

Decentralised Industrialisation

Model of Tamil Nadu

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Context

Tamil Nadu has been India's No.1 state in terms of economic complexity, measured by the diversity of its **gross domestic product (GDP)** and employment profile.

About

- The lower dependence of Tamil Nadu on agriculture is matched by the higher shares of industry, services and construction in its economy relative to all-India.
- About 45.3% of TN's farm **Gross Value Added (GVA)** comes from the livestock subsector, the best for any state and manner above the 30.2% all-India average.
- TN is home to India's biggest private dairy organisation (Hatsun Agro Product), broiler business enterprise (Suguna Foods), egg processor (SKM Group) and also "egg capital" (Namakkal).

Features of the TN's Industrialisation Model

- **Development of Clusters:** Tamil Nadu's economic transformation has been introduced not through so-called Big Capital as much as medium-scale businesses with turnover range from Rs 100 crore to Rs 5,000 crore.
 - Its industrialisation has also been more spread out and decentralised, through the

development of clusters. Many cluster cities are hubs for more than one industry.

- **Employment Generation:** Most of those clusters have come up in small city/semi-urban centres, providing employment to individuals from surrounding villages who may additionally in any other case have migrated to big cities for work.
 - They have, moreover, created diversification options outside of agriculture, reducing the share of TN's staff dependent on farming.
- **Entrepreneurship:** TN's early industrialists were in particular Nattukottai Chettiars and Brahmins.
 - The disruptions from World War II and the Burmese nationalist movement led many to redirect their investments returned home.
 - The superb aspect about TN's entrepreneurial culture is its percolation between numerous groups and in various industries.
 - The drivers of TN's more recent decentralised industrialisation have been entrepreneurs from more ordinary peasant stock and provincial mercantile castes.

Conclusion

- The entrepreneurship from under mixed with its high social progress indices from public health and schooling investments explains Tamil Nadu's relative fulfillment in achieving industrialisation and diversification beyond agriculture.

Source: The Indian Express

UPSC Mains Practice Question

Q. "The growth of cities as I.T. hubs has opened up new avenues of employment, but has also created new problems". Substantiate this statement with examples. (2017)