

Urban Infrastructure and Destruction of Livelihoods

Action Aid India Regional Partners' Meet

8th-10th May 2007

CASUMM, Bangalore

Basic amenities vs Infrastructure

- **Urban and rural citizens have a Constitutional right to basic facilities**
- **Free lifeline Water supply**
- **Free and quality primary and secondary education facilities**
- **Quality and affordable Basic Health facilities**
- **Adequate Food subsidies per family based on size with parity to earlier availability**
- **Infrastructure is development of facilities for upper classes, industries, tourism, SEZs**
- **It is costly, diverting govt subsidies it from basic amenities**
- **Leads to commercialisation by PPPs. Impact : User charges recovery for urban and rural water supply**

Infrastructure ; Subsidises the rich

- Lobbies such as business and commerce, real estate and IT sector have demanded for increased funding (subsidy) for infrastructure – flyovers, corridors, elevated ring roads, underpasses etc for car and air travellers
- This is also used to promote PPPs and privatisation (BMIC)
- IFIs like WB, ADB have taken advantage of such reforms to sanction huge loans which local residents, including poor groups, have to pay back

What is cost of Infrastructure -Democracy

- UIDSSMT scheme for small towns launched in 2005
- Guarantees 80% grants for infrastructure projects
- But World Bank (KMRP) and ADB (NKUISP) introduced model based on Debt financing
- Citizen converted to customer / consumer
- Forced to pay increased property tax or service charges for costly high end infrastructure which caters for Rich elite
- Interest and capital returns benefit Global Bonds and debt markets
- Converts towns into global investment destinations
- IFIs extract a price for infrastructure loans – Constitutional democracy
- Need for restoration of Local Government democracy

Multi-storey, commercial housing for poor under NURM

The model for slum rehabilitation under JNNURM is in-situ multi-storey, commercial housing:

- Does not encourage slum dwellers to assemble and develop their own land. Instead, large private developers get big profits
- All slum dwellers, esp tenants & sub-tenants, do not get houses
- Monthly maintenance costs of multi-storey apts. are unaffordable for poor
- Destroys networks of small entrepreneurs, petty traders and their suppliers / transporters operating in the community. Results in massive displacement of poor from their livelihoods.

In Karnataka, there is interest in similar housing schemes:

- BDA Master Plan will introduce multi-storey housing for poor
- Integrated housing and services scheme planned in Bangalore. KHB will build multi-storey housing. Services (water, sanitation, garbage) likely to be privatized.
- Slum housing under BSUP from Jan– give eggs-----

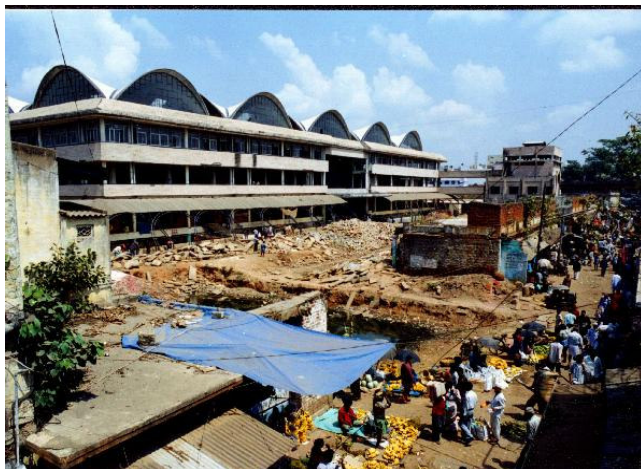
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Urban renewal threatens both urban and rural livelihoods

The Demolition of KR Market in Bangalore and its replacement by a “Modern” shopping center...eviction of hawkers and the poor...



(Photos from Deccan Herald Bangalore)





Consequences of urban renewal (Excerpts from interviews with hawkers)

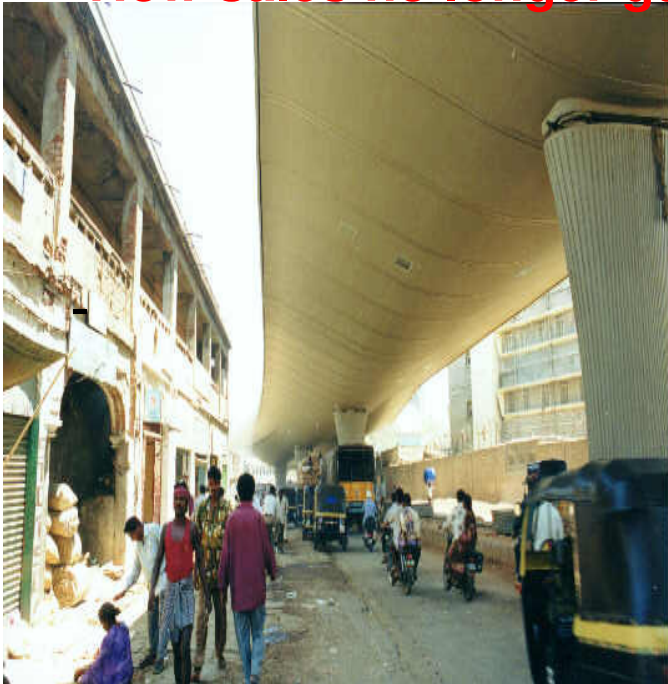
-Prior to the flyover construction and the new market earning **Rs.150 to Rs. 200, sometimes Rs. 200 - Rs. 250. Now income reduced to Rs.60 to Rs. 80 per day.**

-Now Police raids and harassments more. *Earlier, bribe to authorities - Rs.2 and 0.50p for police and BCC. Now bribes paid - Rs.5 per vendor per shift a day. Three shifts a day. This is in addition to the weekly bribes to the Sub inspector. Police increased daily commission (Mamul) Rs.5 to Rs.10*

-Now sales no longer guaranteed. Days with no income. Reduced

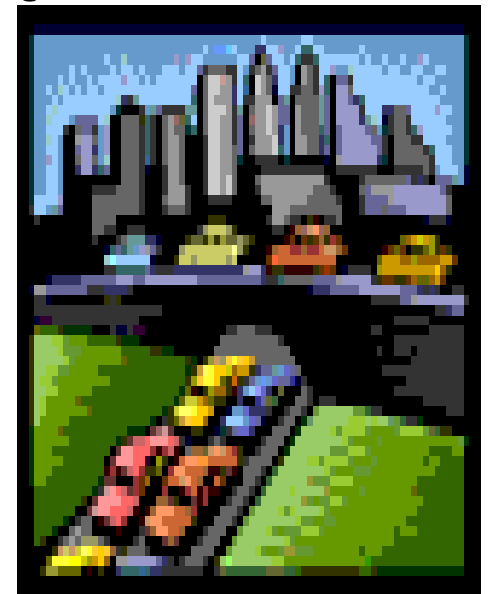
earnings on investment. Earlier investment of Rs. 50 for a profit of Rs.60. NOW if investment Rs.1000, earnings only Rs 150 after 2 days.

- In old market, if fruit hawker invested Rs 500, would get Rs 100 to Rs. 200 as net profit.. today, with investment of Rs.500, earned Rs. 50, out of which Rs.10 to police and BCC officials.



Impact of Urban Renewal Projects

- **Frees up land for private development (malls, supermarkets) & high end infrastructure (flyovers)**
- **Place reduced for urban poor for livelihood & housing**
- **Harassment & bribery increased**
- **Income reduced**
- **Street vendors (most of whom are women) forced into other jobs like prostitution to earn living**



As per government why we need metro? To control traffic decongestion, reduce air pollution (health), noise pollution



Impact on Urban poor

- 300 slum dwelling house to be evicted (two slums – Jaibheem and Malleshwaram under-bridge slum)
- Traders, coolies & hawkers, tenants & sub-tenants
- Compensation Package less than actual market value
- 28 acres private land to be acquired
- Buses to be terminated at city out-skirts
- Buses shall not run parallel to metro corridor
- Three wheelers to be banned in certain roads
- Auto, taxi, buses to be banned – metro station (either side 500 mts to 1 km)
- Entry tax imposed on private vehicles for certain roads
- Public parking fee to be substantially enhanced on certain roads

Transfer of Development Rights – Road widening project

- **According to BMP to reduce traffic congestion in center city**
- **85 roads to implement TDR**
- **Total length 144 kms**
- **Elite groups are pressuring for more roads / specially in center city – Chickpet**

Impact of TDR

- **Mainly street & terrace families, coolies, hawkers, small & petty traders, tenants, sub tenants, service sectors such as goods vehicles, lorries, push carts, small financiers, small real estate, small scale manufactures are affected**
- **Shifting of whole sale markets – grains, fruits, onion, potato & vegetable market going to be shifted etc**

Protest against Transfer of Development Rights as part of Urban Renewal



APMC Proposed Amendment Act

Impact on Urban & Rural poor

- **Coolies, hawkers, traders, service sectors such as goods vehicles, lorries, push carts, small financiers,**
- **Hawkers & traders of other locations is also affected**
- **Shifting of whole sale markets**
- **Risk factor of Contract farming**
 - **small and marginal farmers**
 - **Reduce growing food crops & encourage commercial crops**
- **Traders has to deposit prescribed amount**
- **Eligibility to be member of market committee - has to be sold continues for two years**
- **Destabilise the whole agriculture network**
- **Entry to MNC's to retail business in agriculture sector**
- **More migration to cities & increase in urban poor**
- **One of the biggest risks for farmers is debt which can be caused by production problems, poor technical advice, significant changes in market conditions, or a company's failure to honour contracts.**

Land Acquisition, Displacement and destruction of livelihoods in Karnataka

No. of Villages	Projects	No. of Farmers and labourers	Land (acres)
111	Greater Bangalore	6,30,496	2,00,000
136	5 townships + Ring Road	84,430 18,000	45,450
140	41 SEZs	1,12,000	32,000
Not identified	KIADB	Within 10 months	25,000

New SEZs, townships and large infrastructure

do not benefit poor groups!

- **Loss of villagers' houses, land, animals, rivers, small enterprises/household business. No transparent and just rehab policy evolved**
- **Privately developed and run townships/SEZs with no mandate to provide basic services to all. No provision for housing, jobs or other amenities for poor groups**
- **Displacement of panchayats / democratic processes**
- **Dilution of environmental permissions leading to greater environmental destruction**
- **Provision of water, roads and other infrastructure to SEZs / townships when these same facilities are not given to villages, poor communities living in and around the area.**

General Details of Satellite Towns Ring Road

1.	Length of the Road	:	284 Kms
2.	Connectivity	:	Dobbuspet, Magadi, Ramanagara, Kanakapura, Anekal, Hosakote, Devanahalli, Doddaballapura
3.	Features	:	8 lanes road including two lane service roads. The right of way is 90 mts with 10 to 15 mts width median.
4.	Estimated Cost	:	Rs. 1150 crore
5.	Extent of Land required	:	6303 Acres (Estimate)
6.	Extent of Land to be acquired	:	4153 Acres
7.	Cost of Acquisition	:	Rs. 160 crore
8.	Roads to be constructed as per IRC Standards		

General Details of Intermediate Ring Road

1.	Length of the Road	:	188 Kms
2.	Connectivity	:	Nelamangala, Bidadi, Harohalli, Tattekere, Hosakote, Aradeshahalli, Mylenahalli
3.	Features	:	8 lanes including two service roads & 10 to 15 mtr wide median.
4.	Estimated Cost	:	Rs. 750 crore
5.	Extent of Land required	:	4182 Acres
6.	Extent of Land to be acquired	:	2053 Acres
7.	Cost of Acquisition	:	Rs. 100 crore
8.	Roads to be constructed as per IRC Standards		

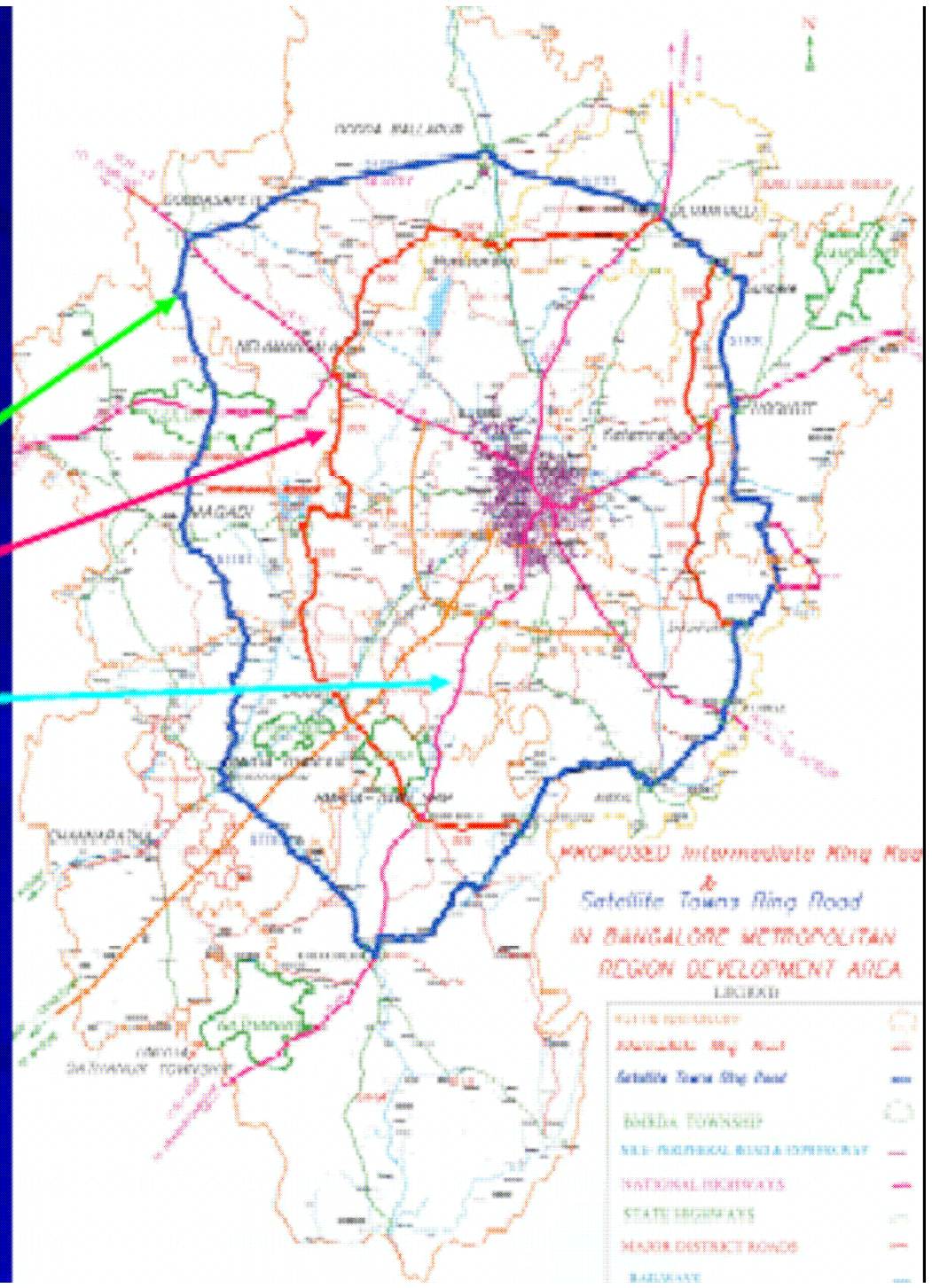
BMR Road Network

Sate llite Town Ring Roads

Intermediate Ring Roads

Radial Roads

Tow n Ring Roads



Conclusion & Recommendations

How do we resist these reforms?

- Demand for minimum and living wage and equal wages for women
- Demand accountability from the democratic political structure for providing subsidies for basic amenities to poor based on need, and fulfilling historical deficits
- To prioritize spending on basic amenities for poor, resist spending on high end infrastructure and subsidies that benefit the rich, and resist decreases in social and welfare spending (eg PDS)
- Gram Panchayats / ULSGs to be empowered with responsibility for promoting job creation and business activity at village / town level. Taluk and Zilla panchayats should promote networks of business activity, esp for poor groups.
- Annual development plans to be prepared by Distt. Planning committees based on community needs/inputs

Upcoming events/campaigns

- Independent People's Tribunal on the WB in India- Sept 21-24 in Delhi
 - State level consultation: prep process for IPT- June 22-23
- Campaign to restore Panchayati Raj- led by the Concerned for Working Children
- National Alliance for People's Movements (NAPM) and Action 2007
- Participate in 3rd Annual Civil Society Review by filling out Wada Na Todo Abhiyan questionnaire on National Common Minimum Programme (NCMP)
- Campaign Against Water Privatization Karnataka and Campaign for Reclaiming Public Water

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Dec 2007

With the Support of Action Aid India

We welcome your comments and questions on this Working Paper

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