

# THE LAND QUESTION AND JAWAHARLAL NEHRU URBAN RENEWAL MISSION

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## ABSTRACT

*The mission statement of JNNURM states that the aim of the mission is to encourage reforms and fast track planned development of identified cities. The focus points of the mission are efficiency in urban infrastructure and service delivery mechanisms, community participation, and accountability of Urban Local Bodies towards citizens. The paper argues that a project of the scale of JNNURM would require huge tract of land. However, the mission leaves aside the question of arranging sufficient land. A convenient option of the concerned authorities is to make land available by cleaning up slum lands which have been the home to pauperized rural populace who migrate to cities. The objectives of the mission also fail to comprehend that land is a very important resource with regard to the economy of the urban poor and utmost for their survival. This puts a heavy strain on urban land and other resources which are increasingly freed from less productive uses such as small scale manufacturing or housing for the poor and deployed for the purpose of profiteering. The paper concludes that issues of accessibility of land for urban poor have not been properly addressed in the mission and this might emerge as the faultline between different set of stakeholders.*

**Keywords:** Geographic Information System (GIS), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Liberalization, National Common Minimum Programme (NCMP), slum, Urban Infrastructure and Governance (UIG), Urban Land Ceiling and Regulation Act (ULCRA).

## INTRODUCTION

India has undertaken significant reforms in phases starting from the benchmark year of 1991. However, initial reforms were in the economic system of India which actually started around 1985 with substantial reduction in external tariffs for capital goods imports. Interestingly, discussions and debates on reforms in India almost pre-suppose as if the reform by definition is economic reform. It needs to be comprehended that economic reforms in many cases depend on reforms in the administrative and judicial systems (Raychaudhuri, 2012). The example of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is such a kind of reform that aims at restructuring different types of urban reforms and processes and decisively modify urban administrative systems. However, the central question is how far this reform has increased the welfare of the common individuals in India? After all the ultimate objective of reforms are intended towards raising the quality of living and economic well-being of people (Government of India, 2005). Crucial thrust of reforms like Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is to raise the growth rate of India's per capita income by generating high Gross Domestic Product (GDP) from cities and turning urban areas as highly productive engines, assuming this will take care of the welfare and social issues in the cities.

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It is important to understand the background of the launch of a reform agenda like Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in India. It all started with the embracing and implementation of liberalization policy for the country. Nevertheless, the underlying philosophy of India's economic liberalization of 1991 was to allow markets to function more extensively in as many sectors as possible. The consequence of economic liberalization has been less governmental control in different spheres of production and distribution. The reforms were primarily aimed at signaling gradual withdrawal of the government from direct or indirect control as well as participation in the production and distribution of goods and services in the economy. The idea and belief was that markets should be given its due role to play and the governments role should be clearly to oversee that the markets function as competitive as possible (Raychaudhuri, 2012). The liberalization policies adopted by the government has given impetus to urbanization and the share of urban population to total population has increased manifold times. This is due to the generation of economic and employment opportunities in the cities. Consequently, the urban areas have a high contribution to Gross Domestic Product (GDP).

Nevertheless, the high urban productivity would depend upon the availability and quality of infrastructure services. Urban Renewal Mission was launched with the aim that the reform process would focus on providing smooth infrastructure services in cities. Cities in this case were being viewed as Generators of Economic Momentum (GEMs) and it was anticipated that lack of infrastructure might turn into the bottleneck for the growth of cities. The cities were to be made competitive to attract the best foreign investment in the country with the help of the reform process under the banner of Jawaharlal Nehru National Urban Renewal Mission (JNNURM). Thus, the renewal programme launched on a wide scale in the country was a huge city modernization scheme with a positive economic motive (Government of India, 2005)

#### **JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION (JNNURM)**

The mission statement of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) states that the aim of the mission is to encourage reforms and fast track planned development of identified cities. The focus points of the mission were efficiency in urban infrastructure and service delivery mechanisms, community participation, and accountability of Urban Local Bodies (ULB)s/ Parastatal agencies towards citizens (Government of India, 2005)

Like in other countries, growth story in India is linked with the associated urban reforms. The Urban Renewal Mission is a vibrant and massive urban reform in India. Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), the Union government propose inventive scheme for providing assistance to state governments and Urban Local Bodies (ULB)s in selected 63 cities. These cities include cities with over one million population, state capitals and a few cities of religious and tourist importance. The main purpose of such a reform is as stated by the government, is to mould urban governance in these areas, facilitate urban infrastructure and provide basic services to the urban poor. The mission is comprised of two sub-missions. First, sub-mission is for urban infrastructure and governance. This is to be administered by the Ministry of Urban development (MoUD). Second sub-mission is on basic services to the urban poor. This is to be administered by the Ministry of Housing and Poverty Alleviation (MoHUPA). The common components under the scheme and the sub-missions stated above includes urban renewal, water supply, sanitation, sewerage, solid waste management, urban transport, slum improvement and rehabilitation, housing for urban poor, civic amenities in slums and so on. Till March 2013, the total amount funds released for Urban Infrastructure and Governance (UIG) has been to a tune of Rs. 61,230 crores. However, for the Basic Services for the Urban Poor (BSUP) component, the total amount of fund released till March 2013 has been 16,356 crores (GoI 2012).

The urban renewal mission document has certain necessary conditionality for disbursement of fund. Firstly, funds accessed for Jawaharlal Nehru National Urban Renewal Mission (JNNURM) cannot be used to create wage employment. JNNURM assistance is also not available for health and education in cities of urban India. Secondly, land costs for the projects specified in the scheme cannot be financed under the JNUURM scheme. This has to be externally funded. Thirdly, housing to the poor are not provided free of cost under the mission. Fourthly, privatization or Public Private Partnership (PPP) is the preferred mode of implementation of the projects. Fifthly, a reasonable user fee is to be charged from the urban poor for services. The idea behind this agenda is to recover at least 25 percent of the project cost (Government of India, 2005). The above mentioned aspects of the urban renewal mission points out at the agenda behind JNNURM. Scholars working on analyzing various aspects of reforms in the country have firmly emphasized from the above facts that the mission seeks to set in motion a completely market-driven urban development process. The Urban Renewal Mission is the culmination of a process of neoliberal urban reforms that has been going on since the launch of the mission. A bird's eye view at the reforms proposed under the mission makes it clear

that these are designed in such a way that it ought to benefit a minimal population which includes local and international investors and guarantees will make life worse for the majority of the urban residents (*Mahadevia, 2006*). Further, the question of land has been left out as the mission document fails to mention how land would be made available for the projects under the mission.

The urban renewal mission accrues and consents to the concept of modernization originating from Eurocentric perspective. The idea behind the urban renewal projects have been city beautification and cleaning (by removing unclean 'objects' like slums), which ultimately attract foreign investors to the city for investing in the city and generating economic surplus from such investments. This ultimately leads to the growth of the brand '*globalized India*'. The emergence of the brand '*globalized India*' will be created at the further peripheralization of millions who would be forced to bear the cost of ensuring profits for a minuscule population of political and economic elite. This might be justified under the banner of national or public interest. However, the irony is that the victims of such processes are referred as beneficiaries. Unfortunately, an urban reform process of the scale and intensity of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) follows the same pattern and paradigm (*Mahadevia, 2006*).

## THE LAND QUESTION

The land question undoubtedly needs to be central for any urban renewal scheme of the government of India. First, urban renewal incorporates restructuring of the usage of land and second a huge proportion of the population of this country is still dependent on this finite resource for livelihood and various other essential and survival activities of human beings depend on availability of sufficient land. Land is a fixed commodity. This makes it easy for speculation and consequently for profiteering from it and similarly the results of such speculation are quite in-depth (*Harvey, 1982*). The inequality in India can be traced to the factor of the land-owners vs. dispossessed. Initially, the government had functioned as the regulator of inequality resulting from transaction relating to land. This was through the subsidies to urban poor, higher taxes to industrialists on purchasing land, providing land to urban poor at subsidized interest rates of loans. In the current times, the government agendas clearly point at profiteering from commercializing the urban land. Therefore, the government functions more like a "speculator" rather than as a 'facilitator' of the urban poor (*Shaw, 2004*). This is being accomplished through policy like 100% Foreign Direct Investment (FDI) in the real estate. An urban reform of the scale of JNNURM is functional by spatially restructuring the cities and therefore the built up areas. This kind of spatial restructuring of cities would mould the use, availability of the resource of land. JNNURM deals with the issue of land in such a way that it will benefit only the richer segment of the society.

### Land Question and Urban Land Ceiling and Regulation Act

Land is a very important resource with regard to the economy of the urban poor. It is the base resource which helps them to construct their own dwelling even outside the formal market. It helps them to earn by generating their meager income from small home based enterprises at the individual level. It also serves various other functions. However, JNNURM seems to completely neglect this aspect. Its various reform measures aim at commercializing and profiteering from the land which is such a crucial resource for a major segment of the population. One of the mandatory reforms under the state government is the repeal of Urban Land Ceiling and Regulation Act (ULCRA) which gives a free hand to the builder lobby to capture vast and huge tracts of land in the metropolitan cities for building commercial and residential complexes. This will drive the poor out of the land market. The government has also agreed on a Foreign Direct Investment (FDI) in real estate. With concomitant Urban Land Ceiling and Regulation Act (ULCRA) being repealed, the stage is clear for the entry of giant multinational real estate firms to exploit land in Indian cities for business purposes (*Patkar and Singh, 2007*).

Further, with the repeal of Urban Land Ceiling and Regulation Act (ULCRA) there is no other government measure through which affordable land can be made available to the urban poor. Initially, when Urban Land Ceiling and Regulation Act (ULCRA) was applied, it raised the prices of land in cities like Mumbai because a lot of land had got stuck up in litigation. This made people from various fields to demand its repeal. However, currently peoples' movement for housing rights have now begun asking for the strengthening of the Urban Land Ceiling and Regulation Act (ULCRA) rather than its repeal. If the land tenure issue does not get addressed which is the case with nearly half the population in the mega cities of India like Mumbai, Kolkata and Hyderabad, their access to basic services would also not get addressed. In that case, the Basic Services to the Urban Poor (BSUP) submission in the urban renewal mission may not help the poor much. (*Mahadevia, 2006; Sami, 2011*).

Under JNNURM, land costs are not to be covered. Arranging land for projects will be a critical issue to address. There is suspicion in various quarters that this would obviously be made available by freeing up slum lands which have been the home to many for the last several years. One should also note that Urban Land Ceiling and Regulation Act (ULCRA) was implemented at a very fast pace in the states of Jharkhand and Orissa where the tribal population is very high (GoI, 2012).

### **Property Title Certification**

Property title certification and computerization of land and property is a reform mentioned at the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). This strikes at the very root of the process through which the poor have so far staked their living, working and claim on the city. The land has been used by them for residential and occupational purposes through a variety of informal networks and cleavages. Property title certification is a clause which is mentioned under the optional reforms and is common at the state level and at the Urban Local Body (ULB) level. With standardization, classification and computerization of land titles, the consequences expected is that while a number of informal forms of title are going to be excluded from the classificatory scheme of the state, the large player with interest in land will have all the information about urban land at their disposal with the help of technology, thus making property transactions easier and cost effective (Sami, 2011). The urban poor have always used discarded, unused, less sophisticated and environmentally fragile lands that have not been abandoned by the superior class. They have used those kind of areas which are vacant parts of land near railway stations, drainage lines, near industrial areas, near garbage grounds for their residential and livelihood generation purposes. Information about the availability of this kind of vacant, unused land is usually passed on to them by their acquaintances by word of mouth. With the knowledge of such kind of land, they turn discarded land in usable and advantageous form which are used by many poor people for livelihood generation and residential purposes. Once computerization of information of every vacant land of the city is finalized with the help of Geographic Information System (GIS), the land would be under government and private sector purview even before it comes to the knowledge of the urban poor. Further, with the trend of using land for surplus generation in the era of globalization, the usage of land for informal housing by the weaker segment of the society would seem futile and very unprofitable by the government agencies. The private sector would therefore eye on any such kind of land for surplus generation and with the motive of earning profit (Mahadevia, 2006).

### **The Sub-Mission of Basic Services**

The JNNURM is expected to convert select cities into the world class urban centers, foremost by providing infrastructure services to all economic classes. The sub-mission for basic services that fall under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) would benefit the poor only if they have security of tenure and their settlements and dwelling units get connected to these networks (Mahadevia, 2006). The question of security of tenure for housing of poor is generally approached at two different levels. First, security of tenure provided at the sites where the urban poor have been living for many years, mostly unregistered public lands. Secondly, security of tenure where the urban poor are relocated at, after their displacement for development projects or at other developed sites. The land question becomes even more central when the intention is of making affordable housing with basic services available for the poor. Since the mission does not address this question, it is a tantalizing question to ponder how a city could become world class without addressing the needs of half of its population. On the contrary, the mission will instead encourage process that would displace the poor rather than include them in the process of city transformation. JNNURM is expected to convert select cities into 'world class' ones (Kundu and Samanta, 2011). The term 'world class' is now being used more as a paradigm for urban development signifying cities with international standard infrastructure particularly roads, airports, public transport, open spaces and real estate projects. All such projects consume huge tract of land and the land would obviously come from taking away informal lands used by the urban poor to subsist in the city.

Given the trend of displacement of the poor in the last decade particularly from the mega cities it is necessary to take a closer look at the project of Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The rationale for the mission is based on the exception that overall reforms would lead to high economic growth. Cities thus covered would in turn act as 'growth engines' for the entire economy and urban areas would contribute highly to Gross Domestic Product (GDP). It is important to understand whether the Urban Renewal Mission would address the burning issue of the urban poor's access to shelter and basic services. Without shelter and access to basic services, it is not possible to reap the benefits of the high class infrastructures developed by Jawaharlal Nehru National Urban Renewal Mission (JNNURM) (Mahadevia, 2006).

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) provides a provision of basic services to the urban poor including security of tenure at affordable prices. While the former may be achievable, it is not clear how the latter would be achieved particularly as there is no mention of how land prices would be made affordable. Certainly the market is not expected to do so as envisaged under the mission because of the repeal of Urban Land Ceiling and Regulation Act (ULCRA) and the opening of real estate market to foreign investment. The market in fact has led to spiraling of land prices excessively. The most important fear is that the Urban Renewal Mission would lead to more slum demolitions and displacement as it has been happening with great intensity across cities. Further, the relocation and rehabilitation tasks of project affected people are extremely complicated in the Indian society. This along with an official policy of non-recognition of slum dwellers who are squatting or living in unauthorized settlements would make the situation more precarious (Sami, 2011).

On the other hand, another clause in the mission is that land costs are not to be covered in project costs. The crucial question that arises then is how the city governments would make land available for the projects of the mission. Most likely by freeing lands from slums. This is a simple logic which gets manifested very vividly in the metropolitan cities of India in the form of displacement of inhabitants of slums from their homes of several years.

However, the JNNURM reports on the targets achieved by the state government in providing security of tenure to the urban slums in the form of guaranteeing property titles reveal something interesting. Till March 2012, no state has been able to guarantee property titles to the slums of any cities (GOI, 2012).

### **Earmarking Developed Land (EDL) For Economically Weaker Section (EWS) and Lower Income group (LIG) Category**

One of the optional reforms on Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is earmarking at least 20 to 25 percent of developed land in all housing projects (both public and private agencies) for Economically Weaker Section (EWS) / Lower Income Group (LIG) category. (EWS is officially defined as a household with a family income below 2100 Indian Rupees. LIG (Low Income Group) is officially defined as household with a monthly income between 2100 and 4500 Indian Rupees.) This reform is optional at the State level, Urban Local Body Level (ULB) and at the Parastatal Agencies level. This reform is aligned with the goal of 'Affordable Housing for All' in the National Urban Housing and Habitat Policy, 2007 (NUH and HP). The National Urban Housing and Habitat Policy, 2007 (NUH and HP) mandates reservation of 10-15 percent land in new public/private housing projects or 20-25 percent of Floor Area Ratio (FAR) (whichever is greater) for Economically Weaker Section (EWS) / Lower Income Group (LIG) housing through appropriate legal stipulations and special initiatives (Kundu and Samanta, 2011). (FAR is the ratio between the area of land parcel and the total amount of floor space which can be built on it).

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) points out that of the total housing shortage in a city, a large proportion is among the Below Poverty Line (BPL). The reform assumes that Earmarking Developed Land (EDL) in all housing projects will reduce housing shortage among the Economically Weaker Section (EWS) and Lower Income Group (LIG) households by increasing supply of land for housing the poor. Further, Earmarking Developed Land (EDL) considers that housing is not just about shelter but also a place from where poor make their livelihoods. Legitimate housing will enable poor to earn a legitimate living in the city. The ultimate objective of Earmarking Developed Land (EDL) is to increase the supply of affordable land for housing the poor with adequate access to basic services. However, Jawaharlal Nehru National Urban Renewal Mission (JNNURM) confirms that Earmarking Developed Land (EDL) will by itself not be sufficient to ensure housing for the poor. Housing for the poor will require convergence of two other important components. First, effective governance and second, livelihood promotion. The component of effective governance systems can both enable poor to access housing as also be part of the planning, design and construction processes. The second component of livelihood and income generation assumes that housing for the poor is huge construction activity and has potential to trigger the local economy by providing jobs to many skilled and unskilled workers. Interestingly, only construction can be considered for this purpose as creation of any kind of wage employment under JNNURM is an inadmissible component. On the other hand livelihood should be considered along with relocating urban poor to developed lands as economic source is important to maintain living in the concrete houses (Kundu and Samanta, 2011).

Earmarking Developed Land (EDL) reform needs to be jointly implemented by the Urban Local Bodies (ULBs) and relevant state level institutions such as the Land and Revenue Department, Town and Country Planning Department

and other parastatal agencies. With severe dissonance among India's institutional arrangements and lack of coordination among the institutions, this is a difficult proposition. For successful implementation of the reform, the crucial role of the State agencies will be to help create a policy environment by enacting appropriate legislative and policy decisions. How far this is achievable remain a distant guess.

The concept of relocating urban poor to a developed land has failed in several circumstances. The case of Navi Mumbai in India proves the point to a good extent. Navi Mumbai which was to cater to the housing needs of the urban poor in the city, constructed low income settlements in the heart of a main node of the city, in Sector 2 of Vashi. A socio-economic survey conducted by CIDCO (Cities and Industrial Development Corporation) found out that most of the population living in the tenements in 1995-96 did not belong to the Low Income Group (LIG) or Economically Weaker Section (EWS). Only 8.5 percent of the population residing in these structures belonged to the Lower income Group (LIG). It has been mentioned that the proportion of poor people residing in such housing is low because huge market pressures have forced a quick sell off to higher income groups and a negative down filtering has occurred. The city of Navi Mumbai has also been the victim of negative filtering. The low income houses that were build for the urban poor were easily sold to the middle income group by the poor. The urban poor faced with the twin case of disadvantageous economic condition and comparatively high selling prices of the houses were forced to quit from the low income structures. The middle income group at the individual level made necessary changes in the housing structures and therefore found themselves a comfortable habitat at reasonable prices. Therefore, providing developed land in housing projects to the urban poor does not appear to be a viable solution.

### **THE NEO-LIBERAL AGENDA AND JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL URBAN MISSION (JNNURM)**

Needless to say the reform agenda of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is in line with policies of liberalization, privatization and globalization initiated in the early 90s. The politics of globalization depends among other things on refashioning and reforming cities in order to make them investment friendly. Major cities of the third world are thus sought to be delinked from real domestic priorities and positioned as nodes in the global circulation of finance and services. This puts a heavy strain on urban land and other resources which are increasingly freed from less productive uses such as small scale manufacturing or housing for the poor and deployed for high tech modes of accumulation and consumption. The entire urban space becomes critical for the exploitation for the purpose of profiteering. Land to be used for low productive uses seems futile for this case, when the same land can generate more surplus profit (*Mahadevia, 2006*).

JNNURM is the work of a technically savvy, internationally exposed, reform-oriented policy network that has come into existence in the last 20 years and have very little exposure to the real condition of Indian cities. The vision of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) targets only a minor population of the country who would be benefited from Jawaharlal Nehru National Urban Renewal Mission (JNNURM). This urban renewal process takes on a narrow framework and understanding of policy making, ignoring the majority of the country and promoting a very exclusionary ideology. Mostly, Jawaharlal Nehru National Urban Renewal Mission (JNNURM) has been significant in a particular kind of spatial restructuring of cities which includes the urban higher class and middle class but excludes the urban poor from the usage of an important resource like land and overall the city. Further, it changes the way the cities are to be managed and looked.

### **CONCLUSION**

One must realize that land is a state subject and under the jurisdiction of the state, however, policy decisions at the central level have impact on state subjects like land. There is need to understand the use value of land as put forward by famous scholar *David Harvey*. He takes on from Karl Marx's *Capital* and states that land together with labour constitute the original sources of all wealth. In its virgin state, the land is the universal subject of human labour, the original condition of all production and the repository of a seemingly infinite variety of potential use values spontaneously provided by nature. Nonetheless, private persons under the laws of private property can acquire monopoly powers over definite portions of the globe (*Harvey, 1982*). JNNURM is not clear on how this finite resource which cannot be significantly augmented or diminished through human agency will be utilized positively for the urban poor by the reform process. However, the reform process would demand land for its projects but it would not finance land cost. The government therefore turns a blind eye to the question of access and availability of land for the urban poor.

The rationale for JNNURM was stated in the National Common Minimum Programme (NCMP) of the then Government of India. The National Common Minimum Programme (NCMP) attaches the highest priority to the growth and development, expansion of physical infrastructure (*Government of India, 2005*). The proposal of comprehensive programme of urban renewal and paying attention to the needs of the slum dwellers was put forward in the form of Jawaharlal Nehru National Urban Renewal Mission (JNNURM). However, the project ignores the plight of the slum dwellers who are the vulnerable dwellers. The government is also committed to meet the Millennium Development Goals, and aims to augment investment in the urban sector. But the urban reform which does not take into consideration fundamental issue of land to urban poor cannot expect to succeed and sustain.

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