A New Imagination for Indian Cities

ARTHA GLOBAL

Centre for Emerging Cities

Intricate minglings of different uses in cities are not a form of chaos. On the contrary, they represent a complex and highly developed form of order.

- Jane Jacobs

New York City . Credit: Ronald Denes | Unsplash

About Us: Artha Global

Artha Global is a global policy organisation that supports governments, multilateral agencies, philanthropies and private sector organisations to **ideate, innovate, implement and institutionalise** systems-level solutions that promote prosperity and resilience for all. We work globally, but have a primary focus on India and the developing world. We provide actionable research, support policy implementation, and build capacity to institutionalise change.

Over the next few decades, the developing world will negotiate important transitions, as societies and the economy move from rural to urban, farm to factory, informal to formal, brown to green, and analogue to digital. We help leaders manage these transitions and the inevitable dislocations they cause, in order to secure long-term prosperity and social stability for each individual. Key to our vision is the national pursuit of sustained economic growth.

Artha Global was founded by the leadership team of IDFC Institute, a Mumbai-based think/do tank with over a decade's experience working with the Union, state and local government in India.

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Vintage Jaipur City | Credit : Jaipur Thru My Lens

Harappa | Credit: Kamals Journal

We need a new imagination for India's cities

- *Reuben Abraham, Pritika Hingorani*

"A few years ago, after meetings with the Rajasthan urban development department ended early, we visited the Old City of Jaipur. Our excitement soon gave way to silence. The principles of good urban planning we had just proposed lay in front of us - a city laid out along major and minor arterial roads, judicious land use that prioritised land for streets and covered walkways and mixed-use zoning. It stood in stark contrast to the newer parts of the city, where these principles seemed to have been forgotten.

Where did we lose our way? From Old Jaipur to Harappa, from ancient Benares to Bhopal, our ancient cities were bustling hubs of global trade and commerce, designed not only to meet the needs of their time, but also to address concerns that resonate today— whether public health or environmental sustainability. Above all, they reflected an imagination, an ambition for what great cities should be.

The thousands of cities that will power India's economy in the decades to come and the millions of aspiring young Indians who will move in search of better opportunities, need us to rediscover that imagination. Our cities need to be productive, well serviced by public transport, with adequate and affordable housing that give newcomers a foothold in the urban job market. They must be healthy, walkable and compact, designed to limit emissions and withstand the impacts of climate change. They must attract investment and global talent. But to do so means we must completely overhaul how we think about, manage and plan our cities.

So we asked seven of the most respected urban thinkers we know to share their imagination for Indian cities. In this short collection of essays, they share their vision for how India should think about her cities, so that we can once again build cities that do us proud. "

Logos of Indian Municipal Corporations

Now, more than ever, cities need to be in charge of their own futures

- *Bimal Patel*

For many decades following independence, urban development was thought to be the burden of state governments. With states being preoccupied with rural development, urban growth was seen only as a problem, and many policies at the central and state level, implicitly or explicitly, were designed to limit the growth of cities.

Following liberalisation, a realisation dawned that cities are not just problems. They are important for national economic growth. Ever since, the central government has been taking an active interest in urban development. This interest has survived political changes at the centre and is now well entrenched.

Parallelly, some state governments also started taking an interest in urban development and, with the emergence of competition between states this interest has spread. Suddenly it seems everyone is keen on urban development.

The rising interest in urban development is obviously good. However can the current approach, where urban development is seen as the burden of state and central governments, work? Is it possible for cities to be developed from outside? Should cities not be empowered to manage themselves and forge their own futures?

India's constitution saw no need to recognize cities are autonomous political units with constitutionally mandated powers. It was left to state governments to form local governments and devolve powers to them. This is why today, local governments are totally beholden to state governments. They are charged with many responsibilities but do not enjoy commensurate powers. Their officers and finances are under the control of state governments. Many basic functions such as water supply, traffic policing, public transport and planning are directly managed by state governments.

This cannot work. Cites are complex entities. The systems that make them work, for example, transportation, water supply, sewerage, storm water drainage, solid waste management systems, planning and taxation, are deeply intertwined and cannot be managed separately.

We need to imagine a new governance model for Indian cities where cities are autonomously managed by local governments, where local governments are led by representatives directly elected for the purpose, where cities are managed by professionals with statutory responsibilities and powers and where the burden of urban development is primarily that of city governments. We need to imagine cities where the administrative head walks up to the Mayor's office and not the other way around. We need to imagine a model where they are financially autonomous with their own taxing powers and a fixed share of state and central tax revenues.

We need to imagine cities that are competing with one another for investments and jobs and striving to improve their own revenues. This will add one more engine to power national development and help realise the promise that cities hold.

Skopje, North Macedonia | Credit: Stefzn on Splash

“Creating streets that are safe, navigable, and accessible for everyone—no matter their age, income, or physical ability—is one of a city’s most important, yet most overlooked, responsibilities.”

- Janette Sadik Khan

Mobility is key to productivity

- *Shashi Verma*

Why do cities exist? This seems an innocuous question but has great meaning for the design and running of cities. There is one overarching factor that has been true of cities right from the start of urbanisation more than 5000 years ago. Cities exist because they allow economic activity to organise more productively than spreading it across the country.

For all these thousands of years cities have been shaped by mobility needs: getting goods and people in and out of the city, enabling movement inside the city so that density does not lead to gridlock, and promoting density to enable productivity rather than distributing commerce for fear of congestion. Look at successful cities around the world and they follow a similar pattern with a very dense urban cluster surrounded by much less dense areas of housing and local commercial centres. The most successful cities accentuate the density of the urban cluster with good transport, almost always rail based, while providing social spaces everywhere.

By contrast Indian cities have developed differently with an obsession to reduce clustering of commercial activity. The result is that most Indian cities are left with no commercial core, distributed transport demand where it is difficult to overlay public transport, and a resulting high level of congestion because of reliance on private transport. Not only does this result in making cities less productive, it also presents a development dead end due to the inability to serve transport demand.

In order to get to levels of productivity we need to invest in reshaping cities, allowing land use to change to densify and directing investment in public transport to support this.

These changes cannot - and will not - happen as long as city governance and transport delivery remains fragmented. Joining up governance has the ability to unlock decision making and enable growth. Integrating land use and transport planning, and integrating transport delivery are the most promising changes.

India also needs to focus on comprehensive solutions. Even in cities with highly developed metro systems buses often carry as many or more people as metros. Focusing on buses is essential and it also produces results faster.

Japan morning commute | Credit: Global Voices

Cities are labour markets. How do we unlock their (and our) potential?

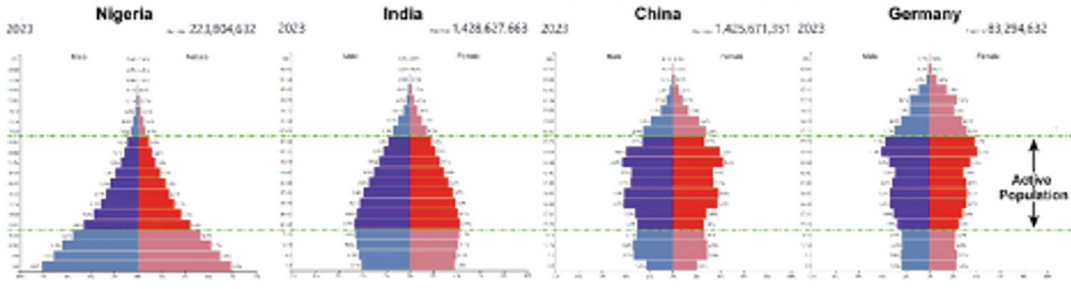
- *Alain Bertaud*

The Indian cities' productivity and ability to innovate will determine India's ability to escape what the World Bank calls the "medium income trap"[1] in its 2024 World Development Report.

In the urban sector, increasing urban productivity will require three main groups of tasks by State and Local Governments: first, getting a better understanding of the current functioning of urban labour markets; second, reforming the obsolete urban land use regulations; and third, increasing and accelerating investments in infrastructure to support new emerging commuting and residential densities patterns.

1. Getting a better understanding of labour markets in Indian cities.

Indian urban labour markets have been changing within the last ten years. More women are entering the labour force. However, In 2023, only 32.7% of women aged 15 and older were in the labour force, compared to 61.4% in upper-middle-income countries. An increase in the number and quality of the urban labour force has become an essential competitive advantage for India among Asian countries with a collapsing fertility rate and, consequently, an ageing and shrinking labour force.



Active population across countries

Urban densities and their distribution in large metropolitan areas are changing, and so are the distribution of jobs, much less centred on traditional city centres and industrial areas. The post-Covid era has also changed how the labour market generates peak-hour commuting.

Greatly improved transit and new forms of urban transport, including women's two-wheeler use, are changing commuting patterns and the origins and destinations of commuting trips.

A better understanding of these emerging trends will allow local governments to provide an infrastructure that allows the mix of transport modes that would reduce commuting time in large, expanding cities.

2. Reforming obsolete urban land use regulations

While progress has been made in the last ten years, too many regulations and approval processes reflect an outdated concept of metropolitan areas. Traditional decennial master plans aim to design cities' densities by imposing detailed land use regulations based on planners' view of what is desirable rather than what makes economic sense. These master plans should be

1. https://www.worldbank.org/en/publication/wdr2024#:~:text=Since%20the%201990s%2C%20only%2034,percent%20of%20the%20US%20 level.

replaced by quarterly projections updated by monitoring indicators such as labour force composition, job location, new housing units built, distribution of commuting time, etc.

Current land use regulations segregate what are compatible land uses and establish arbitrary minimum land and floor space consumptions. These regulatory constraints prevent the spontaneous spatial order driven by the labour market from emerging, significantly reducing urban productivity.

3.Investments in infrastructure supporting the new pattern of commuting and densities created by evolving labour markets

India has seen a spectacular increase in inter-city and intra-city transport development in the last ten years. However, much still needs to be done to be on par with other Asian countries. With the emergence of megacities, new urban transport modes are required, in particular, to address the increasing importance of suburb-to-suburb commuting trips.

Fortunately, we are at the dawn of an urban transport revolution.

1. Self-driving on-demand urban transit for last kilometre trip between transit station and destination

2. We see an increasing importance of small freight delivery, but heavy freight is still indispensable for the survival of metropolitan areas.

3. Commuters increasingly use electric scooters and micro-mobility vehicles for suburb to suburbs commuting trips

These modes of transport will have to be used to complement the more traditional transit modes, buses, BRTs, subways, and suburban rail.

Finally, the supply of developable urban land must adjust to increasing demand. Town Planning Schemes in Gujarat demonstrate that it is possible to increase the supply of affordable urban land to many income groups without resorting to subsidies and the government using eminent domain to acquire land.

The town planning scheme methodology should be spread to other states to ensure a steady land supply that responds to the demand for an expanding labour force.

To seek “causes” of poverty in this way is to enter an intellectual dead end because poverty has no causes. Only prosperity has causes.

- Jane Jacobs

Manhattan as an engineered landscape

It's time to see cities as engineered landscapes

- *Bimal Patel*

Many nations have been able to successfully tackle the challenge of building cities that contribute to prosperity and human flourishing. As a consequence the world today has many highly productive and livable cities. They are located across a wide range of geographies, climates and cultures. They offer many lessons to countries that are still urbanising. One is so obvious that it seems unworthy of mention. Perhaps because it is obvious and unmentioned, its full implications are generally not thought through and its import disregarded.

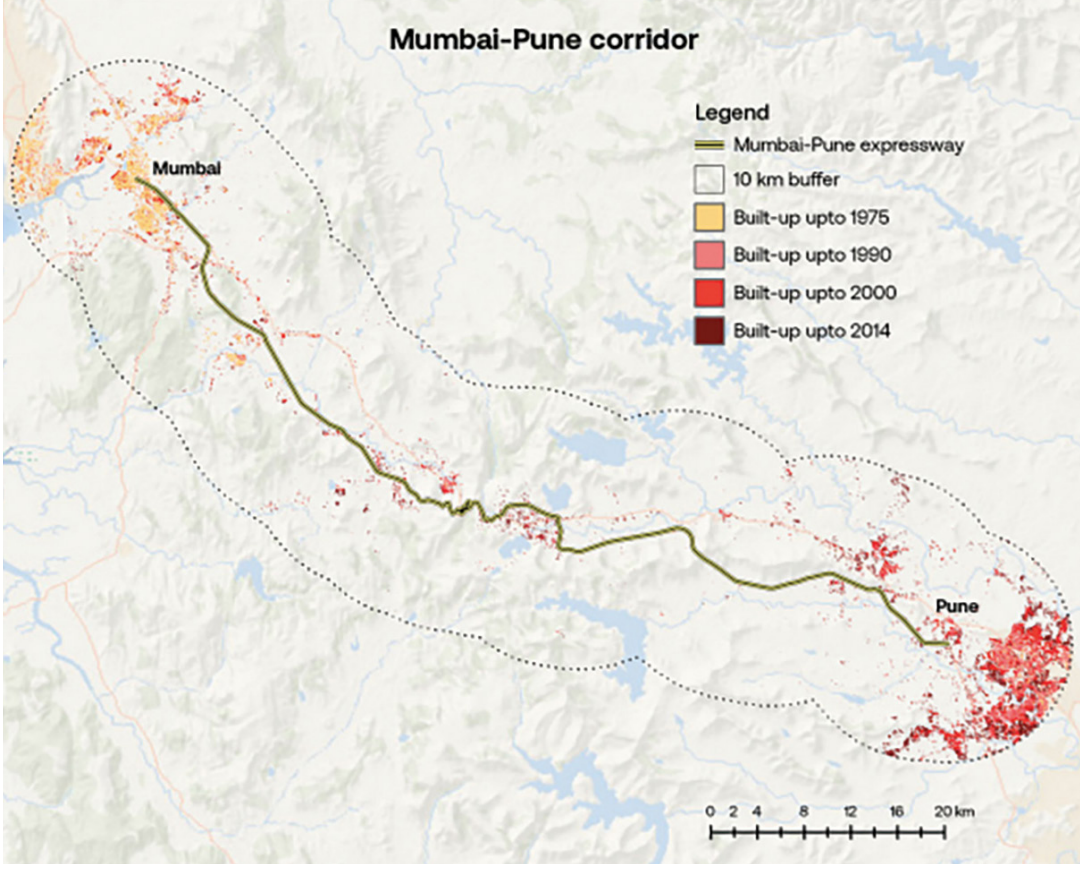
Cities are artificially engineered habitats built by reshaping nature and the deployment of the best available technology. They enable vast concentrations of people to sustain themselves in geographies that are inhospitable and sometimes downright hostile to human survival. It is not too much of an exaggeration to say that cities are akin to space stations. Space stations are also artificially engineered habitats designed and built to ensure human survival in hostile environmental conditions.

Think of some of the great, most productive and most livable cities of the world: New York, London, Hong Kong, Vienna, Stockholm, Amsterdam, Chicago, Singapore, Los Angeles, Tokyo and Sydney. Before they were built, their locations were not naturally suited for human survival – certainly not in numbers that live there today. In fact, the natural geographies of some locations were downright hostile to human survival.

Building the great cities of the world required many bold moves and stunning engineering feats. Natural terrains had to be reshaped; forests had to be cleared; threatening wild life had to be driven out; seas had to be protected against; rivers had to be tamed; storm water runoff had to be channelized; water had to be piped in, often from very far; supply of ample food and energy had to be ensured; buildings, streets, parks and amenities had to be built; infrastructure had to be built for transporting goods and people; systems had to be created for managing waste; and much more.

It is not because they were naturally endowed, but because nature was remodelled to build them and because infrastructure was put in place to make them work that these great cities – these great artificially engineered habitats – became as livable and productive as they are today. Moreover, they continue to be worked upon and to be modified to meet new challenges generated by social, economic, technological and geographic changes.

Building the great cities of the world required a bold, rational, scientific and optimistic attitude. Their builders were not bogged down by self-doubt, irrational fears, debilitating regulatory frameworks or by uncompromising environmental conservatism. The Indian urban imagination needs to be infused by this understanding and attitude if we are to tackle the monumental challenge that urbanisation and city building poses



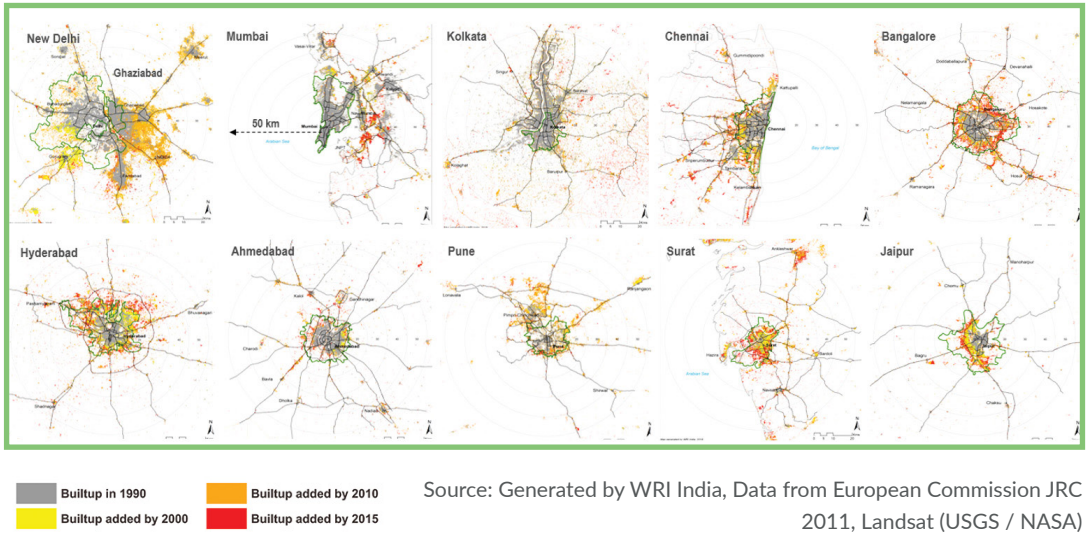
Mumbai to Pune, looks like a continuous urban region | Credit: Artha Global

Growth knows no boundaries; we must harness the potential of city regions

- *O.P. Agarwal*

India aims to become a $30 Trillion economy by 2047. Given that today it is at about $3 Trillion, India is looking for a 10 fold growth in about 23 years. Cities will be at the core of this growth. However, urban growth is no longer confined to the administrative boundaries of a city. WRI India's analysis shows that nearly 65% of the recent population growth of most large cities has happened outside their administrative boundaries.

Fig: Growth outside municipal limits (10 cities)



Source: Generated by WRI India, Data from European Commission JRC 2011, Landsat (USGS / NASA)

Comparing census data of 2001 and 2011 also shows a significant growth in the number of census towns, namely towns that do not have an urban local body but have the characteristics of an urban area (Table1).

Table 1: Number and size of census towns

Year	Number	Population (million)	Share of census town pop to total urban pop
2001	*1362*	*21.02*	*7.3*
2011	*3894*	*54.28*	*14.4*

Thus, planning for economic growth within the administrative boundary of the city alone would not be adequate and a more regional consideration is needed. The hinterland around cities are important contributors to the growth of the city and therefore city regions become important.

Unfortunately, there is no formal institutional arrangement that can look at a larger city region except in very few cases. The Mumbai Metropolitan Region Development Authority, the Chennai Metropolitan Region Development Authority, the Hyderabad Metropolitan Development Authority, are a few examples of such regional bodies. However, these are few and more need to be established to cover smaller urban areas and even clusters of smaller cities that may lie within a contiguous economic region. This would be best done by establishing these authorities under the state government as transferring this to the urban local bodies will not allow them to look beyond the administrative boundary of the city.

It would be useful to think of an enabling legislation, possibly at the national level, authorising state governments to set up such regional bodies. This legislation could also authorise the national government to set up such regional authorities to cover regions that straddle multiple states.

The mandate of these regional authorities should be to develop strategic economic development plans and have the requisite authority to implement these plans through the local bodies. Funds for the implementation of these plans need to be allocated to the regional authorities to give them the needed muscle for implementation of their plans. The ambition of a Viksit Bharat can only be achieved if these city regions provide the impetus for the kind of tenfold growth that is being sought.

Growth is inevitable and desirable, but destruction of community character is not. The question is not whether your part of the world is going to change. The question is how.

- Edward T. McMahon

Guatemala City | Credit: Carlos Velasquez

“Climate change knows no borders. It will not stop before the Pacific Islands and the whole of the international community here has to shoulder a responsibility to bring about sustainable development.”

- Angela Markel

We need a new institutional architecture for low carbon resilience in urban India

- *Jessica Seddon*

Nearly half of India's climate-changing emissions have urban origins. There is no credible strategy for decarbonization that does not involve reconfiguring how India's cities operate and interact with their surroundings. At the same time, India's urban residents are increasingly hit by floods, heat waves, extreme storms, air pollution, and other effects of ongoing climate change. These challenges, of course, add to the everyday "normal" imperatives of managing infrastructure, services, and intangible aspects of dense, growing, human settlements. "Low Carbon Resilience" is thus a triple challenge for urban India.

Three broad changes are needed.

First, hygiene - in the core organisational sense of allocating power and money to the level of government that has the most information about the problem and the most immediate incentives to solve it. At a high level, emission reduction and adaptation priorities are similar across cities. In the specific, tangible, actionable, most impactful, next steps, they vary. Local leadership is most likely to have this information.

Proposal: Mission-Oriented Decentralization. Enable city leaders - and motivate them - to use their position close to the particular political and ecological realities of their cities to meet the triple challenge. Pair political reconfiguration to build local accountability with investment in the technical capacities required for low carbon resilience in particular.

India's cities have been handicapped by limited ability to raise revenues, partial control over expenditure and investment choices, and political accountability that runs upward to states and parties rather than to residents. This handicap has also become an excuse, a way for ward councils, municipal corporations, metropolitan development authorities, state urban departments, and more to each blame others for holding up progress.

On building technical capacity, there are ready options: Mission Karmayogi, implement older frameworks such as the 13th Finance Commission's "Market Worthiness" framework for urban fiscal transparency, lateral hiring or temporary public service "fellowships" to bring specific skills into the public sector are a few.

Second, institutional innovation. "Cities," in the sense of the territorial entities within municipal corporation boundaries, are often the wrong scale to tackle the challenges of low carbon resilience. They are too small for integrated management of water- or airshed, too fragmented for strategic transport and land-use planning. Enabling and encouraging city leaders to form partnerships with their neighbours would go a long way toward matching scale to necessity.

Proposal: Centrally administered "Regional Innovation Fund" for groups of cities and surrounding town panchayats or other local bodies to apply for. Cities are often in the best position to identify their interdependencies with neighbours, whether it's to manage floods, migration, or air. The funding mechanism should have two stages to ensure high quality investments in the areas most in need. The first: grants for capacity-building and technical support to quantify and map out the interdependencies between cities and the regions they are in, structure spatially and sectorally integrated projects, and write the organisational blueprints for limited-term special purpose vehicles for multi-jurisdiction projects.

The second should be a blended finance fund from multilateral, national and private sources to direct investment on the basis of these plans. The finance flows from the national level in order to be able to

combine national and multilateral resources; the ideas, however, should come from cities and their neighbours.

Third, scaffolding for learning and scale. ***Decentralisation and new funding opens up space for experimentation and exploration by national and subnational governments. What goes right in cities and regions should be replicated. What is learned along the way, from both successes and failures, should be documented, accessible, and open.***

Proposal: Adaptive Urban Observatory. Invest in the backbone and standards for orchestrating the information from the studies undertaken for the Regional Innovation Fund and any other urban evidence. Include public, private, academic work - with sufficient metadata to enable users to compare and combine information. Build a more comprehensive understanding of urban India and its links to other parts of the country and world, starting with the questions that cities ask rather than the supply of data. All too often, data remains on the laptops or archives of those who delivered the reports - isolated islands of information.

Climate change and the global responses to it are typically seen as a challenge. They are also opportunities: for India to demonstrate innovative leadership in reinventing federalism to form a more adaptive, flexible state.

“Four key pathways to decarbonization—urban energy systems, transportation choices, construction technology, and urban form—run directly through cities. Artha’s Localising Green Transitions, emphasises the vital role cities play in achieving national emissions goals.”

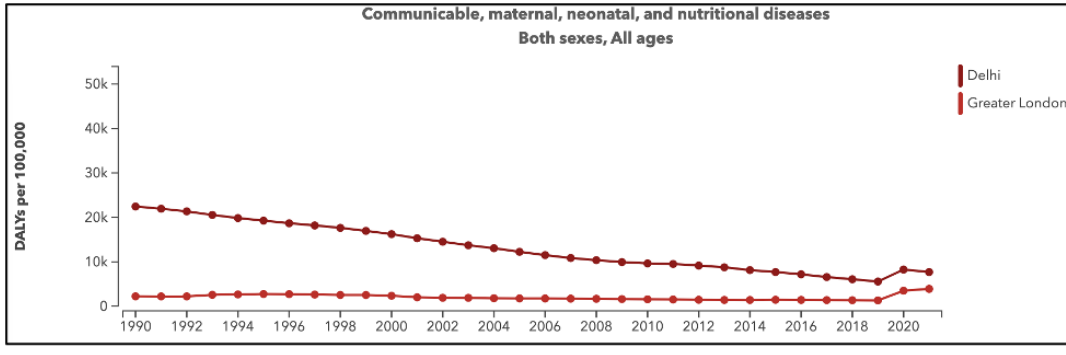
Mumbai's Air Pollution | Credit: Shriraj (Twitter)

Cities are the frontline of public health

- *Amrita Agarwal, Ajay Nair*

Early industrial cities were often unhealthy, beset with poor living conditions and poor access to health services. This image of Dickens' London has been transformed in most developed modern cities. Through measures like improved sanitation, public health infrastructure, the control of infectious diseases and strengthening the payors to overcome market failure in healthcare, they have managed to turn the 'urban health penalty' into an advantage.

In contrast, India's rapidly urbanising cities face a rapidly shifting and dual disease burden that exacerbates the "urban health penalty." The rise of non-communicable diseases (NCDs) is particularly concerning (~70% of disease burden now), while the cities continue to grapple with communicable diseases, especially among low-income and migrant populations.



Communicable disease burden by year (DALYs) Source: IHME

1. Every Department is a Health Department

Health-aware urban governance to address both NCDs and communicable diseases. For NCDs, cities[2] must enable an environment which creates easier access to nutritious affordable food, everyday physical activity, reduces stress, and manages pollution. Combating communicable diseases and addressing maternal and child health requires improved education, living conditions, surveillance, and vector control. This demands a horizontal approach[3] where each department needs to account for their contribution to the health of the city's residents.

2. Open Data

Our understanding of the health impacts of urban environmental risk factors (e.g. lead exposure) remains in its infancy. There is a lack of reliable, city-level data, which is essential for informed public health strategies across departments. This data is a public good which should be collected continuously and made accessible to all stakeholders - communities, healthcare providers, payors, and municipal departments.

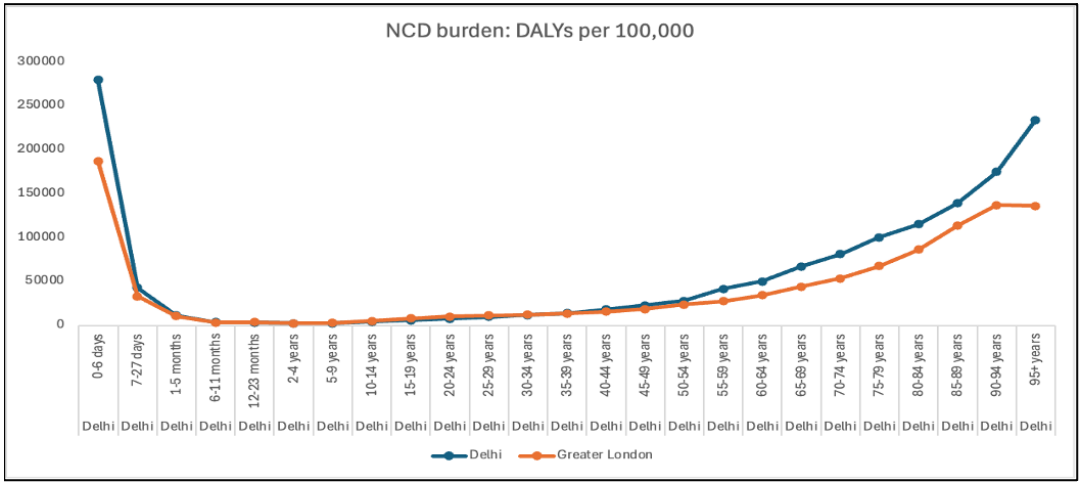
2. https://www.london.gov.uk/programmes-strategies/health-and-wellbeing
3. How the Healthy Cities initiative is paving the way for health and well-being in Indonesia | Knowledge Action Portal on NCDs

3. Maximising value for money for healthcare

These changes in disease burden also come with spiralling, often unnecessary costs. While access to healthcare is relatively higher in cities, the care model has a significant market failure from information asymmetry leading to poor value for money. This is due to a high out-of-pocket market where individuals have little ability to negotiate or do quality control for providers (public or private)[4]. Like developed countries, there is a movement towards payor driven coverage (PMJAY, ESI, insurance and state schemes) to overcome this failure. There is a dire need to build capacity and coherence across payers and providers. Cities need to work with national/state level payors to build this capacity at local level.

Traditionally, the remit of city level health departments has been few public goods (e.g. solid waste management) and local government healthcare services. Cities have made progress in specific areas (e.g., Chandigarh's parks), however, these successes often lack institutionalisation and comprehensive improvement.

Strengthening local governance and adopting a holistic approach to policy design and capability building is crucial. There is a need for a collaborative community of stakeholders, local municipalities and mayors.



Non communicable disease burden by age (DALYs, 2019) Source: IHME

4.Das, Jishnu, et al. "In urban and rural India, a standardised patient study showed low levels of provider training and huge quality gaps." Health affairs 31.12 (2012): 2774-2784.

This idea that you have to restrict FAR just to avoid high density, because the density of Indian cities is relatively high compared to other cities of the world, I think this is a myth. It's the opposite, in fact. I've given an example in my book, actually, of a suburb of Mumbai where you have a slum next to a middle-class housing. And the slum, which is horizontal, has a much higher density than the middle class, although the middle-class housing consumes much less land per person than the slum. I think that there are a lot of myths like that.

- Alain Bertaud

Planning Proposal for Mumbai Port Trust Special Planning Authority | Credit: HCP

Making urban planning work is key to the development of Indian cities

- *Bimal Patel*

On seeing the haphazard manner in which Indian town and cities are growing and being redeveloped, most people conclude that India has no urban planning. Nothing could be further from the truth.

Almost all large and medium towns and cities across the country have statutory 'Master-Plans' or 'Development Plans' in place to regulate their growth and guide their development. These plans, prepared by statutory urban planning authorities, define: areas for urban expansion; land use zones, new street networks; improvements to existing streets; bridges, underpasses and flyovers; layouts for water supply, sewerage and storm water drainage networks; plots for parks, hospitals, schools, and low cost housing; proposals for attracting investments, heritage protection, environmental protection; and, often much more. Plans also include building regulations that stipulate standards that all buildings in the plan area have to follow. These plans can be found proudly presented on urban development authority websites across the country.

The problem, then, is not that India does not have urban planning. The problem is that, in India, urban planning does not work. Urban Development Authorities are unable to implement their plans. They are unable to acquire land earmarked for public uses, provide infrastructure or to enforce building regulations. As a consequence, new growth is mostly haphazard and illegal and, despite rising land prices, authorities are unable to raise resources. Instead of enabling rapid orderly growth, plans and regulation perversely impede supply and drive up property prices.

Urban planning does not work in India because it is based on methodology forged during the license-permit raj. It attempts to predict future requirements of cities and provide for them through rigid and prescriptive plans. When the future does not turn out as predicted, plans become strangleholds that work against what makes economic sense. They encourage noncompliance, undermine the state's authority and promote corruption.Plans, instead of being solutions to the problem of managing orderly growth, become the source of many urban problems.

India desperately needs a new way of doing urban planning. Planners need to acknowledge that the future is not knowable. Plans need to be sparse and open ended. Instead of trying to do everything they need to focus, prioritise and tackle problems that cannot be solved later. They need to forsake use of land acquisition in favour of a fairer way of appropriating land. They need to throw out the tangle of text based building regulations and adopt volumetric regulations. They need to purposefully ease supply of built space, lower costs imposed by regulations and make self-financing plans. Indian planners, instead of envisioning utopias, need to become practical problem solvers.

Bringing about such a paradigm shift would first require identifying all the mechanism that hold it in place and ease their stranglehold. We must also learn from places that have managed to make planning more effective in India, for India is much to vast and diverse for there not to be exceptions to the general condition.

4th Floor, Construction House A, Khar West, Mumbai 400052