

URBAN PLANNING AND POLICIES IN INDIA, URBAN POOR IN THE SIGHT OF FIVE YEAR PLANS AND PROGRAMMES

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ABSTRACT

Urbanization may be defined as a process by which villages turn into towns and towns turn into cities. In the demographic sense it is an increase in the proportion of the urban population (U) to the total population (T), over a period of time. India's population grew three-fold from 350 million in 1947 to 1210 million in the year 2011. During the same period, the urban population grew almost 4.6 fold as fast—from 62.4 million to 286 million (Census 2011). Thus, the Independent India has been urbanizing very fast. The process of urbanization has been closely linked with the process and pattern of economic development in the country. Although the process of urbanization in India could not be explained fully by the process of economic development, it is positively linked with the latter. The unprecedented growth in population, accompanied by technological and economic growth has enhanced urbanization. Cities are the focal points of opportunities. Hence there is always a movement of population to cities. This increases the pressure on existing facilities of housing and infrastructural facilities besides leading to congestion. Thus, the situation in our cities has become unmanageable and more alarming with the growing inequalities arising out of lack of adjustment to rapid and extensive urbanization. A great many 'urban' dwellers and individual households are not integrated

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socially, economically or politically in urban life. Their low level of incomes; lack of education; sub-standard living in slums and squatter settlements and increasing population concentrations; overloading the community's environmental life support system, in the face of already existing backlog of services and amenities, have added new dimensions to the problem increasing the maintenance cost of urban development.

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INTRODUCTION:

Today, half of the world's population lives in urban areas. By 2050, 70 % of the population will be urban. India has been witnessing massive urbanization. Over the six decades since independence, India's population grew three-fold from 350 million in 1947 to 1210 million in the year in 2011. During the same period, the urban population grew almost 4.6 fold as fast – from 62.4 million to 286 million (Census 2001). Level of urbanization increased from 27.81% in 2001 Census to 31.16% in 2011 Census. Thus, the Independent India has been urbanising very fast. The process of urbanization has been closely linked with pattern of economic development in the country. Although the process of urbanization in India could not be explained fully by the process of economic development, it is positively linked with the latter.

Thus, the rapid increase in urbanization and economic development has led to severe environmental degradation that undermines the environmental resource base upon which sustainable development depends. The economics of environmental pollution, depletion and degradation of resources has in fact been neglected as compared to the issues of growth and expansion. India has been no exception to this worldwide phenomenon; rather, the trends in environmental deterioration in India, because of the substantial increase in its population, have been far more prominent as compared to other developing economies. Urban development in India is presently going through a very dynamic stage, the percentage of population in urban centres itself having increased from 14 % in the 1940s to about 33 % in 2000. The unprecedented challenge of such an urban shift has resulted in Indian cities degenerating into slums and squatters camps. The rapid expansion of cities has brought with it acute problems of environment resulting in the degradation of quality of life. In order to comprehend the above issues and

problems of urbanization and environment, the National Development Plans have, from time to time, developed certain techniques and solutions in the process of urban and environmental planning policy. The key factor is that, urbanization will continue in India in the foreseeable future and going to place heavier demand on the environment. It is, therefore, important to understand the process of urbanization in different regions and design appropriate policies of urban development. Thus, the five year plans prepared by the Planning Commission of India reflect the aspirations and long-term plans of the central government on all aspects of economy, environment and development. These plans can be helpful in analysing the policy regarding various sectors.

OBJECTIVES OF THE STUDY:

The magnitude of the challenge can be understood from the sheer fact that out of the total population of 1027 millions in India about 286 millions live in urban areas. Thus around 28 out of every 100 persons in the country reside in cities and towns. According to Census 2001, it is expected that in coming 20 years (2001-21), the urban population will nearly double itself to reach about 550 million. Within the framework of this broad objective the specific objectives set out for this study are as follows:

1. To analyse the India's Five Year Plans at a Glance
2. To review the Urban Policy during the Five Year Plan Periods for the Urban Poor

DATABASE AND METHODOLOGY:

The study is based on data collected from secondary sources which include various publications by government agencies as well as non-governmental organizations/bodies. The data from various NSSO rounds and various Censuses (Registrar General of India) has been used for the collection of relevant and reliable statistics. Apart from this various issues of Economic Survey, different volumes of statistical outlines of India and various reports of CMIE published from time to time has also been the other source of data collection.

India began the process of planned economic development with the start of the First Five Year Plan on April 1, 1951. In a broad sense, the basic objectives of planning in India can be grouped under four heads: (a) growth, (b) modernisation, (c) self-reliance and (d) social justice. In one

form or another, these objectives, although with varying emphasis, reflect the views of all sections of the population and represent a national consensus on the aims of planning.

1. GROWTH RATE PERFORMANCE IN VARIOUS PLANS:

Table 1: Growth Rate Performance in the Various Plans

(In % per annum)

Plan Period	Target	Realisation
First Plan	2.1	3.5
Second Plan	4.5	4.2
Third Plan	5.6	2.8
Fourth Plan	5.7	3.2
Fifth Plan	4.4	4.7
Six Plan	5.2	5.5
Seventh Plan	5.0	5.6
Eight Plan	5.6	6.5
Ninth Plan	6.5	5.5
Tenth Plan	8.0	7.6
Eleventh Plan	9.0	8.0

Source: Twelfth Five Year Plan 2012-2017, Planning Commission, GOI, (Volume –I).

The above table shows that the potential of the economy to grow much more rapidly is evident from the Eleventh Plan experience, which produced an average growth rate of 8 % for the period 2007-08 to 2011-12. This was lower than the Eleventh Plan target of 9 %, but higher than the Tenth Plan achievement of 7.6 % and also the highest growth rate ever recorded by the Indian economy in any Plan period.

Table 2: Population of India by Residence (1951-2011)

Census Year	Total Population	Average Annual Compound Growth	Urban Population	Average Annual Compound Growth	Rural Population	Average Annual Compound Growth

		Rate		Rate		Rate
1951	361088090	1.25	62443709	-	298644381	-
1961	598159652	1.97	78936603	2.4	360298168	1.9
1971	598159652	3.1	109113977	3.1	489045675	3.1
1981	683329097	1.3	159462547	3.9	523866550	0.69
1991	844324222	2.1	217177625	3.1	627146597	1.8
2001	1027015247	1.97	285354954	2.8	741660293	1.7
2011	1210193422	1.64	377105760	2.75	833087662	1.16

Sources: Various census Report

Table 1 shows that the growth performance during various five year plans and Table 2 reveals that the number of total population has increased from 361 million in 1951 to 1027 million in 2001. During the same period, the number of population residing in urban and rural areas has increased from 62.4 million to 285 million in urban areas and from 298.6 million to 742 million in rural areas. This shows that urban population has increased 4.6 times whereas rural population has increased 2.5 times during the period 1951 to 2001. The table clearly shows that the average annual compound growth rate of urban population was always higher in all the census years. It was 5.65 times during the period 1971-1981. This is clearly a reflection of the pace at which urbanization is taking place in India. The average annual compound growth rate of urban population was 2.4 in 1961. The decades 1971, 1981 and 1991 showed a significant improvement in the growth which has thereafter steadily dropped to 2.8 in 2001. The rural growth has been fluctuating since 1961. The decline in rural population growth was marginal during 1991 and 2001.

2. URBAN POLICY DURING THE FIVE YEAR PLAN PERIODS FOR THE URBAN POOR:

The urban planning techniques and solutions that developed during the course of Plans suggested quite a few measures to tackle the problems of urbanization and urban growth.

In the First Five Year Plan (1951-56), the government concentrated on institution-building, on construction of homes for government employees and for weaker sections of society. Interestingly, a good part of the Plan outlay was spent on rehabilitation of the refugees from Pakistan and on building the new city of Chandigarh. An Industrial Housing Scheme was also

initiated. Chandigarh, with its obvious modernist edge, in some perverted way became the model for the low-cost yellow buildings that were so ubiquitous during the two decades after Indian independence and continue to remain so today. In the same plan period the National Buildings Organisation and the School of Planning and Architecture were set up in order to improve the quality and efficiency of built environment building, research and develop housing technologies and create a cadre of trained town planners. Furthermore, the central government also set up the Town and Country Planning Organisation to provide guidance and assistance to central and state governments on urban problems and also to prepare the Delhi Master Plan which was conceived as the model plan which was subsequently to provide a framework for master plans to be prepared for other cities. The other two issues in the 1st Plan were industrial and employer housing and slums. The Plan noted that “construction of houses by employers in post-war years has fallen short of expectations” (Dwivedi 2007). More importantly, it notes that “the employers have generally taken the stand that not they but the state has the responsibility for providing houses for the working class”. This is in stark contrast to experiments like TISCO in Jamshedpur where the company took upon itself the responsibility of providing housing and other amenities to its workforce and their families. Thus we see that after Independence the private capital increasingly started washing its hands off the issues of reproduction of its workforce.

The Second Five Year Plan (1956-1961), gave priority to set up the industrial towns as the potential centres of urbanization. The preparation of Master Plans of 21 cities was taken up for co-ordinated urban development. The Town and Country Planning Act were formulated to revamp the civic administration. The concept of slum clearance has been revised to achieve slum improvement as slum clearance is not enough unless the slums are re-built and resettle the affected people.

The Third Five Year Plan (1961-1966) laid emphasis on town planning for which the responsibility was shifted from Centre to the States. A Model Town Planning Act was prepared in 1957 by the Town and Country Planning Organisation, Delhi and this led to the enactment of laws in other states. The Third Five Year Plan extends financial support for the preparation of master plans for the development of cities and towns in the states. As a result of such efforts, nearly 400 master plans were prepared. Moreover, the Third Plan also initiated Urban-

Community Development Scheme in selected cities as an experimental scheme to solve social and human problems associated with urban slums. It was only in the

Fourth Five-Year Plan (1969-74) that the policies started reflecting growth and concentration of population in cities and the need for a balanced development. Another important aspect was the vision to develop smaller towns with spatial economic activities. These economic activities were aimed at generation of income for the residents of the small towns. Coupled with this, the plan also brought out a Scheme for Environmental improvement of Urban slums , to provide minimum services like water supply , sanitation and street pavements in 11 cities, which were later extended to nine additional locations. The Housing and Urban Development Corporation was established to fund the remunerative housing and urban developmental programmes, aimed at turnovers.

The Fifth five Year Plan (1974-79) was mainly concerned with introducing measures to control land prices in cities; providing a framework for the development of small and medium towns; augmenting basic services in cities and towns; addressing the problems of metropolitan cities with a regional perspective and assist development projects having national significance in metropolitan cities. The priorities expressed in the Plan were based partly on the National Urbanization Policy Resolution of the Town and Country Planning Organisation. In order to evolve a framework for the development of small and medium towns the central government constituted a Task Force on Planning and Development of Small and Medium Towns in 1975.

The Plan also emphasised the need for infrastructural development of cities with population over 300,000. To achieve this goal a scheme called Integrated Urban Development Programme (IUDP) was launched. Also, the Sites and Services Scheme for making serviced land available to the poor was launched in this Plan period. In order to control increase land prices in cities, the Plan suggested several measures, including, “differential taxes on land based on its use, higher taxes on vacant lands to discourage speculation, conversion tax on change of land use and enhanced stamp duty on transfer of lands”.

Sixth Five Year Plan (1980-85): was largely on the development of small and medium towns and provision of basic services in urban slums. Though the Plan underlined the need to improve environmental conditions in slums through improvement in drainage, sewerage and sanitation the urban component of the 6th Plan is remembered primarily for the introduction of a centrally sponsored scheme called the Integrated Development of Small and Medium Towns (IDSMT) with the objective of promoting growth in towns with less than 100,000 population through provision of infrastructure and basic services. The components eligible for central assistance under the IDSMT included land acquisition and services, construction of new markets, provision of industrial estates, provision of other services and processing facilities for the benefit of agricultural and rural development in the hinterland and low cost sanitation (which was added to this list later). The state components included slum improvement, small scale employment generation, low-cost water supply schemes, drainage and sanitation, sewerage, preventive medical facilities, parks and playgrounds. To begin with the scheme included 231 towns in various states and union territories, selected on the basis of the ratio of urban population in the state to the total urban population in the country Later on a few additional towns were added to this list.

The Seventh Five Year Plan (1985-1990) stressed the need to entrust the major responsibility of housing construction to the private sector. The National Housing Bank was set up to expand the base of housing finance. The NBO was reconstituted and a new organisation called Building Material Technology Promotion Council (BMTPC) was set up to promote the commercial production of innovative building materials. A network of Building Centres was also set up during this Plan period. The Seventh Plan explicitly recognised the problems of the urban poor and for the first time an Urban Poverty Alleviation Scheme known as Urban Basic Services for the Poor (UBSP) was launched. Since then, much of the tendency has been to allow for the industries around building materials, mainly cement and steel, to determine the allocation of resources for building environments. This was also the period when private builders got an enormous boost to enter the mass housing market and make materials even more expensive for the poor. The National Housing Policy was announced in 1988. In this, the role of the government was reflected as ‘a provider for the poorest and vulnerable sections and as a

facilitator for other income groups and private sector by the removal of constraints and the increased supply of land and services’.

Eighth Five Year Plan (1992-1997) for the first time explicitly recognised the role and importance of the urban sector for the national economy. While the growth rate of employment in the urban areas averaged around 3.8% per annum, it dropped to about 1.6 % in the rural areas. Therefore, the urban areas have to be enabled to absorb larger increments to the labour force. The Plan identified the key issues in the emerging urban scenario, via: the widening gap between demand and supply of infrastructural services, which hits the poor, whose access to the basic services like drinking water, sanitation, education and basic healthcare is shrinking; the unabated growth of the urban population, aggravating the accumulated backlog of housing shortages and resulting in the proliferation of slums and squatter settlements and decay of city environments. All familiar inputs, which would have qualitatively changed the way the economy would have been had similar investments been made in the rural sector itself, decades ago.

The Ninth Five Year Plan (1997-2002), received the New Economic Environment of liberation and structural reforms in the urban sector. To tackle the problem of housing, which was felt much more acutely, public and private participation was encouraged also allowing Multi National Companies (MNCs) in this plan period. The planning commission expected 50,000 crore for the facilities of drinking water supply and sanitation in urban areas. Union Government design and took important steps for the development of the urban sector. Urban Development Planning again came in to limelight due to the era of economic liberalisation. Private sector is also playing a key role in developing infrastructure in the urban areas. The Union Government also lift the ban on foreign investment in the urban sector especially in the creation of infrastructure. In this perspective, the major objectives of the Ninth Plan are the following:

- a) Development of urban areas as economically efficient, socially equitable and environmentally sustainable entities.
- b) Accelerated development of housing, particularly for the low income groups and other disadvantaged groups.
- c) Development and upgradation of urban infrastructure services to meet the needs of growing population.
- d) Alleviation of urban poverty and unemployment.
- e) Promoting accessibility and

affordability of the poor to housing and basic services. f) Improvement of urban environment.

b)

Tenth Five Year Plan (2002-2007): The Plan identifies urbanization as “a key determinant of the economic growth in the 1980s and 1990s, boosted by economic liberalisation”. The 10th Plan (2002-07) was prepared in the backdrop of the Union Budget of 2002-03 which had announced radical measures to push cities into carrying out comprehensive urban reforms. The overriding thrust of the 10th Plan was to promote overhauling of the legislative, governance and administrative structure of cities through a set of market-friendly urban reforms and promotion of Public Private Participations in urban infrastructure and services. The 10th Plan said it in no uncertain terms that urban infrastructure could not be funded by budgetary support alone. A lot of emphasis was thus placed on making urban local bodies financially strong so that they have to rely less and less on state transfers. To enable ULBs to raise their own resources the Plan advocated reform in property tax, levying of user charges, increasing non-tax revenues, controlling establishment costs, better utilisation of municipal assets and overhauling municipal accounting systems.

The Eleventh Five Year Plan (2007-2012): The 11th Plan, for instance, is categorical about “increasing the efficiency and productivity of cities by deregulation and development of land” and “dismantling public sector monopoly over urban infrastructure and creating conducive atmosphere for the private sector to invest” (GOI, 11th FYP). The National Urban Housing and Habitat Policy recognizes that there is a need for the government to retain its role in social housing “so that affordable housing is made available to EWS and LIG of the population as they lack affordability and are hopelessly out priced in urban land markets” (NUHHP, 2007).

Not only is Indian less urbanised, the state of urban infrastructure, especially the availability of water and sewage treatment facilities, is much lower than what it should be. Urban transport infrastructure also leaves much to be desired. The Jawaharlal Nehru National Urban Renewal Mission (JNNURM), which commenced in the Tenth Plan, will continue to be the main vehicle for raising the level of infrastructure and utilities in the existing cities. The aim of the Mission is to create economically productive, efficient, equitable and responsive cities and the focus is on the following: a) Improving and augmenting the economic and social infrastructure of cities. 2)

Ensuring basic services to the urban poor including security of tenure at affordable prices. 3) Initiating wide ranging urban sector reforms whose primary aim is to eliminate legal, institutional and financial constraints that have impeded investment in urban infrastructure and services.

Table 3: Plan outlay in Housing and Urban Development Sector
(Rs in Millions)

Plan	Total outlay	Housing & Urban Development	% Share in the total
First Plan	20688	488	2.1
Second Plan	48000	1200	2.5
Third Plan	85765	1276	1.5
Fourth Plan	157788	2702	1.7
Fifth Plan	394262	11500	2.9
Six Plan	975000	24884	2.6
Seventh Plan	1800000	42295	2.3
Eight Plan	4341000	105000	2.4
Ninth Plan	N.A	158800	N.A
Tenth Plan	N.A	405000	N.A
Eleventh Plan	N.A	368700	N.A

Source: Planning Commission & Ministry of Urban Development, GOI

Table 3 shows that the %age share of housing and urban development sector as part of the total plan outlay has been consistently hovering at about 2-2.4 %. Now the question arises here is, how did the government address the overlapping issues of urbanization, poverty and environment? Therefore, in 2000-01, the erstwhile Ministry of Urban Development and the Ministry of Employment and Poverty were combined into one and known as the 'Ministry of Urban Development and Poverty Alleviation', and it was further divided into two specific departments: (a) Department of Urban Development; and (b) Department of Urban Employment and Poverty. Here, the government makes a marked distinction between urban and rural poverty.

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