Slumdog Non-Millionaires

Small and medium-sized towns in India on the fringes of urban development

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In India, the dominant theme of megacities and their development has concealed the significance of small and medium-sized towns. Though numerous, these towns have benefited only marginally from reforms introduced since the 1990s and need to be better taken into consideration if they are to escape poverty.

The poverty of the Indian megalopolises' urban slums was depicted in the film *Slumdog Millionaire* (2008). The situation in these huge cities, such as Mumbai (Patel and Masselos 2003), Delhi (Dupont *et al.* 2000) or Kolkata (Chaudhuri 1995), substantiates this portrayal just as much as urban research work on India. However, of the country's 7,935 urban centres identified in the 2011 census, the vast majority are much smaller in size, with 7,438 of these having fewer than 100,000 inhabitants (and of this figure, 2,774 are new small towns[1]).

Similarly, while 40% of the population is now concentrated in around 40 cities with over a million inhabitants, 40% still continue to live in towns with fewer than 100,000 inhabitants. Furthermore, in the shadow of the "India shining"[2] metropolises, there is another urban India, that of small and medium-sized towns, which, though not so well-known, are nonetheless home to a significant portion of the urban population. These small urban centres, vital to the development of rural areas[3] (Hinderink and Titus 2002), often face extreme poverty[4] (Himanshu 2006). Despite the reforms undertaken since the beginning of the 1990s with the introduction of decentralisation, they continue to severely lack basic public services (Bhagat 2011). This raises the question of the extent to which they are actually taken into consideration by the authorities. Why do these small towns remain on the fringes of urban development? Furthermore, how are reforms implemented, and what impact do they have in reality?

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[1] These are former rural towns, which are now considered urban centres as they meet the demographic and economic criteria used by the Census of India (more than 5,000 inhabitants, with a population density of at least 400 inhabitants/km² and where at least 75% of the working population does not work in the primary sector).

[2] In 2004, "India Shining" was the slogan used by Atal Behari Vajpaye of the conservative Bharatiya Janata Party (BJP), who stated his intention to transform the country into a major world power by 2020.

[3] These towns not only play a commercial role as marketplaces for the surrounding area, but also act as administrative intermediaries dealing with regional government and, more generally, facilitate the development of economic activities.

[4] In India, the poverty line is set at 816 and 1,000 rupees per capita per month for villages and towns respectively; however, the smaller the town, the greater the poverty ratio. Thus, in 2004–05, towns with over 100,000 inhabitants contained an average of 12% of poor households, whereas this figure increased to 23% in towns of fewer than 50,000 inhabitants.

Figure 1: Towns with fewer than 100,000 inhabitants in 2011

Cities with fewer than 100,000 inhabitants

State boundaries

0   312.5   625   1,250
kilometres
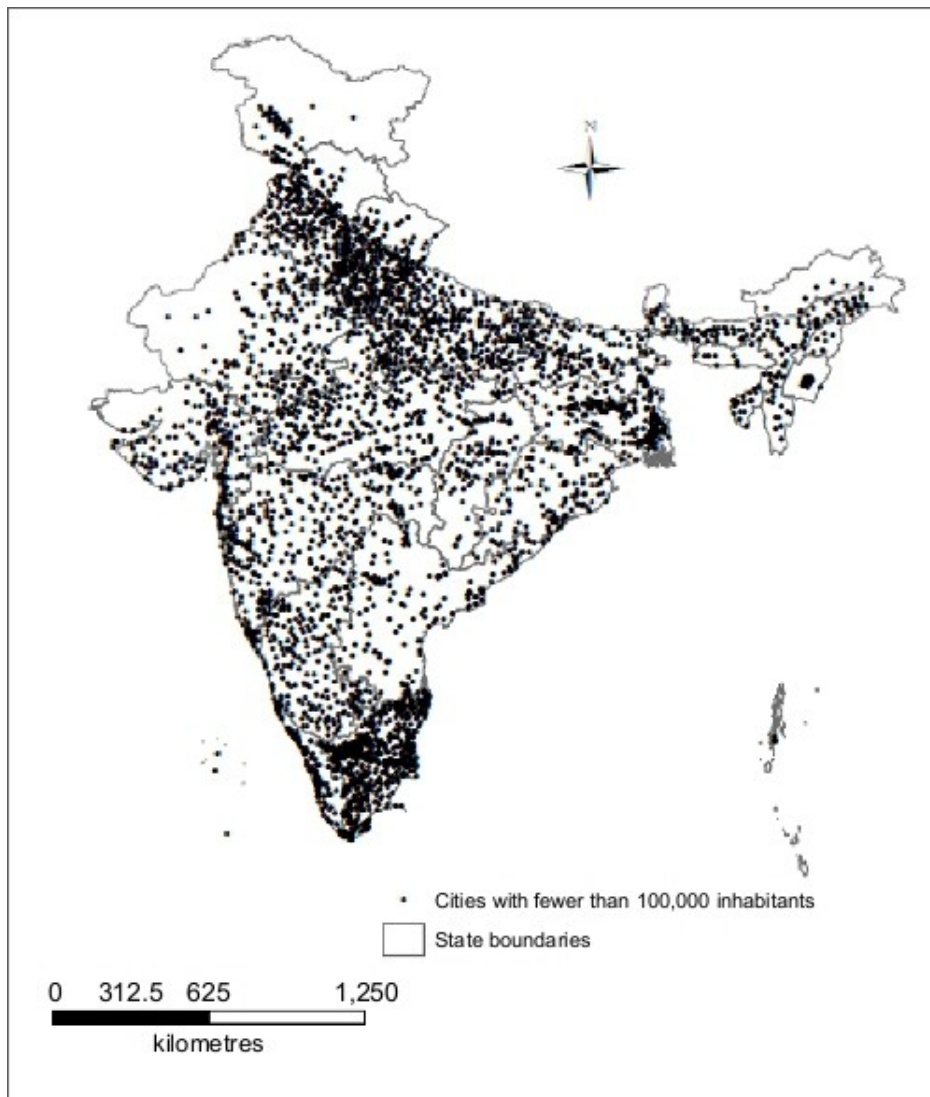
Source: Bordagi 2014.

Hopes of improvement raised by urban decentralisation laws

With the 1992 urban decentralisation laws, the Government of India was eager to avoid the pitfalls previously encountered during the implementation of a centralised management model under which towns had no autonomy and were governed by district authorities. Now, in order to bring local government institutions closer to their constituents, both political functions (through the introduction of municipal elections) and technical functions (through the transfer of 18 management responsibilities[5]) have been devolved to urban local authorities both large and small.

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[5] Article 243W of the 74th Amendment of 1992 lists the following 18 functions: 1. Urban planning, including town planning; 2. Regulation of land use and the construction of buildings; 3. Planning for economic and social development; 4. Roads and bridges; 5. Water supply for domestic, industrial and commercial purposes; 6. Public health, sanitation and solid waste management; 7. Fire services; 8. Urban forestry, protection of the environment and promotion of ecological aspects; 9. Safeguarding the interests of the most vulnerable sections of society, including those with physical and mental disabilities; 10. Slum improvement and upgrades; 11. Alleviation of urban poverty; 12. Provision of urban amenities and facilities, such as parks, gardens and playgrounds; 13. Promotion of cultural, educational and aesthetic aspects; 14. Burials and burial grounds,

The general principles of the reform are set out in all institutional literature on decentralisation theory, not only that specific to India. Democratising local institutions and involving inhabitants in the local decision-making process (empowerment) should help provide municipalities with greater legitimacy when identifying local needs and ensure they are best placed to devise management policies that are adapted to local preferences (accountability and responsiveness), thus improving access to public services.

Although decentralisation has not had the anticipated effect in India's large cities (see, for example, Baud and de Wit 2008), it would appear reasonable to assume that, *a priori*, service management would be made easier in small towns precisely because of their smaller size, which implies greater proximity between users and operators. However, in reality, empirical analysis[6] has led to these appealing assumptions being somewhat robustly qualified, and has highlighted a number of difficulties that are specific to small towns. Whereas major urban centres will often inherit stable administrations, it is usually the case that in small towns everything needs to be started from scratch, meaning that, in practice, taking on new devolved responsibilities poses numerous challenges.

An arduous reform in small towns

Most notably, despite the introduction of electoral quotas[7], local decision-making bodies remain largely dominated by traditional local leaders (rich entrepreneurs and major landowners), which leaves little opportunity for new candidates. The local oligarchy above all considers the exercise of power to constitute a source of income and relies heavily on patronage networks, which results in a severe lack of transparency in the awarding of public contracts (in cases where there is no competitive tendering, the companies selected are often those managed by the mayor or another local elected official).

Furthermore, due to their low local taxation revenues (linked to the population's poverty levels) and the lack of interest in these often poor local authorities shown by external donors (development banks, private investors and bilateral development cooperation projects), small municipalities appear incapable of generating their own financial revenue. However, only a few years ago, the majority of these urban centres were still large rural market towns; consequently, the infrastructure is now undersized and sizeable investment is required to absorb the continuous urban development and assimilate the newly inhabited outlying areas. As a result, small towns in India find themselves highly dependent (sometimes up to 90% dependent) on state subsidies and government decisions, which thus reduces their room for manoeuvre.

Finally, these towns suffer from a chronic lack of skills and competencies, both among local elected officials, who are often overwhelmed by the technical complexity of their new responsibilities (particularly with regard to budgetary issues), and among municipal employees, who are rarely properly trained, owing in particular to a lack of coordination with the regional technical agencies. For instance, the state water agency transferred responsibility for infrastructure maintenance to local governments without providing the municipal plumbing staff with basic training from one of their engineers. This weakness is further illustrated by the lack or inadequacy of administrative resources: none of the municipalities studied had carried out a simple mapping of their town, neither did they have a computerised accounting system or even sector-based

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cremations, cremation grounds and electric crematoriums; 15. Cattle pounds, prevention of cruelty to animals; 16. Vital statistics, including registration of births and deaths; 17. Public amenities, including street lighting, parking facilities, bus stops and public conveniences; 18. Regulation of slaughterhouses and tanneries.

6   A doctoral research study (Bercegol 2012) on this subject was carried out between 2008 and 2012 in four municipalities with around 20,000 to 30,000 inhabitants (Kushinagar, Siddarthnagar, Phulpur, Chandauli) in Uttar Pradesh, one of the most densely populated – but also one of the poorest – states in India.

7   The policy of electoral quotas for women (one third of seats), scheduled tribes and castes (number of seats in proportion to their demographic weight) was introduced via the 74th Amendment of 1992.

departments (as, in reality, the town hall building most often consists of only two or three rudimentary rooms).

Given these conditions, it is unsurprising to note that the quality of the devolved services is extremely poor: due to poor maintenance of the water distribution system, the infrastructure has fallen into disrepair and pipes are letting in wastewater, leading to numerous technical issues (frequent leaks, low water pressure, contaminated water) and particularly low coverage rates of between 18% and 45% in the towns studied; there are no underground sewers and the basic surface-based sewer system of a few ditches dug alongside roads is highly insufficient, meaning the roads are often flooded with wastewater (leading to frequent complaints from inhabitants); lastly, the quality of the roads is extremely poor, as local construction firms fail to comply with regional standards. More generally, the lack of skills and expertise is hampering development work to such an extent that small municipalities play virtually no active part in urban management and planning.

An urban development strategy designed with large cities in mind

The reasons behind small towns' inability to seize the opportunities presented to them by the reforms lie not so much in the towns themselves as in the urban development strategy adopted by the Indian government. Under the economic liberalisation process that began at the start of the 1990s, the focus of urban policies has gradually shifted to major cities as the engines of economic growth. As a result, small and medium-sized towns, which are less productive and less able to meet the loan guarantees required by the major financial institutions (Mahadevia 2011), have been overlooked. The recently created Jawaharlal Nehru National Urban Renewal Mission is an illustration of this: most of the funding (nearly 80% of the available funds) has been allocated to the development of 65 large cities "of national importance", selected to "showcase modern India"[8] (Khan 2013). While this imbalance can be partly explained by small municipalities' administrative inability "to prepare detailed project reports and generate matching resources" (Kundu and Samanta 2011, p. 55), it also reflects the political precedence afforded to the development of metropolitan areas. Within each region, investment is allocated not according to municipalities' needs but rather according to the national government's urban policy priorities, which further limits opportunities for developing those local governments capable of lifting their small towns out of poverty.

Developing a better understanding of small towns to help them out of poverty

The heterogeneity of Indian urban development is therefore worth reiterating, as small and medium-sized towns are affected just as much by urban reforms as their metropolitan counterparts, yet the smaller towns struggle to benefit. While there is an abundance of urban research available on large cities, relatively little research work has been carried out on small towns in India, as a result of which Mumbai or Delhi risk being presented as archetypal Indian settlements (Bercegol 2012). To counter this, a number of initiatives, such as the SUBURBIN (Subaltern Urbanization in India)[9] research programme that specifically focuses on secondary Indian towns, have been implemented in order to learn more about these alternative urban situations and help revise opinions of towns in India.

Thus, the aim here is not to take the side of small towns over that of larger urban centres, but instead to highlight the fact that an in-depth understanding of small towns can ensure that the urban reforms put in place are better adapted to their circumstances. One approach consists of taking steps to better reconcile the development of small municipalities' autonomy with the vital ongoing support provided by the state – support which, in order to improve local management capacities,

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[8]   Citation taken from the Jawaharlal Nehru National Urban Renewal Mission website: http://jnnurm.nic.in.

[9]   This research programme is financed by the Agence Nationale de la Recherche (French National Research Agency): http://suburbin.hypotheses.org.

could be more than just financial. By adopting a less restrictive view of Indian urban development and developing a better understanding of the dynamics at work in urban areas, it will perhaps be possible to help the slumdogs out of their poverty, regardless of whether they live in large slums or in small towns that are far from being millionaire cities.

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