

# Delhi

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# Part – I: Fragmented Governance

# Broader context of governance





# Fragmented governance

- 1956-91: Union territory, under the control of the Union government
- 1991: Constitution amended to create National Capital Territory of Delhi
  - not with the full prerogatives of a State; no control over land and police
- Physical planning and development of land is the responsibility of the Delhi Development Authority (DDA)
  - accountable to Ministry of Urban Development of the Union Government
- Police under the Ministry of Home Affairs of the Union Government
- The Government of National Capital Territory of Delhi (GNCTD) is responsible for basic services, such as electricity, water supply and sewerage, as well as health, education, and slum development
- Five local bodies within the city
  - Four municipal corporations and one military cantonment board
    - Chief bureaucrat of these four corporations appointed by the Union government
  - Responsible for solid waste management, and primary schooling and public health

# Fragmented governance in Delhi



**Source:** *The Intersections of Governments in Delhi*, CPR Policy Brief, 2015

<http://citiesofdelhi.cprindia.org/wp-content/uploads/2015/09/The-Intersection-of-Governments-in-Delhi.pdf>

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# Fragmented Governance and Competing Visions

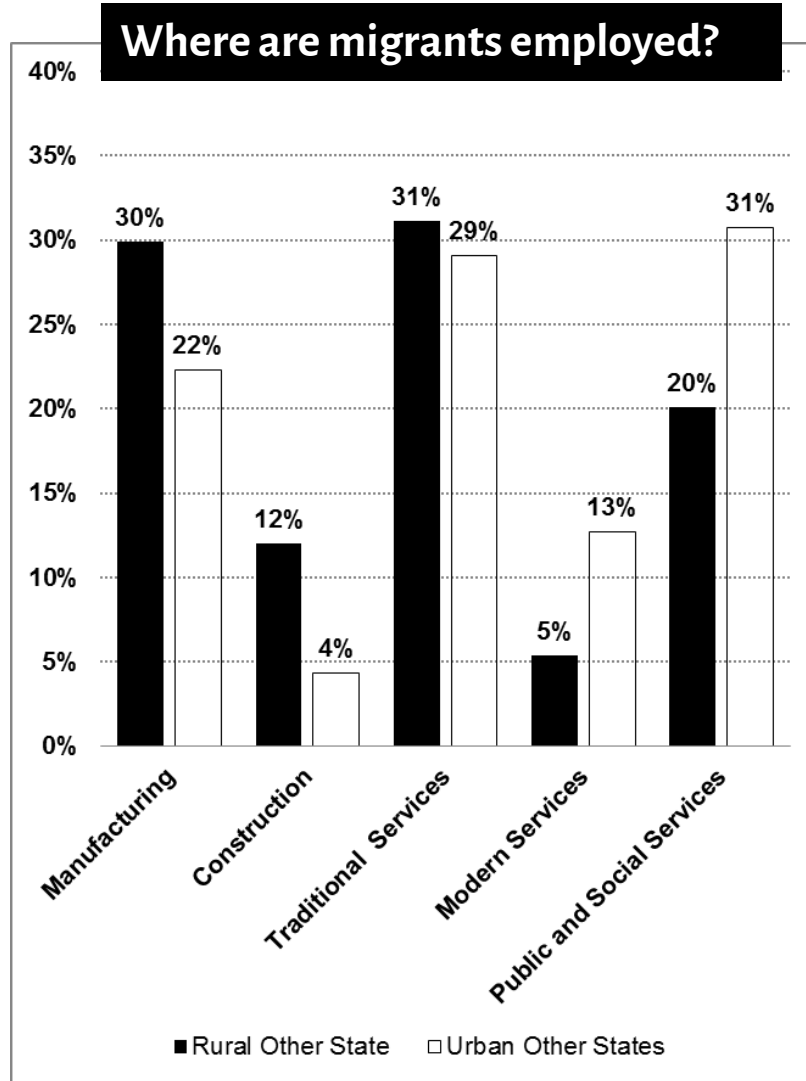
## DDA Master Plans

- Symbol of Modernity and Power for an new nation
  - Monopoly on housing supply
  - Decongestion of the City
  - Limiting of industry
  - Focus on services, commerce and public employment
- National Capital Region Planning Board
  - Development of Counter Magnet towns

## Aam Aadmi Party (AAP), the elected government

- Access to World-Class Services for All
  - Basic Services
  - Employment
  - Healthcare
  - Education
- Inclusive Social Fabric
- Pollution-free
- Local Citizen Participation
  - Mohalla Sabhas
  - Conflicts with elected local bodies (corporations)

# A city of Migrants



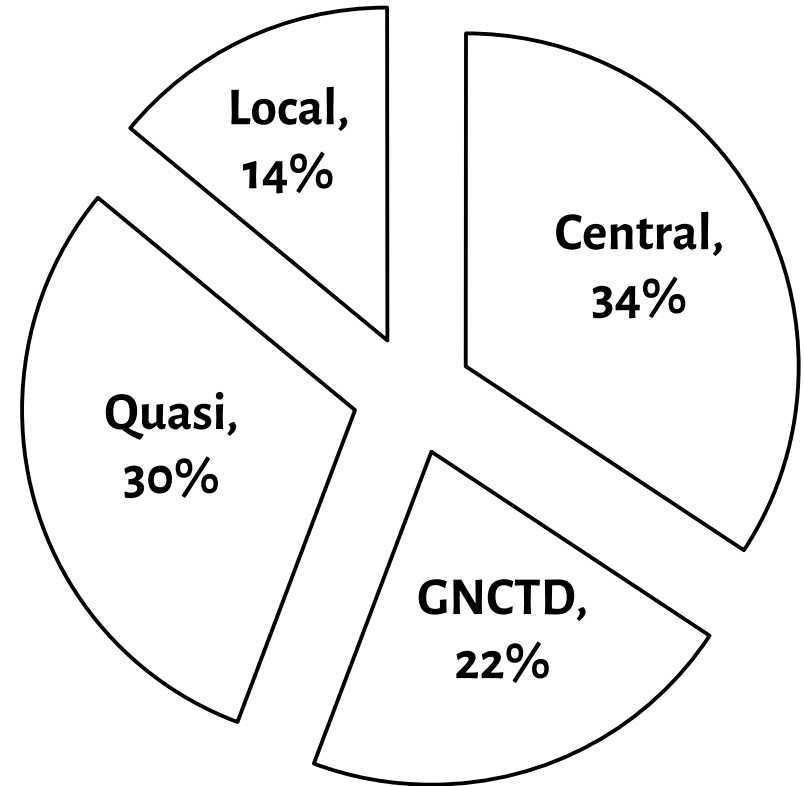
- 41% of Delhi are migrants
- There is a difference in the sectors of employment between migrants who come from rural and urban areas. Typically, migrants from rural areas tend to be employed in manufacturing and traditional services, i.e., trade, hotels, transportation, etc. while those from urban areas are employed in public services like health and education and also in modern business services like real estate, financial intermediation and software, etc.
- The stereotype of migrants being largely in low-skill services like street vending, etc. is incorrect



# Capacity of Government and the City

# Administrative capacity

- Stable structure over 1999-2009
- Large number of employees in local government given their limited
  - 2/3rd of size of state government
  - manpower intensive functions like waste management and manual street cleaning
- Significant corporatization of services like water and now slum rehabilitation
  - More employees in quasi-government functions than in government departments
- Tax collection has been growing
- Use of new technology
  - Rapid Feedback mechanisms like WhatsApp
  - Digital delivery of services
  - Delhi Geospatial



As of March 2009

**Source:** Economic Survey of Delhi 2014-15



# The *Aam Aadmi Party*

## A New Approach to City Government

- **2015:** The Aam Aadmi Party (AAP)—“Party of the Common Man”—wins a landslide victory (67/70), with broad support in informal settlements
  - A more collaborative approach to achieving goals, with the involvement of party workers
    - Limited by difficulties in providing long-term governance goals, as fragmentation of power leads to conflict between government bodies.
  - Expansion of service obligations to informal settlements
    - Decision to provide in-house water connections to non-notified slum clusters (JJs) and unauthorized colonies, regardless of formal status
      - **Beyond water supplied by GPS enabled water tankers**
    - Development of a network of small, flexible neighbourhood health clinics (*mohalla* clinics) to make public healthcare more accessible
  - Result-oriented focus on educational outcomes
- Widening the ambit of people involved in outcome delivery

# Economy and Fiscal Context

# A National Growth Driver

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## Share of the region in national GDP and Employment

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	Manufacturing	Construction	Services			
			Public	Traditional	Modern	Social and Household
GDP	7%	7%	4%	7%	10%	6%
Employment	6%	4%	7%	5%	7%	4%

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**Source:** Calculated from District Domestic Products of the RBI and NSS for employment shares

- Delhi accounts for 10% of the nation's modern services, and is also a major manufacturing city.
- Services constitute over 90% of the National Capital Territory of Delhi (NCTD) GDP, with modern services (real estate, business services, IT, banking, insurance) comprising nearly half of the GDP.
- Yet a substantial—and growing—share of employment continues to be in manufacturing, in spite of the NCTD government not encouraging the growth of this sector.





# Economic Structure of Delhi

Sectors	Share in GDP 2012-13	Annualised Growth (2004-05 to 2012-13)
Primary	0.7%	3.6%
Manufacturing	4.5%	4.7%
Construction	4.0%	-1.8%
Trade, Hotel and Restaurants and Transport	28.1%	9.0%
Banking and Insurance	27.2%	16.9%
Real estate, business services, including information technology	21.5%	11.4%
Public Administration and Utilities	4.0%	5.4%
Other Services	10.0%	11.2%
Total		10.2%

**Source:** Calculated from RBI state GDP series

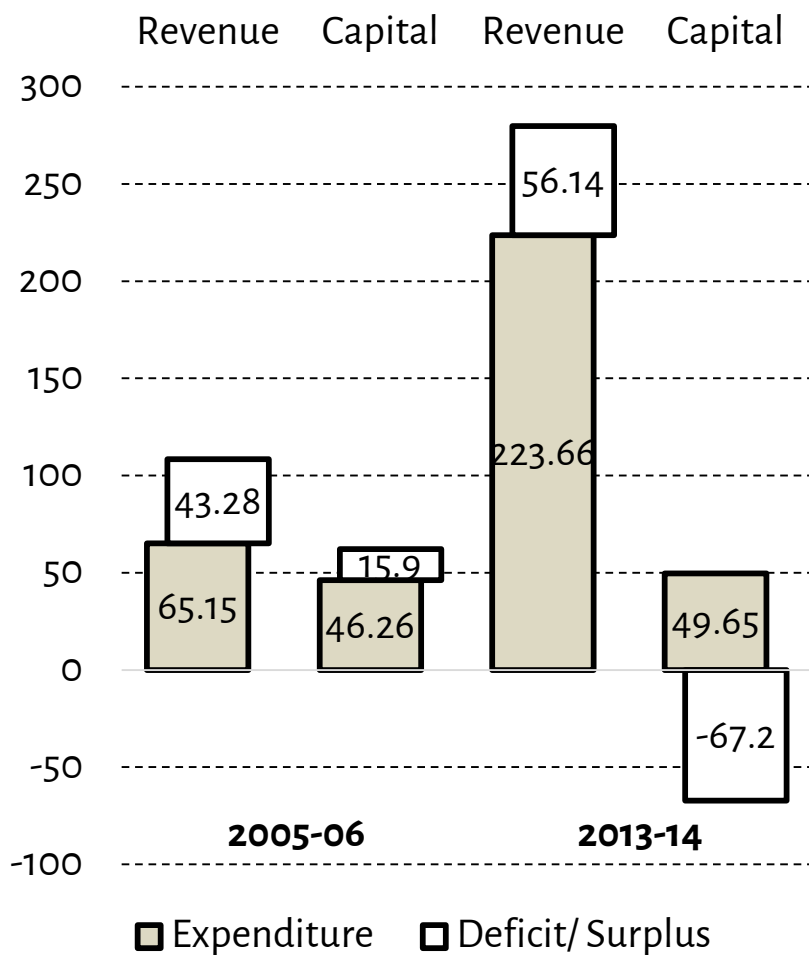
# The Evolution of Share of Workers in Different Sectors

Sectors	1999-00	2004-05	2009-10
Primary	1.20%	0.10%	0.10%
Manufacturing	24.40%	24.00%	26.50%
Construction	3.70%	5.20%	3.50%
Trade, Hotel and Restaurants and Transport	36.20%	37.20%	40.70%
Private household services	3.60%	3.20%	3.40%
All other services	30.90%	30.30%	25.80%
Total	100%	100%	100%

**Source:** Calculated from National Sample Survey on Employment and Unemployment, various rounds.

# Change in Budget philosophy

## Not saving, but spending (₹ Bn.)



## The Advent of AAP

- In 2005-06
  - Even though there was a revenue surplus of ₹ 16 bn., the government of Delhi borrowed ₹ 65 bn. and ended the year with a surplus of ₹ 59 bn.
    - The government could not find things to spend on !
- In 2013-14
  - In addition to a revenue surplus of ₹ 56 bn., the government of Delhi borrowed ₹ 50 bn. to incur capital expenditure of ₹ 117 bn.
    - The ₹ 11 bn. deficit was met by drawing down past surpluses

# Changing Distributions of Capital and Revenue

	Revenue		Capital	
	2016-17	2007-08	2016-17	2007-08
Administrative Services	6%	4%	..	..
Education, Sports and Culture	25%	22%	<b>16%</b>	<b>3%</b>
Health and Family Welfare	12%	12%	<b>8%</b>	<b>2%</b>
Water Supply, Sanitation, Housing and Urban Development	11%	15%	4%	2%
Energy	5%	1%	1%	13%
Transport	9%	3%	<b>25%</b>	<b>19%</b>
Transfers to local government	3%	7%	..	..
Debt Interest Payment (Revenue) / Public Debt, Loan & Advances (Capital)	9%	26%	38%	55%
Others	20%	10%	8%	6%
Total	100%	100%	100%	100%

# Embeddedness and Adaptation



# The context of governance: How embedded?

## As a Union Territory, pre 1991

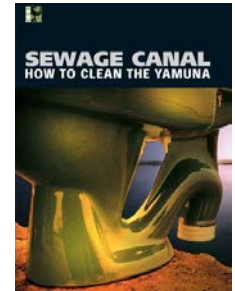
- Local politicians were largely intermediaries, deal-makers in an fluid environment
- Resettlement of refugees in new colonies like Faridabad and in peripheral areas, but with plots of around 60m<sup>2</sup>
  - Interregnum of the Emergency, which saw extensive demolitions and relocations
    - Mangolpuri
- Rapid population growth of more than 4%

## Elected governments, 1991 -

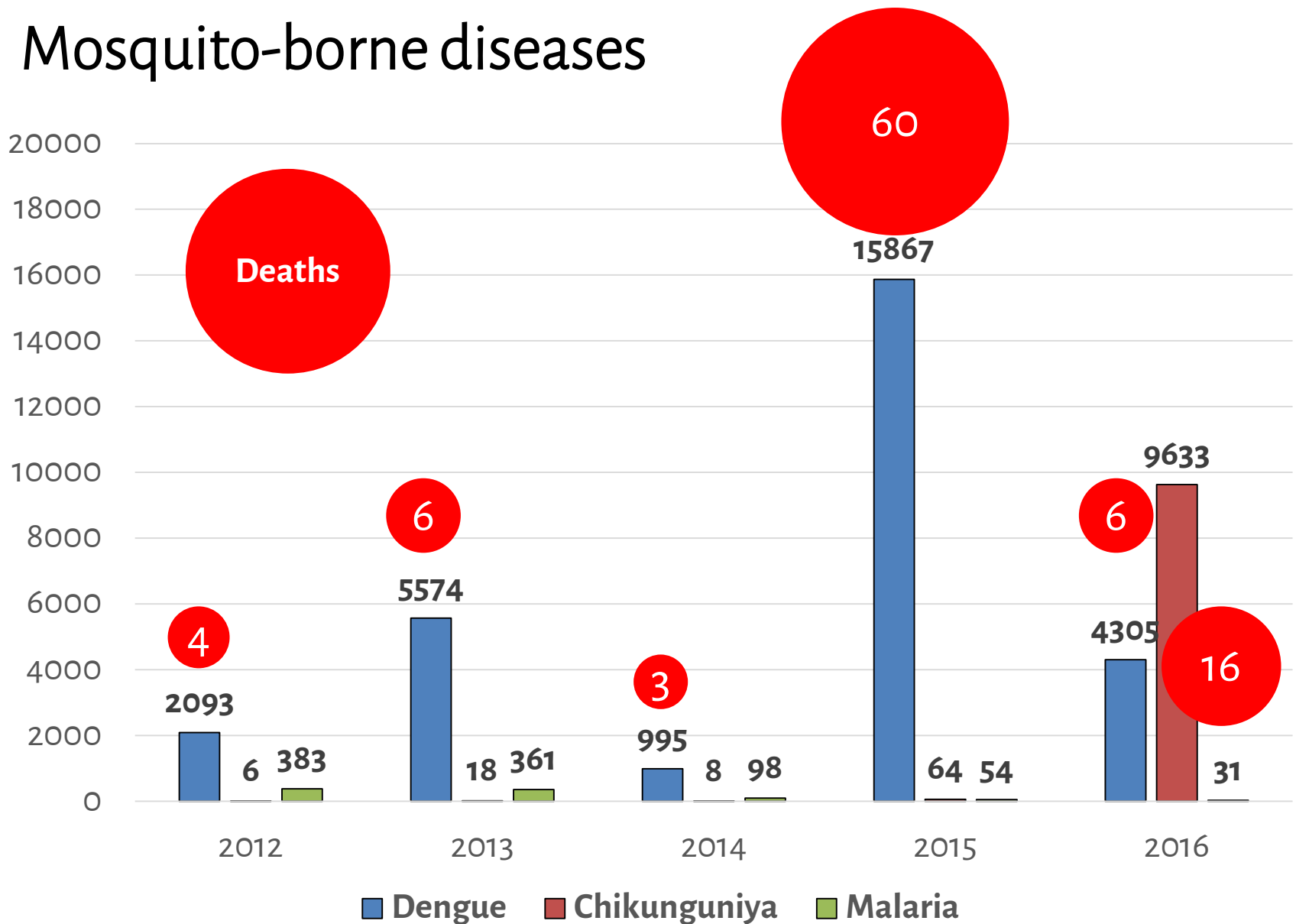
- Elected government in a delicate relationship with the Union government
  - Transfer of key services like water and sewerage and slum redevelopment to the state government from local bodies
  - Private participation in services like electricity and solid waste management
- Resident Welfare Associations and *Bhagidari*
  - Citizens and residents
- Aam Aadmi Party
  - Mohalla Sabhas
  - Delhi Dialogue Commission

# Dealing with Environmental Shocks

- Water
  - Overexploitation of groundwater resources, along with severe pollution of the Yamuna river
- Air
  - According to the WHO (2014), Delhi is the most air polluted city in the world, due to atmospheric and climatic reasons, but also to the increasing number of motorized vehicles on Delhi's roads
- Health
  - Frequent episodes of diseases like cholera (water), chikunguniya, dengue and malaria (vector-borne), and asthma (pollution related)



# Mosquito-borne diseases



# Addressing Health Emergencies

## Cholera

- Recurring episodes of cholera (Dasgupta 2012)
  - Largely contained
- Extensive (USD 3bn) investment in interceptor sewers
  - Does not reduce exposure of residents (Zimmer, 2011)
- No public service for 26% of households with septic tanks

## Dengue/ Malaria/ Chikunguniya

- Poor public sanitation in poor neighbourhoods provides breeding ground for vectors
- Transmitted by intra-city movement of infected persons to wealthier neighbourhoods
- Preventive action limited to fogging to kill mosquitoes
- Use of geospatial data to improve governance

## Air pollution

- Competes for the city with the worst air quality (WHO 2014)
- Multiple factors, including construction practices and vehicular traffic (Ghosh, et. al. 2015)
- Limited cooperation between regional governments
- CNG public transport, Banning of diesel vehicles, Odd-even scheme

## Part – II: Space and the City



# Managing Land and Land Development

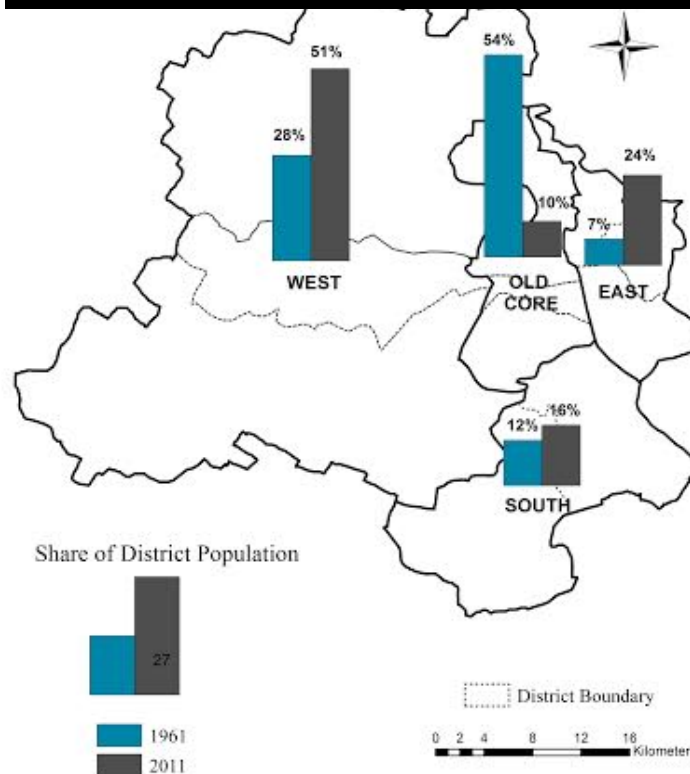
# The shrinking Core and growing Periphery

## Over 1961 to 2011:

- The share of the city's population in the old core has fallen from 53.7% to 9.5%
- The share of the small portion of Delhi across the Yamuna river has seen its share increase from 6.5% to 23.6%.
- This peripheral growth has now spread even outside the boundaries of Delhi
  - Ghaziabad (east) and NOIDA (south-east) in the state of Uttar Pradesh and Faridabad (south) and Gurgaon(south-west) in the state of Haryana, are all growing rapidly

Urban Population	2001	2011	Growth
<b>Delhi</b>	<b>12,906,065</b>	<b>16,333,916</b>	<b>2.4%</b>
<b>Districts in Delhi's Neighbourhood</b>	<b>3,630,674</b>	<b>6,613,077</b>	<b>6.2%</b>
<i>Ghaziabad</i>	1816413	3144574	5.6%
<i>Faridabad</i>	1062286	1429093	3.0%
<i>Gurgaon</i>	309704	1042000	12.9%
<i>G. B. Nagar (NOIDA)</i>	442271	997410	8.5%

## Share of sub-regional population 1961 and 2011



# The Failure of Master Plans as Urban Governance Tools

- The three Master Plans since independence have systematically failed to serve its population, with almost 4/5 of the population residing in informal settlements or unauthorized areas
- The vast majority of Delhi's housing contravenes zoning regulations, so they are kept in a precarious situation with regards to security of tenure
- This absence of planning leads to settlements not being integrated into the infrastructure delivery system.
- The DDA has monopolized housing development, but it never kept up with population growth—in a city where 43% of the population are migrants

# Fragmented Settlement Categories

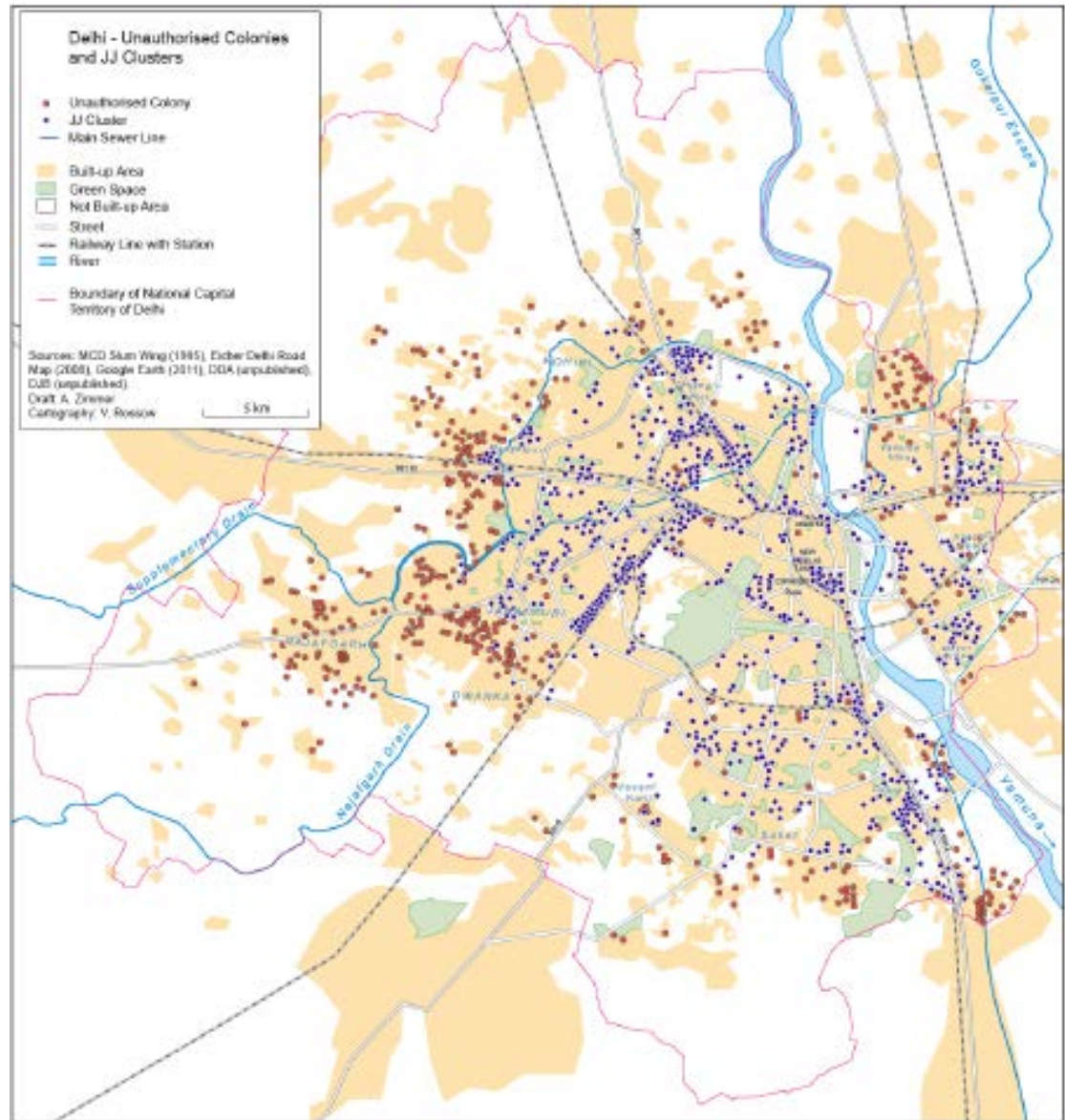
Type of settlement	Est. population in 2000 (’000s)	Percentage of total population of city
JJ Clusters	20.72	14.8
Slum Designated Areas	26.64	19.1
Unauthorized Colonies	7.40	5.3
JJ Resettlement Colonies	17.76	12.7
Rural Villages	7.40	5.3
Regularized-Unauthorized Colonies	17.76	12.7
Urban Villages	8.88	6.4
Planned Colonies	33.08	23.7
Total	139.64	100

**Source:** Statement 14.4 of the Economic Survey of Delhi 2008-09. Planning Department, Government of NCT of Delhi, 2009.

# Settlement pattern

- According to one official estimate less than a quarter of the population live in 'planned' settlements (not counting violations of building by-laws).
- The monopoly of housing provision by the DDA and their lack of delivery means that people have to make their own arrangements
- Two canonical forms
  - Some purchase agricultural land and convert them into residential layouts - unauthorised colonies
    - In periphery, around villages
  - Others occupy land - jhuggi jhopri clusters
    - Within the city
- Government also resettles people in Resettlement Colonies - planned slums, without basic services

Source: Delhi Development Report 2008



From: Anna Zimmer *Everyday governance of the waste waterscapes*, PhD thesis, Rheinische Friedrich-Wilhelms-University of Bonn, 2011. p. 118

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# The many Cities of Delhi

- **Places**
  - JJC: F-Block Punjabi Basti, Indira Kalyan Vihar, Anant Ram Dairy Harijan Basti, Kusumpur Pahari, Jai Hind Camp, Sanjay Camp
  - RC: Savda-Ghewra, Madanpur Khadar, Mangolpuri
  - UAC: Sangam Vihar
  - R-UAC: Mandavali
- **Processes**
  - Resettlement, Eviction, Regularisation, In-situ redevelopment
- **Institutions**
  - DJB, DUSIB, DDA
- **Places** document the status and history of the settlement, the level and quality of services, and how the residents of the city interact with their elected representatives, state agencies, and other agents in securing public services.
- **Processes** through which the governing institutions of Delhi engage with residents, examining both the legal and policy prescriptions that govern these interventions, as well as the actual interventions on the ground
- **Institutions** of governance in Delhi, documenting their legal framework, structure, policies, and activities

# Uneven Access to Services

- Inequality in Delhi is not just residual, but actively produced by institutional systems that enshrine different classes of citizens
- Only about 23% of the city's housing are planned colonies, the rest are various typologies that have more or less—or not at all—access to basic services.
- Prevalence of infrastructure self-provision, that is more expensive, poorer in quality, and limited in supply.
- In terms of transportation, government investments tend to emphasize spatial exclusions, with metro rails and highways catering benefiting more privileged households.
- Buses and non-motorized modes of transport are not supported enough by investment, even though they represent the majority of trips and commutes.

# Inequality in the City

## % of Households that need to move across wards for a uniform distribution across wards

	Gender	Male Literacy	SC/ST	In-house drinking water	In-house toilets	Two wheeler
Delhi	1.0%	9.7%	25.3%	35.9%	47.8%	12.0%
Mumbai	1.6%	7.6%	19.6%	21.4%	17.7%	16.0%

	Non-slum	Slum
Two-Wheeler	42%	18%
Television	90%	74%
Bank account	81%	55%
In house drinking water	84%	48%
Electricity	99%	97%
Flush toilet	61%	43%
Car	23%	5%
No. households (2011)	3,068,106	367,893
Population (2011)	15,002,551	1,785,390
Pop. growth (2001-11)	27%	-12%

The level of 'segregation' for SC/ST is less than that observed for race in the United States

'Segregation' is even higher for amenities like in-house latrines and water

Source: Census of India 2011

# Fragmented governance in Delhi



**Source:** *The Intersections of Governments in Delhi*, CPR Policy Brief, 2015

<http://citiesofdelhi.cprindia.org/wp-content/uploads/2015/09/The-Intersection-of-Governments-in-Delhi.pdf>

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# Financing and Delivering Infrastructure

# Infrastructure - then and now

- GDP of Rs. 4 trillion
  - Capital budget of Rs. 117bn, JNNURM of Rs. 100 bn
- Major project is the DMRC
  - Major cost borne by Union government
    - Not for other cities
  - Around USD 50 million a kilometre
  - Phase I to III covers xx km
  - Token TOD projects around some stations
- Other projects are sewerage, flyovers and now a regional rail
  - Support from Union government (JNNURM) and own resources
  - NCRPB
- Provision of infrastructure spatially unequal
  - Unauthorised colonies had historically been unserved
- New 'smart city' project
- Private participation in electricity
  - pilot project in water
- Buses financed on a public private partnership model
- Schools and hospitals given land with conditions that they would serve the poor
  - often not effectively enforced
- New AAP focus on education and health
  - Learning outcomes
  - Delivery of care close to home, even in unauthorised colonies
    - Mohalla Clinics and Swasthya Tab
- **Key is the failure of land based finance**
  - **Property taxes have an elaborate system, but not raised**
  - **DDA is the key bottleneck**

# Accumulation without Development

- Land is owned by many agencies
  - Delhi Development Authority
    - Acquired land with minimal compensation from private landowners
  - Union government agencies like the Railways and Defence
  - GNCTD ("state" govt.)
  - Local government
  - Private landowners
- Zoning and use is determined by DDA's master plan
  - Small manufacturing unable to resist relocation to periphery
  - Successful trader's agitation leads to mixed use
- Historically, DDA used to sell developed land on a cost-plus basis
  - Both commercial and residential
- Over the past 10 years, it has started to auction land, especially commercial land
  - Residential is sold at sub-market prices, but at a premium to cost
- It has accumulated about USD 7bn in cash reserves in addition to a land bank
  - it does not invest in city infrastructure
- **There is land based revenue but it is not invested in the city**

# National Urban Mission in Delhi and Mumbai:

## Different priorities

- In the UIG (infrastructure) sub-mission, Delhi's focus is on private transport mobility (roads, etc.) and sewerage while Mumbai is focused on water supply and sewerage
- Mumbai is also better at spending money under BSUP, the housing sub-mission
- The presence of a more active local government in Mumbai may be one reason why Mumbai's projects seem more people-focused and better implemented, even if the political configuration at the municipal and state levels are of different persuasions

Allocations and Release	Delhi	Mumbai
	Amount (₹ crore)	Amount (₹ crore)
Drainage / Storm Water	152.3	322.3
Other Urban Transport	97.2	23.3
Parking lots, etc.	754.0	0
Roads, Flyovers, etc	<b>4083.4</b>	491.5
Sewerage	<b>1856.5</b>	<b>1811.5</b>
Urban Renewal	253.8	0
SWM	0	228.7
Water Supply	0	<b>2508.2</b>
Total (UIG)	7197.1	5385.4
as share of total national allocations	12%	9%
BSUP	3257.7	3061.4
as share of total national allocations	11%	10%



# Inter and Intra-governmental co-ordination

# Fragmented governance and co-ordination

- DDA vis-a-vis DUSIB/ earlier slum agencies
  - Resettlement colonies provided land far away from trunk infrastructure and transport corridors
    - No non-network options
    - **Ghost towns:** Result is that of 30,000 built and another 20,000 units under construction, less than 1,000 are occupied
- Almost no infrastructure in the 'unauthorized' colonies even after 'regularization'
- DMRC - the metro rail firm does not co-ordinate with the bus providers or with other transport providers
  - Last mile and first mile challenges
    - Often more than cost of trip on metro
- Railways and even PWD and DUSIB do not co-ordinate on slum demolition
  - Already poor families have their limited possessions destroyed and become homeless

# Misguided(?) State:

## Ten Inequality Producing Actions in Delhi

- **First**, DDA builds for the relatively rich and not for the poor
- **Second**, people cannot formally develop land for housing
- **Third**, courts often do not recognise rights of residents of JJsCs. By one reading, courts in Delhi have been a demolition machine
- **Fourth**, the state uses the law to constrict employment options, by relocation of industry
- **Fifth**, it impedes the progress of even the few relocated JJC residents by peripheralising the location and reducing the plot size in RCs
- **Sixth**, services remain poor in RCs, despite being legal and planned settlements,
- **Seventh**, in some UACs, the residents have to depend on an extensive private piped network; distributing water from borewells, which is more expensive, poorer in quality and limited in supply
- **Eighth**, JJsCs in Delhi that are often demolished to ostensibly build infrastructure like roads, flyovers and the Delhi metro rail bear the brunt of the costs, but the benefits disproportionately accrue to privileged households
- **Ninth**, agencies like DJB exclude existing UACs and JJsCs from their network plans, due to their 'illegal' status
- **Tenth**, transport investment in Delhi is skewed towards the metro railway, which accounted for 86% of the plan investment in sector in 2013-14

Source: **State Produced Inequality in an Indian City** *Seminar* August 2015 PATRICK HELLER and PARTHA MUKHOPADHYAY

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A construction site is never a tidy place