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## RURAL TO URBAN MIGRATION AND ITS ECONOMIC IMPACT IN INDIA

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### ABSTRACT :

India's economic and social environment is shaped by the huge phenomenon of rural-to-urban migration. The economic effects of rural-to-urban migration are examined in this essay, with particular attention paid to employment, income distribution, urban infrastructure, and legal frameworks. It examines the forces that drive migration, weighs the advantages and difficulties presented by this change in the population, and evaluates the actions of the government that deal with these problems. The study emphasises how development policies must be adjusted in order to maximise the positive impacts of migration while reducing its negative ones.

By analysing its causes, effects, and legal frameworks, this research seeks to assess the economic impact of migration from rural to urban areas in India. In addition to causing socioeconomic problems that call for focused governmental actions, it will examine how migration supports urban economic development. Policymakers can establish policies to optimise the positive impacts of migration while minimising its negative effects by comprehending these processes, which will eventually promote balanced regional growth and sustainable urbanisation.

**Keywords:** Rural-to-Urban Migration, Economic Impact, Urbanization in India, Dynamics, Employment Opportunities, Income Disparity.

### INTRODUCTION

India's socioeconomic fabric has been greatly shaped by the migration of people from rural to urban areas, which has been a crucial component of the country's economic progress. Economic, social, and environmental variables have historically influenced migration in India, as individuals move from rural to urban areas in pursuit of better opportunities and living conditions. Both rural and urban economies are significantly impacted by this population transition, which has an impact on urban infrastructure, labour markets, and income distribution.[1]

With millions of people relocating to Indian cities annually, the country has been experiencing a steady increase in urbanisation. Census data shows that the urban population has increased dramatically throughout the years, mostly due to migration from rural to urban areas. Limited agricultural work possibilities, land fragmentation, and unpredictable rural climates are some of the factors driving this exodus. Urban areas also attract people due to the allure of better healthcare, better education, greater wages, and contemporary conveniences. Migrants have been flooding into cities like Delhi, Mumbai, Bengaluru, and Hyderabad in search of work in a variety of sectors, like as manufacturing, services, construction, and the gig economy.<sup>1</sup>

Although migration provides labour for the industrial and service sectors, which boosts economic growth, it also poses serious problems. Social and economic inequities are frequently caused by overcrowding, subpar housing, overburdened public services, and heightened rivalry for jobs. Many migrant workers wind up in informal employment, where they deal with low pay, unstable employment, and no social safety. The emergence of informal settlements and slums draws attention to the disconnect between infrastructural development and urban growth, calling for extensive governmental measures to address these problems.

### DRIVERS OF RURAL-TO-URBAN MIGRATION

In India, push and pull variables can be used to describe the causes of rural-to-urban migration. Deteriorating soil fertility, the absence of contemporary farming methods, and agricultural misery brought on by unpredictable monsoons are push factors. People are forced to relocate in rural areas in pursuit of better possibilities due to underemployment and unemployment. Villages' inadequate access to healthcare and education exacerbates the issue and increases the allure of urban areas. Social issues that also play a role in migration include prejudice based on caste and the absence of opportunities for marginalised populations.[2]

<sup>1</sup> United Nations Human Settlements Programme (UN-Habitat). (2020). World cities report 2020: The value of sustainable urbanization. UN-Habitat.

However, there are a number of pull factors in urban regions that draw migrants. The main driver of relocation is better job possibilities in the construction, industrial, and service sectors. People move from rural areas to metropolitan areas in search of better working conditions and higher income. The accessibility of first-rate healthcare and educational resources further enhances cities' allure. Additionally, many migrants find metropolitan life more appealing due to higher living standards and easier access to contemporary conveniences.<sup>2</sup>

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## ECONOMIC IMPACT OF RURAL-TO-URBAN MIGRATION

The employment and salaries of workers in rural areas are significantly impacted by their migration to metropolitan areas. By addressing shortages in urban industries and the unorganised sector, migrants help to increase labour market flexibility. Because there is an excess of labour, especially in low-skilled professions, this leads to pay repression even though it creates more work opportunities. Employment has been created by the gig economy, but there are worries about labour rights and job security. The flood of labourers boosts the urban job market, yet inappropriate restrictions can lead to abuse.

Income distribution is also impacted by migration. Rural communities benefit from migrant workers' remittances, which raise local economies and raise their families' standards of living. To close the gap, policy actions are necessary because urban and rural communities continue to experience income disparity. Even if migration promotes economic mobility, there are also issues with unequal access to social protection and steady employment.

Growing migration puts tremendous strain on public services and urban infrastructure. Transportation, healthcare, housing, and sanitation infrastructure are all strained by the population increase. Due to a lack of affordable housing, slums and informal settlements have grown in number. To address these issues, both federal and state governments have implemented programs like the Pradhan Mantri Awas Yojana, however execution varies. In order to accommodate migrants without sacrificing the standard of living in metropolitan areas, proper urban planning is crucial.[3]

Due to migration, the rural economy also undergoes substantial changes. A lack of workers in traditional jobs and agriculture might result in decreased output. Remittances, on the other hand, boost rural living standards and promote spending on healthcare and education. This funding has the potential to improve rural areas in the long run, but it also emphasises how important it is to have stable rural jobs in order to lower distress migration.

Migration affects market dynamics more broadly than only the economy. The demand for products and services rises due to the expanding urban consumer base, which boosts the economy in the retail, housing, and transportation sectors.[4] The informal sector, which is frequently unregulated, depends on migrant labour to provide reasonably priced services that are necessary for urban living. However, migrants' limited access to formal financial services restricts their capacity to invest and save, so limiting their economic mobility.<sup>3</sup>

Furthermore, labour productivity is influenced by migration. Unskilled labourers frequently work in low-paying, dangerous jobs with few opportunities for promotion, whereas skilled migrants contribute to innovation and information transfer. Policies that improve job matching and skill development can assist migrants find better jobs and lessen their reliance on labour markets that exploit them. Another significant economic impact of migration is the demand on social assistance programs. As more people relocate to cities, governmental spending on sanitation, healthcare, and education must rise to keep up with the population growth. In order to guarantee equitable access to resources and sustainable urban expansion, the government must take proactive measures.[5]

All things considered, migration from rural to urban areas promotes economic diversification and growth, but it also presents difficulties that call for careful planning. Maximising the economic advantages of migration while tackling its related issues requires ensuring fair salaries, enhancing labour rights, increasing access to social security, and creating inclusive urban policies.[6]

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## LEGAL AND POLICY FRAMEWORKS

In India, migration and its economic effects are governed by a number of laws and policies. Inter-state migrant workers are protected by the Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979, which guarantees them decent pay and working conditions. But because enforcement has been lax, many workers are at risk of being exploited. Unorganised and migrant workers are now covered by the 2020 Code on Social Security, which provides some relief but calls for improved implementation procedures.

To handle increasing migration, urban development initiatives like the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and the Smart Cities Mission seek to enhance infrastructure. But these efforts frequently fall behind the fast rate of urbanisation. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005, and other rural employment initiatives aim to decrease rural distress migration by offering guaranteed work. Despite some success, MGNREGA has not been enough to stop migration because of ongoing economic difficulties in rural areas.

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## CASELAWS RELATED TO PROBLEMS DUE TO MIGRATION IN INDIA

### 1. Olga Tellis & Ors v. Bombay Municipal Corporation & Ors

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<sup>2</sup> Sharma, P., & Kumar, R. (2020). Migration, remittances, and rural development: Evidence from India. *Asian Journal of Economics*, 28(3), 112-129.

<sup>3</sup> Planning Commission of India. (2012). Report of the working group on migration and urbanization. Government of India.

**Citation: 1985 AIR 180, 1985 SCR (3) 545**

Summary: The rights of Mumbai pavement dwellers who moved from rural areas in search of work were the subject of this case. The Supreme Court ruled that evicting pavement dwellers without offering them alternate housing was a violation of their fundamental rights, acknowledging that the right to livelihood is an essential component of the right to life under Article 21 of the Constitution.<sup>4</sup>

**2. People's Union for Democratic Rights v. Union of India****Citation: 1982 AIR 1473, 1983 SCR (1) 456**

Summary: In this case, migrant workers who were working on the building of Asian Games facilities in Delhi were exploited. The risks of rural migrants in urban employment were highlighted by the Supreme Court, which ruled that the failure to pay workers the minimum wage violated their fundamental rights and underlined the state's obligation to enforce compliance with labour regulations.<sup>5</sup>

**3. Bandhua Mukti Morcha v. Union of India & Ors****Citation: 1984 AIR 802, 1984 SCR (2) 67**

Summary: The predicament of bonded labourers, many of whom were migrants from rural areas, was the main focus of this case. The Supreme Court addressed the economic abuse experienced by rural migrants by recognising bonded labour as a violation of fundamental rights and ordering the government to identify, free, and rehabilitate bonded labourers.<sup>6</sup>

**4. Municipal Council, Ratlam v. Shri Vardhichand & Ors****Citation: 1980 AIR 1622, 1981 SCR (1) 97**

Summary: Residents of Ratlam City sought assistance in this lawsuit due to inadequate drainage and sanitation, which were made worse by the city's increasing urbanisation and migration. The Supreme Court emphasised the state's role in managing urban infrastructure in the face of growing migration by ruling that municipalities had a statutory obligation to provide basic public health amenities.<sup>7</sup>

**5. Chameli Singh & Ors v. State of U.P. & Anr****Citation: 1996 AIR 1051, 1996 SCC (2) 549**

Summary: Land acquisition for housing projects that benefited economically disadvantaged groups, such as rural migrants, was at issue in this case. The Supreme Court maintained the purchase, emphasising the necessity of sufficient housing in cities to house refugees and declaring that the right to shelter is a basic right under Article 21.<sup>8</sup>

**6. Narmada Bachao Andolan v. Union of India & Ors****Citation: 2000 AIR 3751, 2000 SCC (10) 664**

Summary: This case addressed the displacement of rural populations due to the construction of the Sardar Sarovar Dam. The Supreme Court allowed the project to proceed but mandated proper rehabilitation and resettlement for the displaced, acknowledging the economic and social impacts of forced migration.<sup>9</sup>

**7. Francis Coralie Mullin v. The Administrator, Union Territory of Delhi & Ors****Citation: 1981 AIR 746, 1981 SCR (2) 516**

Summary: This decision broadened the definition of the right to life under Article 21 to embrace the right to live with human dignity, which includes basic needs like sufficient clothing, food, and shelter—all of which are important considerations for rural migrants living in cities.<sup>10</sup>

**8. Shantistar Builders v. Narayan Khimalal Totame & Ors****Citation: 1990 AIR 630, 1990 SCR(1) 717**

Summary: The Supreme Court emphasized that the right to life includes the right to shelter, underscoring the state's obligation to provide housing, especially for economically disadvantaged groups, including rural-to-urban migrants.<sup>11</sup>

**9. Ahmedabad Municipal Corporation v. Nawab Khan Gulab Khan**

<sup>4</sup> Olga Tellis & Ors v. Bombay Municipal Corporation & Ors, 1985 AIR 180, 1985 SCR (3) 545.

<sup>5</sup> People's Union for Democratic Rights v. Union of India, 1982 AIR 1473, 1983 SCR (1) 456.

<sup>6</sup> Bandhua Mukti Morcha v. Union of India & Ors, 1984 AIR 802, 1984 SCR (2) 67.

<sup>7</sup> Municipal Council, Ratlam v. Shri Vardhichand & Ors, (1980). AIR 1622

<sup>8</sup> Chameli Singh & Ors v. State of U.P. & Anr, (1996). 2 SCC 549

<sup>9</sup> Narmada Bachao Andolan v. Union of India & Ors, (2000). AIR 3751

<sup>10</sup> Francis Coralie Mullin v. The Administrator, Union Territory of Delhi & Ors, (1981). AIR 746

<sup>11</sup> Shantistar Builders v. Narayan Khimalal Totame & Ors, (1990). AIR 630

**Citation: 1997 AIR 152, 1996 SCC (11) 121**

Summary: This case dealt with the eviction of slum dwellers, many of whom were rural migrants. The Supreme Court held that while the state could evict unauthorized occupants, it must follow due process and consider rehabilitation, recognizing the complexities of urban migration.<sup>12</sup>

**10. K.K. Poonacha v. State of Karnataka & Ors**

**Citation: 2010 AIR SCW 6316**

Summary: In this instance, rural villages were displaced as a result of land purchase for industrial expansion. The Supreme Court recognised the financial impact on displaced rural populations and emphasised the necessity for just compensation and rehabilitation.<sup>13</sup>

**11. State of Karnataka v. Narasimhamurthy & Ors**

**Citation: 1996 AIR 90, 1995 SCC (5) 524**

Summary: This case addressed the regularization of unauthorized constructions by migrants. The Supreme Court balanced the need for urban planning with the realities of migration, allowing for regularization under specific conditions.<sup>14</sup>

**12. Hindustan Petroleum Corporation Ltd v. Darius Shapur Chenai & Ors**

**Citation: 2005 AIR 3520, 2005 SCC (7) 627**

Summary: This lawsuit affected rural landowners and included the acquisition of land for public use. The Supreme Court recognised the financial effects of such purchases on rural communities and underlined the importance of following due process and offering just compensation.<sup>15</sup>

**13. State of Maharashtra v. Chandrabhan Tale**

**Citation: 1983 AIR 803, 1983 SCR (3) 327**

Summary: The eviction of Mumbai slum dwellers was at issue in this case. The Supreme Court emphasised that slum inhabitants, many of whom were rural migrants looking for better economic possibilities, must be treated humanely and rehabilitated.<sup>16</sup>

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## CHALLENGES AND RECOMMENDATIONS

Even with migration's economic advantages, a number of problems still exist. Poor working conditions and worker exploitation result from the inadequate application of labour rules. Urban overcrowding makes it difficult to access essential services like housing, healthcare, and sanitation. Due to skill deficiencies in rural areas, migrants frequently find it difficult to find legitimate employment, which forces them into the unorganised sector where they lack social safety and job security.[7]

A number of suggestions can be taken into consideration in order to remedy these issues. To protect migrant workers, labour rights must be strengthened and protective legislation must be properly enforced. Distress migration can be decreased by funding rural development to generate local job possibilities. Sustainable urbanisation depends on improving urban planning to provide affordable housing and better public services for migrants.[8] By increasing skill development programs, migrants will be able to find better jobs and more successfully integrate into urban economies.

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## CONCLUSION

India's economic progress depends heavily on rural-to-urban migration, but it also presents serious problems that call for sensible governmental solutions. In addition to boosting rural livelihoods through remittances and stimulating urban economic growth, it also strains metropolitan infrastructure and widens socioeconomic gaps.[9] A well-rounded strategy that emphasises economic policies, legal protections, and sustainable urban design is necessary to maximise the positive effects of migration while tackling its drawbacks.

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<sup>12</sup> Ahmedabad Municipal Corporation v. Nawab Khan Gulab Khan, (1997). AIR 152

<sup>13</sup> K.K. Poonacha v. State of Karnataka & Ors, (2010). AIR SCW 6316

<sup>14</sup> State of Karnataka v. Narasimhamurthy & Ors, (1996). AIR 90

<sup>15</sup> Hindustan Petroleum Corporation Ltd v. Darius Shapur Chenai & Ors, (2005). AIR 3520

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