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Unruly urbanisation on Delhi's fringe

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4 ROLES OF ACTORS IN LAND-USE ISSUES

A rural-urban fringe is a fascinating arena for land-use issues. Alipur Block is a spectacular example of the interplay of complementary and conflicting interests of different human and institutional 'actors'. The interaction between these players largely explains the land-use pattern. An increasing number of actors become involved as urbanisation advances into the rural-urban fringe. The actor approach was originally used in the field of the *political ecology* (Bryant and Bailey 1997, Blaikie and Brookfield 1987, Blaikie 1996), where similar notions apply, e.g. actor-system dynamics (Burns 1985). Since the situation in the research area is very complex, it is impossible to describe all the issues that arise with regard to land management. The description given here provides an overview of the interests of the main actors. That overview is followed by a number of cases that highlight the main land-use issues.

4.1 Land-use issues from a socio-political perspective

Chapter 2 and 3 give an overview of the local situation and the land-use pattern in Alipur Block. The city is expanding very fast, leading to a massive conversion of agricultural fields into built-up property. Most land, however, remains agrarian. It is thus also relevant to look at the conversion from the perspective of the people involved, including owners, cultivators, lease-holders and labourers. In this chapter, our focus is on the interface between rural and urban land, where the agricultural fields are turned into construction sites.

Section 1.2.3 identifies Bryant and Bailey (1997) as important advocates of political ecology. They describe it as "an exciting new research field that aims to develop an integrated understanding of the political economy of environmental change in Third World countries" (p. 1). Other authors argue that in the modern context, purely geographical factors such as absolute distance are no longer the most important determinants of how land-use patterns emerge. Harvey (1989) calls this situation time-space compression, while Giddens (1990) refers to it as time-space distanciation. Murdoch (1998) advocates an actor-network theory as opposed to the "tyranny of distance" (p.357). He tries to explain "that geographical areas might be seen as folded and pleated by formal and informal sets of associations" (p. 370). This is a logical consequence of the "low-tech transportation revolution", which has been identified as an important feature of well-accessible rural areas near metropolitan cities (Ginsburg et al. 1991). Therefore, it is desirable to explain the mechanisms in play between actors that influence land use.

Many of the advocates of political ecology stress that environmental issues are strongly linked with land use issues. This chapter offers insight into the mechanisms of land management that lead to environmentally adverse conditions. In adopting notions from political ecology, it should be kept in mind the studies in that field usually deal with very different topics and areas. Some concern global issues such as logging and use the actor approach to analyse the roles of the governments, institutes, NGOs, industries and the 'grassroots' actors with a stake in wood-logging (Bryant and Bailey 1997). Another issue

typical of political ecology concerns soil erosion in a peripheral mountainous area (Blaikie 1995). The activist stance that often prompts studies in the field of political ecology and underpins actor-network approaches calls for radical changes in the power structure in society in favour of the weak grassroots actors. As some authors point out, a change in that direction would also be good for the environment (e.g. Atkinson 1991). Be that as it may, in this chapter, this approach is used for neither analytical nor political reasons but merely as a method to structure and describe the socio-political influences on land-use issues.

4.2 The actors and their interests in land

The strength of the actor approach lies in the integration of place and non-place based analysis. A situation of actor-network dynamics can be described according to institutions at a higher level, the local population, and various other actors, focussing on the way they interact. In an attempt to identify the most important actors, Bryant and Bailey (1997) list “states, the grassroots (e.g. poor farmers, shifting cultivators, fishers, hunter-gatherers, and the like), businesses, multilateral institutions and environmental NGOs” (p. 35).

To design a typology for the study area, the above-mentioned actors can be compared with those to be found in the study area. The government is a very important player, although it appears in many different guises. Multilateral institutions and (environmental) NGOs are hardly represented in the local situation and are therefore not very relevant to land management. At the grassroot level, the actors are of a different kind than the above list would suggest; there are no hunters-gatherers, fishermen or shifting cultivators in the rural-urban fringe of Delhi. Some farmers are poor but many are not. But, besides the farmers, there are many other local people and households who use land for something other than farming. Many have an interest in land as a resident. Some have an economic activity related to land, such as manufacturing or real estate business. The description specifies whether the actor is a local resident (villager) or an extra-local person (outsider). This distinction is desirable to be able to assess the political strength and representation of the villagers. The distinction between local and extra-local is also relevant for Chapter 5, which analyses the socio-economic position of the villagers. Government actors are almost exclusively extra-local, in the sense that the main offices are located in other places. Private business is represented in many forms as well. The above considerations result in a typology of actors that is relevant for the study area, including the persons, groups of persons, and institutions that are involved in land management. A person, household, or institution may act as several actors. For example, a farmer is usually also a resident and is sometimes involved in property dealing and in local retailing. Therefore, the focus is on the ‘roles they play’.

The political ecology approach assumes that the environment (in this case the land) is strongly influenced by the way different actors interact in a local arena and vice-versa. Actors are present at a micro level (village) as well as at higher levels, interacting within an intricate local political framework. The interests can be complementary and conflicting in nature, leading to various alliances as well as conflicts. The political ecologists often assume that poor and dispersed local actors (such as farmers) have a weak power base and therefore bear the heaviest burden of change and environmental

degradation. This assumption is critically examined within the setting of Delhi's rural-urban fringe.

Moving on to the specific typology of actors, Bryant and Bailey's (1997) distinction between private and government actors is highly applicable to the study of land-use issues. The informal and unplanned conversions of land are mainly initiated by private actors, although some government actors are accomplices in this process. There are certain government bodies that represent the formal side of land supply and spatial planning. As the cases in this chapter show, the administrative legislation and organisation leads to frequent conflicts about land.

4.2.1 Private actors

Farmers

Land-owning farmers are the beneficiaries of agricultural land on the production side. They are the representatives of agricultural interests, although they are hardly ever solely dependent on agriculture. They have multiple interests, both as individuals and within the context of their household, which result in strategies that may or may not give priority to agriculture (see Chapter 5). The pursuit of multiple objectives influences a person's attitude on land transactions. Whether a landowner is eager or reluctant to sell land depends mainly on his ability to find other occupations and targets for investment for the household. Even if the farmer withdraws from agriculture as an occupation, he may keep the land for speculative purposes.

Figure 4.1 Private actors with roles and interests in land

Actor	Role in land	Profile
<i>Farmers</i>	<ul style="list-style-type: none"> • Farming • leasing-out, leasing-in 	<ul style="list-style-type: none"> • Mostly original farming households • Some leaseholders
<i>Residents</i>	<ul style="list-style-type: none"> • Residential space (buying, renting out) • Residential space (buying land, squatting land, renting/buying house, authorisation of settlement) 	<ul style="list-style-type: none"> • Original village households • Migrant households
<i>Entrepreneurs and speculators</i>	<ul style="list-style-type: none"> • Buying/renting land/building • " " • Buying (agricultural) land • Leasing-in (agricultural) land 	<ul style="list-style-type: none"> • Outsiders, few villagers • Villagers, migrants & outsiders • Outsiders, few villagers • Outsiders, some villagers
<i>Property dealers</i>	<ul style="list-style-type: none"> • Mediation in transactions, information, care-taking 	<ul style="list-style-type: none"> • Outsiders, some villagers
<i>Developers</i>	<ul style="list-style-type: none"> • Financing, 'planning' unauthorised colonies, speculation 	<ul style="list-style-type: none"> • Outsiders, some villagers

Research in the villages of Alipur Block has revealed which four factors are crucial to decisions about land. First, the household's need for cash (for marriages, education, a building, investments, etc.) may lead to the sale of land. Second, the prospect of rising land values and the risks involved in maintaining the ownership of land can induce a farmer to sell or convince him not to sell. Third, the possibility of deriving an income from owned land by leasing it out influences the point in time at which the owner will decide to sell. Fourth, occupational transformation may speed up the decision to sell part or all of the land. It is very common for a farmer to sell only part of his land in order to diversify sources of income. In this way, agriculture is continued in a more limited way or through a lease-contract. The cash obtained from selling land can be used to run a business or to buy property. When used for speculation on higher land prices it is likely to have high returns as well. The combination of the above factors in specific situations explains the great diversity of attitudes within the local land-owning group concerning their farmland.

Politically, the original farming community in rural Delhi is quite strong. They are indigenous to the area, having lived there for a very long time. They have developed useful connections in the bureaucracy, with political parties, and among individual politicians. Many of them also have the financial resources to protect their interests. In private land transactions, the farmers are in a position to take a large share of the profits. The terms of trade are mainly dictated by powerful property dealers and developers (locally called 'colonisers'). Nonetheless, the pressure sometimes applied by large property dealers and developers is not likely to intimidate the local farmers. They can usually count on the backing of the dominant community in the village, which is an important force. However, the support that a local landowner receives from the village community also depends on earlier demonstrated solidarity. Therefore, the predominating interests among the village population are definitely a consideration when a farmer has to decide what to do with his land.

The landowners receive compensation according to the size of their landholding, which can add up to enormous sums of money (see 4.3.3). Whether the rates of compensation are fair is a subjective matter. Some sources emphasise the unfavourable bargaining position of local farmers vis-à-vis land acquisition by the government (Mohan 1996, Dupont 1997, Pugh 1990, Van der Linden 1996). The government can reap sizeable profits from developing, plotting, and selling acquired land for urban use. In the case of Delhi, the real rates of compensation have increased substantially over the past decades. A serious problem is the ensuing legal conflict over compensation, which starts during land acquisition and persists long after the fact (see Section 4.3.4).

Non-economic factors play a role as well. Some farmers feel a strong emotional attachment to their land. The cultivating castes, such as the Jats and Tyagis, have had ownership of ancestral land for centuries. Their tie to the land has determined their life styles, habits, and occupational preferences, whereby social status can be at least as important as economic gain. The farmers frequently raise the issue of emotional loss when bargaining with the authorities about compensation rates in the case of land acquisition (e.g. Times of India 14-10-1989). However, the youngsters belonging to the original farming community become indifferent to the role of land for social status. As they are increasingly involved in the urban economy, they derive more status from

typically urban activities and assets. This process clearly creates an incentive to sell off agricultural land.

There is a smaller group of farmers who do not own the land they cultivate. Most of them are migrants who lease-in land from local landowners. The latter no longer have the interest or the time to cultivate the land themselves. There are also lease arrangements between the farmers of the original community, and with indigenous farmers from nearby villages (e.g. as described earlier for the village Khushk, Section 2.4.2). Lease contracts are usually arranged on a yearly basis. Nowadays, most leases stipulate monetary compensation (the leaseholder pays a fixed amount to the owner). In a minority of cases, the land is cultivated on a more traditional 'sharecropping' basis, whereby the landowner and the cultivator share the cost of the inputs and the revenues from the harvest. This form is chosen when the leaseholder is poor and cannot raise the funds to pay the amount for lease and inputs beforehand. The risks for the cultivator are lower, but so are the revenues. An increasingly common form of agricultural contract is lease by the so-called 'suitcase farmers' (Singh Rana 1994). Suitcase farmers are outsiders with sufficient resources to lease land at various places, to hire workers, and to market the crops themselves. They specialise in high-value seasonal crops such as vegetables and are highly mobile. Some land reform programs in India seek expropriation from non-cultivating landowners to the actual farmer, but these programmes are largely ineffective. Consequently, a landowner runs virtually no risk. Any attempt by a leaseholder to expropriate the landowner would require too lengthy and court procedures, which are impossible to pursue for migrant leaseholders.

Landless labourers are numerous. Obviously, they depend on the availability of agricultural land, but strictly speaking they are not farmers. They work on other people's land for wages or on the basis of piecework. Among the original population, there are not many landless agricultural labourers left (see Chapter 5). Most of the agricultural labourers are highly mobile seasonal migrant workers, and they do not necessarily come back to the same village each time. When a village becomes fully urbanised, these transients obviously have to find employment elsewhere. The supply of labour is in many cases regulated by labour contractors, who make a contract with the landowner to have a certain job done.

Neither the leaseholders nor the agricultural labourers are significant players in decision-making about land transactions. They may be affected by urbanisation if land is sold for urban purposes, but they can also benefit from urbanisation by temporarily leasing land awaiting sale at a relatively low rate from landowners who are not residing in the village. These non-local landowners often buy land for speculative reasons and do not mind the fact that the revenues coming from the lease are low. However, the lease may stipulate that the leaseholder has to vacate the land on short notice.

Residents

The local population can be divided into three groups: the local land-owning community, the local landless group, and outside settlers (see Chapter 5). Many residents play other roles too: as farmers, entrepreneurs, as speculators, or even as political representatives and civil servants. People are mainly concerned about acquiring residential space and improvements in levels of amenities and infrastructure in their locality.

Households among the original population often want to obtain additional land for residence, and there are three reasons to do so. First, many families are growing and thereby splitting into separate households, for which additional housing is required. Second, some decide to rent out all or part of their original house for additional income. Third, the development of commercial and industrial activities in villages provides an incentive for the villagers to start retail businesses and workshops in part of their dwelling space. Alternatively, they rent out space to others for that purpose; this is most likely when their residence is located at the roadside. As a result of these actions, people have to find another place to live. Some original households have trouble acquiring sufficient space for housing; this is especially common among the poor section of the population. The inflating land prices make it difficult to buy additional land on the free market.

Settlers, the great majority of whom are migrants, go about finding a home differently. They do not originally come from the villagers. Therefore, as individuals, they do not have much influence or powerful connections. Some find rented accommodation in the village itself, but most reside in colonies on the former agricultural fields. They have three main interests. First, they want to find relatively cheap accommodation. Second, if the colony is unauthorised, they want official assurance of official legal status for the settlement. Third, they want the government to invest in the public amenities of their colony. Individually, the poorest settlers are not very influential, but their power lies in their large numbers. Political parties and representatives champion their cause to gain their votes during elections. This kind of political patronage is common all over urban India (Amitabh 1997).

Members of the original population sometimes complain about the dilution of their political representation. When a village becomes urbanised, the original villagers become outnumbered by migrants residing in the (unauthorised) colonies. Previously, when the village was still in a rural setting, a member of the municipal legislative assembly (MLA) would automatically be a villager. This has changed with urbanisation. Sometimes migrants have the largest vote and can get their own candidate elected. However, it is not always a contest between migrants and original villagers. The village population also includes developers of land or landlords, some of whom are in politics as well. Often the migrants opt for a local village candidate because they expect better contacts within the bureaucracy. The villagers earn from the migrants through rent and retail. The whole population stands to gain from legalisation of an unauthorised colony through higher land prices and better infrastructural provisions. Generally, the authorisation of a colony is an issue that enjoys the support of the original population as well as the migrants. Besides, within every village there are (historical) rivalries, which are expressed in conflicting political objectives.

The local political structure in villages is changing. The government decided in 1986 not to extend the *Panchayats* (local board of elected villagers), which were formed in 1983. The reason given was that a three-tier election system already existed in the National Capital Territory. Now, the village resident has to rely on the more distant urban authorities. Meanwhile, the traditional mechanisms of protest and appeal are disappearing, with the result that conflicts of minor importance to other villagers are individualised. This departure from the tradition requires a considerable change in mentality. Previously, it was important to maintain good relations with local village

representatives; nowadays, it is important to be well connected with echelons of higher politics and the urban bureaucracy. The original villagers are usually not in the weakest position. Yet, among those who happen to be less fortunate, there are many victims of the 'power vacuum'. One could say that the villages are subject to some kind of 'law of the jungle'.

When land acquisition by the government occurs, the land-owning villagers are able to strike for alternative commercial and residential plots near the village settlement when negotiating terms for the sale of their land. In an economic sense, there is no doubt that the local population shares in the profits from land transactions when urbanisation encroaches upon the village.

Entrepreneurs and speculators

Private entrepreneurs represent an important part of the demand side of the land market, as they require space for commercial and industrial activities. At more peripheral sites in the agricultural area, brick kiln owners and operators are strong actors, initiating changes on the land (see Figure 4.1). They place a strong temporal claim on land. Some of these kiln owners/operators are from the original land-owning communities in the villages, but they certainly do not account for more than 30 per cent of the total. The majority of them are specialised entrepreneurs who come from the city.

The pressure on the land increases closer to the better-serviced and accessible areas along the roadsides and near the villages. The greater demand leads to conversion of farmland for industrial and commercial purposes. In practice, the supply of land by the government for commercial and industrial purposes is too limited. The informal sector also puts land on the market. Owners of industry, storehouses, and other commercial activities on former agricultural land come almost exclusively from outside the village, although many plots are still owned by original villagers. The latter tend to concentrate on less space-consuming activities such as retail businesses and repair shops within the residential areas.

Entrepreneurs tend to work closely with local property dealers, especially in unauthorised operations. The property dealers negotiate the transaction, keep the authorities at bay, and keep an eye on the property if the transfer of title does not result in the intended new use.

Farmhouse owners fall into a different category, which was described in detail in Section 3.2. They are not real entrepreneurs, in that they buy land for productive purposes. Nevertheless, they form an important category of land buyers and speculators. Occasionally, they have some kind of production facility on the farmhouse compound. They also combine some speculative venture with other land uses such as plantations and orchards. In fact, much of the vacant land in the study area is kept for speculative purposes. Local farmers, developers, and even entrepreneurs engage in this practice. Land is an attractive investment object due to the escalating land prices in the rural-urban fringe. The owner is obviously waiting for a more profitable use to come his way or for a buyer who is prepared to pay a higher price. In many cases, speculation is mixed with other intentions. Certain land uses are actually meant to conceal the main goal, which is speculation. For example, while waiting, the owner may build a farmhouse and keep a plantation (see Section 3.2). Meanwhile, a small part of the land that is still used for agriculture has already been sold to speculators, who let the former owner or leaseholders cultivate it until they need the land.

Property dealers

Property dealers deal are involved with both the supply and the demand side of the land market. The majority of them are outsiders, although some are original villagers. There are enormous monetary benefits connected with the development of land into residential, commercial and industrial premises. Property dealers have access to the most detailed local information on the legal status, ownership, prices and names of landowners who want to sell land. They have jumped in to fill the gap left by the government in areas where the formal control of development is weak. They have a captive market in the large number of migrants who are looking for a place to stay. This seller's market is good for their business, as is illustrated in Section 4.3.1. The demand created by industrialists, speculators, and farmhouse owners is another important source of earnings, as the property dealers charge commission on the transaction.

Some of the former and current landowners from the indigenous community are property dealers as well. They have an advantage over the outsiders due to the solidarity between the land-owning group in the villages, their knowledge of the land issues, and their ease of movement in the social structures of their village. It must be said, however, that as the village becomes more and more urbanised and the real estate sector expands, the community loses some of its coherence. This causes the community to lose its communal grip on the property business. Besides, the press frequently reports conflicts about land and criminal acts in the land business (e.g. Hindustan Times 24-10-1999).

Even with limited financial means, it is possible for local people to enter the real estate business and do well, taking advantage of their familiarity with the residents and the local setting. A profile of a small-scale property dealer is given in Figure 4.2. The activities of such business people illustrate how the land market operates, and these dealers possess a large amount of information about the land market in a particular village. Therefore, they were an important source of information for this study, and particularly for this chapter.

Figure 4.2 The role of a small-scale property dealer

P.T. Bhardwaj is the son of a primary school teacher in Burari. He conducts his office at the roadside. Under the glass top of his desk, he keeps a plot map of the small colony arising behind his office. He owns only one plot himself; the other 40 or so are still owned by other villagers or private parties from elsewhere. Around 10 plots have already been sold to residents, who have constructed small brick houses there. Electricity is illegally tapped from the main line at the roadside. For drinking water, the colony relies on deliveries by a tanker truck the Municipal Corporation. Bhardwaj explains that even though his job is easy-going, it involves great insecurity: one week the earnings are good, the next week not. His only certain earnings are from taking care of uninhabited plots. The real estate business suffers from a bad reputation. Cheating is common. As Bhardwaj admits; "the only way to find out whether a plot is not sold twice is to take a chair and sit on the land for a few days. If somebody else comes to dispute your presence, you know that buying the plot will run into legal trouble or other kind of difficulties." Once in a while the 'big shots' of the property business stop by to inform him of going prices and to give him instructions. He politely arranges tea for them and takes their instructions as orders. "These big boys have access to the money and pull the political strings, so that police and bureaucracy do not interfere with the illegal colonisation taking place here." Bhardwaj says they sometimes charge money for what they claim are expenses to grease the authorities. They also exercise their influence when prices are declining. They tend to 'advise' not to sell land below a certain price to make sure that profits made on speculative plots are not dropping.

Developers

Developers (or sometimes called colonisers) are people with a strong financial basis and political contacts. Many of the developers actually are politicians, making optimal use of the power and information they acquire through their office (e.g. Hindustan Times 24-10-1999). Some of them are local villagers, but most are wealthy urban businessmen. They are in a good position to orchestrate the development of unauthorised colonies.

The activities of developers in the research area are mostly illegal. The law still provides for a government monopoly on acquiring agricultural land that is slated for development. Consequently, if a private developer would operate legally, they can only buy government land. Recent legislation allows for more private developers and contractors to buy land and put up housing, such as apartment buildings. But the liberalisation is only at the beginning of its trajectory, and will continue only in a slow pace (The Hindu 64-1998).

4.2.2 Public institutions, government policy, and urban planning regulations

The government enters the scene in many guises. It clearly appears in the form of different actors, sometimes even pursuing contradictory goals. Figure 4.3 lists the most important actors within the public sector, which for the sake of convenience also includes the judiciary. The interests and objectives of authorities do not only vary according to the roles they have as an institute, but may sometimes reflect individual or fractional interests, depending on many personal agendas. Consequently, private actors are able to influence and manipulate government administration and policies. Various levels of government are relevant to land management.

The government of Delhi is the highest level for politics and policy-making. For most aspects relevant to the study area, it operates through local bureaucratic channels, e.g. the Block Development Office. The government has decentralised many tasks in urban administration, creating many departments. The most important one is the Municipal Corporation of Delhi (MCD). It is responsible for most of the garbage collection, public transportation, and much of the registration of ownership. Specific registration of land use and ownership is done by the *Patwari*, who keeps records at the village level. The judiciary plays an important role in land issues. Its hand is visible in land-use policy as well as in civil cases in the event of conflict and litigation. The police performs their obvious task of preventing illegal activity in general, which includes illegal land occupations, conversions and the like. In practice, however, the police are not very active in this respect and can be bribed.

Higher-level interests in the preservation of farmland are mainly a responsibility of the municipal and the national government. The official aspects of land-use policies are formulated in the Delhi Master Plan (DMP) (National Capital Region Planning Board 1990). The DMP even aims to protect an agricultural belt around Delhi of 1.6 kilometres wide around just outside the city limits. Despite the somewhat obligatory formulation of this target, the most recent DMP is more realistic: "The rapid growth of urban population of Delhi implies that expansion of the urban limits is inevitable. The urban extension only beyond the existing belt would not be feasible as it would involve extension of infrastructure over this stretch of green belt and there would be constant threat of

unauthorised development in that area”, Ibid. p. 44). Nevertheless, much of the administration of rural land in Delhi formally restricts the conversion of agricultural land to non-agricultural purposes, creating an enormous gap between plans and actual practice. The effectiveness of this administration is poor and allows the illegal conversion of agricultural land. Conversion is encouraged by the shortage of housing that is a result of this situation. Besides, the administrative bodies have compulsory stipulations and financial constraints that make the execution of large-scale and ambitious land-use projects a problematic affair.

Figure 4.3 Actors within government and other public institutions with roles in land-use issues

Actor	Role
<i>Urban administration</i> Government of Delhi Municipal Corporation of Delhi (MCD)	Urban land supply, protecting farmland, taxation, co-ordination of provision of amenities
<i>Local bureaucracy</i> Block Development Office	Economic and social development, provision of health centres, etc.
<i>Political representation</i> Panchayats (mostly non-functional) Representatives of the Magistrate Legislative Assembly (MLA)	Representation of local problems and resolution of disputes Representation in the city council
<i>Planning bodies</i> Delhi Development Authority (DDA) National Capital Region Planning Board (NCRPB)	Urban land acquisition, land supply and housing Designing master plans at the metropolitan level
<i>Civic supplies and infrastructure</i> Municipal Corporation (MCD) Irrigation Department Electricity Board (DVB) Water Board (Jal Board) Sewerage Board Public Works Department (PWD) Public Telephone Company (e.g. MTNL)	Provision of urban amenities
<i>Land registration</i> Patwari	Registration and mapping of ownership and crops
<i>Judiciary</i> Lower courts and high court Supreme Court	Resolving disputes about land Verdicts on land-use policies, hearing general public appeals
<i>Police</i>	Preventing illegal occupation of land

The actual influence of the government results from a complicated interaction among the multiplicity of government agencies and local private actors, rather than from rigid planning. The various forms of interaction are illustrated in the cases presented below. Many government institutions implicitly represent conflicting interests. It is not unusual for individual DDA officials, police officers, and politicians to conspire in the creation of illegal settlements, whereby all get a share of the profits.

4.3 Manifestations of actor networks in land-use issues

The following cases are presented to illustrate the mechanisms that influence the pattern of urbanisation. It is evident that many actors are involved in the development of unauthorised colonies, frustrating government aims to guide the urban expansion in an orderly fashion. The *lal dora* (the boundary of the village's built-up land) legislation determines the way land-use changes occur in and around village settlements. Land acquisition by the government is a process that touches the lives of many villagers, as a result of the large scale of formal urban development. Finally, the price reflects the type of development that occurs at a certain place, and provides an indication of the way that the landowners bargain under specific local circumstances.

4.3.1 Unauthorised colonies

Despite the official objective of government policy to ensure a sufficient 'formal' land supply, informal and unauthorised developments are taking place on a massive scale. Informal small-scale development even takes place in areas that are earmarked for future formal land acquisition. Based on observation and numerous interviews, it is fair to say that unauthorised colonies are being created in the manner described below.

At the start, a private developer raises the money to buy a plot of land from one or more local farmers. The scale can vary between less than one to many hectares at a time. He co-operates with a few local property dealers who keep an eye on the land to make sure that nobody occupies or claims it. A few poor individuals or families are persuaded to build a little house on that land and live in it. Initially, they do not have to pay any rent. The coloniser arranges at least an illegal electricity connection for them. Meanwhile, the coloniser starts to construct boundary walls and a road network. He invites and sponsors a religious organisation or person to build a temple or mosque somewhere in the middle of the property. This is an important step, since bulldozing religious structures is unpopular and therefore a risky affair for the government. To carry out all of these steps undisturbed, the developer together with the property dealers have to cover their backs. Concretely, the developer has to pay bribes to maybe four different people: first, the local police; second, the administrator of agricultural land; third, the registrar of urban land transactions in court; and fourth, the political representatives; furthermore, he might have to pay off key persons in the DDA if the area is on the list for acquisition. As soon as there is more security about the future of the colony, the developer and his partners try to lure more residents to live in the new neighbourhood. This time, however, they start charging some rent and even start selling small plots to the settlers. The developer advises and helps the residents to obtain a ration card, a proof of residence in Delhi, which enhances the political status of the residents.

By the time these efforts are successful and the occupancy rate rises to 30 or 40 per cent, the authorities that are in charge of control on land use are already too late to intervene since the political risks have become too large. After the risk of eviction decreases, the colony continues along its path to consolidation. The prices of plots and houses consequently shoot up. Residents request local politicians to put pressure on government agencies to install better amenities (electricity, sewerage, roads, telephone, bus service,

etc.). These local politicians are likely to lobby for this improvement, since they are out to get votes for their re-election. Eventually, the colony's name will appear on the list of unauthorised neighbourhoods that are to be regularised by the Government of Delhi. After full regularisation, the colony can develop into a lower-middle-class locality or even better. The poor residents who had been renting are then charged the full price and thus have to move out. The slightly better-off are tempted to sell their more valuable property and move somewhere else. Sometimes they have no other choice, as they have to pay off their debts. They may go through the same procedure again at another place. Other residents may move up on the social ladder along with the locality.

Since conversion of agricultural land is illegal, most of the sales occur by 'power of attorney', meaning that the new owner does not acquire full ownership. Malversation is very common. Property dealers sell the same plot to several buyers, and the original owners sometimes try to claim land back that was already paid for by somebody who only had the power of attorney, not the title to the land. On the one hand, the land-use legislation is overregulated. But on the other hand, it allows a great deal of room for illegal practices.

Slum formation takes place through similar mechanisms, but there are some important differences. The rough distinction between unauthorised colonies and slums is that the latter evokes the image of extremely densely populated and under-serviced clusters where people live in small huts. This type of settlement is almost exclusively found on illegally occupied government-owned land, not on privately converted agricultural land. When the slums are large and the population is politically well connected, eviction is not likely to happen. There are slumlords who, similar to developers, regulate the rates of rents and arrange political patronage. In case of eviction, the population of the slum will bargain for a resettlement scheme as compensation for loss of residence. These 'resettlement colonies', which are built for the displaced occupants of removed slums, are often found at the periphery of the city. Because of their authorised status, resettlement colonies tend to develop quickly into colonies for households with some money to spend. Property dealers sell two or more plots at the same time to provide wealthier residents with sufficient space, buying out the initial beneficiaries. Close to resettlement colonies, slums tend to mushroom again, making illegal use of the electricity and water connections in the resettlement colonies.

4.3.2 The *lal dora* issue

The legal status of the village *lal dora* (the boundary of the village's built-up land) has major consequences for the type of construction in and adjacent to the villages. The *lal dora* legislation is meant to make residential land available to the villagers and to stimulate 'rural industry' while saving the agricultural land. In that light, it is understandable that the land use restrictions and property tax burdens are less under *lal dora*. The value of the land covered by this regime is therefore usually very high, especially in places with good commercial opportunities. This land is also highly sought after by small entrepreneurs who run the type of industries that are not allowed elsewhere and want to avoid paying taxes.

When acquisition from the government takes place, the *lal dora* regime is usually expanded to provide villagers with the opportunity to acquire more residential and commercial land. This leads to a big political scramble for the most attractive locations, in which much off-the-record trading is done and many alliances are formed. Whether a villager can make a good profit on the increasing land values depends on his entrepreneurship but also on luck. It can happen that one side of the village develops into a high-value market area, while another part of the village might become an inaccessible and poorly serviced backwater.

4.3.3 Formal land acquisition: the case of the village Rithala

The procedure of land acquisition is best explained by describing a representative example: Rithala. This urban village is located on the outskirts of Rohini Township. The land was acquired by the DDA between 1981 and 1990. Figure 4.4 gives an impression of the land use in Rithala and surroundings. At present, the village looks quite wealthy but also severely overcrowded. The current population is at least 6,000, many times the number of occupants when the process started. There is abundant commercial activity in the village. It contains a large number of factories as a result of lenient *lal dora* land-use regulations. The industry consists mostly of small-scale manufacturing units.

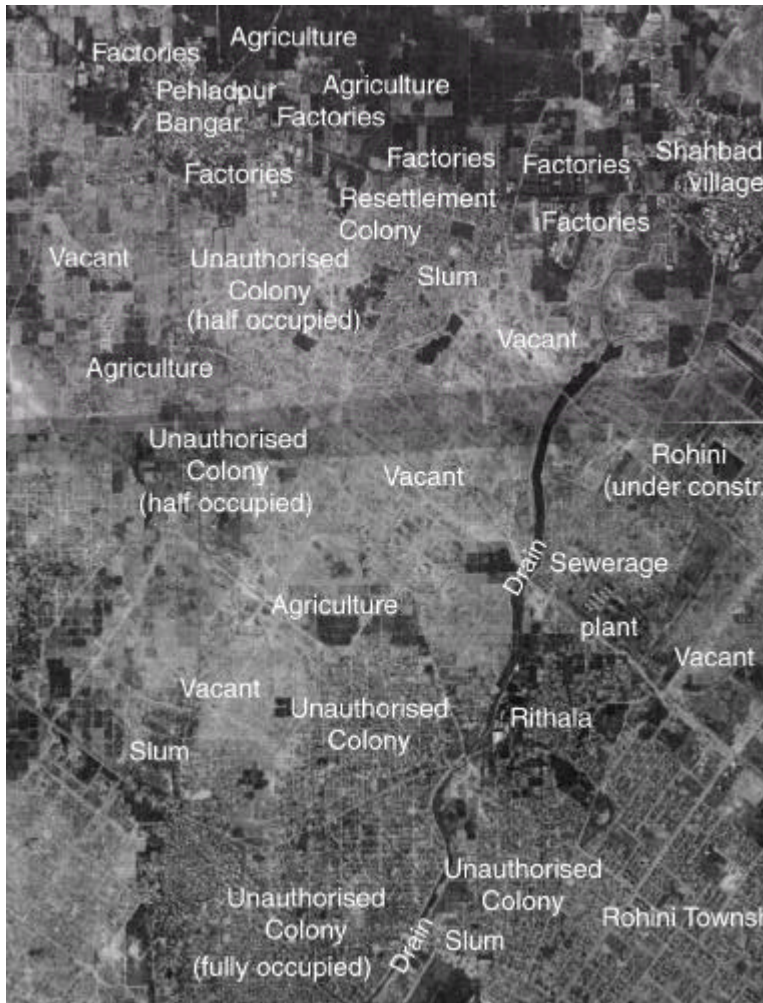
Rithala's villagers possessed 800 hectares of agricultural land, of which 320 hectares was already sold off prior to the notification that the remaining 480 hectares would be acquired in 1981. The *lal dora* was enlarged by 160 hectares. Part of this extended *lal dora* area was made available to the villagers, allowing them to buy plots for residential and commercial purposes at low prices. Compensation was paid in 1984 at very low rates: 2.2 Rs./m² for good agricultural land, 1.7 Rs./m² for less productive land, and 1.5 Rs./m² for land excavated by brick kiln operators. The villagers went to the lower court to plea for higher rates of compensation. They won and got 4.2 Rs./m², regardless of the type of land, based on 1981 prices plus interest. Later in the decade, another successful appeal resulted in rates of 9.0 Rs./m², 7.5 Rs./m² and 5.9 Rs./m² for the respective qualities of land. In 1996, the courts again overruled the previous decision. The compensation was set at 17.5 Rs./m² according to a new policy stating that the acquisition should reflect the level of the highest registered land transactions during that time. This is still lower than the real value of the transactions, because black money is part of almost any private land transaction. Taking inflation into account, this amounted to around 85 Rs./m² at current prices in 1995. At the same time, the DDA started allotting serviced vacant plots of land for 700 Rs./m². In 1998, the value of the same plots is 2,500 Rs./m² (in 1998) (inflation was running at less than 10 per cent per year, so one can speak of a real increase). The most favourably situated plots – on a corner along the main road – go for up to 33,000 Rs./m².

The land-owning villagers have received high amounts in compensation, though not as much as they could have obtained by selling their land on the private market. They complain that the plots made available to them are poorly serviced and at unfavourable locations. They also have serious environmental concerns. One is the mosquito menace caused by a clogged drain just north of the village, the result of a partly dysfunctional sewerage treatment plant nearby. Furthermore, there are large heaps of trash at the DDA-

owned vacant areas. There is a latrine problem for much of the migrant housing, and the village sewerage system occasionally overflows. Finally, the water supply is erratic because the pipe runs through unauthorised colonies that illegally tap water.

Only four households have bought agricultural land elsewhere in order to continue agriculture. Many people went into government service. Another large group found employment in local commerce. The number of villagers who have permanently left the village is low. Therefore, it is probable that the economic situation is satisfactory, although the environmental conditions are perilous.

Figure 4.4 Image of Rithala and surroundings

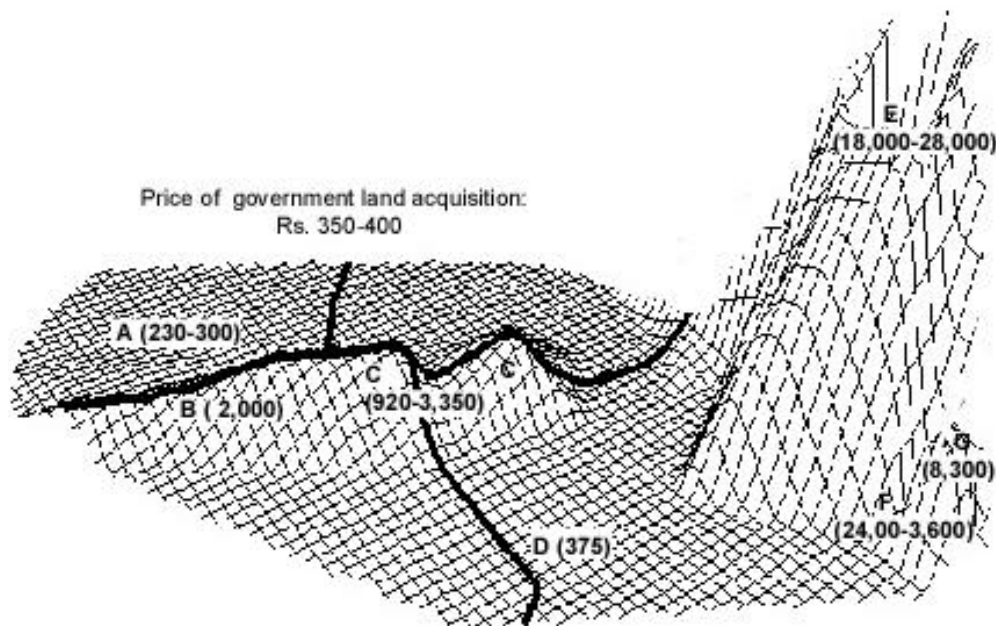


Source: IRS 1C Panchromatic image, resolution 2 metres, 2 February 1996

4.3.4 Land prices; determinants and differentiation

Prices is a key indicator of the quality of land, of what the land is going to be used for, and of the revenue it generates for his owner. The price range for private land in the rural-urban fringe is extremely wide. The most important determinant of price is location. Private roadside plots go for 10 to 20 times the price of land further out in the agricultural fields. The compensation rates for government land acquisition are more homogeneous. Therefore, the extent of enrichment of local landowners from land varies. For example, a farmer just happens to possess land along a new or improved road, whereby chance is the main determinant of the price that the farmer receives. However, smart lobbying can also be of considerable influence. An influential and well-informed farmer can sometimes lobby for better infrastructure, bus service, better pavement, and other amenities that determine land prices at the micro level.

Figure 4.5 Spatial representation of land prices around Pehladpur Bangar and Rithala at current prices (1998)



Based on data processing in a Geographical Information System (ARC/INFO),
Derived from Van Nassau 1999.

It is impossible to analyse the situation in the whole of Delhi. Therefore, a smaller area is selected to represent the situation on the interface of rural and urban land use. The area described here lies between the urban village of Rithala (see Section 4.3.3) and Pehladpur Bangar (see Section 2.4.4). Figure 4.5 shows the 'landscape' of land prices, as quoted by a representative selection of local property dealers. The price is lowest in the least

accessible agricultural areas (A). Even so, it is considerably higher than the price justified by agricultural revenues. The farmers who have land north of Pehladpur Bangar prefer to wait for the government to acquire their land or for prices to rise. In that area, the ongoing insecurity leads to prices in the private market that are below the acquisition rate. In the meantime, they are assured of an agricultural income through farming or leasing out land. The price of land along the roadside is obviously much higher (e.g. B). Prices increase closer to and in the immediate surroundings of villages (C). The prices are lower in the unauthorised colonies (D), at least for the time being, due to an unforeseen crackdown on unauthorised construction. There is too much uncertainty to justify high prices. If and when the colony were to be authorised, the prices would go up enormously. Land prices are highest in privately traded plots in the formal housing colony within Rohini (E). The prices are low for the disputed fringe areas of Rithala (F). In Rithala itself, though, the prices are higher (G).

Three determinants have been found to be the most important ones: first, accessibility (e.g. bus routes, quality of road); second, legal status (authorised developments generally have higher prices due to better infrastructure and less insecurity); and third, level of amenities (e.g. electricity, telephone, sewerage, water supply).

4.4 Strength and weakness of the actors

The actor approach as chosen by Bryant and Bailey (1997) provides a useful structure for insight in the people and institutions involved with land issues in the rural-urban fringe, as shown by examples in foregoing section. In a rural-urban fringe, it is nevertheless difficult to identify consistent groups of actors, since they are highly interwoven. The area is characterised by a great diversity of actors and a complex mix of conflicting and complementary interests.

The assumption that the weaker, mostly local-level actors are the victims of this unruly type of urbanisation is not fully endorsed in this study. Evidence from the study area shows that 'beneficiaries' and 'victims' can be encountered in any group, depending on the local situation. As found in the case studies in described in Sections 4.3.2 and 4.3.3, the outcome depends mainly on the economic and political strength, the connections, and the alliances of the actors. In this respect, the migrants seemingly have the weakest position. Yet because of their large numbers they can form a formidable force.

The government is both a strong and a weak actor at the same time. An alliance of residents, property dealers, politicians, and developers frequently cheat the government (see Sections 4.3.1 and 4.3.3). For local landowners, the relationship with developers, property dealers is one of mutual benefit; at least in economic terms. Even smaller landowners are part of a finely branched political framework. The households among the original villagers who do not possess agricultural land are excluded from any direct benefits of the process, which results in a less rapid accumulation of wealth among them (see Chapter 5). Elevated land prices can limit their ability to acquire extra residential and commercial space. On the other hand, these landless households do benefit from the ancestral land that they have within the settlement, whatever little they have. The weakest group, the settlers (migrants), have difficulty in obtaining cheap accommodation when they come to live and work in Delhi. However, they receive help from powerful actors

who have a political or financial interest in providing more security for housing and amenities. Whether or not they are exploited in the process of starting informal settlements is a subjective judgement. They are quite vulnerable, since they depend on shady financial transactions and sometimes face instances of cheating and intimidation. Nevertheless, since the formal sector fails to provide access to land for the poorest, the poor are probably glad that to find a place to live in the informal settlements.

Solanki's (1987, see Section 1.2.5) standpoint – namely, that the increasing domination of outsiders on the local scene of urbanising villages would have alarming effects on income and employment – is not supported by this research. Solanki seems to underestimate the capacity for success among the majority of the original population. This study documents their ingenuity in turning the changing situation to their own advantage. This applies both to occupational opportunities (see Chapter 5) and to the benefits of the conversion of agricultural land.

4.5 The consequences of the actor network for urban land supply

Delhi is experiencing an extreme amount of pressure on land. However, similar mechanisms are at work in other cities in India. Schenk (1997) sketches unauthorised development in and around the city of Bangalore: “[Developers] provide for a temporary, makeshift building on their land and ‘invite’ a squatter family to come and live there for the time being and act as a guard to protect the owner’s rights against other squatters” (p. 219). Amitabh (1997) expresses concern about the poor service levels in the periphery of Lucknow, where there are many unauthorised colonies as well. Van der Linden (1996) argues that the type of rural area around the city influences the pattern of urbanisation. He compares the market in Delhi with the area around Karachi, which is state-owned desert. Thus, in the surroundings of Karachi, the indigenous farmer is missing from the set of actors. Nevertheless, a similar kind of scramble for land occurs in both settings.

In Mumbai, there is a scarcity of land and an over-institutionalisation of land and housing supply. As a result, poor migrants are in an even more difficult situation (Jacquemin 1999). The sales prices and rents for dwellings in colonies on the periphery of Mumbai are much higher than in Delhi. Nevertheless, the same mechanisms as in Delhi seem to be at work there too.

Informal urban development provides for the needs of many of the city’s poorer residents. Yet there are some problems related to the unauthorised status of the settlements. First, formal planning is frustrated: access routes are encroached upon, amenities are overburdened, and conflicts lead to lengthy legal battles in court (e.g. Pugh 1990, Times of India 24-1-1999). Second, the system is unreliable: cheating as well as extortion and intimidation to protect the developer’s interests are very common. The parties have no recourse to the courts, since these damages are incurred outside the law. Third, in large areas where the informal sector dominates urban development, hardly any space is reserved for parks, schools, and other necessary – or at least desirable – social infrastructure. Every piece of land is a tradable commodity, and the pursuit of short-term profits is the predominant ethic. It is very difficult for the authorities to acquire land for facilities.

Traditionally, the primary aim of most master plans for large cities in developing countries has been the containment and reduction of population pressure. Recently, urbanisation has met with increasing approval. The proponents argue that cities create an efficient multi-opportunity environment for the rapidly growing populations in developing countries: “The...increase in the density of population will reduce the per-capita cost of providing various services to the people. Therefore, the growth of urban centres must be welcomed and the emphasis of policy and public investment must shift towards minimising the unfavourable aspects of urban growth and removing critical bottlenecks” (Visaria 1997, p. 286). Due to the continuing influx into the city and the fact that government institutions do not reach the targets they set for land and housing supply, the privatisation of a large part of the sector seems inevitable.

The prevailing duality in the system of land supply raises at least five concerns. First, it partly explains the chronic shortage in the supply of urban land (Pugh 1990, Prins 1994, Ansari and von Einsiedel 1998, Schenk 1997). Second, it leads to conflicts between actors whereby the ‘law of the jungle’ prevails. Practices of intimidation and manipulation to defend certain interests are widespread; so is the murder of property dealers, as frequently reported by the press (e.g. *The Hindu* 8-4-1998). Third, there are problems with the provision of services and infrastructure and the co-ordination of site servicing with the construction of housing. Fourth, the present state of chaotic spatial development leads to excessive inter-mixing of spatial functions. Especially industrial and residential areas are strongly mixed, causing adverse environmental conditions (see Chapter 6). Eventually, this problem will have to be addressed, but by then the costs of relocation will be high and the legal proceedings very long. Fifth, chaotic development leads to very high population densities, clogging the access roads. Because of unforeseen unauthorised construction, the roads are not wide enough to sustain the traffic accompanying such high intensities of inter-urban transport.

The poor cannot afford the high prices and rents resulting from inadequate land supply. In the absence of enough formal housing that is affordable to the poorest half of the population, people resort to squatting public spaces, thereby creating slums. Very often, squatting is orchestrated by powerful actors, such as developers and politicians. The poor are keen to save money on accommodation – something they are not used to paying for in their villages of origin. Therefore, they tend to opt for a free or low-cost hut in a slum rather than to pay good money to rent an equally small room. At the better-located slums, the rents for huts can even be quite high. Besides, the labour provided by slum-dwellers is in great demand: servants, washermen, people who iron clothes, garbage collectors, other sweepers, watchmen, rickshaw-pullers, repairmen etc. Local industry requires labour for both day and night shifts. Considering these people’s daily work and monetary budgets, it is hardly possible for them to commute long distances. As long as cheap housing remains scarce, and informal construction remains illegal, the slum areas will continue to be created alongside middle-class residential neighbourhoods and near commercial and industrial localities. Consequently, the emergence of slums – also in the rural-urban fringe areas, where employment is increasing – seems inevitable. It can only be avoided if lowest-cost housing is truly integrated with industry and middle-class housing and if land-grabbing is prevented by a more effective administration.

The actor approach proved to be useful as framework to explain the mechanisms of land supply and demand. In a rural-urban fringe situation, it is hard to generalise about the

economic and political strength of the local population. The next chapter will go into greater depth on the responses of local residents to urbanisation.