

## I INTRODUCTION

The South Indian state of Tamil Nadu has a particular strong economy and Chennai ranks as the fourth largest urban agglomeration in India.<sup>1</sup> Further, with the exception of city states (Delhi, Pondicherry), Tamil Nadu is the most urbanized, with 43.9% of the population (of a total 72.14 million) living in urban areas (Census of India 2011). This provides the background for the highly dynamic developments currently reshaping the peri-urban spaces surrounding Chennai. In this irregular, about 50–70 km wide belt of land, cars, telecommunication equipment and various other products are now manufactured and exported from there through the sea- and airport of Chennai which play a crucial role in facilitating the industrial dynamism. The peri-urban spaces are subject to increasing investment by international companies, the so-called ‘global players’. The resulting globalised transformations, defined here as the increasing dominance of global actors in triggering and shaping change at the local level, are particular profound around the peri-urban town of Sriperumbudur and Oragadam village (both about 40 km west of Chennai). Comparing this region with its mature Chinese counterpart, the area is now referred to as “India’s Shenzhen” in the Indian press (figure 1).

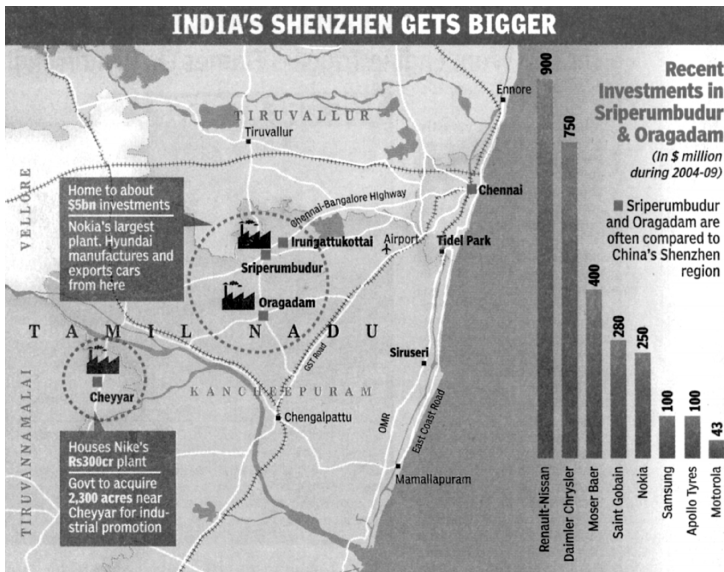


Figure 1: “India’s Shenzhen gets bigger” (Source: Times of India, 05.09.2009)

1 Tamil Nadu had the fourth largest gross domestic product in 2011–2012 following Maharashtra, Uttar Pradesh and Andhra Pradesh in descending order. The largest urban agglomerations are Mumbai, Delhi, Kolkata and fourth Chennai. (Government of India 2012).

Mirroring the economic dynamism, the two districts adjacent to Chennai which include the peri-urban experienced a tremendous increase in in-migration from other districts of Tamil Nadu as well as other Indian states in the last decade. Population in Kanchipuram district (southwest of Chennai) grew by 38.7% and Thiruvallur district (northwest) grew by 35.2% in the last decade (2001–2011) (Census of India 2011), highlighting the attraction of the new economic opportunities associated with the industrial development taking place.

## 1 DEVELOPMENT AS GROWTH: THE WORLD BANK PERSPECTIVE

In its 2009 World Development Report ‘Reshaping Economic Geography’, the World Bank dedicated a special sub-chapter to peri-urban Chennai, which serves as an example for the economic advantages of agglomerations in developing countries (World Bank 2009: 13). However, peri-urban Chennai and the boomtown of Sriperumbudur are only dealt with rather one-sidedly: the benefits of agglomeration are praised and seen as responsible for the rapid industrial development of the area. The World Bank perspective remains tightly focused on economic growth, even admittedly so: “to keep the Report focused, several important aspects of the spatial transformation do not get the attention they would in a fuller study. The main aspects not considered [...] are the *social and environmental effects* of a changing economic geography” (World Bank 2009: 34; emphasis in original). At the centre of the World Bank’s perspective is thus a simplistic, economistic understanding of development as growth. This approach is based on concepts derived from New Economic Geography (Krugman 1991), where economic geography is reduced to questions of distance, spatial concentration and scale (Rigg et al. 2009; Sternberg 2009). This perspective reflects the development of the peri-urban only superficially, as small scale dynamics are overlooked and the perspective of the local people remains largely unnoticed. The World Bank describes spatially uneven development within a country as a regrettable, though unavoidable side effect of economic development. The relevance of existing governance structures, the disruptive potential of land markets and conflicts associated therewith as well as the tension arising from uneven development in the urban periphery are not accounted for. These problems are also ignored when describing Sriperumbudur, a boomtown in peri-urban Chennai (World Bank 2009: 13–14). The role of cities and further agglomeration in their peri-urban peripheries are instead touted as central to economic growth. The dominant economic forces of agglomeration, migration and specialization have profoundly transformed the economies of developing countries and the peri-urban are heralded the „developing world’s most dynamic places“ (ibid. 2009: 13). For an extensive discussion on how the World Bank sought to reframe economic geography with concepts from New Economic Geography, see Homm and Bohle (2012).

## 2 INCLUSIVE DEVELOPMENT: AN ALTERNATIVE PERSPECTIVE FOR PERI-URBAN CHENNAI

The shortcomings in the World Bank approach are part of a broader gap in knowledge regarding the peri-urban. Although the peri-urban is now regarded as a focal point in understanding transformations reshaping the Global South, only limited empirical research exists as yet (McGregor et al. 2006: 7–9). This also applies for the related subject of ‘rural-urban linkages/interactions’ (Tacoli 2006: 3). Empirical research on the impacts of economic globalisation has concentrated either on rural or urban contexts, especially on mega cities. The peri-urban spaces in between, including small and mid-sized cities, are largely left unnoticed, even though they are experiencing the most profound and dynamic transformations. The shortage in field studies corresponds with an inadequate conceptual framing of peri-urban spaces (Adell 1999; McGregor et al. 2006). There is especially a lack of research which investigates the peri-urban dynamics from the perspective of the local people and their opportunities to realize new benefits from the rapid developments taking place. Existing studies in India about vulnerable groups in the peri-urban repeatedly complain about limited available data and postulate the need for further research (Brook and Davila 2000: 226; Dupont and Sridharan 2006: 13–14).

It is the aim of this study to approach this gap in knowledge regarding peri-urban areas and highlight an alternative perspective on its development. The objective is to investigate the transformations taking place in peri-urban Chennai more closely, questioning the simplistic positive notion regarding agglomeration processes as expressed by the World Bank. The on-going changes are therefore explicitly documented, analysed and evaluated from the perspective of the affected local people on the ground. The study examines the manifold social, economic and spatial dynamics, often contradictory and laden with conflict, that shape the transformations and result in diverse, heterogeneous outcomes. The interactions of different sections of the peri-urban society, the interaction with the governance structures, and the relevance of traditional and new ‘modern’ value systems are considered in gaining a deeper understanding of the social dynamic linked with the rapid industrial development of an area that is still rural in several aspects. One aim of the perspective is to reveal changing patterns of social exclusion that result for the local population in the changing peri-urban periphery. Social exclusion relates to the exclusion from work or higher education, the exclusion from agricultural land acquired for industrial purpose or exclusion from making decisions about the development of the peri-urban spaces.

Another aim of the perspective is to reveal new opportunities emerging for the peri-urban people. The author therefore developed for this study a concept of inclusive development that highlights processes instrumental in empowering traditional disadvantaged local people to access benefits associated with globalised transformations. This perspective of inclusive development stresses the difference between linear economic growth and development as an open, inclusive process that furthers the capabilities of all people living in an area that is ‘developed’.

This understanding of development is inspired by ideas put forth by Amartya Sen in ‘Development as Freedom’ (2000) where he highlights the importance of seeing development not as economic growth but as a societal process broadening the actual freedoms that people can exercise when fully developing their capabilities. This idea of development as freedom is captured in this study with the notion of inclusive development. Inclusion refers to the need to frame development as a process open for all sections of society and the diversity of capabilities that could be employed. Inclusive development serves as a general notion and the opposite of development that is narrowly framed as economic growth. Inclusive development is a concept to be used to critique the approach suggested by the World Bank. To summarize, this study has three overarching research objectives:

1. The study aims: *to identify actors and processes that are instrumental to globalisation in peri-urban Chennai*. This objective is followed to understand how peri-urban Chennai was turned into a production hub for the global economy through the actions of both local and international actors.

2. The study aims: *to identify mechanisms that lead to the systematic exclusion of marginalised parts of the local population from beneficial spaces of work and education in peri-urban Chennai*. This second research objective concerns the social dynamics associated with the transformations and the aim is to portray both traditional and contemporary forms of social exclusion and dominance limiting the opportunities of people living in the peri-urban.

3. The study aims: *to reveal opportunities for inclusive development and empowerment by documenting struggles of marginalized people to access benefits associated with globalised transformations in peri-urban Chennai*. This third research objective is followed to highlight the opportunities of the transformation when weaker sections of the society overcome traditional and contemporary forms of social exclusion.

### 3 OUTLINE OF THE STUDY

Chapter II, ‘*Approaching globalised transformations with Lefebvre’s theory of the production of space*’ develops a conceptual basis to follow the research objectives in a theoretically informed manner.

Chapter III, ‘*Research design and methodology*’ introduces four research perspectives that guided this study and explains the methods used to derive findings. The following three chapters (IV, V and VI) present the empirical findings. Each is dedicated to one research objective and informed by a particular theoretical approach developed in chapter II.

Chapter IV, ‘*Globalised spaces in peri-urban Chennai*’ looks at how the peri-urban setting is reshaped by different actors. In sub-chapter IV.1, the different actors are identified according to their respective power and interests to participate in the creation of ‘globalised spaces’ – spaces that are instrumental in the pushing economic globalisation. This concerns mainly how the access of international companies was realized by the State Government of Tamil Nadu through

the instrument of Special Economic Zones (SEZs). The transformations that constitute the globalised spaces in the peri-urban are summarised in a thematic map (map 1, page 210). In sub-chapter IV.2, the booming area around Sriperumbudur and Oragadam at the western end of the peri-urban space, “India’s Shenzhen”, is highlighted as a regional example.

Chapter V, *‘Enforced abstractions and spaces of exclusion in peri-urban Chennai’* highlights the realization of new regimes of exclusion that are currently enforced in peri-urban Chennai. Sub-chapter V.1 discusses the land acquisition for industrial purpose. A village study focuses on livelihood transformations following rapid industrial development in the area surrounding Oragadam village. Sub-chapter V.2 presents findings on the peri-urban land market where benefits are realized by insiders to the detriment of poorly informed peasants with small landholdings. Finally, sub-chapter V.3 highlights the privatized spaces of higher education that are established in the peri-urban. Here, engineering colleges cater exclusively to those able to pay the formal and informal entry fees and in return provide entry into the higher earning positions of the companies.

Chapter VI, *‘Lived difference and local struggles for inclusion in peri-urban Chennai’* looks into the realization of access by the local people. The emerging industrial labour market is portrayed in sub-chapter VI.1. Next, sub-chapter VI.2 highlights the shifting relations between traditional dominant landowners and the agricultural labourers in the village of Ullavur. Finally, sub-chapter VI.3 elaborates the (missing) role of governance structures in enabling inclusive development.

Chapter VII, *‘Conclusion: Peri-urban transformation and social opportunity’* provides a closing discussion of the research findings and an evaluation of the conceptual approach followed in this study.