industrial Act in the same year, reflecting the state leaders’ ideas on the utilization of land for industrial growth. These Acts considerably helped the state enhance the roles of SIPCOT to acquire land for industrial purposes especially in urban areas.¹⁴ Supported by such institutional arrangements, SIPCOT was able to allocate land actively to both domestic and foreign investors in India who entered the market in the state. In an interview, C. Ponnaiyan, a former Finance Minister of the state, pointed to aggressive and efficient roles of SIPCOT. He said: “I think our state does not need to worry about land acquisition for the next 15 years as we have already acquired enough land for building various industrial complexes.”¹⁵

SIPCOT has closely cooperated with TIDCO, which is another state agency that attracts joint ventures, to establish various industrial complexes and SEZs in several districts of the state.

¹³ Informal discussion with Lindberg in New Delhi on 14 December 2011. See also Djurfeldt et al. (2008) for the study on villagers’ mobility at the same villages in Tiruchirappalli.

¹⁴ Interview with Jatindranath Swain, Principal Secretary of the Land Administration Department in the Government of Tamil Nadu on 21 November 2012.

¹⁵ Interview in Chennai on 31 January 2012.

An executive vice-chairman of the Industrial Guidance and Export Promotion Bureau (GUIDANCE) in TIDCO, who has participated in promoting FDI inflows for the past 22 years, pointed to the strong support from the state government and the coherent ideas of political leaders from the different ruling parties as the most important factor that has boosted FDI inflows.¹⁶ He said: “The government support is very important to promote investments. The commitment of the government to creating relevant policies and incentives is necessary. In the system of democracy, the government (ruling party) keeps changing. An election keeps coming and after five years the government changes. But, industrial development plan needs 40 or 50 years, it does not respect this change of governments. The successful government should keep the promises of the previous government in pursuing such investment projects continuously. This is business, not politics [for economic growth]. Both the DMK and the AIADMK governments consider the investment projects as significant for the industry, so the successive government has honored such industrial promises of previous government. In addition, both governments have tried not to create any social displacement while investment projects are embarked upon through financial and infrastructural compensation.”

He also mentioned that besides the regular weekly meetings of a project facility committee in TIDCO to force the implementation of investment policies, a three-tier monitoring system has also been set-up for efficient operations so as to attract investment projects.

However, the process of land acquisition has sometimes been followed by agitations from society. The agitations, interestingly, which are mainly led by left-wing political parties rather than NGOs in Tamil Nadu (The Hindu, 2004; 2007), were not successful in mobilizing people in urban and rural areas of the state. It may be one of the reasons why conflicts between the state and the citizens have been quite muted in Tamil Nadu, compared to other subnational states in India. It is possible to explain the tendency of the state’s inclusive industrial schemes that consider a broader strata of society.

In other words, the political leaders’ ideas on industrialization include substantial concerns for the marginalized groups in society in providing vocational training programs and employment. The recent study on human development in India by the Institute of Applied Manpower Research under the Planning Commission finds that Tamil Nadu has improved its human

¹⁶ Interview at TIDCO on 2 February 2012.

development status considerably. It is very intriguing to compare the development with that of Bihar and Uttar Pradesh that have similar caste composition in society (GOTN, 2012: 4).¹⁷ As Santosh Mehrotra, the team leader of the research group of human development, puts it: “Tamil Nadu has shown the best performance especially in the area of public health and education for the last ten years.”¹⁸ It is plausible to say that the educated youth have been quickly absorbed into the state’s industry and demanded the state to create employment. This argument is strongly backed by the societal structure of the state having a number of low caste groups who have strong aspirations towards upward mobility.

The societal structure is associated with the low level of societal opposition to the state-led industrialization in Tamil Nadu, which has a role in encouraging the state to pursue making land available for industrialization. An interesting study conducted by Vijayabaskar (2014) sought answers in the state’s strategies to curb resistance for a puzzle of what combination of circumstances have produced the lack of resistance among farmers against the state’s land acquisition for SEZs in Tamil Nadu. Vijayabaskar suggested three arguments. Firstly, Tamil Nadu’s industrial evolution is in transition moving away from the agricultural-oriented structure. The industrial transformation, interestingly, addresses the long-term crises of the agricultural sector, which includes the growing number of landlessness of marginal farmers, the backward castes thereby increasingly moving to non-farm employment. Secondly, the state’s strategies are good enough to undercut resistance by using dexterous bureaucrats who know how to acquire land efficiently. The author stressed that bureaucrats not only deployed stalling tactics for landowners who institute a legal claim but also offer relatively generous compensation packages at the bargaining table. Thirdly, the state can facilitate the negotiation process between landowners and private firms based on market mechanisms in a way in which both parties can agree. Based on fieldwork in several land conflict cases in selective districts, Vijayabaskar concluded that “land acquisition in Tamil Nadu is accomplished more through consent than coercion” (2014: 326). In fact, fieldwork findings collated from the tyre manufacturing project are strongly supported by what Vijayabaskar argued. The next part of the paper will discuss the findings and implications.

¹⁷ The official report is available at http://www.pratirodh.com/pdf/human_development_report2011.pdf (accessed on 18 September 2012).

¹⁸ A seminar on India Human Development Report 2011 in New Delhi on 17 September 2012.

A Case of Land Conflicts in an SEZ at Thiruvallur

Field Notes

‘M’, a world-famous French tyre company, had proposed to build its manufacturing factory in the village of Thervoy Kandigai, which has more than 6,000 *dalit* [untouchable] villagers in the Thiruvallur district at Tamil Nadu. The factory is expected to produce 3 million units per annum at the initial stage and extend its production capacity to up to 20 million tyres every year. As the state has aggressively promoted FDI inflows in the automobile industry, key state leaders thought that the tyre industry would be necessary to sustain the growth of the automobile sector. So, the state required M to promise to generate a certain level of employment when M proposed the project. The management of M promised that it would hire 1,500 Indian domestic employees and provide required training programs to them.¹⁹ The programs include English language skills, computer skills, accounting and vocational training.

The case of M highlighted that investors may encounter social opposition in the state, despite general observations about the weak level of social resistance against the state-led large-scale investments in Tamil Nadu. An executive official from M mentioned that social agitation deployed by social activists and villagers acted as a barrier to the project that had been prepared for seven to eight years.²⁰ Like many other cases found in other parts of India, for the agitation group, the land required for M’s project was problematic. The agitation against M began in 2007 when the project with a budget of 4,000 crore rupees was reported to the public. On 30th January 2007, the gram panchayat of Thervoy Kandigai passed a resolution without any process of consent in *gram sabha* [village council] by stating that there was no objection to the land acquisition of SIPCOT.²¹

When I visited the factory site of M in the village of Thervoy Kandigai in January 2012, construction was in progress. The land was bulldozed and fenced following the boundary between the land development zone and the non-development zone that SIPCOT had divided. In fact, the M’s project site was part of an industrial complex that SIPCOT designed to set up

¹⁹ Interview with HR manager at the company M in Tamil Nadu on 17 January 2012.

²⁰ Interview in Chennai on 24 January 2012.

²¹ See the report issued by the Thervoy Youth and People’s Struggle Committee. Data is available at <http://www.countercurrents.org/thervoy140711.htm>. Accessed on 25 January 2012.

by allocating 800 acres of lands. Construction work on making a new access road to the M factory was in progress in the development zone, but forests were being preserved in the non-development zone.

Activists and villagers insisted that the land for M which was in conflict is *meikal poromboke* [public grazing land] while the bureaucrats of SIPCOT and foreign investors of M were emphasizing it as dry and public land.²² In fact, the dispute between a pro-M group and an anti-M group began with the use of this land rather than its ownership, since villagers were depending on the land for cultivating some crops even though it was categorized as public land. An employee in M had explained about the forest environment of the village before M began logging. According to him, the forest area was the main income source for dalit villagers, thereby they organized large-scale protests against SIPCOT's land acquisition.

However, I did not feel any hostile atmosphere in the village, even though I was told by the activists that the villagers' opposition activities were still ongoing. The village seemed peaceful. Many villagers were kind enough to guide me to the M factory site when they were asked. The friendly atmosphere was the complete opposite of what I encountered in the state of Odisha while visiting several large-scale investment sites embarked upon by some other foreign companies. In Thervoy Kandigai, female farmers working in the fields were waving their hands when they found me. It was quite surprising that when the M's employee told me that the female villagers and their children had participated in the anti-M protests.

I found later that the state responded to the resistance with several strategies. It tried to persuade the anti-M group with a comprehensive compensation package. It was also regulating the anti-M group by using the coercive power of police force and controlling the media.²³ It disabled communication about resistance. At the same time, the strategies of foreign capital in bargaining with the agitation group were also supportive of the state strategies. M used both persuasion and discrimination strategies. It provided employment priority for those who supported the FDI project among villagers. Many job applicants who had engaged in the anti-M protest were excluded from the initial stage of recruitment. In the process of pacifying the agitation, officials in M utilized its support group to approach to the anti-M group for

²² Interviews with social activists in Chennai on 4, 6, and 30 January 2012; interviews with bureaucrats at SIPCOT in Chennai on 2 February 2012.

²³ Interviews with activists in Chennai on 4, 6, and 30 January 2012.

conversation. Asked a question about how the state and M finally wrested consent from the anti-M group, an executive officer of M highlighted that they worked with NGOs that were supporting the investment project. The executive remarked: “The NGOs tried to visit every household in the village. They met people and listened to them about what kind of problems they had with regard to our investment.” The Foundation for Rural Recovery and Development was one of them.²⁴ The main objective of the NGOs’ activities in the village was to persuade villagers by showing M’s social concerns.

The state and M finally decided to provide a good compensation package for the villagers. The compensation includes the higher than market prices for the land and a job offer for those who sell their private lands; and substantial inclusionary packages such as the offer of shelter and substitute land for those who lose their livelihood even in public land. In the village, new houses for the displaced dalit villagers were being built. In an interview, the villagers said that the state would provide alternative land for their livelihood for free. Many villagers who initially opposed the investment project ultimately turned their mind toward supporting the project after the state and M negotiated with them.

What Motivates Citizens to Support Investment Projects?

The discussion here addresses a puzzle of what motivates citizens to support FDI projects. The case of M demonstrated that the anti-M group was comparatively weaker than the pro-M group in many ways. It also presented why many citizens in Tamil Nadu negotiate or are persuaded for the investment projects. This may be associated with the low level of social opposition to the state-led industrialization in Tamil Nadu. Compared to other states in India, Tamil Nadu has reported very few cases of social opposition to investment projects.

It is worth noting that political parties in Tamil Nadu representing lower castes hardly participated in the anti-M group though the majority of residents in Thervoy Kandigai were dalit.²⁵ This observation may challenge influential works on the active participation of dalit parties in the state of Tamil Nadu for the improvement of their marginalized status in the

²⁴ Interview with a member at FORRAD in New Delhi on 6 March 2012.

²⁵ Interviews with villagers on 6 January and 12 February 2012. I thank Dr. Ashik Bonofer in the University of Madras for accompanying to Thervoy Kandigai and helping me to communicate with the villagers.

political, economic, and societal relations with other caste groups.²⁶ Also, the communist parties in Tamil Nadu, except several individual activists from the parties, also did not actively support the anti-M group. Unlike their active approach to the activities of a trade union in foreign companies in bargaining with management for the better economic position of workers, their participation in mobilizing citizens for the anti-investment group was quite weak. Senthil Babu, a CPI(M) activist who has been devoted to labour movements in Tamil Nadu for more than fifteen years, commented on this observation. He said: “The longer the lower caste land workers stay in work that are connected with land, the stronger they feel a low caste identity. For them, one way to emancipate from such feeling is to cut themselves off from the land.”²⁷

Babu’s point of view implied an enhanced bondage between lower caste groups and land in the process of production, which has usually been witnessed in the feudal societies. For the lower caste land workers, industrialization would be an opportunity to liberate them from the feudal bondage with land. Upon considering that Tamil Nadu is one of the lower castes-dominated states in India, Babu’s point of view seems strong in explaining why citizens in the state supported industrialization. Other observations also enhance the perspective (see Gudavarthy, 2012). The pattern of Tamil Nadu’s changing industrial structure has presented the rapid growth of urban employment with the smallest share of agricultural employment. Especially, the significance of the positive correlation between the level of urbanization and urban employment growth evolving from the early 1990s in Tamil Nadu indicated that ‘benefits of growth regarding employment have largely gone to urbanized states in the years since liberalization’ (Ramaswamy, 2007: 49). It means that a large number of workers in urban areas in the state have benefitted from the state’s liberalization.

Here, especially the youth’s aspirational shift favouring urban employment perhaps promotes the movement. Employment opportunities have been offered by the private sector, including foreign investors, who have a great interest in establishing their production base in Tamil Nadu. As a state providing lots of technical education opportunities for citizens, having a strong tie with foreign investors must be a good strategy through which skilled or semi-skilled workforce among the youth, in particular, can be quickly absorbed into industries where the investors

²⁶ For discussion on the rise of dalit parties, see Moses (1995), Manikumar (1997), Pushpendra (1999), and Gorringer (2005).

²⁷ Interview in Chennai on 14 January 2012.

provide employment. A narrative from the village of Thervoy Kandigai seeking employment also coincides with the logic. The upward mobility of lower caste groups in both the political and economic spheres of Tamil Nadu challenges the conventional understanding of rural societies in India where the rural landed class is influential in structuring and transforming society.

Conclusion

The primary aim of this paper was to discuss the higher level of land acquisition and the state's land management in Tamil Nadu. It paid attention to the ideas of policymakers on inclusive industrial schemes and societal structures presenting the upward mobility of low caste groups in the state. It argued that the state's commitment to developing industries by aggressively making industrial land had met the aspirations and needs of citizens favoring urbanization, thereby contributing to industrial development. The idea of state leaders was to generate employment and export promoted investment projects in the automobile sector in particular. The state's capacities in facilitating educational institutes for citizens, the negotiation process for both citizens and investors and regulating social opposition through strategies were addressed in the discussion.

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