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The Indian city after economic liberalisation

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Mahatma Gandhi’s words that India lives in its villages are still a truism. But the accelerating pace of urbanisation suggests that, much before the close of this century, India will indeed live in its cities. In the wake of economic liberalisation in the early 1990s, the city has now displaced the village in public imagination as the quintessence of India as a rising, modern global power. Indeed, urban India is the microcosm of changes now sweeping through the country. Cities have witnessed the most rapid and thorough transformation, encompassing the built environment, governance, class relations, politics, work cultures, consumption patterns, lifestyles, and personal and social identities. Three hundred and seventy-seven million people, comprising of 31.2 per cent of the country’s population, lived in Indian cities at the time of the 2011 Census, compared to 27.8 per cent in 2001 (Nijman 2012). The Twelfth Five Year Plan (2012–2017) of the Government of India estimates that urban population will rise to 600 million by 2031 (Planning Commission 2013: 318), amounting to an increase of over 200 million in twenty years. The international private consultancy firm, McKinsey Global Institute, projects that by 2030 over 70 per cent of Indian GDP will be produced in its cities, which could also generate 70 per cent of net new jobs (McKinsey Global Institute 2010: 13). In terms of this sheer anticipated scale of expansion, the city has captured the imagination of both the state and the private corporate sector as the most important engine of national growth and development and as the site of market expansion and investment. This spirit of urban optimism is reflected in the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), India’s largest ever urban development initiative, launched in 2005, driven by a shared government and private corporate imperative to transform the city. This buoyant perspective is, however, belied by growing evidence of urban class tensions and exclusionary forms of urbanisation, as evinced most glaringly in the mass displacement of the poor from urban land to give way to commercial development or in the activism of middle-class-dominated neighbourhood Residents’ Welfare Associations (RWAs) to consolidate private residential enclaves and secure better conditions of living for themselves by marginalising the poor. Indian city administration also demonstrates ‘a firmly entrenched class-based dualism in the design of infrastructure and services’ (Coelho and Maringanti 2012: 41), despite the introduction of myriad development interventions to cater to the basic needs of
the poor to fulfil a stated official goal of inclusive development. The Indian city today, then, is a contested and divided terrain, riven by contradictions.

Large and small towns in India’s urbanisation

The nature and rate of urbanisation and urban growth have elicited multiple interpretations, notwithstanding an emerging consensus about the importance of the city in India’s future development and the indubitable fact that, in absolute terms, cities are the homes of hundreds of millions of Indians. The supposed steady growth of large cities, as a vindication of the direction of travel of economic policy since the 1990s, is celebrated in official urban policy, as well as by private consultancy firms, like McKinsey or Ernst and Young, that now increasingly advise the government, while they also shape market and investment strategies of the private sector. However, there is also an attendant, often exaggerated, fear of potential problems caused by unrelenting and unsustainable urban growth. The continued high incidence of urban poverty also elicits a moral panic about slum proliferation and the consequent decline in quality of life for all. These perceived threats to the vision of city-led economic development have contributed to an emphasis on infrastructure development (transport routes, housing, water supply, sanitation, solid waste management), local government reforms, financial capacity building and liberalised land markets. At the same time, market-driven urban economic growth is vigorously promoted, with its anticipated capacity to attract investment, generate employment and raise living standards, including that of the poor (Planning Commission 2013: Chapter 18; McKinsey Global Institute 2010).

Yet, to complicate and cast doubts on this policy narrative, urban growth has not, in fact, been on a steady upward trajectory from the 1990s, and urbanisation is much lower in India than in comparable developing countries and emerging economics. While 31 per cent of the population of India lives in cities, the comparative figures are 45 per cent in China, 54 per cent in Indonesia, 78 per cent in Mexico and 87 per cent in Brazil (Planning Commission 2013: 318). The overall national rate of urban population growth was 3.83 per cent, between 1971 and 1981, but declined to 2.73 per cent between 1991 and 2001, in the decade following economic liberalisation (Kundu, A. 2011: 8). This has been attributed to a slow pace of urban employment generation and rise in unemployment, thus discouraging inward migration into cities (Kundu 2003). Meanwhile, contrary to the official view of runaway city growth, India’s megacities, with several million people, have been declining: Mumbai’s growth rate dropped from 30.47 per cent during 1991–2001 to 12.05 per cent during 2001–2011, Delhi from 52.24 per cent to 26.69 per cent, and Kolkata from 19.60 per cent to 6.87 per cent (Nijman 2012: 11). During 2001 and 2011, a modest increase in urbanisation was registered over the previous decade. Urban population grew annually by 2.76 per cent between 2001 and 2011, as compared to 2.73 per cent between 1991 and 2001 (Kundu 2012: 225), and decadal urban growth increased from 31.2 per cent to 31.8 per cent in that period (Nijman 2012: 10). While urban population growth might have been a consequence of distress migration caused by the decline of agriculture in this period and the crisis of rural livelihood, evidence suggests that population increase relating to poverty-induced migration from the countryside had a limited impact on urbanisation. Instead, Kundu shows an increase in migration among higher-income groups in search of economic mobility through employment, business or higher education in towns (Kundu 2012), which is reflected in significant regional variations and the concentration of urbanisation in economically advanced states and areas.

Urbanisation in India then has been much more modest than projections of hyper-urbanisation of large cities would have us believe. However, a striking and novel feature of
urbanisation in this period is the phenomenal increase in the number of urban centres, from 5,161 in 2001 to 7,935 in 2011, amounting to an increase of 54 per cent. This increase has been caused primarily by the addition of 2,532 new smaller settlements at the bottom of the urban system, called census towns, thus tripling their previous number (Nijman 2012:11). Census towns are those with a population of 5,000 or over, with less than a quarter of the male population engaged in agriculture, and a population density of at least 400 per square kilometre. Unlike ‘statutory towns’, they lack a designated urban local council, a corporation, a municipality or a town panchayat, but their population concentration and the sectoral weight of non-agricultural occupation earn them the status of ‘town’ in the census. Vital to India’s recent urbanisation, then, are these census towns as well as other smaller urban settlements that point to a dispersed pattern of urbanisation. They testify to a process of autonomous urban growth from below, or ‘subaltern urbanisation’, without any deliberate planning or without being dependent on, or offshoots of, proximate larger urban centres (Denis et al. 2012). This suggests that urban development strategies of the JNNURM variety on a grand scale for large cities are largely irrelevant to much of the urban system in India.

Rather than relying on any large infrastructural projects or planned urban development strategies to attract investment, as promoted by government policy, these smaller towns have developed due to a variety of reasons. Their growth has been driven by local enterprises that have capitalised on, or adapted to, emerging economic conditions in a liberalised market with both local and global reach. Harda (population: 67,394) in Madhya Pradesh, for instance, has been transformed through an expansion of agro-commercial activities in the wake of market reforms and technological change in the local and regional wholesale grain business (cited in ibid; Krishnamurthy 2013). Tiruppur (population: 444,352) in Tamil Nadu, in contrast, is an example of provincial globalisation, having developed as a centre of textile manufacturing, linked with the export industry and integrated in the global value chain of garments, supplying to major retailers around the world. Kochi (population: 601,574) in Kerala has rapidly developed with the expansion of new housing, commercial activities and retail outlets in response to the inflow of remittances from workers in the Middle East. Tiruchengode in Tamil Nadu (population: 95,335) grew as a centre for education, drawing students from the local region as well as other parts of India and abroad, while also developing private healthcare services to cater to its rural hinterland. At the same time, it developed specialised production units for lorry engineering and bore-well rig assembly, with a regional, national and overseas market (Raman 2014). Denis et al. (2012) cite further drivers of such ‘subaltern urbanisation’, for instance, the lower cost of power, land and taxes as well as limited local regulations attracting entrepreneurs to these towns in preference to larger cities.

India’s economic growth in general as well as urbanisation in particular are often considered to be ‘jobless’, especially due to low levels of industrialisation and the enclaved development of financial and IT and IT-enabled services in a handful of ‘global’ and large cities with a limited capacity to generate new jobs. Employment growth is believed to be mainly of an informal variety and concentrated in the expanding construction industry and service sectors of the consumer economy, offering low-skilled or unskilled, and low-paid work (Nijman 2012:11; Kundu, A. 2011, 2012). Yet the variety of small and medium-sized towns that have developed in recent decades may point to a greater diversity of livelihood and occupational opportunities relating to the specific configuration of the economy of each urban centre (Denis et al. 2012), although this does not necessarily imply upward economic mobility. Indeed, levels of urban poverty remain high with 26.4 per cent of the urban population below the poverty line, even according to the government’s own current...
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estimates, and smaller towns, in particular, suffer from a higher incidence of poverty than larger towns (Sharma 2012: 65).

While metropolitan megacities are declining at one end of the urban spectrum, and smaller towns have emerged as new centres of dynamism at the other end, medium-sized or larger provincial cities with populations over 1 million, numbering fifty-three according to the 2011 census (identified as Class I towns), have also assumed increasing importance in India’s urban system and they account for 43 per cent of the urban population. Several of them are considered to be among the top hundred fastest growing cities in the world, according to the City Mayors Foundation, an international think tank on urban affairs. Rather than being focused on large metropolises, then, urbanisation in India is now occurring across the board (Mukhopadhyay and Maringanti 2014). Moreover, smaller towns and million-plus cities are together now seen as the sites of most extensive market expansion. These are believed to be the homes of India’s growing, upwardly-mobile middle classes, committed to high levels of consumption and aspirational lifestyles. In 2008, Ernst and Young published a report entitled The Dhoni Effect: Rise of Small Town India, which calculated that while 40 per cent of urban disposable income was to be found in metropolitan centres in 2001, by the end of 2007, their share had reduced to about 30 per cent. The remaining 70 per cent came from twenty-two key urban towns (KUTs) and the rest of urban India (ROUI). Indeed, the report suggested that some ‘non-metros’ could boast higher levels of affluence than ‘metros’. With reference to the small-town origin of India’s highly enterprising and ambitious cricket captain, M.S. Dhoni, in its title, the report argued that non-metropolitan middle classes embody the new enterprising, aspiring, upwardly-mobile, consumer India.

Not all is, however, thriving in non-metropolitan India, especially in rapidly growing smaller towns with a population of less than 1 million. Kalpana Sharma recounts the disorganised state of urban local administration, the woeful inadequacy of infrastructure and essential services in these towns, and the significant skewing of these limited services in favour of the privileged, leaving the poor in appalling conditions (Sharma 2012). The municipal financial base of these towns and their administrative capacity are highly limited, and their infrastructure has failed to keep pace with population growth. Only megacities, million-plus cities and a handful of smaller towns of touristic or other significance had benefited from infrastructural investment through JNNURM, which was belatedly extended in the second extended phase under the Twelfth Plan to smaller towns, in recognition of their growing importance in the urban system, as compared to large urban centres that have hitherto been the targets of government policy.

Urban development, reconfiguration of space, capital and class

With cities, especially larger ones, being seen to propel economic growth in post-liberalisation India, they have come to be the focus of extensive, and arguably unprecedented, development policies. JNNURM, launched in 2005 for seven years and extended for a further two years until March 2014, epitomised the new approach to city development (Mahadevia 2006). According to the JNNURM Mission Statement, the realisation of the potential for high productivity of cities was ‘contingent upon the availability and quality of infrastructure services’, and this, in turn, required that ‘private sector efficiencies … be inducted in development, management, implementation and financing of projects, through Public Private Partnership (PPP) arrangements’. Two key elements of JNNURM, then, were infrastructure development and PPP, targeting megacities and million-plus urban centres, and seeking to turn many of them into ‘world-class’ cities. To achieve this, JNNURM was
designed to help liberalise the urban land market, extend the commodification of land, and sweep away legal and institutional barriers to incentivise large-scale development of commercial projects under private initiative. Most notable in this respect is the removal of obstacles placed by the Urban Land Ceiling Act of 1976 that limits the extent of land ownership and thus impedes large-scale investment on land. Cities in receipt of JNNURM funds were under the condition that they needed to remove urban land ceiling obstacles. If the projected vision of the state was to ‘encourage reforms and fast track planned development of identified cities’, JNNURM has been analytically identified as ‘the official carrier of neoliberal urbanism’ (Banerjee-Guha 2009). Drawing upon broader theories of urban institutional restructuring, spatial transformation, capital accumulation and gentrification, advanced variously by David Harvey, Neil Brenner and Nik Theodore, Roger Keil, Neil Smith and others, Banerjee-Guha (2009) has argued that the urban development strategy of JNNURM exemplified the redevelopment and revalorisation of urban land as the key instrument for capital accumulation. This process of land development displaced and dispossessed the poor from valuable space and prime real estate, often through force and coercion, and then reconfigured the built environment for upgraded and exclusive use by the privileged and the well-off, the gentry, thus closing the rent gap (Banerjee-Guha 2009; Whitehead and More 2007). In this process, private investors and the corporate sector have helped to design urban development plans and shape the course of local development policies. They capitalised on the new institutional arrangements for PPP under JNNURM and exerted direct influence over the parastatal agencies responsible for urban development, often in alliance with international consultancy firms such as McKinsey. By virtue of their privileged access to the institutional arenas of urban development policies, private developers have also cornered high value land at low cost, engaged in land grabbing and increased their control over urban space, be it for lucrative construction activities, land speculation or urban ‘beautification’ projects in tune with the preferences and predilections of the elite (ibid.; Mahadevia 2011).

In addition to enabling capital accumulation through real estate, assisted by new institutional arrangements, JNNURM and related urban development policies also have an obvious class dimension. It is now widely acknowledged that urban development policies, the morphological transformation of the built environment, the drives to ‘beautify’ and sanitise urban neighbourhoods, have been increasingly and significantly skewed in favour of the middle and upper classes, with an aim to making cities attractive for them, and to entice entrepreneurial, managerial and executive classes, not to mention investors – national and international. On this subject, Bhattacharya and Sanyal (2011) have drawn on the theoretical work of Saskia Sassen, and Michael Hardt and Antonio Negri to argue that urbanisation in India has also been characterised by the construction of modern, new townships and gated residential enclaves, designed in the image of global cities, away from the perceived filth and squalor of the poor and bypassing the congestion and over-crowding of older parts of the city. This privatised and ‘by-pass model’ of urban development, they argue, arises from the imperative to meet the needs of a new class that provides ‘immaterial labour’ through their intellectual work in the globalised financial and IT sectors in the new private corporate economy. They have gained hegemonic cultural status by virtue of their overwhelming importance in India’s knowledge economy, which is reflected in the pattern of urban transformation. While being located at the heart of the modern corporate sector, this class relies on the labour of those in the informal sector of the ‘need’ or ‘survival’ economy, which remains excluded from modern capitalism and stays outside the circuit of capital, even while it is reproduced and constituted by the operation of capital. This form
of urban economic dualism, along with gentrification and privatised ‘by-pass urbanisation’, have created an exclusionary and segregated process of urbanisation in India’s large cities and sharpened urban class differences. While one strand of JNNURM is infrastructure development, the other is to ensure basic services for the poor, including housing and upgrading or improvement of slums. The latter has paradoxically provided an alibi in Delhi, Mumbai, Ahmedabad and other large cities to uproot vast numbers of the poor from their existing habitat on prime sites and relocate them in distant areas, often in urban outskirts. Although the stated rationale of such mass relocation is to improve the housing conditions of the poor, evidence suggests that their displacement reproduces the poverty of the affected groups (Coelho et al. 2012), thus reinforcing and augmenting inequality, polarisation and segregation in the city along class lines.

Slums and pavement dwellers as well as street vendors, who have been the targets of displacement in the above ways, have also been outlawed in dominant public discourse as law-breakers on grounds of their supposedly ‘illegal’ occupation of public land (Ghertner 2008; Eckert 2014). By extension, they are condemned, not only as encroachers on land, but as interlopers in the city itself. At the heart of this is a highly charged and emotive cleavage between the ‘outsider’ or ‘alien’ versus the ‘insider’ or ‘citizen-resident’ of the city. The ‘outsider’ is seen as being parasitic on the urban economy for not apparently contributing to the new entrepreneurial and ownership economy of liberalised India, in contrast to the home-owning, hard-working, wealth-generating urban middle and upper classes. Being engaged in a range of ‘informal’ economic activities, slum dwellers, and the poor more generally, are considered a burden and a drag on urban economies. This view harbours a notion of the obsolescence or redundancy of certain sectors of the urban economy and of urban residents. The poor are considered responsible for jeopardising urban regeneration and economic growth, and in particular, for preventing cities from achieving ‘global’ or ‘world-class’ status in today’s globalised economy. To counter this in an inclusive mode of urban development, the poor have been sought to be integrated into the market and transformed into economic entrepreneurs through targeted policies of micro-credit and enterprise development, although the extent of the impact of this on poverty alleviation is limited.

Much anger is vented at these putative trespassers in the city, for draining urban resources and causing uncontrolled urban population growth, raising the spectre of a demographic menace that exerts intolerable and unsustainable pressure on public services and infrastructure. In turn, they are singled out for depriving ‘legitimate’ urban citizens from enjoying a decent quality of life, and forcing them to suffer from anything ranging from impregnable traffic congestion to disease contagion. An increasingly strident urban middle-class environmentalism has emerged (Baviskar 2006; Ghertner 2008, 2011c; Kumar 2012), building palimpsestically on an older trope of the poor as a threat to public health (Gooptu 2001, 2014), now emphasising their detrimental impact on sustainable urban development. Not surprisingly, government and municipal initiatives to remove slums have enjoyed widespread approval, if not outright support, for at long last enforcing the rights of middle-class citizens to a clean and aesthetically pleasing habitat and for finally ceasing to pamper the undeserving poor, who are electorally mobilised and can thus supposedly extract unreasonable and undue demands from politicians who rely on the poor as ‘vote banks’. Middle-class wrath against the urban poor and an attitude akin to ‘social Darwinism’, according to Breman (2003), have come to underpin and confer public legitimacy on the force and coercion deployed in slum demolition initiatives. Court judgements, that manifestly undermine constitutional rights of citizens, have been hailed for sending a long overdue decisive message to the poor that they have no rights or entitlements.
in the city, and must face punitive consequences for their apparently lawless action (Ghertner 2008). The poor are also at the receiving end of policing and preventative laws that penalise their unwanted activities, including small-scale mobilisation or acts of resistance, even though these do not violate the law (Eckert 2014). ‘The effect’, as Eckert argues with her study of Mumbai, ‘is to thwart the opportunities for marginalised segments of Indian society to struggle for their rights, resist exploitative relations, or simply become independent from their patrons’ (ibid.: 291).

Subaltern urbanisation, urban transformation and politics

Accounts of neoliberal urbanism in India, as discussed above, tend to be metro-centric, and they emphasise the importance of land itself as the key source of accumulation. Studies of small-town growth suggest a different trajectory of non-metropolitan, ‘subaltern urbanisation’, as discussed above. In Tiruchengode in Tamil Nadu, for instance, Raman (2014) shows changing patterns of land use in spatial transformation and in the expansion of the built environment, but this does not conform to the neoliberal model of land development, accumulation by dispossession and gentrification of the metropolitan variety. Between 2001 and 2011, the built-up area of Tiruchengode increased dramatically by 66 per cent, from 6.39 to 10.63 square kilometres. Land here was used to locate various new firm clusters, such as that of lorry engineering and rig-making to drill bore-wells, supplying both to nearby states and to overseas markets in west Asia and South Africa. Land was also used to set up educational institutions that attracted students from the region, and also from north India and even Korea and Zimbabwe, around whom a rental market for housing and new housing complexes have also developed. Simultaneously, transport networks emerged to ferry teachers and students around the region. In all these, local entrepreneurs leveraged their long-standing political connections, dating back to the colonial period and the nationalist movement, to get favourable policies for taxation and interstate transport networks that were vital to the development of their businesses. This case highlights the importance of local, historical and contingent factors, both political and economic, while also showing the influence of market expansion and integration after economic liberalisation, linking the local to the regional, national and international. This is aligned with the pattern of ‘subaltern urbanisation’, discussed above, and suggests that theories of neoliberal urbanism do not travel well beyond metros.

Indeed, the analytical lens of neoliberalism, used in analogy with urban transformation in the West and relying on theories generated by such processes, is now increasingly seen as being of limited or partial explanatory value to understand urban change in India. The universal application of neoliberalism itself as an analytical tool is no longer considered efficacious in the face of myriad manifestations of ‘actually existing neoliberalism’ (Brenner and Theodore 2002), the expression of ‘neoliberalism as exception’ (Ong 2006), and neoliberalising projects unfolding in a variety of ways without conforming to a theoretical or ideological blueprint (Peck 2010). The shift in emphasis away from neoliberalism in studying Indian urbanisation does not merely constitute an analytical quest for local contextual variations and mutations of neoliberalism, but entails an expansion of the analytical repertoire to include other concerns, and indeed to recognise the contingent nature of urban transformation, that often does not follow a neoliberal logic. A move away from ‘generalised theories of large-scale sociological processes’ also focuses attention on diverse urban imaginaries and the everyday grounded realities, lived experiences and spatial politics of the city, as Anjaria and McFarlane (2011: 2) point out. They advocate ‘an approach
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to transformations in city space as a contingent set of arrangements produced by a diverse mix of historical and contemporary actors and processes’ (ibid.: 6).
In this vein, Shatkin and Vidyarthi (2014: 3) emphasise what they call the ‘chronic street level subversion’ of policies, as well as the ‘prevalence of forces within the state that militate against any rescaling of state power to empower municipal governments and the forces of capital’. They draw attention to ‘new forms of political action over urban space’ (ibid.: 7). As it is now well known, such politics surrounding land have emerged both from above and below. It is the interaction of, or confrontation between, the two that produces specific outcomes in urban spatial change. Elite mobilisation from above in the institutional arenas of urban development, in alliance with middle-class activists seeking to remove settlements of the poor, may be consistent with the terms of neoliberal urbanism and gentrification. However, these could be derailed by political strategies from below by the poor, who as ‘vote banks’ exert pressure on politicians to modify or abandon such projects. Big vision, corporate-inspired, word-class city branding projects need to be tempered in response to the exigencies of electoral and populist politics. Shatkin and Vidyarthi (2014) emphasise the rise of ‘network politics’ that relies on forging alliances among diverse actors to leverage particular outcomes in urban development. The range of such political actors now include dominant corporate groups and private consultancy organisations (Weinstein et al. 2014), alongside more familiar political and bureaucratic entities, as well as NGOs, associations of citizens and other private interests. If this wide range of elite and middle-class political actors is crucial in shaping urban development, Benjamin (2008) has highlighted the role of the poor through the concept of ‘occupancy urbanism’ to suggest that they use institutions and engage in a diverse range of actions to stake their claim to services and contested territories, and even ‘pose multiple crises for global capital’ (ibid.: 719). Similarly, going against an understanding of top-down urban change, in which the poor are cast either as victims or protestors, Ghertner (2011b) recounts how the idea of the world-class global city in Delhi is reinterpreted and recast by the poor as a new form of aesthetic imaginary that they too aspire to in the conception of their ideal home and their urban future. Although Roy (2009) has cautioned against over-reading the political capacity and agency of the poor as implied in the notion of ‘occupancy urbanism’, nevertheless these above instances demonstrate the importance of both politics and agency, as distinct from the structural logic of neoliberalism, in reshaping space and reimagining the city. Indeed, gentrification itself in the Indian context can be understood not merely as a neoliberal economic process, but as a political one. It articulates middle-class backlash and ‘revanchism’ against the increasing political assertion and democratic electoral participation of the poor and their heightened democratic aspirations (Goptu 2011; Fernandes 2006), the reaction against which is manifested, for example, in strident elite attacks on ‘vote bank’ politics. Elite politics of this kind, in turn, confronts the forces of ‘occupancy urbanism’, ‘street level subversion’ and contested visions of the city. However, current evidence suggests that the ability of such politics from below to affect change remains largely confined to small-scale modifications, rather than achieving any substantial shift in either the over-arching agenda or the general direction of urban development policies.

Governance, citizenship and the divided city

If urban development policies have seen a sea of change in the post-liberalisation period, these have been matched with the introduction of new forms of urban governance. The 74th Amendment to the Indian Constitution in 1992 signalled political urges to improve
governance through decentralisation and rescaling and reform of the state. This amendment devolved powers to urban local bodies to raise their own finances to manage their own service delivery with greater autonomy, and to engage citizens as active partners in a process of participatory governance through the institution of ward committees in city neighbourhoods (wards are the smallest units in local administration and form electoral constituencies in local councils). The participatory and democratic dimensions of governance reform and the aim of citizen engagement have, however, transpired to be largely the instruments to ensure more efficient urban management, so that cities may fulfil their role as the engines of the economy.

This becomes apparent from the JNNURM Mission Statement with its emphasis ‘on efficiency in urban infrastructure and service delivery mechanisms’, alongside ‘community participation, and accountability of ULBs (urban local bodies)/Parastatal agencies towards citizens’. Even more tellingly, the primacy of efficiency, as well as that of ‘financialisation’ and an overtly financial role of local governance, are revealed by the conditionalities set for urban local bodies (ULB) that received funds from JNNURM. The conditionalities included modernisation of municipal financial accounting systems, efficient and enhanced assessment and collection of taxes, notably property tax using GIS (Geographical Information Systems), and a move towards full cost recovery for delivering urban services to citizens (Shatkin and Vidyarthi 2014: 11), thus leading to a growing commodification and marketisation (e.g., through the levy of user charges) of what had hitherto been public goods, now redesignated as infrastructural services. Indian local bodies are now expected to function with a more entrepreneurial orientation in a businesslike and cost-efficient fashion, along the lines of profit-making private firms and corporate organisations, following market principles, and by developing a sustainable, independent financial base. This ‘corporatisation’ is, of course, in conjunction with a more entrepreneurial role that local institutions are expected to play in promoting urban capital accumulation, investment and growth, particularly through PPP, as seen in the previous section. This is reminiscent of David Harvey’s (1989) analytical conception that entrepreneurial city governments in the neoliberal era have replaced erstwhile public service-oriented municipal administrations, and espoused ‘governance’, in place of ‘government’, to embrace private actors in city management.

Individual citizens, as well as other collective agents and organisations, purporting to represent citizens, are all invited to act as partners in local governance. These include local associations of urban residents, NGOs, community-based organisations (CBOs) and stakeholder groups, some of which are funded and sponsored by government schemes or by overseas aid donors. Moreover, parastatal bodies are given responsibility for local development policies, often by limiting or bypassing the power of elected ULBs, and forging alliances with the private corporate sector. Underlying this process of ‘pluralisation’ of the state and the parcelling out of state functions to a range of parallel bodies is a wider normative shift away from state-delivered welfarism and a responsibility to provide public goods and services. Instead there is a move towards citizen-led, inclusive practices of mobilisation and management of resources and services. Indeed, new institutional spaces for the direct exercise of citizenship in urban affairs are designed to be opened up by the rescaling and recalibration of the state. Citizens are urged to become involved in sharing the responsibility for purveying local services and bearing the costs. Thus, the citizen here is imagined as a responsibilised, self-governed agent, in a neoliberal mode, playing an active role in local affairs. At the same time, citizens in this form of governance are conceived primarily as customers and clients of local councils and consumers of services, who have a transactional relationship with local bodies. They are invited to engage in local municipal affairs to monitor service delivery in the form of social audit. Citizens’ charters are introduced to enable active and vigilant citizens to hold local
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bodies accountable and enforce accountability. Systems of IT-based e-governance and a variety of customer-oriented innovations are also advocated for swift responses to citizens’ needs and to render the interface between the citizen and the local body more efficient and consumer-focused. For instance, e-grievance redressal mechanisms have been set up in Karnataka to record and handle complaints, relating to local services, swiftly and efficiently (Ranganathan 2012). This is the largest e-governance project in the world and is intended to be scaled up nationally. However, Ranganathan shows that a legalistic, contractual relationship is forged through this form of interface between the individual citizen-customer and the local council, which not only erodes any other form of individual or collective negotiation or contestation, but also abjures any conception of rights, social citizenship or moral responsibility of the state towards citizens and replaces it with a consumer contract that can only be challenged on legal grounds. Not only is citizenship attenuated in this way, but also not everyone is cast as citizens on equal terms. Those unable to fulfil the above role of active consumer-citizen, usually poorer sections, are conceived as urban denizens and identified as population groups of the ‘governed’ and beneficiaries of local policy, to be targeted for the delivery of various kinds of services (Chatterjee 2004, 2008).

In all this, ‘participation’ is indeed the stated watchword or touchstone of urban governance today. Highlighting the fact that cities are projected as sites par excellence of participation, Coelho et al. (2013) use the term ‘participolis’, to describe contemporary Indian cities. However, as they explain, participation and consultation are being used by local bodies largely in instrumental or manipulative ways with the selective co-optation of particular sections of the population, often to push through policies by stealth. Those affected by particular policies are deliberately excluded, notably the poor, who find it hard to access events that Coelho et al. term ‘chandelier consultations’ (ibid.: 17), held at venues that are beyond the reach of all but the affluent. Moreover, participatory events have a performative or ritual character, carefully orchestrated and designed to generate consent around specific policies and projects. More broadly, they help to embed market discipline and the financialisation of municipal government through the veneer of consent (ibid.). Far from enabling citizens to play a constitutive role in urban policy, participation is ultimately an artifice that depoliticises urban development and manufactures consent.

Notwithstanding the circumscribed nature of participation, the frequently asserted aim of urban governance is to create inclusive cities. However, it is now widely accepted in the analytical literature that governance reforms have increasingly led to the empowerment of elite and affluent groups and the marginalisation of the poor in a number of different ways, notably relating to the role of parastatals, NGOs and RWAs. It is now well recognised that parastatals and nodal development agencies at the regional state level dominate the formulation and implementation of local development policies. These unelected institutions are more powerful than elected local bodies, and they represent a form of local development authority that bypasses elected councils (Benjamin and Bhuvaneswari 2006; Coelho et al. 2013). They are prone to the influence of private corporate interests and powerful groups of the wealthy with economic clout. In cities like Bangalore, dominant economic lobbies like the IT sector have exercised disproportionate influence in local development through the medium of parastatals. The poor have no access to these institutions, the policies of which have a significant impact on them. Instead, to represent their interests, unlike middle classes, who engage in NGO voluntarism and local activism, the poor rely on the patronage of local councillors, politicians and party politics (Harriss 2005). Yet these local politicians and local councils have little or no power to shape the policies of regional state level nodal agencies and parastatals (Benjamin and Bhuvaneswari 2006). These institutional arrangements, then,
serve to disempower the poor by emasculating the very institutions to which they have access in determining local development.

If parastatals undermine the interests of the poor, civil society organisations (CSOs) and NGOs that work in partnership with local councils and other organisations, could be argued to offer a space to the poor to articulate their interests. Local institutions have developed extensive partnership with NGOs in service delivery and in poverty alleviation programmes, and they act as intermediaries and interlocutors between the poor and the state. NGOs and CSOs are, of course, argued to be the public voice of the poor. They are expected to act as institutions of people-centred development and represent a ‘new localism’ in governance and urban politics, and thus serve as the vehicles of participation and inclusion of the poor (Pinto 2006). NGOs working with slum dwellers, such as SPARC in Mumbai, have been celebrated for deepening democracy (ibid.; Appadurai 2002). However, other accounts have shown that SPARC failed to represent the interests of its constituents adequately and helped to shore up government policy that ill-serves the poor (Whitehead and More 2007; Roy 2009). Most importantly, as Ananya Roy (2009) has argued, NGOs like SPARC reinforce ‘civic governmentality’, by consolidating and legitimising the technologies, rationalities and mentalities of rule that underpin regimes of local governance. Thus, cities, as configured by institutions, practices and ideas of governance, relating to both private and state actors, remain exclusionary spaces from the perspective of the poor, despite the upsurge of ‘inclusion’ as a stated public commitment.

The privatised city

If the poor have been disempowered and politically marginalised in the above ways, the upper and middle classes have benefited from and gained in power through new institutional innovations. Many cities have seen the emergence of Residents’ Welfare Associations (RWAs) as partners of the local council, while the statutory ward committees, as provided by the 74th amendment, to which the poor have access, are largely defunct or paper organisations, or only engaged in limited activities. Instead, RWAs have become highly organised and active institutions. The RWA system offers an institutionalised platform for the exercise of consumer-citizenship in practice. Their formation in urban neighbourhoods has been encouraged by local governments in order to transfer some key responsibilities and to act as allies in pushing through particular policies. These RWAs are disproportionately based in middle-class and affluent areas and they now perform a range of local functions. They are empowered to raise local resources and, with direct access to municipal councils, they have the capacity to corner existing resources at the cost of poorer neighbourhoods. The citizen–government partnerships scheme or bhagidari in Delhi, introduced in 2001, and the Mumbai Advanced Locality Management Programme, are key examples that have encouraged the creation of powerful RWAs. Debolina Kundu (2011) shows the involvement of RWAs in neighbourhood security arrangements, and in dealing with parastatals supplying key services, such as drinking water and sanitation. RWAs maintain roads, parks, community halls, street lights. In Delhi, they have also graduated to involvement in participatory local municipal budgeting, and have been empowered to select and prioritise local development or infrastructural projects and decide on resource allocation. In some cases, they raise funds for capital investment projects in their own locality. Away from the metros, RWAs are powerful in small towns too, such as in Tamil Nadu. In so far as these middle-class RWAs are concerned, they fit the bill of neoliberal responsibilised, enterprising consumer-citizenship in action.
The power of RWAs should, however, not be over-estimated (Coelho et al 2013). They are not equally influential across India’s urban centres. Their relationship with the local state is ambivalent where no formal partnership scheme is in place and they act as self-appointed lobby groups and local community mobilisers. Often RWAs play an important role in the property market and on issues surrounding property value and ownership, and thus compete with each other. RWAs in different localities of a city do not have shared aims and interests. As Srivastava (2014: 408) notes, RWAs of ‘super-expensive south Delhi suburbs do not have much in common with the more modest locales in the east of the city – what their residents share is the claim to middle-classness’ (emphasis in original). Most importantly though, it is by virtue of this ‘claim to middleclass-ness’ that RWAs play a significant role in configuring the relationship of the middle and upper classes vis-à-vis the poor.

While RWAs may like to see themselves in terms of activist citizenship and a vibrant civil society, they have evidently developed as key actors in class politics in the city. As the guardians of residential colonies and gated neighbourhoods of the middle and upper classes, they help to protect the distinctive class identity and the guarded and private nature of their neighbourhood communities. In addition to dealing with neighbourhood affairs, in Mumbai and Delhi, RWAs deal with encroachments and unauthorised settlements, and thus become central to a wider politics of control and contestation over urban land involving the poor. In this role, RWAs have launched strident campaigns to keep the poor at bay and turned to the courts to bring about the removal of these settlements of the poor, and to enforce their own rights to a high quality of life in the city, unencumbered by squatters or slum dwellers (Ghertner 2008). The RWA phenomenon points to an exclusionary and privatised process in urban governance, for it disproportionately empowers affluent and middle-class neighbourhoods, who have time and money as well as capacity to engage in local affairs. While the consumer-citizens of these neighbourhoods can rely on themselves and pay to meet their needs, local councils neglect the poor who are unable to do so, intensifying spatial inequality, overlaid with class difference. Furthermore, their approach to the mobilisation of local resources through paid services hastens financialisation and entrenches commodification, both in practice and principle. RWAs have been seen as the instruments of elite capture of local governance (Kundu, D. 2011). Ghertner (2011a, 2014) has argued, however, that RWAs do not represent middle-class capture of the state. Rather, the institutional incentives and arrangements provided by the state, in the form of bhagidari and other kinds of partnership, facilitated the empowerment of middle and upper classes in local politics. By virtue of bhagidari and property ownership, RWAs can access the state, thus ‘gentrifying the state’ and ‘channels of political participation’, while displacing the poor from informal linkages with local politicians, thus tilting policies towards the elites.

The politics of RWAs is, however, not merely a function of increasingly structurally skewed urban institutional re-engineering and redesign that serve to empower middle and upper classes. Importantly, they also represent deeper changes in culture and identity in the city, particularly relating to an emerging form of consumer modernity (Srivastava 2014). Srivastava argues that ‘the privatised production of spaces of residence, leisure and shopping is a significant context of the making of middle-class activism and that it also gives rise to a broader set of ideas about bounded identities, interests, and rights of the consumer-citizen’ (ibid.: 409). Real estate development and the proliferation of private housing as well as privatised spaces of consumption and leisure have forged the identity of the consumer-citizen as one who realises his or her citizenship within the private space, rather than the public domain, and through consumption and an emphasis on lifestyles that need to be protected. The language of nationalism, Srivastava suggests, has been repositioned and
anchored within the sphere of the private neighbourhood and in the domestic arena of the family and private home, as aptly captured in his use of the phrase ‘national domestic’ (Srivastava 2012: 75). He attributes this to ‘the consolidation of a relatively recent narrative of intimate and private spaces as the deus ex machina of personal transformation [which] is part of the wider renegotiations of the relationship between the state, the market, and citizens’ (ibid.: 75). Not surprisingly, those who see themselves as the middle classes are aspiring to retreat into protected private spaces, with the poor banished from this vision. The city itself is being reimagined as a site of private fulfilment, rather than as a terrain of expression of public, civic culture. As Srivastava argues, the normative national community is now defined in terms of middle-class solidity and the state is seen as the ‘facilitator of individual choice’ and ‘a “friend” of the middle classes’ (emphasis in original), rather than ‘a benefactor of the poor’ (Srivastava 2014: 414, 430). Srivastava’s arguments pertain to large cities, specifically Delhi, and further research is needed to understand the nature of these privatising processes in smaller towns, relating to both entrenched claimants to middle-class status and the emerging, upwardly-mobile, yet precarious, sections, who have been identified to be at the heart of India’s burgeoning market economy.

Conclusion

It is easy to see how in the past 20 years the idea of private ownership has had a huge debilitating impact on urban life. The city has changed from being a congenial space of shared amenities and relationships to a fearful nightmare of private strongholds and walled compounds – insecure, insular and isolated.8

Indian cities are often represented as a melting pot of people, spaces and cultures. Inequality is hardly a novel feature here, and urban class relations have, for long, been defined through the politics of space and differential consumption practices and economic experiences. Spatial restructuring has been an ongoing process for decades, if not centuries, in most towns and cities, although the scale and pace of change have been much augmented at certain conjunctures, such as in the later nineteenth- and early twentieth-century period of colonial rule or at the present time. What then are the distinctive features of urban transformation in this era of so-called ‘India’s urban awakening’ (McKinsey Global Institute 2010)? New city imaginaries, with two contradictory visions, now frame urban transition. On the one hand, city development is understood in exclusionary terms as an opportunity for the fulfilment of private aspirations in privatised spaces by middle- and upper-class citizens as well as for private accumulation of capital by investors and corporate interests. On the other hand, the city is projected as a site of inclusion in top-down governance discourse and state rhetoric, though hardly achieving that goal in actual practice. Inclusive tendencies, of course, resonate with popular democratic urges and aspirations, but these are increasingly marginalised or muted by the exclusionary, privatising forces, and inclusion remains a conceit. As the contradiction between inclusion and exclusion plays itself out, Indian cities become increasingly politically contested, spatially unequal, economically stratified and socially divided.

Notes

2 ‘New poverty line: Rs 32 in villages, Rs 47 in cities’, Times of India, 7 July 2014.
5 Ibid.
6 This section is drawn from Gooptu (2014).

References


Nandini Gooptu


Divided we stand


