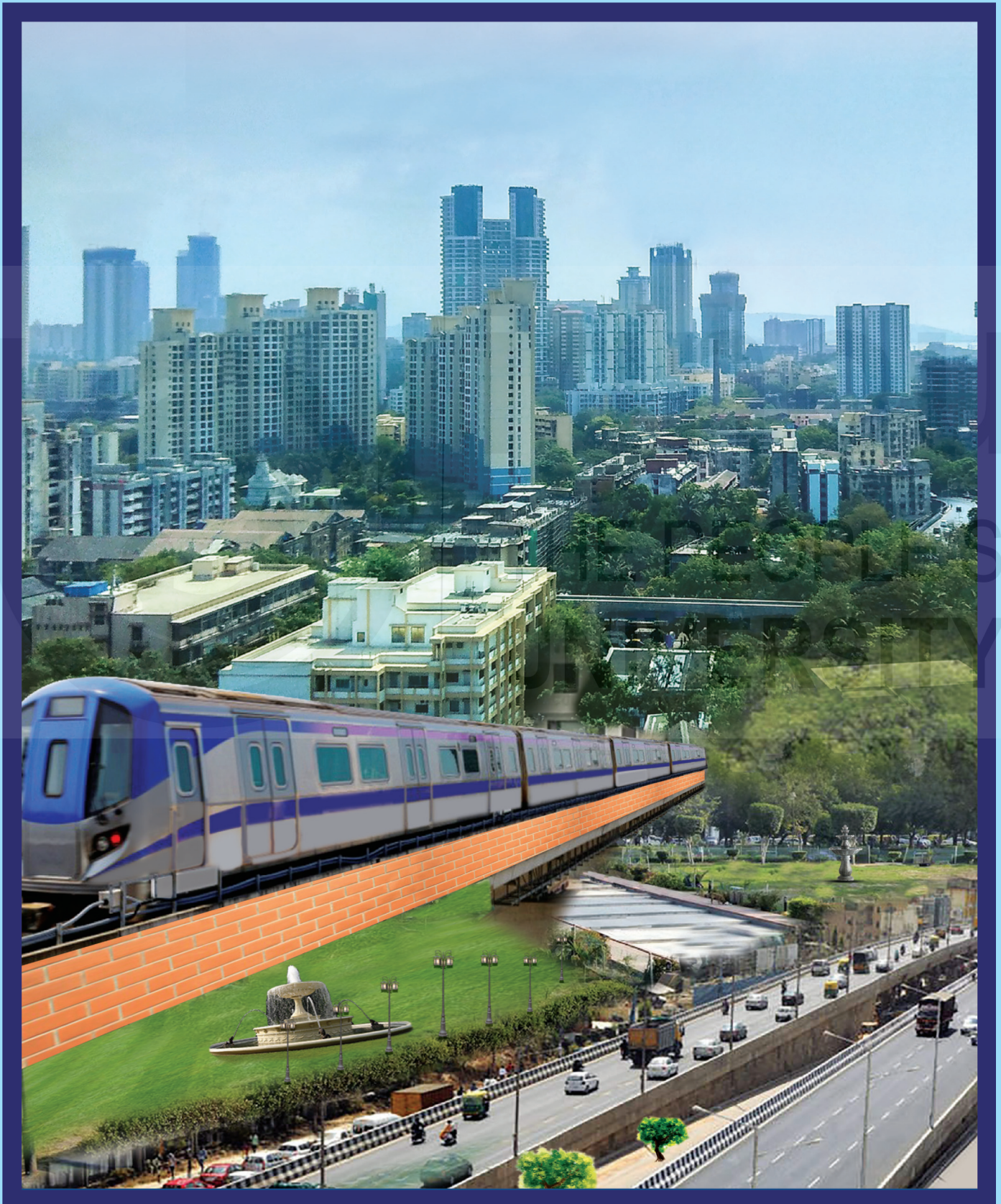


BPAC - 110

URBAN LOCAL GOVERNANCE



“शिक्षा मानव को बन्धनों से मुक्त करती है और आज के युग में तो यह लोकतंत्र की भावना का आधार भी है। जन्म तथा अन्य कारणों से उत्पन्न जाति एवं वर्तमान विषमताओं को दूर करते हुए मनुष्य को इन सबसे ऊपर उठाती है।”

— इन्दिरा गांधी



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“Education is a liberating force, and in our age it is also a democratising force, cutting across the barriers of caste and class, smoothing out inequalities imposed by birth and other circumstances.”

— Indira Gandhi



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COURSE INTRODUCTION

Urbanisation has become an important and irreversible process, which is an important determinant of national economic growth and poverty reduction. India recorded a population of 1,395,975,917 (as on 6th September 2021). The data indicates that 65 percent persons were recorded in rural areas and remaining 35 percent in urban areas. (India Population, live, *worldometers.info*). The urban population growth is supposed to be an indicator of general economic development. Delhi is the most urbanised state in India with over 97 percent of its population being Urban (top 10 Urbanised states of India, *Census2011.co.in*). It is projected that by 2050, India will have added 416 million urban dwellers; and Delhi will continue growing and will become the most populous city in the world around 2028 (United Nations, 2018). According to Census 2011, 53 cities had a million plus population; and number of towns has increased from 5161 in 2001 to 7933 in 2011, that is 53.71 percent increase. The rapid urbanisation poses several challenges. The Ministry of Housing and Urban Affairs facilitates resolution of a variety of issues, which are relevant to urban sector through appropriate policy guidelines, subordinate legislation and sectoral programmes.

In India, urban development is a State subject. In view of above, Union, States and Local governments are playing an important role in sustainable development and welfare of people. The Constitution (Seventy-fourth) Amendment Act, 1992 has delegated many functions, and the Finance Commission has granted Rs 4,36,361 crore from the central divisive tax pool to the Local governments, both rural and urban, for 2021-26 to strengthen the Local Bodies to achieve the targets and Sustainable Development Goals through good governance.

Thus, keeping in view the significance of Local Governance, this Course on Urban Local Governance aims to familiarise the learners with:

- Major issues of Urbanisation and Urban Development;
- Urban Policies;
- Legislative Framework, Election and Planning;
- Municipal Functional Domain and Finances;
- Structure, power and functions of the Urban Local Government; and
- Innovative Practices, Challenges, Opportunities and Way Forward for the Urban Local Governance.

The Course deals with issues of urbanisation and urban development; describes the structure and functions of the Urban Local Government; and highlights planning framework, municipal functional domain and finances. It depicts the elections of Urban Local Body.

For urban development, the Government of India has implemented flagship schemes and programmes. In this regard, the Government has undertaken various initiatives such as focusing on improvement in tourism (HRIDAY - Heritage City Development and Augmentation Yojana), infrastructure (Housing for All, Smart Cities Mission, AMRUT - Atal Mission for

Rejuvenation and Urban Transformation) and sanitation (Swachh Bharat Mission). In view of above, in Unit 10, we will discuss the need, significance and achievements through the Pradhan Mantri Awas Yojana - (Urban), Atal Mission for Rejuvenation and Urban Transformation and Smart Cities Mission in States and Union Territories. This Course brings out the role of Government in implementing the Flagship Central Schemes in the urban areas. In addition, study focuses on the role of Urban Local Government in service delivery in the area of public health, water supply, sanitation, education and communication. In this context, it elaborates the significance of e-Governance practice in service delivery of Urban Local Government on the basis of case studies of Ahmedabad Municipal Corporation, Bruhat Bangaluru Mahanagara Palike and Greater Visakhapatnam Municipal Corporation. The study explores areas of interface between State and Urban Local Government. Last, but not least, it brings out the challenges and opportunities for Urban Local Governance. This Course has been divided into five blocks and 14 units.



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The background of the page features a large, light grey watermark of the Open University logo. The logo consists of a stylized 'U' and 'O' on the left, followed by the text 'Open University' in a sans-serif font. The text 'BLOCK 1' and 'URBANISATION AND URBAN DEVELOPMENT' is centered over the watermark.

BLOCK 1
URBANISATION AND URBAN
DEVELOPMENT

BLOCK 1

Unit 1

Unit 2

Unit 3

URBANISATION AND URBAN DEVELOPMENT

Urbanisation and Development

Role of Urban Sector in Socio-economic Development

Urban Policies

Panchajanya
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UNIT 1 URBANISATION AND DEVELOPMENT*

Structure

- 1.0 Objectives
- 1.1 Introduction
- 1.2 Urbanisation and Development
- 1.3 Trends of Urbanisation in India
- 1.4 Urbanisation and Development: Issues and Challenges
- 1.5 Urbanisation and Sustainable Development
- 1.6 Conclusion
- 1.7 Glossary
- 1.8 References
- 1.9 Answers to Check Your Progress Exercises

1.0 OBJECTIVES

After studying this Unit, you should be able to:

- Discuss the meaning, concept and trends of urbanisation in India;
- Explain the major issues and challenges of urbanisation and development; and
- Examine the development of urban areas; and
- Suggest the necessary measures for sustainable development.

1.1 INTRODUCTION

We have witnessed urbanisation in the world. It is fact that the urban population of the world has grown rapidly from 751 million in 1950 to 4.2 billion in 2018. It has been observed that 55 percent of the world's population lives in urban areas, a proportion, that is, expected to increase to 60 percent by 2030 and 70 percent by 2050. It is also noted that 90 percent of additions will take place among developing economies, which are undergoing structural transformation. It is also called, the gradual shift in residence of the human population from rural to urban areas, combined with the overall growth of the world's population could add another 2.5 billion people to the urban areas by 2050, with close to 90 percent of this increase taking place in Asia and Africa. In this context, Asia, despite its relatively lower level of urbanisation, is home to 54 percent of the world's urban population. The

* Contributed by Prof. Durgesh Nandini, Faculty of Public Administration, SoSS, IGNOU, New Delhi

2018 Revision of World Urbanisation Prospects produced by the Population Division of the UN Department of Economic and Social Affairs (UN DESA) highlights that future increases in the size of the world's urban population are expected to be highly concentrated in just a few countries. "Together, India, China and Nigeria will account for 35% of the projected growth of the world's urban population between 2018 and 2050. By 2050, it is projected that India will have added 416 million urban dwellers...". Further, it added that Delhi is projected to continue growing and to become the most populous city in the world around 2028 (United Nations, 2018). The data highlights that 35 percent of the population is urban (Worldometer, 2020).

The challenge of urbanisation is to ensure environment friendly, pro-poor service delivery at the enhanced minimum standards that must be the necessary goals to be included in planning. In this context, joint efforts for a comprehensive development of physical, institutional, social and economic infrastructure are required to sustain the urban growth. Keeping above in view, in this Unit, we will discuss the meaning and concept of urbanisation, trends of urbanisation in India, major issues and challenges, and need of sustainable development as a key to successful development.

1.2 URBANISATION AND DEVELOPMENT

Urbanisation can be considered as a sub-set of development. It is generally defined as the shift from a rural society to an urban society, which is depicted as an increase in the number of people in urban areas during a particular period. It is considered as an outcome of socio-economic and political developments that lead to urban concentration and growth of large cities, changes in land use, and transformation from rural to metropolitan pattern of organisation and governance. Urbanisation is an important factor in economic transformation and social formation. It is construed as the process of human settlement formation by which a large number of people start living permanently in a selected geographical area. As a structural process of change, urbanisation results due to the concentration of industries, and commercial, financial and administrative set-ups in towns or cities; and technological development in transport and communication, cultural and recreational activities.

However, many experts believe that urbanisation encompasses much more than just concentration of people at one place. Here, urban settlements, that is cities and towns, come up and grow performing special functions at selected place like sea ports, markets, places of religious worship, educational institutions and army camps. In addition as engines of economic growth, Cities act as catalysts for societal advancement in literature, fine arts, medicine, engineering and science and technology. Thus, urbanisation implies socio-economic, psychological and cultural process whereby people acquire the culture including behavioural patterns, forms of organisation, and ideas that originated in or are distinctive of the city. According to the National Commission on Urbanisation, urbanisation as... "a phenomenon of unique scope and dimension, one which is going to change fundamentally the nature of our lives. From it will emerge the central, political, human and

moral issues of our times, precipitated by rising expectations of millions upon millions of our people who want to find a better future”(Report of NCU- Vol. 1,1988).

On the other hand, urbanisation has also been described as a process of change from rural to urban way of life, which is naturally evolved or acquired. The urbanisation has become an important and irreversible process, which is an important determinant of national economic growth and poverty reduction. This process is characterised by a dramatic increase in the number of large cities, although India may be said to be in the midst of transition from a semi-urban (nearly 35% now) to an urban majority society. In India, at current rate of growth, urban population is estimated to reach a staggering 575 million by 2030. In this regard, as per Census 2011, 53 cities had a million plus population. Some states like Tamil Nadu, Gujarat and Maharashtra are either close or have already crossed 50 percent mark of urbanisation. This shows a diagonal divide in the pattern of urbanisation.

It has been observed that over successive decades, the number of urban areas and towns has also increased. It is worth mentioning that the 2030 development agenda of the United Nations has emphasised the role of sustainable cities by incorporating Sustainable Development Goal (SDG) that is, Sustainable Cities and Communities for making cities and human settlements inclusive, safe, resilient and sustainable. It is to be noted that as per Census 2011, 37.71 crore people in India comprising 31.16 percent of the population, live in urban areas. It has been projected that the urban population will grow about 60 crore by 2031. The studies explore that rapid urbanisation poses several challenges including improvement in quality of urban services such as water, sanitation, health care and urban transport; planned development of land resources; curbing spread of slums; and removal of urban poverty. It has been observed that the transition to a quasi – urban society has not been accompanied by a commensurate increase in the supply of basic urban services such as water supply, sewerage and drainage network, solid waste management facilities, public transport, and public safety systems such as street lighting and pedestrian pathways. Even, the supply of land and housing is not satisfactory in view of the increase in urban population.

In India, as the cities and towns are reflecting urban growth therefore, it is worth mentioning that development in urban India largely depends on the pattern of emergence of new urban centres (Census Towns). In this regard, small towns proved instrumental not only in improving the rural-urban linkage but also in enhancing market-based agricultural activity. They promoted non-farm employment also, which is major concern for migration. Thus, planned development requires conversion of Census Towns into Statutory Towns (STs) or Urban Local Bodies (ULBs). Even the guidelines of Fourteenth Finance Commission highlights that weightage is accorded to the extent of urban areas within the state. In this context, the guidelines for Atal Mission for Rejuvenation and Urban Transformation (AMRUT) also provide for 50 percent weightage to be given to the number of STs in a state for determining the allocation from funds among the states. It is to be noted

that the conversion of Census Towns into statutory ULBs entitles states to central assistance.

The Ministry of Urban Development, in May 2016, has asked the states to initiate necessary action to convert Census Towns into Statutory Towns. The letter stated, “....timely declaration of a habitat having urban characteristics as a statutory urban local body is the first step towards coordinated infrastructure development, enhancement of revenues and efficient delivery of citizen’s services leading to the overall growth of economic activities. The opportunity of planned urban development might get lost if unplanned construction and ad hoc provisioning of infrastructure is allowed to take place over a long time” (in Census Towns). The letter further emphasised, “ this (conversion from Census Towns to statutory ones) will not only trigger the process of preparing land use master plans leading towards planned growth but also will support provisioning urban infrastructure by leveraging resources available through various schemes/programmes and devolutionary grant” (Singh, 2020). Thus, effective implementation of plans and policies; and strengthening the ULBs will yield positive results in development.

However, within the broader economic narrative, cities are regarded as “engines of growth”. In this context, various reports and studies have emphasised on the contribution and centrality of cities in economic growth and development. It has been accepted that no country in the world has been able to develop without the growth of cities. The confluence of capital, people and space unleashes the benefits of agglomeration, which create an enabling environment for innovation of ideas, technologies and processes in the country. “While, India continues its journey to become the 3rd largest economy in the world by 2050, the role of Urban India in its contribution to India’s growth is noteworthy. Today, urban India contributes 65% to India’s GDP, which is estimated to rise to 70% by 2030, an unprecedented expansion that [†]will change the economic, social and political landscape of India. During this time, 60% of urban citizens will move into middle class bracket and will see 1 million + young people moving into workforce every year thus, demanding faster and transparent services and world class Infrastructure” (MOHUA, Annerd Report2020-21, p.2). Thus, India will continue to urbanise, driven by the aspirations of the young people. At this stage, the quality of urbanisation becomes paramount for authorities to consider realising the larger opportunity that exists for sustainable development.

1.3 TRENDS OF URBANISATION IN INDIA*

An Urban area is one, which is formally so declared through the statutory establishment in that area of a municipal body, a notified area or a cantonment by a definite legislation. Thus, there are Municipal Acts in different states, under which municipal bodies are set-up by the state governments in specific areas. Cantonment areas are governed by the Central

* Adapted from BPAC 104, Administrative System at State and District Levels, Block-2, Unit -13 (13.3)

legislation. There can be other areas also that can be declared as “urban” by the census authorities.

The urban population, which was around 3 percent at the beginning of the 19th Century rose to about 10 percent by the beginning of the 20th century. Between 1901 and 1921 urban population grew very slowly that is, it rose from 25.6 million to 27.6 million and between 1921 and 1941 population rose to 43.5 million. But after 1941, the growth rate gained greater momentum adding to its urban population. From 1961 onwards, there has been a dramatic increase in the urban population of the country. In 1961 the urban population stood at 77.5 million and by 1981 it had more than doubled to make it 109.6 million constituting about 23.7 percent of India’s total population. On the basis of census calculation it can be stated that India’s urban population has been rising steadily. In 1971 total urban population in India stood at 109.11 million, which rose to 159.46 million in 1981, and 218 million in 1991. During 1971-81 decade India’s urban population increased approximately 5 million per annum, or at an average annual growth rate of 3.87 percent compared to the growth rate of 1.78 percent for the rural population. In 1991 census, country’s total urban population stood at 217.18 million and the average annual growth rate during 1981-91 was 3.09 percent. Between 1988 and 2001 the projections estimated India’s urban population to become almost double and from 2001 to 2021 it was expected to double again.

India recorded a population of 1,395,975,917 (as on 6th September 2021). The data indicates that 65 percent persons were recorded in rural areas and remaining 35 percent in urban areas. (India Population, live, *worldometers.info*). Urban population growth is supposed to be an indicator of general economic development. Delhi is the most urbanised state in India with over 97 percent of its population being Urban (top 10 Urbanised states of India, *Census2011.co.in*). Amongst the other major States, the most urbanised is Tamil Nadu with 48.4 percent urban population. Maharashtra has the maximum urban population but is the third most urbanised State with 45.2 percent Urban Population. Kerala is second most urbanised State having 47.7 percent urban population. The Himachal Pradesh is least urbanised (most Rural) State having 10 percent followed by Bihar (11.3 percent), Assam (14.1 percent) and Odisha earlier known as Orissa (16.7 percent) (Ministry of Housing and Urban Affairs, Level of Urbanisation, 45.2%, *mohua.gov.in*).

In India, lack of employment opportunities in the rural areas has led to city-ward migration of large rural population, which is commonly known as the “push” factor of urbanisation. The migrants generally choose to settle in large cities where, as a consequence, population increase is not matched by planned infrastructure development. Roads, water supply, housing, drainage and sewerage, transportation facilities all suffer from short supply in the face of mounting population pressure. Our large cities like Kolkata, Mumbai, Delhi etc. are all having large slum population, and there is chronic shortage of essential civic services and facilities in these cities.

There has been a notion that India is an over-urbanised State, because of their substantial increase in population over the years. This thesis is advanced on the ground that there is a mismatch between the levels of industrialisation and urbanisation. The process of urbanisation is costly and impinges upon the economic growth. The State of infrastructure is poor and is not in a position to take the growing urban pressure. Thus, clear understanding of the key trends in urbanisation is crucial to the implementation of the 2030 Agenda for Sustainable Development, including necessary efforts to forge a new framework of urban development, which will be discussed in Section 1.5 of this Unit.

In the subsequent section, we will focus on the major issues and challenges in urbanisation and development.

Check Your Progress 1

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit

1) Discuss the meaning and concept of urbanisation.

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2) Explain the trends of urbanisation in India.

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1.4 URBANISATION AND DEVELOPMENT: ISSUES AND CHALLENGES

The impact of urbanisation can be observed on socio-economic development, environment and quality of life. It resulted in widening gap between demand and supply of land, housing and basic services. In this context, provision of basic amenities such as drinking water, sanitation, and health care facilities to urban population and particularly to the urban poor has remained a prodigious problem. In 2011, according to the Census of India, 2011, 70.6 percent of the households had access to the tap water facility as a source of drinking water, 72.6 percent of the households had their latrine (water closet) facilities and only 44.5 percent of the households had closed drainage

connectivity for waste water outlet. However, 17.4 percent of households are in slums. Here, it is to be noted that a majority, that is 71 percent, of slum households are located in six states - Maharashtra, Andhra Pradesh, Tamil Nadu, West Bengal, Madhya Pradesh and Uttar Pradesh.

i) **Problem of Access to Water Supply and Safe Drinking Water**

The coverage and easy access to drinking water supply in India is found to be more in the economically developed states such as Andhra Pradesh, Gujarat, Maharashtra, Punjab and Karnataka. The access of tap water facility has improved from 68.7 percent (2001) urban households to 70.6 percent (2011). In this regard, percentage of urban households having source of drinking water has also increased from 65.4 percent (2001) to 71.2 percent (2011) in their premises. The coverage of drinking water supply is higher in metropolitan cities than in Class I cities and Class II towns. In slum areas, source of drinking water was available to 56.7 percent of the households within their premises. It is known fact that there are inequalities in accessibility of water supply between poorer localities and richer localities within a city. Thus, situation of access to water supply is improving but deficiency and inequality of water supply among the states, cities and localities in urban India still needs sincere efforts to provide 100 percent facility to all. It is necessary to ensure safe drinking water for people, which is a common problem in most of the metropolitan cities. The drinking water sources are also found to be contaminated, for example Yamuna River. Moreover, supply of drinking water in the cities is also inadequate. Thus, it can be concluded that the expenses on water treatment and reuse will grow manifold; and in the future, the expected population cannot be accommodated without a drastic improvement in the availability of safe drinking water.

ii) **Problem of Access to Sanitation**

In urban India, 7.1 percent households had pit latrines, 72.6 percent households had water closets within their premises in 2011. Thus, 18.6 percent of the urban households did not have any proper latrine facilities within their premises. In slum areas, 66 percent households had latrines within their premises. However, the percentage of households not having the facility has declined. In the urban areas, Chhattisgarh had 24.9 percent, that is, highest percentage of households without latrine facility. The poor sanitation condition is a gloomy feature in slums and unauthorised colonies. The drainage system in many unorganised colonies and slums are in a bad shape, which results in blockage of wastewater. Such conditions may lead to much sanitation related diseases like diarrhoea and malaria. Thus, data reflects that even in the urban areas a sizable number of people were not having latrine facilities inside the house, which is a potential for hazard to public health (NSSO, Swacchta Status Report 2016).

iii) **Problem of Solid and Liquid Waste Management**

The wastewater flowing into open drainage system and flowing into water bodies creates health problems. At the national level, according to the Census of India 2011, the percentage of households to closed drainage and open drainage was 44.5 percent and 37.3 percent respectively in urban areas. The remaining 18.2 percent households did not have any drainage facility at all. Thus, much needs to be done to create the facility for all to sustain urban development and maintain public health.

Some of the towns and cities do not have sewage treatment plants as such untreated sewage flows in land and water bodies, which creates pollution. However, other major problem in cities is the management of solid waste. As per Report on Indian Urban Infrastructure & Services by HPEC, March 2011, in major metropolitan cities, waste collection coverage ranges from 70 to 90 percent. It is less than 50 percent in smaller cities; and even less is transported and disposed of. The waste collection efficiency declines with city size. The solid waste is generally mixed up with hazardous waste, which is generated in industrial areas of some cities that creates a serious environmental problem. Unsafe garbage disposal is one of the critical problems in urban areas and garbage management always remained a major challenge. It has been observed in most of the cases that the collected waste is disposed of in open dumps or end up in a drainage system, which affects surface and ground water quality. It is worth mentioning that with growth of urban population, the amount of waste generated is increasing, which is the manifestation of poor planning and management capacity at the local level. It needs urgent attention, in view of human health and environmental protection.

iv) **Problem of Access to Housing**

As housing is a basic need, in addition to food and clothing, therefore, its provision for the growing urban population is necessity, which is a major challenge before the government. The growing cost of houses in comparison to the income of the urban middle class has made it difficult for majority of lower income groups. They are residing in congested accommodation, and many of them are deprived of proper ventilation, lighting, water supply, sewage system, etc. The Technical Group on Urban Housing shortage has estimated in the beginning of 12th Five Year Plan as 18.78 million down from 24.7 million estimated at the beginning of the 11th Five Year Plan. The Pradhan Mantri AwasYojana – Urban (PMAY-U), a flagship Mission, addresses urban housing shortage among the Economically Weaker Section/Low Income Group and Middle Income Group categories including the slum dwellers by ensuring a pucca house to all eligible households in urban areas by the year 2022.

v) **Problem of Poverty**

Poverty is a multi-dimensional phenomenon, which indicates the lack of income or access to resources. It poses various challenges for housing,

water, sanitation, health, education, social security, livelihoods and the special needs of vulnerable groups like women, children and senior citizens. It manifests in the form of diminished opportunities for urban poor for hunger and malnutrition, social discrimination and the inability to participate in decision-making process. Eradication of poverty remains one of the greatest challenges before the government. It is not only extreme deprivation from the wellbeing and opportunities in urban areas, but also a problem of survival. In India, estimates show that there is a rapid decline in poverty. The Planning Commission (currently NITI Aayog) estimated, "...the annual average decline in poverty was 2.2% between 2004-05 and 2011-12 – from a poverty headcount ratio of 37.2% to 21.9% (Planning Commission, 2013). As per the UNDP Global Multidimensional Poverty Index 2020, in 2005-06, over 640 million people across India were in multidimensional poverty; with the successful implementation of social protection policies, 273 million people moved out of multidimensional poverty over a 10-year-period" (International Growth Centre). In urban India, glaring disparities have been noticed between haves and have-nots, which challenge the government to protect citizens from exploitation, misery and inhuman conditions. However, cities have been and will remain the engines of growth and yet a significant number of people are poor and living in miserable conditions in urban slums or at footpaths. In view of above, removal of poverty is one of the most demanding challenges, which needs urgent attention and sincere efforts from the government, civil society organisations and citizens. Even inclusion of a greater equity in the provision of basic services, targeted subsidies for vulnerable sections of the population, and special government assistance to strengthen the economic bases of small and medium towns will contribute in reducing poverty and improving the condition of urban poor. In slum areas, organising slum communities, extending sewage systems and electricity to slum areas, and constructing public toilets that can be maintained by the community will definitely improve the condition of poor people living in urban slums.

vi) **Problem of Access to Health Care**

Urbanisation is one of the leading trends that has a significant impact on health, which is an important indicator of human development. The health condition of urban poor in certain areas is even more pathetic than villages. As the health and well-being of citizens is most important asset for the urban government, but they still suffer due to inadequate housing and transport, poor sanitation and waste management, poor air quality and pollution - noise, water and soil contamination and a dearth of space for active living also make cities epicentres of the non-communicable diseases, epidemic and drivers of climate change. As a result, cities and towns are facing a health burden, which is mentioned below:

- a) Infectious diseases such as HIV/AIDS, tuberculosis, dengue, and diarrhoea;

- b) Non-communicable diseases, for example heart disease, stroke, asthma and other respiratory illnesses, cancers and depression; and
- c) Violence and injuries, which includes road traffic and accidents.

A sizable number of women and children are suffering from nutritional anaemia and diseases such as tuberculosis and asthma are occurring in good number. In this regard, providing adequate health care services to the growing population is a major challenge before the government health care delivery system in urban areas.

It is proven fact that cities pose many challenges, but they can also create opportunities for better health and cleaner environment. Hence, policies must match those challenges since health is essential for fostering good urban livelihoods, building a productive workforce, creating resilient and vibrant communities, enabling mobility and protecting vulnerable population. In addition, strategic urban planning will be the key to create supportive and enabling environment for health to ensure that the health and equity considerations are integrated throughout the planning process, investments, and policy-decisions at the local level in urban areas. Under Sustainable Development Goals, health has a central place in SDG 3 on Ensure healthy lives and promoting well-being for all at all ages. In this effort, maternal mortality ratio has declined from 130 (2014-16) to 113 (2016-18); under-five mortality rate declined from 43 (2015) to 36 (2018); and India is committed to eliminate tuberculosis (193 in 2019) by 2025. In this regard, to achieve the Goal Rs. 2100 crore was allocated to the Department of Health Research in 2020-21 (Sustainable Development Goals, Progress Report 2021). In addition to achieve this goal, India focuses on improving equity to meet the needs of women, children, poorest and aging in urban areas.

vii) **Problem of Unemployment**

Work is crucial to one's dignity, well-being and development as a human being. Here, economic development means creation of jobs and working conditions in which one can work with dignity. In 1999-2000, 7.32 percent of the labour force was unemployed. In this regard, about 8 percent of the total employment was in organised sector; and more than 90 percent were engaged in informal sector activities, which are, largely outside the reach of any social security benefits and also suffers from handicaps, that is, limited access to institutional facilities and other support. In absolute terms the number of unemployed stood at 26.58 million. In August 2021, unemployment rate in urban India was 9.78 percent, which was 1.46 percent higher than unemployment rate in India, that is, 8.32 percent (CMIE, September 2021). It is evident that migration will increase in the long-terms, as the work opportunities in agriculture shrink. In majority of cases, the migrants are at the receiving end in the destination state because they have little political voice. In such situation, better skilled migrants get better opportunities and have better income levels and adjust easily. Migrants' are mostly daily wagers, who frequently search for job and change the employers. In this long-term

perspective, a social security system for unorganised workers needs to be developed in all the states for such transient employment categories. The scenario of employment in 2021 will develop on the basis of certain underlying trends in regard to factors, which prevail in the longer term. Though the growth of labour force will slow down, but the elasticity of employment will also fall in urban areas. It means that pressure on labour market will not ease. Therefore, to cope up with such expected trends, strategies are required to promote labour intensive and capital saving technologies. However, employment creation in small establishments will have to be promoted. As assumed, migrant labour will increase social pressures in towns. A strategy to raise the wage levels of those who migrate will have to be based on a massive programme for development of vocational skills in towns and cities.

Providing employment to the growing urban population has been a major challenge before the government. In the small towns, needy literate and semi-literate migrants are absorbed by the contractors at lower wage for more work. The workers are bound to work in the informal sector, which may be unhealthy footpaths, open empty space or streets. In this regard, plight of rickshaw pullers and street vendors has been eye opener and widely noted. As the rural agriculture sector is shrinking day by day, therefore the challenge before the urban sector and government is to provide adequate employment opportunities to migrating population. As the labour is a subject in the Concurrent List under the Constitution of India, therefore the Ministry of Labour & Employment; and the State Governments are also competent to enact legislation. In this regard, the Ministry is functioning to ensure better life and dignity of labour force by protecting and safeguarding the interest of workers; promotion of their welfare; and providing social security to the labour force both in Organised and Unorganised Sectors by enactment and implementation of various Labour Laws, which regulate the terms and conditions of service and employment of workers. The endeavour is to create a climate of trust, that is, essential for economic growth and development and for the dignity of the labour force of the Urban India.

After a thorough discussion on major issues and challenges of urbanisation, it is worth mentioning that there are certain day to day problems, which affect every person for example problem of urban transport and traffic management, crime and theft. These are also challenging problems, which affect peace and development.

In view of above, it is necessary to ensure that the benefits of urbanisation are fully shared and inclusive. Even to manage growth and provide services in urban areas, there is an urgent need to ensure easy access to infrastructure and social services for all, focusing on the needs of the urban poor and other vulnerable sections for housing, education, health care, decent work and a safe environment. In view of above, in the next section, we will describe the significance of sustainable development in the era of urbanisation.

1.5 URBANISATION AND SUSTAINABLE DEVELOPMENT

As we have already discussed that India is urbanising at a fast pace that is 35 percent of the population is urban and it is expected that by 2050, about 50 percent population would be residing in urban areas. At a time when India is going to achieve the status of urban majority society by next couple of decades, it is important to ensure that the urban transition is smooth, productive, environment friendly and sustainable. It will require appropriate infrastructure and services for a better quality of life, which can only be ensured through modern urban governance. It is to be noted that cities are in the process of modernising their governance structures. In this regard, the government has undertaken various initiatives such as focusing on improvement in tourism (HRIDAY - Heritage City Development and Augmentation Yojana), infrastructure (Housing for All— Pradhan Mantri Awas Yojana (Urban), Smart Cities Mission, AMRUT - Atal Mission for Rejuvenation and Urban Transformation), sanitation (Swachh Bharat Mission 1 and 2) and water (Jal Jeevan Mission-Urban). In this context, data reflects that in 2020, 96 percent wards achieved 100 percent door to door waste collection; and 65 percent waste processed, which was 17.97 percent in 2016 (NITI Aayog, 2021). At the same time considerable progress is made in supply of urban housing, of infrastructure and development of appropriate technology (Integrated Command and Control Centres, e-Governance, GIS, GPS, Geotagging etc.).

As India continues to urbanise, sustainable development depends on the efforts for successful management of urban growth, especially in areas where the pace of urbanisation is projected to be the fastest. At this stage, many state governments will face challenges in meeting the needs of their growing urban population, which include housing, transportation, energy systems and infrastructure. In addition, problems of employment and basic services like education and health care are also a big challenge.

The challenges cities face in India can be overcome in such ways that allow them to grow, while improving resource utilisation and reducing pollution level and poverty. The joint and sincere efforts of political leaders, administrators and citizens will contribute to shape the desired future of urban areas. Consequently, citizens' participation in policy formulation and implementation is necessary for enhancing trust between citizens and government, sustainability, better service delivery and accountability. This type of enabling environment reflects opportunities for all, with easy access to basic services, energy, housing, transportation etc. Besides, it will pave the way for inclusive, safe, resilient and sustainable human settlements in urban areas. In this regard, integrated policies are required to improve the lives of urban and rural dwellers, while strengthening the linkages between urban and rural areas, building on their existing economic, social and environmental ties for sustainable development. The Sustainable Development Goal (SDG) 11 on Sustainable Cities and Communities also states that the sustainable development of cities plays a vital role in development as they offer opportunities for people to prosper economically and socially. The

Government of India is implementing the SDGs; and is strongly committed to achieve the Goals to ensure Sabka Saath, Sabka Vikas, Sabka Vishwas and Sabka Prayas in the spirit of the Sustainable Development Goals' motto of "Leaving No One Behind". Hence, urbanisation is intrinsically connected and irrevocably enlaced with the development process in the Urban Local Governance.

Check Your Progress 2

Note: i) Use the space given below for your answers.

ii) Check your answer with those given at the end of the Unit.

1) What are the major issues and challenges in urban areas?

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2) Write a note on urbanisation and sustainable development.

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1.6 CONCLUSION

We have witnessed the urbanisation in the world. The data highlights that 35 percent of the population live in urban areas. Urbanisation is generally defined as the shift from a rural society to an urban society, which is depicted as an increase in the number of people in urban areas during a particular period. It is considered as an outcome of socio-economic and political developments that lead to urban concentration and growth of large cities, changes in land use and transformation from rural to metropolitan pattern of organisation and governance. It is an important factor in the areas of economic transformation and social formation, which we will discuss in the next unit. As India continues to urbanise, therefore efforts for sustainable development depend on the successful management of urban growth, especially in selected cities where the pace of urbanisation is projected to be the fastest. At this stage, many state governments will face challenges in meeting the basic needs of their growing urban population. Here, problems of unemployment, health care, education, housing, transportation, energy system and infrastructure are posing big challenge, which can only be

addressed through modern urban governance. It is to be noted that cities are in the process of modernising their governance structures.

The Sustainable Development Goal (SDG) 11 on Sustainable Cities and Communities also states that the sustainable development of cities plays a vital role in development, as they offer opportunities for people to prosper economically and socially. The Government of India is implementing the SDGs; and is strongly committed to achieve the Goals to ensure Sabka Saath, SabkaVikas, SabkaVishwas and Sabka Prayas in the spirit of the Sustainable Development Goals' motto of "Leaving No One Behind". In this Unit, we have discussed the meaning and concept of urbanisation and development, trends of urbanisation, issues and challenges, and measures to attain urbanisation and sustainable development. We hope this unit has given you adequate information and knowledge on urbanisation and development, which will facilitate you to have better understanding of the units that will follow under this Block.

1.7 GLOSSARY

Statutory Towns and Census Towns: The first category of urban units is called Statutory Towns. These towns are notified under law by the concerned State/UT Government and have local bodies like Municipal Corporations, Municipalities, Nagar/Town Panchayats. The second category of towns is known as Census Towns, which are expected in due course.

Sustainable Development Goals: India is committed to implement the Sustainable Development Goals (SDGs), which are based on the nationally defined indicators responding to national priorities and needs. In this endeavour, towards integrating SDGs into country's on-going national and sub-national policies and programmes the NITI (National Institution for Transforming India) Aayog has mapped the SDGs with centrally sponsored programmes of different Central Ministries/Departments. The integrated nature of the 2030 Agenda requires governments to work across policy silos and set ambitious and interrelated socio-economic and environmental objectives that go beyond short-term political cycles. The Government is working with the approach to strategic visioning, priority setting, and implementation.

Urban Agglomeration: It refers to a continuous urban spread constituting a town and its adjoining urban growth or two or more physical contiguous towns together and any adjoining urban outgrowths of such towns.

Urban area: All statutory places with a Municipality, Corporation, Cantonment Board etc.; and a place satisfying the following criteria simultaneously: i) minimum population of 5000; ii) 75% plus of the male population engaged in non-agricultural occupations; and a population density of at least 400 persons per square kilometer (the Census of India 2011).

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1.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) Your answer should include the following points:
 - Refer Section 1.2
- 2) Your answer should include the following points:
 - Changing trends in growth of urban population.
 - Rise in the growth rate of the urban population from 1941 onwards.
 - The urban population doubled in 1981 (compared to 1961) constituted about 23.7 per cent of India's total population.
 - High concentration of population in a few cities.
 - For more details, refer Section 1.3

Check Your Progress 2

- 1) Your answer include the following points:
 - Refer Section 1.4
- 2) Your answer should include the following points:
 - Refer Section 1.5

UNIT 2 ROLE OF URBAN SECTOR IN SOCIO-ECONOMIC DEVELOPMENT*

Structure

- 2.0 Objectives
- 2.1 Introduction
- 2.2 Development: Meaning, Definitions and Urban trends
- 2.3 Urbanisation: Trends and Implications on Development
- 2.4 Role of Cities
- 2.5 Urbanisation and Economic Development
- 2.6 Urbanisation and Social Development
- 2.7 The Way Ahead
- 2.8 Conclusion
- 2.9 Glossary
- 2.10 References
- 2.11 Answers to Check Your Progress Exercises

2.0 OBJECTIVES

After studying this Unit, you should be able to:

- Discuss the significance of urbanisation in socio-economic development;
- Highlight the role of urbanisation in economic development;
- Enumerate the impact of urbanisation on social sector; and
- Examine the role of urbanisation in socio-economic development and way forward.

2.1 INTRODUCTION

Urban agglomeration is synonymous term with academicians globally as today the world has reached a phase where the cities have become the hub of nearly all facets of development. With more than half of the world's population occupying the cities, also there are predictions by the United Nations about the occupancy of cities by six billion population by 2050; thereby makes cities the epicentre of human development, growth and sustainability, especially socio-economic development.

Cities are referred to as the nucleus of expansion as they provide opportunities for social equity, economic growth and innovation; though we are not adequately prepared at the local, national and global levels to adapt to

* Contributed by Prof. Swinder Singh, USOL, Panjab University, Chandigarh

this form of growth. Thus, there lies ahead a turbulent urban juncture with a rainbow of challenges and opportunities demanding innovative, inclusive and integrated solutions. In this unit, we look into the basic meaning of urban area, urbanisation, urban development and the economic and social outcomes of urbanisation.

2.2 DEVELOPMENT: MEANING, DEFINITIONS AND URBAN TRENDS

Before we move further, it would be appropriate if we have some clarity about the meaning of development and certain related concepts.

As we have observed in Unit 1 that the concept of urbanisation has been defined in a variety of ways, we find that urban area is defined in terms of certain indices in such a way so as to facilitate the measurement of urbanisation while at the same time these indices are found to be related to a kind of lifestyle, socio-economic institutions, cultural and value systems and personality structures substantially different from those of rural settings.

Concept of development may be viewed from various angles. One group of scholars view development from the point of view of growth, while other group associate it with development of science and technology and its application, and another group view it from qualitative aspect, i.e., better quality of life. Even, development is also referred to as “planned change”.

Han Ben Lee, opines that development is a process of acquiring a sustained growth of a system’s capability to cope with new, continuous change towards the achievement of progressive political, economic and social objectives. Thus, to be more specific, development is a process of change from traditionalism to modernity, which is greatly influenced by human beings. Therefore, all the activities related to development are generally oriented to institutional building, socio-economic stability and sustainability. The concept of development therefore, is not a single dimensional but a multidimensional one. It is not just growth or having economic aspect but it generally has economic, social, political, administrative, environmental, cultural and other dimensions. Here we may have some idea about economic development and social development, before viewing the concept of urban development.

Economic Development

Economic development is a process, whereby there is a growth in real income over a period of time. It is concerned ultimately with the rise in standard of living and improved and better infrastructure. This also means better living conditions, better education, better health facilities along with sustainable economic growth including the expanded opportunities for work and leisure for the people.

Social Development

Social development may mean increase in skills, complexities and internal differentiation. Very often the term social development is confused with the

term social change, but the two terms have different meanings. Social change means change in structure and functioning of a system and signifies change in the social behaviour and social values.

Social development is opposed to social backwardness. It is the cultivation and enlightenment of the mind, a better understanding of man and nature and an improved capacity to contribute towards the improvement and change of society. Some important aspects of social development are: higher literacy rate, adaptation to science and technology and new techniques by the people, enlightenment of mind, a better understanding of man and nature, better living environment with better health facilities, better quality of life with social justice, social security for women, children, old and vulnerable, good social relations and cooperation, strengthening of social institutions, and so on.

Urban Development

Urban development is seen as the steps for urban planning and growth or planned urban growth with defined objectives so as to guide and control the growth of urban areas towards the desired direction. Urban growth may be defined as the rate at which the population of an area increases. It also refers to the increase or expansion of urban areas, may be a gradual shift from a city to a metropolitan area. This mainly happens due to migration of people from rural areas or other urban areas. Urban development on the other hand focuses on the qualitative aspect of urbanisation. This generally includes the better living conditions, better environment, more and more economic avenues, better job opportunities, well developed social sector including a strong educational set up, health infrastructure, maintenance of cultural heritage, facilities for recreation and so on.

Urbanisation has been an essential part of most nations' development towards a stronger and more stable economy. The countries in the South that urbanised most rapidly in the last few decades are generally those who followed economic liberalisation and globalisation closely leading to rapid economic growth.

Most of the world's largest cities are in the world's largest economies, which is further evidence of this link between economic wealth and cities. Cities and towns also have important roles in social transformation. They are centres of artistic, scientific and technological innovations, of culture and education. The history of cities and towns is inexorably linked to that of civilisation in general (Zhang, 2011).

Though the world is aware about the growing impact of the cities, both in international affairs and national socio-economic progress, yet there is a staggered development. The city forms the central tenet of both developmental and controversial context. Herein, the positive connotations are accompanied by negative impact of urbanisation on cities, which are prominently discussed under the umbrella of poverty, slum growth, criminalisation, social disruption in developing cities, environmental hazards, etc.

2.3 URBANISATION: TRENDS AND IMPLICATIONS ON DEVELOPMENT

Some interesting facts in this context are, since 1991, the proportion of million plus cities have hiked in all states of the country, except in the state of Tamil Nadu; an analysis of urban growth has depicted that the highest growth has been registered in the avenue of land utilised for non-agricultural purposes; and the states of Bihar, Orissa and Rajasthan has shown an increase in the rate of urban poverty, etc. Thus, it is undeniably a debatable issue that in the light of technological advancements and industrialisation what can be the fate of urbanisation with a limited resource base of the country. As per the census 2011, the urban population was 377.10 million spread over 7935 towns/urban agglomerations. The urban population has been growing at a much higher rate than the total population and rural population. As a result, there has been a high percent growth in urban areas, i.e., from about 11 percent in 1901 to over 31 percent in 2011, which contributed in challenges and opportunities for development.

2.4 ROLE OF CITIES

Though cities are referred to as engines of growth and undoubtedly there is immense literature on this context; wherein, this rapid growth, especially social and economic growth is accompanied by increased urbanisation, which can be partially contributed the structural transformation of societal edifice from agricultural to industrial. As indicated earlier, urbanisation makes various kinds of impact, positive as well as negative, social, economic, political, environmental, etc.

We will focus here mainly on social and economic aspects. In the process of urbanisation, we can note societal transformations in various ways, which includes changes in demographic structures, new family set ups with changed family roles, changed domestic relations, changes in individual personality, orientations, individual works, skills and responsibilities, and so on. A number of studies indicate certain negative socio-psychological impacts of urbanisation on individuals.

i) Social Aspects

After shifting from their native place, many people find themselves in an insecure or hostile environment. The general anxiety about the future adds to an increase in mental health disorder. Urbanisation also leads to dependence on others for various purposes, whether it is the basic necessities or education, housing, transport and others, thus leading to further psychological degradation due to increasing dependence as well as due to cultural differences and maladjustment. Rather than happiness and liberty, people may find themselves in a tight spot with indifferent society. In urban areas people have to compete for limited resources and many are forced to adjust themselves in unhygienic, unsafe and crowded slums. This further pushes them towards being a part of lowly rated city inhabitants.

ii) Economic Aspects

On economic front, the common problems associated with urbanisation include, poverty, unemployment, rise in costs, white collar crimes, economic inequalities besides the problems associated with housing and environment.

On the other hand, as pointed out earlier, there are number of positive implications of urbanisation. Apart from being inhabited by the people, cities provide viable platform of economic opportunities and offer functional domain to acquire and sharpen the skills. Way back in 1967, Pacific Conference on urban growth observed that the economic function of urban development rates on the following interrelated premises:

- a) Specialisation of labour increases productivity.
- b) Specialisation of functional division of areas (areas devoted to industrial uses, cultivation, etc.) increases the efficiency of an iron economy, for it concentrates large number of people, skills and capital in a relatively small spaces so as to facilitate communication among sectors of the economy.
- c) There is a relationship between capitalisation and efficiency of space, as more capital is invested in a given space, the economic efficiency of that space is increased.
- d) Industrialisation leads to concentrated accumulation of both capital and labour.
- e) The accumulation of labour and capital leads in turn to urbanisation.

Equity-The Key Issue

However, amidst this, neither all cities nor all residents are able to achieve the benefits reaped by the profits of urbanisation. As a result, nearly one in seven of the world's population live in poverty in urban areas. This condition is even worsened further in cities with higher GDP, where many residents lack access to basic facilities (services and infrastructure), namely, basic water access, health care system, educational institutions, waste collection, sanitation, etc.

Official statistics typically under-estimate the scale of urban poverty, particularly where they depend on income-based poverty line that do not reflects the costs and realities of living in urban areas. The dollar-a-day poverty line used in the Millennium Development Goals is perhaps the most egregious example. Such simplistic measurements have resulted in a lack of attention to urban poverty reduction by many governments and development agencies (Mitlin & Satterthwaite, 2013).

All this has shifted the basic definition of the word ‘poverty’ from levels to income to the accessibility and availability of basic needs of life, which move from provision of safe shelters to quality education to effective healthcare systems to safe drinking water (UN-Habitat, 2016; Satterthwaite, 2016).

Indeed, between 1990 and 2015, many countries experienced a decline in the proportion of their urban population that had with water pipe to premises or improved sanitation (Satterthwaite, 2016).

Yet governments can meet many basic needs at a lower cost in cities than is typically possible in rural areas. This is because higher population density reduces unit distribution costs and permits economies of scale. In other words, the more people who can connect to or use a system, the lower the average costs of that system ; Duranton, 2008; Turok & McGranahan, 2013). Therefore, although urbanisation is often associated with poverty, it in fact offers substantial opportunities to enhance wellbeing. Achieving these development objectives, and maximising agglomeration and scale economies, depends on the presence of enabling policies and infrastructure investments (Turok & McGranahan, 2013). The persistent scale and depth of urban poverty therefore, represents a chronic failure of governance.

Thereafter, it is pivotal for the system of governance to ensure that the cities are able to deliver as per the required demands. As undoubtedly cities are far more productive than their rural counterparts, however, due to the failure of system of administration, despite of enriched economies and massive influx of population most of the urban dwellers still reside in informal settlements. As urbanisation is an inevitable force of development and the cities are playgrounds of multitude competition and opportunities yet due to the unmanageable means and ends, after growing to certain levels the cities tend to depict a negation of urbanity. Thus, it is imperative for the government to maximise the role of positive externalities and minimise the role of negative impacts.

Check Your Progress 1

- Note:** i) Use the space given below for your answers.
ii) Check your answer with those given at the end of the Unit.

- 1) Discuss the concept of urban development.

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- 2) Explain the socio-psychological impacts of urbanisation on individuals.

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2.5 URBANISATION AND ECONOMIC DEVELOPMENT

The most pivotal advantage of cities in human development is that they provide an unprecedented level of exposure to its populace by its gain in productivity and competitiveness. Due to its high concentration of demography the cities appear as hubs of opportunities by providing simultaneously critical thinking whilst promoting knowledge, innovation and production of services, which also facilitates trade and commerce. This has led to the creation of new technologies, thus, they provide an avenue of learning and sharing. Therefore, cities are agents of cultural, political, social and economic change. The economic role of the urbanisation can be summarised under the following heads:

- i) **Economies of Agglomeration:** Due to their feature and prospect of accommodating an array of services, goods, demography and embracing diversity, especially with specialisation; the cities tend to act as a self-contained universe that generates a large share of its demand. Thereafter, in the phenomenon of economy of urbanisation these urban regions are extremely productive and generate massive economic output aka high levels of Gross Domestic Product (GDP). For example: China, United States, India, Brazil and Mexico will have highest urban GDP growth by 2025. China will contribute to 31.2 percent of the global growth; United States, 10.7 percent; India, 3.7 percent; Brazil, 2.8 percent; and Mexico, 1.6 percent. Thereby, these figures suggest that the urbanisation has indeed affected the economy, especially, the industrial set up as larger the urban space the more diversified and specialised will be the services.
- ii) **Employment Generation:** Larger urban areas or the cities have always been viewed as the centres of employment, progress and poverty reduction. Rural population is shifting to cities for the sake of better employment opportunities. People view the cities as the job creators and potential labour markets. With the increase in demand of various products, production is required to be increased and therefore, the number and size of production units also goes up leading to more labour/personnel requirements. New jobs are created due to agglomeration economies and advantage of possible scales.
- iii) **Synergic Effect of City Clusters:** The formation of cluster cities is due to the production of goods and services, wherein, in the cities there are two types of goods and services produced aka low and high quality, respectively. The markets are created on the basis of demand, requirement and type of goods. Therefore, various cities are placed at a hierarchical level in lieu of this. Also, another aspect of clustering of the cities is that specific type of industries with similar specialisations and formations are clustered together to achieve maximum competition and output, forming horizontal and vertical linkages with industries, which provide them inputs or sell their services.

- iv) **Higher Productivity of Cities leads to Higher National Development:** Indeed, it is the high levels of productivity achieved by the cities, which is directly proportional to national development as the cities house a major proportion of the country's population. Cities generate disproportionately higher GDP than the rural areas, both in developed and developing economies.
- v) **Variation in Growth in between Cities:** As economic growth is directly proportional to population growth, the cities with favourable location, climate, resources, better administration and governance, suitable infrastructure and swift mobility of trade and transport tend to attract more populace than others. For example, Surat, in western India has also grown by many times the national average.
- vi) **Mobilisation and Utilisation of Resources:** Another positive aspect of urban growth and development is the mobilisation of resources. The unutilised or underutilised resources are tapped for the new demands unknown earlier and also the increased demand of various resources required for higher production is a common feature of urbanised areas. In this regard, compared to rural areas and smaller cities the contribution of the fully urbanised areas or the larger cities is very significant. However, the availability of resources, especially, in the developing nations is not sufficient. Due to this although the cities act as potential engines of growth but they are unable to fulfil the standards of competency of the growing demand of its populace. The overall productivity is, therefore conditioned by the availability of resources.
- vii) **Cities as a Tool of Poverty Reduction Mechanism:** The importance of cities in poverty reduction has become increasingly prominent. Cities are proven to be better poverty fighters than their rural counterparts. For example, average income of urban residents are four times higher than those of rural ones in countries such as China and Thailand. China, with its pro-urbanisation policies, has removed 220 million people from poverty in less than 25 years. With economic growth highly correlated with poverty reduction, the high growth of cities bodes well for poverty reduction.
- viii) **Urban Competitiveness:** Opening the city economies to global markets instil a competition within the national and global prospect. As the most fundamental role of urban economy is the growth of national GDP, thereby, high levels of economic development are recognised as a result of higher productivity, greater capital intensity, high levels of human capital and most importantly greater levels of infrastructure.

In order to maintain and promote the vital economic growth, power and competitiveness of cities, it is essential that cities should have the power to generate revenues and make development decisions. The cities should have sufficient investment to provide adequate infrastructure and services, such as transport, communications, power supply, water and sanitation, housing, and financial and business services; develop and attract high quality human resources for technological innovation,

2.6 URBANISATION AND SOCIAL DEVELOPMENT

The shift in population from rural to urban milieu has led to the tremendous influx of demographic resources. Herein, the behaviour and values of the persons are affected by the urban impact, thereafter it effects the political, social, cultural and occupational organisation of the cities with significant involvement of health, education and welfare prospects. Although, there exists a strong difference in the social systems of different societies yet there is a strong connection between city and its surroundings. A brief discussion about the social impact of urban sector is hereunder:

- i) **Change in the Concept and Structure of Family:** Urbanisation has affected family structure; intra and interfamily relations as well as functions of the family. The urban joint families are being gradually replaced by nuclear families. Sizes of the families are shrinking and kinship relationships are getting confined to two or three generations only. There is now growing individualism due to urban culture. Each member of the family starts looking for his/her identity thereby giving a boost to acquire new skills and attitudes. There is a clear tendency towards smaller families
- ii) **Change in Social set up and Caste System:** With urbanisation and educational development, the caste identity and caste pride has diminished. The networks of urbanites comprise people from all castes. Instead, class ties are more important than caste ties. At the same time, educated members of some of the caste groups come in together to make some kinds of pressure groups in urban areas. However, such pressure groups *work like a social organisation* instead of caste structures in villages. Such groups also bring several sub-castes together.
- iii) **Status of Women and their Empowerment:** The status of women in urban areas is higher in comparison to rural areas, and they are comparatively more educated and liberal. Women get empowered due to changed family structures and rather flexible norms, openness of society, better interactions, new avenues and opportunities. They become not only aware of their economic, social and political rights but also are able to exercise those rights. Moreover, due to the higher average age of marriage of girls in cities, they get more time for better learning and acquiring skills. It has also been found by various studies that women have a better say in household and other matters in the urban areas.
- iv) **Impact on Village Life:** Urban development has led to the centrifugal movement of village people to urban areas. Most people migrate to cities for employment and business. At the same time, rural residence and urban employment have resulted in a new type of lifestyle in rural-urban fringe areas. It has resulted in modifications of social patterns as well as adjustments to a new way of life. The rural people are influenced by

urban life and don't lay undue emphasis on caste, creed, etc. Thus, more and more liberal approach is seen in village people.

- v) **Transformations and Innovations:** Urban agglomerations lead to various types of competitions and struggles. This makes the cities as apex of new ideas, communication modes and innovations. It spreads in immediate hinterlands as well as in the whole region, through sustained urban-rural links.
- vi) **Role of Urbanisation in Expansion of Communication Mechanisms:** The most important role of major cities is their linking of different parts of the world through transport and communications. Air routes, road and rail networks, telephone, and E-mail networks are the main transport and communication mechanisms that have revolutionised the concepts of time and distance throughout the world.
- vii) **Cities as fountains of scientific and technical knowledge:** Cities are considered to be fountain of scientific and technological knowledge along with new inventions and innovations intended for modernisation and development of cities as well as the whole nation State.

2.7 THE WAY AHEAD

Urbanisation and the growth of urban sector has undoubtedly become a global phenomenon with more than half of the population housing the cities. Majority of this populace, would live in less developed regions of the world. Thereafter, as the world enters the era of cities, making them the epicentres of human development, growth and sustainability, there also arises the imperative to prepare our present-day governance to face new urban challenges. It is evident from the augmentation patterns of today, globally, that Cities are not going to remain the same forever. As the pattern of city, which had been discovered in the ancient civilisation, commonly known as the Indus Valley Civilisation to the city of the 21st Century, popularly referred to as the sustainable cities, wherein, the basic edifice of the urban milieu does not transform, however, it is the infrastructural potential, which has undergone significant manifestations. Due to the growth of these urban components the world, today, has become a global village, whereby, learning and incorporating from universal and successful approach is the most sought out move to ensure progress and performance.

Urbanisation is the current pace of the world and India as a nation cannot overlook this global vogue. Although the rapid expansion of urbanisation is engaging the world polity, but the most important task to sustain the growth of urbanisation, especially in developing countries, is the joint efforts of political leaders, administrators and citizens. The planning and policy-making process involved in urbanisation is not always welcomed by the people who are involved in its delivery as it involves a holistic process to engage all possible benefactors to deliver the desired output after the supposed input.

One of the most important subject matter in the current scenario in India is its growing urban culture with the Cities being the central tenet of urban

governance. There is a shift from agricultural to service economy, making cities even more important, especially by 2030. India as a country is fortunate to experience the phenomenon of urbanisation from ancient times, i.e., Indus Valley Civilisation. The process of urbanisation, began with a negative trend with a growth rate of minus 5 percent in 1901-1911, 1.7 in 1951-61 and 3.5 percent in 1951-61 percent. As the country has progressed through the pages of history so has the quotient of development, especially with the expansion of the spatial dimensions of the urban centres. Thus, transforming urbanisation is an inevitable and positive trend.

Check Your Progress 2

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1) What are the basic economic benefits of urbanisation?

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2) Highlight three social consequences of urbanisation.

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2.8 CONCLUSION

In this Unit, we have examined the role of cities and socio-economic outcomes of urbanisation. We have noted that it is universally accepted that the urban areas are the engines of economic growth and development. There are also positive and negative social consequences of cities and mega cities. Although there is a big role of urban areas towards economic and social upliftment, there are at the same time a number of somewhat negative consequences too. Therefore, the situation that the world is witnessing in the context of urbanisation and its spatial content communicates an urgent need for the adoption of measures and methods to minimise the adversaries of the growth of urban sector; and their transformation into strengthening of its benefits. Some of the potential solutions are sustainable development through the orientation of green cities, expansion of new opportunities in the rural areas to curb rural-urban migration; reduction of slums by creating better and

accessible accommodation. Social tensions may emerge in cities, where urban divides are widening because of low-paid jobs at the bottom of the income distribution and high salaries at the top as redistributive policies can balance the social outcomes of the city economy. In consensus, cities become more productive when they are clustered and integrated.

2.9 GLOSSARY

City Clusters: It is an urban-led development approach that enhances the ability of cities to promote economic growth in an extended urban region. An extended urban region is defined by spatial spheres of economic influence, not administrative jurisdictions.

Income: It is money (or some equivalent value) that an individual or business receives, usually in exchange for providing a good or service or through investing capital. Income is used to fund day-to-day expenditures. For individuals, income is most often received in the form of wages or salary.

Poverty: The state of one who lacks a usual or socially acceptable amount of money or material possessions. Poverty is said to exist when people lack the means to satisfy their basic needs. In this context, the identification of poor people first requires a determination of what constitutes basic needs.

Urban Agglomeration: Is a continuous urban spread constituting a town and its adjoining outgrowths (OGs), or two or more physically contiguous towns together with or without outgrowths of such towns.

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2.11 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) Your answer should include the following points:
 - Refer Section 2.2
- 2) Your answer should include the following points:
 - Refer Section 2.4

Check Your Progress 2

- 1) Your answer should include the following points:
 - Urbanisation leads to economic growth due to rise in specialisation, better infrastructure, employment opportunities and so on.
- 2) Your answer should include the following points:
 - Refer Section 2.6

UNIT 3 URBAN POLICIES*

Structure

- 3.0 Objectives
- 3.1 Introduction
- 3.2 Phases of policies/initiatives for urban development
- 3.3 Early interventions
- 3.4 Major areas of policy interventions
 - 3.4.1 Planning for urban areas
 - 3.4.2 Providing basic services
 - 3.4.3 Urban poverty
- 3.5 National Urban Policy Framework, 2018
- 3.6 Conclusion
- 3.7 Glossary
- 3.8 References
- 3.9 Answers to Check Your Progress Exercises

3.0 OBJECTIVES

After studying this Unit, you should be able to:

- Understand the Government's approach towards urban areas;
- Discuss the measures taken for urban development;
- Explain the major challenges in managing urban affairs; and
- Examine the various efforts for urban policies.

3.1 INTRODUCTION

Urban development is a state subject in the federal structure of India. There is no National Urban Policy as such. But a document of National Urban Policy Framework, 2018 is being debated for feedback. However, policy is emerging gradually since independence in the form of focus areas, schemes, programmes and sectoral policies on different aspects of urban development. These include National Urban Housing Policy, National Urban Transport Policy, National Urban Sanitation Policy and National Policy for Street Vendors; and several programmes including Jawaharlal Nehru National Urban Renewal Mission and urban sector missions of the Government of India, launched since 2015. Now, there is an urgent need to draw suitable feedback from these initiatives to firm up the National Urban Policy to meet long-pending demand, as early as possible.

* Contributed by Dr. Sachin Chowdhry, Associate Professor, Indian Institute of Public Administration, New Delhi

3.2 PHASES OF POLICIES/ INITIATIVES FOR URBAN DEVELOPMENT

Based on the approaches of the Government, the period since independence can be divided into following three distinct phases:

i) **Phase I - Since Independence to Mid-1980s**

During this period, major programmes were planned for rural areas as majority of poverty-stricken population lived there. These rural areas also lacked basic infrastructure for a dignified living. In a democratic set up, the politics also demanded attention of majority of the population. While, urban areas too were not in a very good condition, the Government continued to manage the urban affairs in almost similar ways as they were being done in the pre-independence period, though the scope of activities of ULBs was enlarged. All the urban issues came under the domain of the Ministry for Works, Housing and Supply, which was constituted on 13th May 1952; and subsequently it was renamed as the Ministry of Housing and Urban Affairs, that is, now a nodal Ministry for urban development.

ii) **Phase II - Mid-1980s to Mid-2000**

By the mid-1980s many new cities have emerged, and existing cities were facing chaotic situation in providing even the basic services to their citizens. The ULBs faced neglect of the respective state governments. In this regard, political consensus had started emerging about the issues of urban governance, which needed serious attention. For the first time, in 1985, a Ministry with Urban Development title was constituted in the Government of India. This phase saw some focused interventions including granting constitutional status to the ULBs.

iii) **Phase III- Mid 2000 onwards**

This phase started in line with the tangible outcome of pro-globalisation and liberalisation of 1990, which stimulated economic activities and associated growth of urbanisation. The 74th Constitutional Amendment Act of 1992 gave a push towards empowerment of urban local bodies, which yielded positive policy initiatives.

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was launched in the year 2005, which can be said to be the first major initiative towards reforming urban governance; and improving delivery of some basic services. This has been followed with some more important programmes like Smart Cities Mission (SCM), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Swachh Bharat Mission (SBM), etc. In 2018, the Union Government proposed a National Urban Policy Framework (NUPF) for an integrated and coherent approach towards the future of urban planning in India.

Let us now see, important policy interventions during the above stated three phases.

3.3 EARLY INTERVENTIONS

The first Conference of Local Self-Government Ministers was held in 1948 for drawing up a common programme of action to promote Local Self-Government throughout India. It suggested, "...there should be provincial cadres for the higher executive and technical staff employed by local bodies" for effective urban governance. The Central Government had set up the Local Finance Enquiry Committee in 1951, and the Taxation Enquiry Commission in 1953 to examine the problems of finances of urban local bodies. Some sources of revenue were identified for the local bodies to levy taxes. On the recommendations of the Conference of Local Self-Government Ministers, in 1954, a Central Council of Local Self-Government was set up in 1954 under Article 263 of the Constitution of India to look into the issues concerning urban sector. This provided a forum for discussion of policy and programmes on Local Self-Government (Regional Training Institute, 2006).

A Rural-Urban Relationship Committee had been set up in 1964, on the recommendations of the Central Council of Local Self-Government and the third Conference of State Ministers for Town and Country Planning, by the Government of India with the following terms of reference:

- i) Determination of criteria for the demarcation of urban and rural areas,
- ii) Making recommendations regarding the relationship between the Urban Local Bodies and the Panchayati Raj Institutions,
- iii) Defining the structure and functions of the Urban Local Bodies,
- iv) Making recommendations about the lines on which urban community development work may be undertaken in municipal areas, and
- v) Making recommendations for more efficient and effective functioning of the Urban Local Bodies, generally.

Third Five-Year Plan recognised that the problems of urban areas needed attention on the part of state governments, municipal bodies and people. It recommended strengthening municipal administration for undertaking new developmental responsibilities. It allocated a sum of fifty million rupees for giving assistance for the preparation of master plans of metropolitan cities, state capitals, port towns, industrial centres and resource regions. The Fourth Plan also focused on preparation and completion of Master Plans. It also emphasised on greater citizen participation in community development work, in urban areas. In this regard, several steps were taken for improving planning for urban areas.

National Commission on Urbanisation

A National Commission on Urbanisation (NCU) was constituted in 1986 to examine the whole gamut of urbanisation; and facilitate the formulation of policy for urban areas. This was the first major effort to look into the urban issues holistically. There was a realisation that the cities could act not only as generator of wealth but also provide gainful employment to the surplus of rural population. However, the ground reality was that the decaying urban

infrastructure, defective planning, administrative inefficiencies and inadequate resource mobilisation and allocation were all part of the urban malaise (Buch, 2015). The terms of reference of the Commission were to:

- i) Examine the state of urbanisation with reference to present demographic, economic, infrastructural, environmental, physical, shelter, energy, communication, land, poverty, aesthetic and cultural aspects.
- ii) Identify priority action areas, make projections of future needs and estimate the available resources.
- iii) Prepare basic guidelines for the specific action plan in priority areas.
- iv) Evolve the policy frames and suggest basic approaches for encouragement of manageable urbanisation, and also the methods of creating networks of interactions as an ongoing process among government, academic and research institutions, and citizen groups.
- v) Suggest an institutional framework for monitoring the effective implementation of the Commission's recommendations.
- vi) Consider any other matter having a bearing on urbanisation.

The Commission had made wide ranging recommendations. It suggested attention towards the growth of small and intermediate level towns so that the migration rush is reduced in the metropolitan centres. It advised spatial planning consisting of General Spatial Plan (GSP) for a period of 10 to 15 years and an Integrated Spatial Plan (ISP) within the framework of GSP for a period of five years coinciding with the five-year plans, where the policies and strategies flow downwards from national level to state level, and state level to districts. It identified 49 Spatial Priority Urban Regions. The Report favoured sufficient land for urban necessities, including providing equitable access to squatters through making land acquisition stringent and not challengeable in the courts of law; and amending the Land Ceiling Act of 1976. It emphasised on improving the financial position of urban local bodies; and ways to tackle urban poverty including providing basic services like water supply, solid waste, transport, etc. Most importantly, it was in favour of involvement of people in urban development and management through improvement in structure and working of local bodies, urban community development programmes, mandatory public hearings before finalisation of any plan, involvement of Non-Governmental Organisations and creating National Urban Council for citizens' action. It advocated structural reforms to create an enabling environment for urban development.

The Report provided a vision, a philosophy of urban development and a policy on urbanisation in India. However, Kundu (1989) opined, "...commission's recommendations could accentuate the segmentation of our cities into rich and poor localities and tilt the failed flow of resources for other in favour of the former". He has observed, "...the report puts forward a long list of recommendations but takes precious little pains to show how these have been arrived at". His argument that the detailed analysis by the NCU should have been based either on the studies commissioned by the

NCU or on a survey of available literature, which were found“... to be conspicuously absent”. However, the NCU started a process of wider consultations at city and state levels; and for the first time, urban agenda got wider attention in the country.

The Constitution (Seventy-fourth Amendment) Act, 1992

This was a major reform, seen in line with the increasing focus on urbanisation as a result of NCU, to strengthen and empower the ULBs to discharge their functions. The Act provided constitutional guarantee to safeguard the interests of ULBs in order to provide for:

- Regular and fair conduct of elections;
- Indicative list of functions under Schedule 12;
- Adequate representation of SC/ST and women in the elected bodies;
- Placing on firm footing, the relationship between the State Government and ULBs with respect to:
 - Functions and taxation powers of the urban local bodies, and
 - Arrangement for revenue sharing between the State Government and ULBs; and
- Involvement of elected representatives at the grassroots level in planning at the district and metropolitan levels.

Check Your Progress 1

Note: i) Use the space given below for your answers.

ii) Check your answer with those given at the end of the Unit.

1) What are the three phases of policy development on Urban Issues?

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2) Write a note on National Commission on Urbanisation.

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3.4 MAJOR AREAS OF POLICY INTERVENTIONS

Policy-makers realised that in view of resource constraints and increasing decay of cities, following distinct areas needed intervention on urgent basis:

3.4.1 Planning for Urban Areas

Cities and towns have seen unplanned growth over the years, though measures were taken since beginning. A Conference of Improvement Trusts in 1948 proposed that all towns with a population above 10,000 should have Master Plans and all schemes of the Trusts should be within the framework of these Master Plans. In 1960 a model Town and Country Planning law was prepared by the Town and Country Planning Organisation (TCPO), which led to various State level Acts during the early 1960s for urban planning.

During the Third Five-year Plan, the Union Government provided full funding to the states to set up Town and Country Planning Departments, which took up the process of preparing Master Plans. They were also given the responsibility of preparing Development Plans, Regional Plans, Town Planning Schemes, Zonal Plans, Development Scheme, Area Schemes, implementation of Central and State sector schemes, development control and planning permissions. This model law was revised in 1985, which proposed that planning and plan implementation should be entrusted to the same agency.

Development Authorities (DAs) are important institutions, which are responsible for development of areas outside the geographical boundaries of the ULBs that are into transitional phase or may become urban in future. For example, while Bruhat Bengaluru Mahanagar Palike has jurisdiction over 741 sq. kms, the Bangalore Development Authority, established in 1976, with the vision to transform Bengaluru into an ideal global destination has jurisdiction over 1207 sq. kms. These DAs are statutory bodies, which prepare the Master Plan, and plan for land development and creating urban infrastructure to be handed over to the concerned ULB later. The systems vary from state to state. For example, Uttar Pradesh has city-based authorities like Lucknow Development Authority, Kanpur Development Authority, etc. The state of Haryana has state level development authority, named Haryana Urban Development Authority. The Metropolitan regions like Mumbai and Bangalore had established Metropolitan Region Development Authority because of the fact that large cities attract many people for employment and

living. So it was important that a futuristic planning should be done. The Mumbai Metropolitan Region Development Authority was set up in 1975, whereas Bangalore Metropolitan Region Development Authority (BMRDA) was established in 1985. The BMRDA has jurisdiction over more than 8000 sq. kms.

The 74th Constitutional Amendment Act has included planning for economic and social development in the 12th Schedule, thus, giving this responsibility to ULBs, District Planning Committees (DPCs) and Metropolitan Planning Committees (MPCs). Under the Jawaharlal Nehru National Urban Renewal Mission earlier, and now under Smart Cities Programme and Atal Mission for Rejuvenation and Urban Transformation, the responsibility for preparing City Development Plan with the vision for the city/town has been entrusted to the ULBs. In this regard, due to lack of capacity at the ULB level, most of the ULBs have engaged outside expert agencies during the JNNURM, which had been empanelled by the Government of India. There is considerable progress to prepare plan under the schemes/missions. However, the implementation of plans has not been as expected due to gap in the two elements.

3.4.2 Providing Basic Services

While citizens need many services, which may be rendered by different levels of the government, depending on the type of service. In this Unit, discussion is based on basic services, which are essential for a dignified human existence. Generally, seven services are considered for local levels - shelter, water supply, sewerage and sanitation, solid waste management, transport, education and health. However, selected services are being discussed here as education and health are taken care of by the multiple levels of Government.

i) *Shelter*

Creating housing stock had been taken up by the Government since beginning. In 1988, the Government announced a National Housing Policy, which was revised in 1994. The National Housing Policy, 1994 sought to increase supply of land service by basic minimum services with a view to promote a healthy environment. The Urban Land (Ceiling and Regulation) Act (ULCRA), 1996 was enacted in 1977 to provide necessary stimulus for private sector participation, but due to its inability to provide surplus land for housing was repealed in 1997.

The ULCRA failed to achieve its objectives due to its poor performance. Repeal of this Act was to facilitate the availability and affordability of urban land, by increasing supply of urban land and accelerate the growth rate of the housing stock. The deplorable part of the ULCRA was that it was responsible for creation of a class of persons, who with their political links, made quick money in shabby deals of the urban vacant lands. Siddiqi (2013) has analysed that ULCRA was frustrated by a number of deficiencies in institutions such as the lack of political will to take proactive action, capacity and cohesiveness in the bureaucracy, and amendments in other enabling statutes, to name a few. However, all the

states had not repealed the Act. It is to be noted that repeal of the ULCRA was one of the reforms advised under the JNNURM.

This was soon followed by the National Housing and Habitat Policy, 1998. It drew a lot from the UN Habitat Agenda. It laid greater emphasis on the aspect of “Habitat” as a supplementary focus to housing. The emphasis on “providing” housing continued in this Policy with emphasis on both quality and cost-effectiveness especially for vulnerable sections of society.

It facilitated the entry of private sector in housing and infrastructure and advocated strong public-private partnership. It also aimed to ensure that housing, along with supporting services, is treated as priority sector at par with infrastructure. The Government recognised the urgent need to provide fiscal concessions, carry out legal and regulatory reforms in order to create a conducive environment for housing construction.

Realising the importance of housing, within ten years, the National Urban Housing and Habitat Policy, 2007 was promulgated. It focused on “habitat” with a “Regional Planning approach” and proposed deepening the role of Government as a “facilitator and regulator”. The core focus of this Policy was the provision of “Affordable Housing for All”. It aimed at removing legal, financial and administrative barriers for facilitating access to tenure, land, finance and technology. It suggested using the concept of “green” and “intelligent” buildings that have capacity to prevent and mitigate the effects of natural disasters on buildings. It included some innovative initiatives like spatial incentives such as relaxation of Floor Area Ratio (FAR) for ensuring that 20-25 percent of the FAR are reserved for EWS / LIG and issuance of Transferable Development Rights (TDR) for clearance of transport bottlenecks in the inner-city areas and availability of additional FAR in outer zones.

While rental housing had been part of the earlier policy, a separate National Urban Rental Housing Policy, 2017 has been proposed by the Government. Jha (2020) says that the government policies have failed to fill the gap, focused as they are on ownership housing alone and neglecting rental housing. The 2015 draft National Urban Rental Housing Policy and 2019 draft Model Tenancy Act aim to rectify this situation. The Rajiv Awas Yojana launched in 2011, now subsumed in Pradhan Mantri Awas Yojana (PMAY) Urban Mission, which was launched on 25th June 2015 that intends to provide housing for all in urban areas by year 2022. In this regard, for more details, study Unit 10. The PMAY has included Affordable Rental Housing Complexes (ARHC), which will be promoted by the ULBs in a participatory manner.

ii) Slum Development

Environmental Improvement in Urban Slums (EIUS) programme was launched in 1972-73 as first of its kind to acknowledge slums as a habitat of urban poor that needs special attention for environmental improvement. Under this programme, physical improvement of notified

urban slums was carried out through infrastructure service provisions. The Tenth Five-Year Plan (2002-2007) witnessed the launch of Valmiki Ambedkar Awas Yojana (VAMBAY) and the National Slum Development Programme (NSDP) with a view to ameliorating the conditions of urban slum dwellers living below poverty line. The NSDP was started with the objective of upgradation of urban slums by providing physical amenities like water supply, storm water drains, community bath, widening and paving of existing lanes, sewers, community latrines, street lights etc. It had a component of shelter upgradation as well as improvement and convergence of different social sector programmes through creation of sustainable support systems. It was later subsumed under the JNNURM.

The Government of India launched the Integrated Housing & Slum Development Programme (IHSDP) in 2005 to improve the conditions of urban slum dwellers that did not possess adequate shelter and reside in dilapidated conditions. The scheme was applicable to all cities and towns that were not covered under the JNNURM and sought to enhance public and private investments in housing and infrastructural development in urban areas.

iii) *Urban Transport Policy*

City transport systems were reeling under pressure of increasing urban population. People, stuck in traffic, wasted precious man-hours. The cost of travel, especially for the poor, had increased considerably. This led to announcement of National Urban Transport Policy in 2006 to ensure safe, affordable, quick, comfortable, reliable and sustainable access for the growing number of city residents within their cities. This was sought to be achieved by:

- Incorporating urban transportation as an important parameter at the urban planning stage rather than being a consequential requirement;
- Encouraging integrated land use and transport planning in all cities;
- Improving access of business to markets and the various factors of production;
- Bringing about a more equitable allocation of road space with people, rather than vehicles, as its main focus;
- Encourage greater use of public transport and non-motorised modes by offering Central financial assistance for this purpose;
- Introducing Intelligent Transport Systems for traffic management;
- Building capacity (institutional and manpower) to plan for sustainable urban transport and establishing knowledge management system that would service the needs of all urban transport professionals, such as planners, researchers, teachers, students, etc.;
- Promoting the use of cleaner technologies;

- Raising finances, through innovative mechanisms that tap land as a resource, for investments in urban transport infrastructure; and
- Associating the private sector in activities, where their strengths can be beneficially tapped

For example, Delhi Integrated Multi-Modal Transit System was established in 2006 with the mission to provide reliable, safe, accessible, user-friendly and sustainable public transport within walking distance for commuters; and set up a mechanism to deliver public transport that keeps pace with growth in demand.

Transit Oriented Development

Internationally, Transit Oriented Development (TOD) initiatives were taken in 1990s and were found to be effective. National Transit Oriented Development Policy, 2016 integrates land use and transport planning to develop compact growth centers within the influence zone of 500 m-800 m on either side of the transit stations, i.e., areas within walking distance, to achieve the following objectives:

- To promote the use of public transport by developing high density zones in the influence area; and reduce the private vehicle ownership.
- To provide all the basic needs of work/ job, shopping, public amenities, entertainment in the influence zone with mixed land-use development, which would reduce the need for travel.
- To establish a dense road network within the development area for safe and easy movement and connectivity of Non-Motorised Transport (NMT) and pedestrians between various uses as well as to transit stations.
- To develop inclusive habitat in the influence area so that the people dependent on public transport can live in the livable communities within the walkable distance of transit stations.
- To integrate the Economically Weaker Sections (EWS) and affordable housing in the influence zone by allocating a prescribed proportion of built-up area for them in the total housing supply.
- To prevent urban sprawl by accommodating the growing population in a compact area with access to the transit corridor, this would also consolidate investments and bring down the infrastructure cost for development.

TOD focuses on compact mixed-use development around transit corridor such as metro rail, BRTS etc. International examples have demonstrated that though transit system facilitates transit-oriented development, improving accessibility and creating walkable communities is equally important. Based on the objectives of National Urban Transport Policy, this TOD policy defines 12 Guiding Principles and 9 Supportive tools for realising the objectives of TOD.



Figure 3.1: TOD Principles

Source: National Transit Oriented Development (TOD) Policy, https://mohua.gov.in/upload/whatsnew/59a4070e85256Transit_Oriented_Development_Policy.pdf

iv) National Policy for Urban Street Vendors

The National Policy for Urban Street Vendors 2009 recognised street vendors as an integral part of urban retail trade and aimed to provide a legal status to Street Vendors (SVs). The policy emphasised on the need to have i) survey of street vendors, ii) city vending committee, iii) vending zone/ward and iv) initiatives for socio - economic upliftment of SVs. The Policy paved way for Street Vendors Act, 2014 to streamline a framework for implementation of policy. The Government of India during post COVID-period has launched a scheme to provide working capital to individual Street Vendors under PMSVA Nidhi scheme. The scheme intends to facilitate collateral free working capital loans of up to Rs. 10,000/- of one-year tenure to help street vendors to resume their businesses; and provides loan/ finance through virtual and digital mode and has made appreciable success to address financial hardships of street vendors. It facilitates all street vendors who are engaged in vending in urban areas as on or before March 24, 2020.

v) Urban Sanitation Policy

The vision in the National Urban Sanitation Policy, 2014 states, "...all Indian cities and towns become totally sanitised, healthy and livable and ensure and sustain good public health and environmental outcomes for all their citizens with a special focus on hygienic and affordable sanitation facilities for the urban poor and women". It aims to achieve this through public awareness about its inherent linkages with public

health; social and occupational aspects of sanitation; removing gaps and overlaps in institutional roles and responsibilities at the national, state, and city levels; planning an integrated city-wide approach; using cost-effective technologies and sustainability of investments; providing affordable access to safe sanitation to underserved. Sanitation has been provided by public agencies in a supply-driven manner, with little regard for demands and preferences of households as customers of sanitation services. The policy attempts to address this shortcoming by strengthening the ULBs to provide or cause to provide, sustainable sanitation services delivery.

vi) ***Municipal Solid Waste Management***

Municipal Solid Waste Management (MSWM) was one of the major environmental problems of Indian cities. However, the ULBs did not have the wherewithal to manage it. Studies revealed that about 90 percent of MSW was disposed of unscientifically in open dumps and landfills, creating problems of public health and the environment. It was Court directed intervention that the country got its first MSWM Rules in 2000 for the scientific MSWM, ensuring proper collection, segregation, transportation, processing and disposal of MSW and upgrade of the existing facilities to arrest contamination of soil and ground water. Many projects were implemented under the JNNURM for scientific MSWM. The Rules were modified in 2016. The Swachh Bharat Mission is a major programme to manage MSW. However, the success of the policy depends on both creating infrastructure for MSWM as well as behavioural change among residents.

vii) ***Water Supply***

There is a growing realisation that increasing access to infrastructure is not a solution, and creating infrastructure and not addressing management of Urban Water Supply and Sanitation services does not lead to effective and sustainable services. The quality of service delivered is very poor with no city having access to 24/7 water supply. While earlier it was lack of necessary infrastructure in view of resource constraints and now it is also due to mismanagement. Rapid urbanisation led to detrimental effect on water resources – both in terms of quality (pollution of rivers and groundwater) and quantity (as conflicting/competing demands for water increase).

To tackle the challenge, an advisory was issued in 2012 by the Ministry of Urban Development clarifying the mandates of Urban Water Supply and Sanitation (WSS) service providers, improving the governance of Urban WSS service providers, ensuring predictable and cost effective financing of Urban WSS operations and infrastructure development programme, regulating the urban WSS services, building capacity, developing procedures and professionalising the Urban WSS sector, including procedures for community participation (GoI, 2012).

Under Jal Shakti Abhiyan (JSA), which was launched in 2019, the Ministry of Housing and Urban Affairs (MoHUA) is participating actively along with States/UTs/ULBs to undertake water conservation measures. The thrust areas under the JSA include:

- a) Rain Water Harvesting (RWH)
- b) Reuse of Treated Waste Water
- c) Rejuvenation of Water Bodies
- d) Plantation

3.4.3 Urban Poverty

Poverty reduction is an important goal of the urban policy. Urban poverty differs significantly from rural poverty being more heterogeneous in income generation and location patterns. During the Eighth Five-Year Plan, the following urban poverty alleviation programmes were in operation:

i) *Nehru RozgarYojana*

The Nehru RozgarYojana (NRY) was launched as a Centrally Sponsored programme at the end of the Seventh Five -Year Plan in October 1989 with the objective of providing employment to the urban unemployed and underemployed poor. The Central Government indicated its overall contribution, while the essential task of identifying, earmarking and coordinating the relevant sectoral inputs was undertaken by the State Government. The NRY consisted of following three schemes, namely:

- a) The Scheme of Urban Micro Enterprises (SUME);
- b) The Scheme of Urban Wage Employment (SUWE); and
- c) The Scheme of Housing and Shelter Upgradation (SHASU).

ii) *Urban Basic Services for the Poor*

A Centrally Sponsored Scheme known as Urban Basic Services was introduced in 1986, with the primary objective of enhancing the survival and development of women and children of urban low income families. During 1990-91, the scheme was revised to bring about functional integration with Environmental Improvement of Urban Slums and came to be known as Urban Basic Services for the Poor (UBSP) with 100 percent central funding. The UBSP Programme was implemented as a Centrally Sponsored Scheme during the Eighth Five-Year Plan with the specific objectives of effective achievement of the social sector goals; community organisation, mobilisation and empowerment; and convergence through sustainable support system. The expenditure on the Programme was being shared on 60:40 basis between the Central and the State Government.

iii) *Prime Minister's Integrated Urban Poverty Eradication Programme*

Recognising the seriousness and complexity of urban poverty problems, especially in the small towns where the situation is worse due to lack of resources for planning their environment and development, the Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP)

was launched in November, 1995 for a period of five years. The PMIUPEP was applicable to all Class II urban agglomerations with a population ranging between 50,000 and 1 lakh.

v) ***Hashim Committee***

The Hashim Committee, which was set up to review and rationalise Centrally Sponsored Schemes for poverty alleviation and employment generation, had gone into the question of rationalisation of the existing poverty alleviation programmes and recommended that:

- a) the self-employment component of Nehru Rozgar Yojana (NRY) and PMIUPEP be combined into a single programme valid for all the urban areas, all over the country;
- b) the urban wage employment component as well as the physical infrastructure development component under the NRY and the PMIUPEP be merged, and be made applicable to all the urban areas with a population less than 5 lakhs. This component may be separated from the self-employment component as a separate scheme with a distinct identity; and
- c) the shelter upgradation/housing component under NRY and PMIUPEP be retained either as a separate scheme or merged with the Slum Development/Basic Services Schemes operating at present

v) ***The Swarna Jayanti Shahari Rozgar Yojana (SJSRY)***

Based on the recommendations of Hashim Committee NRY, PMIUPEP and UBSP were phased out and the SJSRY was launched as a Centrally Sponsored Scheme applicable to all the urban areas with expenditure to be shared in ratio 75:25 between the Centre and States/UTs. It rested on the foundation of community organisations like Neighbourhood Groups (NHGs), Neighbourhood Committees (NHCs) and Community Development Societies (CDSs). It had two components:

- a) The Urban Self-Employment Programme (USEP), to assist:
 - individual urban poor beneficiaries for setting up gainful self-employment ventures;
 - groups of urban poor women for setting up gainful self-employment ventures. It was known as "The Scheme for Development of Women and Children in the Urban Areas (DWCUA)"; and
 - training of beneficiaries, potential beneficiaries and other persons associated with the urban employment programme for upgradation and acquisition of vocational and entrepreneurial skills.
- b) The Urban Wage Employment Programme (UWEP), to provide wage employment to beneficiaries living below the poverty line within the jurisdiction of urban local bodies by utilising their labour for construction of socially and economically useful public assets. This programme was applicable to Urban Local Bodies, the population of which was less than 5 lakhs as per the 1991 Census.

vi) ***National Urban Livelihoods Mission***

National Urban Livelihoods Mission (NULM) was launched by the Ministry of Housing and Urban Poverty Alleviation, Government of India in 2013 by replacing the existing Swarna Jayanti Shahari Rozgar Yojana (SJSRY) to reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities, resulting in an appreciable improvement in their livelihoods on a sustainable basis, through building strong grassroots level institutions of the poor. It was later rechristened as Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM).

The Mission aims at providing shelters equipped with essential services to the urban homeless in a phased manner. In addition, the mission also addresses livelihood concerns of the urban street vendors by facilitating access to suitable spaces, institutional credit, social security and skills to the urban street vendors for accessing emerging market opportunities. The core belief of DAY-NULM is that the poor are entrepreneurial and have innate desire to come out of poverty.

3.5 NATIONAL URBAN POLICY FRAMEWORK, 2018

National Urban Policy Framework (NUPF), 2018 outlines an integrated and coherent approach towards the future of urban planning in India. The NUPF has ten *sutras* at its core, which are applied to ten functional areas of urban space and management. These ten functional areas are:

- i) Urban economy,
- ii) Physical infrastructure,
- iii) Social infrastructure,
- iv) City planning,
- v) Housing and affordability,
- vi) Transportation and mobility,
- vii) Urban finance,
- viii) Urban governance,
- ix) Urban information systems, and
- x) Urban environment.

Within each functional area, challenges have been identified and specific possible action points have been suggested based on the key priorities. Since, urban development is a state subject, the NUPF indicates support to the development and implementation of state urban policies based on the framework directly and moves away from top-down central schemes. It implies that the framework envisages a state to have its own state specific policy having transitory provisions to build on the components and benefits of the ongoing central schemes like Smart Cities, AMRUT, Swachh Bharat Mission etc., to achieve the objectives of its State Urban Policy.

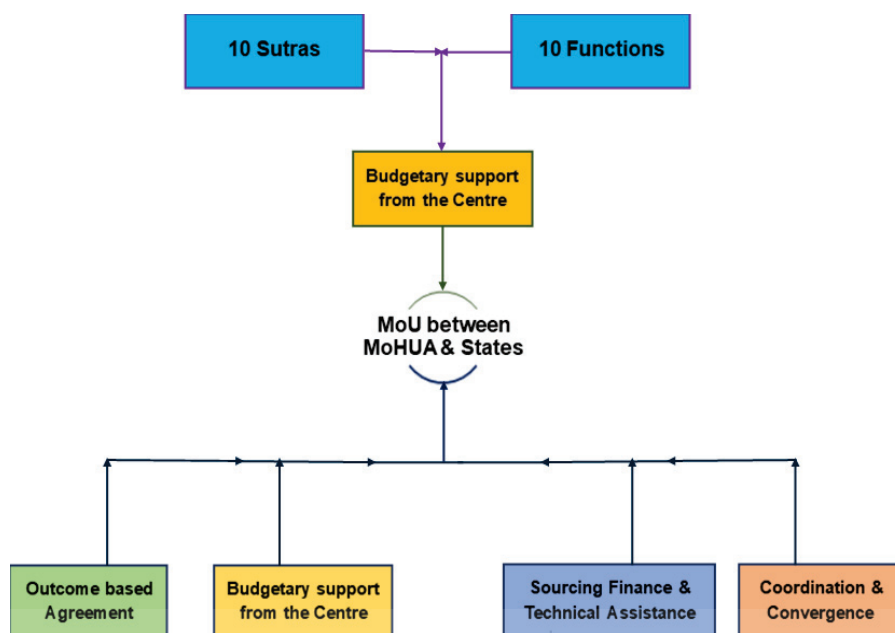


Figure 3.2: Implementing the NUPF

The Ministry of Housing and Urban Affairs has a following three-level strategy to take advantage of the opportunities presented by our cities:



Finally at the third level, 100 cities are being developed under Smart Cities Mission (SCM) to address the issue of ease of living by evolving new paradigms of urban governance with communities at the core and increase in use of digital technology to improve the urban infrastructure, services and utilisation of resources.

At the second level, basic infrastructure like water supply, sewerage/septage projects and green parks are the focus. These are being implemented in 500 cities, with 1,00,000 and above population through Atal Mission for Rejuvenation and Urban Transformation (AMRUT). This cover over 60 percent of urban population.

At the first level, poverty alleviation, affordable housing and sanitation are the three biggest challenges. Deendayal Antyodaya Yojana--National Urban Livelihood Mission (DAY-NULM), Pradhan Mantri Awas Yojana – Urban (PMAY-U) and Swachh Bharat Mission-Urban (SBM-U) are implemented in the Urban Local Bodies (ULBs).

Check Your Progress 2

Note: i) Use the space given below for your answers.

ii) Check your answer with those given at the end of the Unit.

- 1) What are the four important urban sector Missions of the Government of India?

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- 2) Write a note on the National Urban Policy Framework, 2018.

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3.6 CONCLUSION

Urban sector issues are complex in nature and have many inter-related components. This led to multi-dimensional strategy by the Government for urban development over the years. However, the integration of diverse strategies was inadequate and multiplicity of agencies and overlapping programmes have further compounded the problems. Resource constraints were another barrier in developing necessary infrastructure for providing various services needed by the residents including the poor. In this regard, Rakesh Mohan and Dasgupta (2004) point out that the costs of such infrastructure were often not calculated realistically and when these costs turned out to be excessive, the plans became non-operational and implementation fell short of what was intended. The NUPF appears to be an integrated approach, but strategies need to be devised for the mobilisation of the city / town residents for its success.

Convergence with the schemes of other ministries and departments having implications for urban policies and programmes is equally important. For example, The circular dated 16.06.2016, issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers on policy on Promotion of City Compost advises to take appropriate actions to use city compost to the extent possible for horticulture, etc. and take steps for setting up of compost plants in the upcoming projects, wherever possible, as a part of “Swachh Bharat Mission”.

3.7 GLOSSARY

Basic services: In India, for policy purposes, the basic services in urban areas have been identified as shelter, water supply, sewerage and sanitation, solid waste management, transport, health and education.

Slum: A slum has been defined by the United Nations Programme on Human Settlements (UN-HABITAT) as “a contiguous settlement where the inhabitants are characterised as having inadequate housing and basic services. A slum is often not recognised and addressed by the public authorities as an integral or equal part of the city”. In India, they have been categorised as notified and non-notified slums.

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3.9 ANSWERS TO CHECK PROGRESS EXERCISES

Check Your Progress 1

- 1) Your answer should include the following points:
 - National Urban Housing and Habitat Policy,
 - Urban Transport Policy, and
 - Urban Sanitation Policy.
- 2) Your answer should include the following points:
 - National Commission on Urbanisation was constituted in 1986.
 - It has created to examine the whole gamut of urbanisation and facilitate the formulation of policy for urban areas.
 - The major role is to examine the state of urbanisation with reference to the present demographic, economic, infrastructural, environmental, physical, shelter, energy, communication, land, poverty, aesthetic and cultural aspects.
 - It advocates structural reforms to create an enabling environment for urban development.
- 3) Your answer should include the following points:
 - Refer Section 3.3

Check Your Progress 2

- 1) Your answer should include the following points:
 - Smart Cities Mission,
 - Atal Mission for Rejuvenation and Urban Transformation,
 - Swachh Bharat Mission-Urban, and
 - National Urban Livelihoods Mission.
- 2) Your answer should include the following points:
 - NUPF outlines an integrated and coherent approach towards the future of urban planning.
 - NUPF has ten sutras at its core, which are applied to ten functional areas of urban space and management
 - NUPF indicates support to the development and implementation of state urban policies, based on the framework, directly and moves away from top down central schemes.