

ISAS Brief

No. 15 – Date: 3 August 2007

Institute of South Asian Studies
469A Tower Block, #07-01
Bukit Timah Road, Singapore 259770
Tel: 6516 6179 / 6516 4239 Fax: 6776 7505 / 6314 5447
Email: isasijie@nus.edu.sg
Website: www.isas.nus.edu.sg



Redefining India: The Recent Policy Changes and the Second National Commission on Urbanisation

Indu Rayadurgam¹

In June 2007, a report on the opportunities and problems posed by urbanisation in the developing world was brought out as a report in *The State of the World Population Report 2007* by the United Nations Population Fund (UNFPA). The same month witnessed a conference on “National Alliance to End Homelessness” in the United States which was held in Washington D.C. Both the UNFPA report and the conference revealed the increasing social and economic challenges in the developed and developing world.

The American conference was organised by an institution which serves as a resource centre for the various federal programmes and policies affecting homelessness. In the United States, programmes relating to the homeless, however, do not fit neatly into one federal agency. Instead, they are spread across several agencies, including the Department of Housing and Urban Development, the Department of Health and Human Services, the Social Security Administration and few others. Basically, the conference highlighted the plight of the poor people in the most developed country in the world.

Similarly, *The State of the World Population Report 2007* came out with a comprehensive study of urbanisation and its related problems in the developing world. According to this report, in 2008, the world will reach an ‘invisible’ milestone when half of its population, about 3.3 billion, will live in urban areas, with China and India having a substantial share of such population. Beginning from the 1990s various International organisations, particularly the United Nations have called for allocation of resources to improve the quality of life in the mushrooming towns and cities. Recently, the United Nations Millennium Declaration also highlighted its growing concerns on urban poverty in many countries.

The United Nations International Conference on Population and Development held in 1994 recommended that, “governments should strengthen their capacities to respond to the pressures caused by rapid urbanisation by revising and reorienting the agencies and mechanisms for urban management as necessary and ensuring the wide participation of all population groups in planning and decision-making on local development.” A very evident aspect of the current urban growth has been the lack of inclusive growth and the exclusion of the urban poor in the growth process. In spite of this, the report states that, “much migration to urban areas has had a positive impact both on the economy and on the migrants themselves.

¹ Ms Indu Rayadurgam is a Research Associate at the Institute of South Asian Studies, an autonomous research institute within the National University of Singapore. She can be reached at isasir@nus.edu.sg.

Many are comparatively poor, especially on arrival, yet migrants generally express a preference for the city over the rural life they left behind”.

The anti-urban policies in many developing countries, mostly to prevent rural-urban migration have not been able to deter the pro-urban transition. Also, the fast phase of globalisation has witnessed differential growth patterns between cities in any country, based on their sizes and variations in the types of economic activities. In India, since the economic growth in the past few years has been triggered by the services sector, cities like Bangalore and Hyderabad have witnessed a higher growth trajectory, as compared to other urban centres. Higher economic growth, combined with the pressures on resources in the urban areas, has called for an urgent change in the policy formulations of the governments.

The literature on sustainable urban development has called for sustainable governance process which can reap the benefits of the economic development. Therefore, a major challenge in the urbanisation process of any developing nation is that of definition and classifications. What constitutes an urban area? How can it be differentiated from another area? Existing literature reveals that urban communities can be differentiated based on the size of population, nature of economic functions or political/administrative boundaries like municipal towns, cantonments or corporations.

UNFPA and the Indian Scenario

The report by the UNFPA has been substantiated by changes in the policy implications for the Indian urban scenario. In July 2007, the Indian government announced the setting up of a National Urban Commission and also has embarked on a task of redefining towns and cities. This activity is predicted to change the outlook of ‘rural-dominated India.’ This is expected to project India as a country with a higher urban concentration, as compared to the current status of 27 percent. According to the Urban Secretary, India’s definition of ‘urban’ is too restrictive. This is the same criticism leveled against India in the UNFPA report. According to media reports, the government is also planning to create an urban cadre to aid policy making at the municipal level and redefine urban to include peri-urban areas. Considering the nascent stage of India’s national urban policy formulation, the reclassification and its associated developments will be viewed with considerable of interest.

The approaches of India with respect to urban policy are crucial, considering the fact that India and China host 37 percent of the world’s total population. India’s urban area constitutes just 30 percent of the total but is expected to be 40.7 percent by 2030. Urban development in India is a state subject and the central government performs an advisory and coordinating role, apart from providing technical and financing assistance for promoting orderly urbanisation.

The report by the First National Commission on Urbanization in 1988 elucidated the gaps in the policy implementations. The report pointed out the reality of continuing and rapid growth of the urban population as well as the scale and intensity of urbanisation, the critical deficiencies in the various items of infrastructure, the concentration of vast number of poor and deprived people, the acute disparities in the access of shelter and basic services, deteriorating environmental quality and the impact of poor governance on the income and the productivity of enterprises. It was only after this report that the economic dimension of urban planning was given utmost importance. The seventh plan stated that ‘planning of urban development should essentially be supportive of the economic development in the country’. It explicitly suggested the using of private investment to set up industries in small and medium

towns to prevent population flow to urban areas. Major importance was given to balanced development by slowing the growth rate of metropolises and major cities and also the revitalisation of the civic bodies.

In the early 1990s, the 73rd and 74th Amendments to the Indian Constitution brought about a decentralised network of urban functioning, granting more powers to the urban local bodies. Subsequently, the ninth and the tenth plans identified the development of urban areas as 'economically efficient, socially equitable and environmentally sustainable entities.' But the policy recommendations and implementation of the plans were quite slow and gradual.

In December 2005, the Indian Prime Minister launched the Jawaharlal Nehru National Urban Renewal Mission. He stated that, "our vision of urban development has so far been uni-dimensional. This must change. We have, thus far, focused more on space and less on people. We need to have an integrated framework, in which spatial development of cities goes hand-in-hand with improvement in the quality of living of ordinary people living there. An important element of our strategy has to be slum improvement and providing housing for the poor." Subsequently, more funds were allocated for the revival of urban areas.

Conclusion

Many measures have been taken at the national level to stabilise the urban development process. Nevertheless, very few plans have yielded the desired results. In a federal system, it has proved to be difficult to coordinate the national and regional functioning. But it is still necessary for the centre to evolve a national urban policy to guide the decentralised framework.

The report submitted by the First Urban Commission set the stage for the integration of economic factor as an essential one in the functioning of cities. The recent measures to redefine the characteristics of towns and cities, along with the setting up of the Second National Urban Commission will definitely pave way for second generation reforms in urban and economic policies. Indian policy changes seem to have certainly responded immediately to the UNFPA report and its concerns about India. This is a critical first step. Much needs to be done in this area. But India has, hopefully, moved away from just rhetoric to concrete action.

oooOOOooo