

Editorial introduction: urban management in developing economics: challenges for public policy

Amit Basole · Rajesh Bhattacharya

Published online: 2 June 2017
© Indian Institute of Management Calcutta 2017

It is projected that developing economies will continue to urbanize rapidly in the coming decades. In 2007, global urban population exceeded global rural population for the first time in history. By 2050, 70% of the world's population is projected to be urban, with 90% of the increase in urban population occurring in Asia and Africa. In 1970, only Tokyo and New York were megacities (cities with over ten million population); by 1990 there were ten megacities and by 2016, thirty-one. Most of the megacities (twenty-four) are in the “global South”. Cities are the principal source of wealth as well as pollution. They account for more than 80% of global GDP, close to 2/3 of the world's energy consumption and more than 70% of global greenhouse gas emissions and a disproportionate share of government's revenues (United Nations 2014, 2016).

As governments have committed themselves to work towards meeting the UN Sustainable Development Goals (SDGs), urban populations and urban areas will be the main targets for government interventions in achieving these SDGs. Large cities present some

enduring and some emergent challenges, responses to which will require thinking outside frameworks based on the Western experience. For example, pronounced urban informality in developing economies poses significant challenges for governments to come up with policies for urban housing and livelihoods. The majority of the urban labour force in developing countries secures their livelihoods in the so-called “informal economy”. Of total non-agricultural employment, informal employment constitutes 82% in South Asia, 66% in Sub-Saharan Africa, 65% in East and Southeast Asia and 51% in Latin America (Chen et al. 2016). Informal production similarly constitutes a large fraction of gross value added (GVA) in these economies. In India, for example, 46% of non-agricultural GVA comes from the informal sector (ILO and WIEGO 2013). Informal employment and production are intimately connected with informal urban settlements or “slums”. The global slum population has grown on average by six million a year since the year 2000 and now stands at around one billion. In sub-Saharan Africa, 59% of the urban population lives in slums (UN-Habitat 2016). Slums already constitute, and if current trend continues, will be a major social location of urban informal labour and informal production. Slums are not merely habitations; they are quite literally poor people's “industrial townships”.

For the one billion urban poor who live in informal settlements, public transport systems and employment

A. Basole
Azim Premji University, Bengaluru, India
e-mail: amit.basole@apu.edu.in

R. Bhattacharya (✉)
Indian Institute of Management Calcutta, Kolkata, India
e-mail: rb@iimcal.ac.in

opportunities need to be integrated with the housing question. The “new urban agenda” adopted at the UN-Habitat III conference in 2016 makes an explicit case for such a holistic approach—one of its goals being to “[m]eet the challenges and opportunities of present and future sustained, inclusive and sustainable economic growth, leveraging urbanization for structural transformation, high productivity, value-added activities and resource efficiency, harnessing local economies and taking note of the contribution of the informal economy while supporting a sustainable transition to the formal economy” (United Nations 2017: 4).

While megacities and large cities will continue to be economic powerhouses and magnets for rural migrants, the future of urbanization also belongs to a large number of emerging small towns and cities, whose problems are yet to be explored systematically and comparatively. Currently, about half of urban population live in smaller cities, with less than half a million population. Once we shift our gaze away from big cities and look more closely at small towns, heterogeneity in local historical-political context assumes greater importance in the dynamics of local transformations and the determination of local governance capacity. In India, for example, urbanization is said to have been top-heavy, exhibiting the primacy of large cities. However, the census of 2011 shows rapid growth of small towns throughout the country. Such decentralized rural-to-urban transformations, outside the framework of planned models of urbanization, point to the necessity of rethinking urban management beyond the limits of large-city frameworks.

This special issue brings together contributions that offer unconventional perspectives on some salient problems of urban management which, though well-known, remain largely unaddressed and even invisible in formal and official discourses on urban development and governance. In particular, the contributions offer “views from the ground”, so to speak, that unsettle the prevalent approach to urban management as one of techno-rational ordering of urban space. In different ways, they question the primacy of formal institutions and formal governance in managing cities in developing countries which are continuously shaped and re-shaped by the urban poor through informal associations, political mobilizations and quiet manoeuvres such that instead of the urban space conforming to the official plans, it is the latter which

have to continuously catch up with the transformed reality on the ground in order to retain their relevance. The most important reason why this happens on a large scale in developing countries is that the overwhelming majority of livelihoods as well as housing in urban areas is secured in the informal sector which largely thrives in the shadows of governmental regulations—often on the basis of tolerated illegality and tacit approval of local government functionaries as well as political parties (Sanyal 2007; Chatterjee 2004). The contradiction therefore is that official plans cannot incorporate what is essentially unofficial in nature and largely a matter of political management of poverty rather than a rational response grounded in “laws of the land”. The contributions make this special issue engage with different aspects of urbanization in developing economies—the most salient unifying theme connecting them being the centrality of informality in urban management in developing economies.

The paper by Freek Colombijn and Martin Morbidini looks at a prominent urban livelihood for informal labourers in cities—collection and recycling of waste. While formalization of the informal economy is the declared objective of governments in developing countries, the authors point to the positive and negative aspects of one such form of formalization—the formation of waste-pickers’ cooperatives. Comparing two cities in Indonesia and Brazil, the authors point out that although cooperatives offer better protection as well as reduced social stigma for waste-pickers, the efficiency of waste-collection and waste-recycling is higher in the informal system. This is because the public–private partnership between waste-pickers’ cooperatives and the municipal government in the Brazilian city of Belo Horizonte suffers from the system’s inability to physically access certain urban areas (narrow alleys), exclusion of poorer neighbourhoods and greater reliance on households for segregation of waste, while in the Indonesian city of Surabaya, the informal waste-pickers, in search of greater income, access waste from door-to-door in every part of city to sift through garbage for precious recyclable materials. The authors argue that waste-workers prefer largely to remain outside of cooperatives—both in Belo Horizonte and Surabaya—so as to remain invisible to the government—and thus explore opportunities for individual income-enhancement in the waste-management chain, even though they are

also likely to be the worst victims of the free market in waste. Unfortunately, greater efficiency at social level also comes with greater social stigma and economic vulnerability of unorganized waste-pickers.

The paper by Seema Mundoli, Hita Unnikrishnan and Harini Nagendra take a critical look at the official plan for development of “smart cities” in India. They point to the invisibilization of “urban commons” in the conceptualization of “smart cities”. The intimate and multifarious connections between nature and communities—traditionally captured in the concept of rural commons—is a vital aspect of urban life as well. Urban green spaces provide several ecosystem services—some of which are recognized in the official vision of “smart cities”. What is conspicuous by the absence in the documents is the “provisioning” aspect of ecosystem services of nature in the city—material benefits procured from nature as food, fodder, fuel, raw materials, medicines, etc., which is crucial to lives and livelihoods of urban poor in the city, including migrant labourers. The dominant narrative of rural–urban migration and structural transformation builds on supersession of the “rural”. It is thus cognitively blind to the presence of the “rural” in the urban landscape. The vision of “smart cities” makes a distinction between public and private goods, but makes no mention of urban commons—hence, the enclosure of nature to form parks, lakes—thereby excluding certain communities from access to certain ecosystem benefits. Alongside this “conservationist” stance, there is also large-scale transformation of nature for industrial, commercial, infrastructural and residential uses—thus making the ecological base of cities fragile. Based on their research in Bengaluru, the authors locate urban commons at the heart of ecological sustainability and social inclusion.

Ritajyoti Bandopadhyay’s paper takes a provocative stance with respect to a perennial “vexed” issue in management of urban space in developing countries—the problem of street vendors and other (unauthorized) users of sidewalks in the city. The author traces the history of sidewalks as an intrinsic part of the development of the concept of the modern city in terms of the privileged category of “motion”. He argues that the “obstruction” posed by street-vendors and other users of sidewalks, instead of degrading civic life, actually makes possible different forms of collective living and working. Pedestrianism, as part of the “ideology of motion”, seeks to reserve the

sidewalks for the pedestrian “flow”. Based on his research in Kolkata—the author argues that political mobilization by the hawkers’ organization in the city sought to inaugurate counter-pedestrianism as the ideology of the “infrastructure public”—i.e. the ideology of users of infrastructure that emphasizes the pluralism of its uses and the possibility of social exchanges between citizens of a city, made possible precisely by the “obstructions” to mobility. Meaningful social exchange—e.g. between street vendors and residents of the city, which is not simply about sale of goods and services, but includes conversations, observations and reflections occasioned by the stoppage in motion—is thus not confined to designated or “zoned” urban spaces, but takes place everywhere. In the modernist concept of the city, this aspect of “city making” on the streets and sidewalks is ruled out by its preoccupation with “mobility”.

The paper by Elisabetta Basile draws our attention away from large cities to the humble small towns of India which—perhaps to contrast with the globalized economy of large cities—the author refers to as the urban centres of “provincial” India. The author focuses on the role civil society plays in regulating urban economies, particularly in provincial India. Given the widespread informality in urban India, associations of civil society often substitute the state in regulatory functions. The author argues that the Tocquevillian notion of civil society—association of independent, voluntary and non-political associations that pursue their own interests, but contribute to common good by developing shared norms and rules—does not appear to hold much relevance in the Indian context. Through a careful study of a small town in southern Indian state of Tamil Nadu, Arni, the author argues that the social regulation of the economy can be characterized by the Gramscian notion of corporatism, in which caste-based associations, together with trade-based associations, regulate production relations of the town and steer the provincial economy towards growth, while maintaining the hegemony of capital over subaltern classes, outside formal frameworks associated with capital.

The paper by Durba Chattaraj, Kushanava Choudhury and Moulshri Joshi uses an interdisciplinary approach to study a spatial slice of Delhi—a city that has grown rapidly since liberalization of economic policies in India in 1991. Delhi attracts more migrant labourers than any other city and unlike the experience

of Western countries where migrant workers are accommodated in the periphery, the migrant workers in Delhi settle throughout the city in what are referred to as “urban villages”—which are the oldest parts of the city. This requires innovations in unauthorized rental housing as the supply of public housing for the poor perennially falls short of targets of master plans for the city. Moreover, these unauthorized, informal urban spaces are predominantly mixed-use in character, combining in the same space residence, production and trade. The “regularization” of many of these unauthorized housing colonies has produced a new version of Delhi that is very different from the vision in the master plans. Opportunities offered by democratic politics enable the residents of such colonies to negotiate with elected local representatives to secure public services, legal protection and eventually, “regularization”. The authors argue that post-liberalization urban developments in India have often emphasized the brute force of the market and dispossession by the state as major factors behind the neoliberal restructuring of the urban space in India. What such accounts leave out is the politics of urban space rooted in everyday democracy in which economically weaker agents inscribe their rights to the city.

Karthik Rao Cavale reviews a book by Asher D. Ghertner, *Rule By Aesthetics: World-Class City Making in Delhi*, which deals with the other side of the drastic restructuring of Delhi since the turn of the century—involving unprecedented demolition of squatter settlements and displacement of almost a million people, with the objective of making Delhi a showpiece of the country undergoing rapid economic growth. This was possible not only because of judicial activism in favour of bourgeoisification of the city which forced a slow-moving state to act fast to clean up the city, but more importantly because of the dissemination of a discourse of aesthetics, which even victims of the process were forced to participate in. The reviewer points to the peculiar political history of Delhi which has made it particularly susceptible to such episodes of violent dispossession on such a large scale, even when such discursive use of aesthetics for spatial exclusion is to be found in other Indian cities as well. Rahul De reviews a book by Sylvia Chant and Cathy Mcilwaine, *Cities, Slums and Gender in the Global South: Towards a Feminised Urban Future*, which recognizes that urban poor are mostly concentrated in slums and the proportion of them belonging to

women-headed households is increasing. Given the focus on gender equality in SDGs, the authors look at case studies from Latin America, Africa and Asia where successful initiatives have reduced gender disparity. The reviewer points out that the book displays a pronounced scepticism of the state’s role in reducing gender disparity and an uncritical faith in civil society organizations/NGOs.

Taken together, what these contributions point to are the challenges for urban policies in developing countries to not only to make the cities prosperous, but to make them smart, playful, sustainable and socially inclusive. While concepts like “smart cities” often tend to capture the imagination of the government agencies, corporate sector, policy-makers and urban planners, the concept needs to be subjected to critical scrutiny to make sure it is sensitive to the needs of the urban poor (UN-Habitat 2015). At the same time, climate change at the planetary level and drastic transformations of ecological resources at the local level call for coordinated responses at multiple levels of government. The connection between ecological sustainability and social inclusion is often emphasized—but the former is often privileged and the latter is instrumentalized in pursuit of the former. The contributions to this issue point to a possible inversion of the hierarchy, while remaining cautious of the trap of anthropocentrism—i.e. social inclusion is premised on shared and responsible use of our precious planetary resources. This lies at the heart of the challenge of urban management in the twenty-first century.

References

- Chatterjee P (2004) The politics of the governed: reflections on popular politics in most of the world. Columbia University Press, New York
- Chen M, Roever S, Skinner C (2016) Editorial: urban livelihoods: reframing theory and policy. *Environ Urbanization* 28(2):331–342
- ILO and WIEGO (2013) Men and women in the informal economy: a statistical picture, 2nd edn. ILO, Geneva. http://www.ilo.org/wcmsp5/groups/public/—dgreports/—stat/documents/publication/wcms_234413.pdf. Accessed 22 May 2017
- Sanyal K (2007) Rethinking capitalist development: primitive accumulation, governmentality and post-colonial capitalism. Routledge, New Delhi
- UN-Habitat (2015) Habitat III issue papers 21: smart cities, New York. <https://unhabitat.org/wp-content/uploads/2015/04/>

- [Habitat-III-Issue-Paper-21_Smart-Cities-2.0.pdf](#). Accessed 22 May 2017
- UN-Habitat (2016) Slum almanac 2015–2016: tracking improvement in the lives of slum dwellers. United Nations Human Settlements Programme, Nairobi. <http://unhabitat.org/slum-almanac-2015-2016>. Accessed 22 May 2017
- United Nations (2014) World urbanization prospects: the 2014 revision, Highlights (ST/ESA/SER.A/352) Department of Economic and Social Affairs, Population Division, United Nations. <https://esa.un.org/unpd/wup/publications/files/wup2014-highlights.Pdf>. Accessed 22 May 2017
- United Nations (2016) The world's cities in 2016—Data booklet (ST/ESA/SER.A/392) Department of Economic and Social Affairs, Population Division, United Nations. http://www.un.org/en/development/desa/population/publications/pdf/urbanization/the_worlds_cities_in_2016_data_booklet.pdf. Accessed 22 May 2017
- United Nations (2017) The New Urban Agenda, A/RES/71/256. <http://habitat3.org/the-new-urban-agenda/>. Accessed 28 May 2017

Decision (0304-0941) is a copyright of Springer, 2017. All Rights Reserved.