International Journal of Politics and Good Governance
Volume VI, No. 6.2 Quarter II 2015
ISSN: 0976 – 1195

UNRAVELING THE LAND ACQUISITION PROBLEM AND MAKING FUNCTIONAL CITIES FOR GOOD GOVERNANCE IN INDIA

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ABSTRACT

Good Governance has become the main plank of all political parties in India. When voted to power they are weighed down by the avalanche of problems. While people easily get disillusioned and a miasma of hopelessness engulfs them, the leaders remain clueless. The paper sheds light on the erratic urbanization and resultant governance problems. It presents a plan for systematic development of living urban/rural spaces and attempts to sort out the gargantuan problem of land acquisition.

Keywords: Smart Cities, Functional Cities Good Governance, Land Acquisition

The ultimate deliverable from good governance is happy, safe and productive life for the citizens. Democracy, accountability, transparency, rule of law, predictability are therefore, promoted to attain this Holy Grail. But the presence of the above features by themselves will not ensure good governance and achieving each one of them requires a congenial ecosystem which takes time to develop. Governments keep striving to improve the infrastructure of States. In the mean time cities and towns also grow at their own pace to accommodate the growing population and cope with urbanization. If this growth is shoddy and lopsided as happens so often, quality of life in fact deteriorates for the people.

India's performance on all social and economic indices remains dismal. Whether it is human resource development, corruption level, law and order, ease of doing business, quality of elementary, secondary and higher education, poverty level or access to electricity and clean

drinking water India lags far behind other countries. Real time data reveals that situation on the ground has hardly improved for the common man. He is condemned to live a wretched, unsafe, unhygienic, inconvenient and helpless life with little opportunities for improving his plight. The reasons attributed for these maladies are numerous like overpopulation, years of colonial rule, feudal mentality, mal governance in the form of redtapism, corruption, weak institutions etc.

Reflecting on the vulnerability of the common man, the writers realized that besides the above factors, many of the miseries of our day to day life are also due to the faulty growth of our towns and cities. The fault lines in the development of our towns/cities have virtually opened a Pandora box of troubles in our lives. The present paper is in three parts. It is an empirically grounded and policy relevant paper. The first part presents a brief overview of the evolution of our cities and the problems it entailed; the second part presents an elaborate model of a smart functional city which can go a long way in solving our myriad governance problems and the third part deals with the bone of contention, the land acquisition problem. The paper offers a practical, market based solution to this problem. The writers believe that such a model and policy can be a silver bullet, improvements and improvisation can fine-tune it further.

Historical Overview of Urban Space Development in India

When India began to industrialize in the late 19th century, factories and mills were established in towns and cities, large scale migration began from villages to these urban centers. The cities perforce had to grow. But this growth was unplanned, adhoc, erratic and haphazard. Cities evolved as per the needs of the people. The needs were few at that time. People covered long distances on foot. Few vehicles moved on the roads. The roads in most places were not pucca or concrete ones. They were narrow also. Horse carriages were used by the British and the privileged class. Therefore straight roads were preferred. Moreover the British lived in the cantonment areas which were clean, spacious and environmentally salubrious while the masses i.e., natives who came to the cities for jobs in factories lived in deplorable conditions in slums. By early 1940s, cycles and cycle rickshaws became the dominant mode of transport. The population was less and electricity was available only in a few urban centers. Business too was on a small scale with very little commercial activities.

With time the scenario began to change. Increase in population and rapid industrialization made these urban spaces a complete mess. Growth diagnostic studies undertaken by the writers to find out the most binding constraint revealed several factors at the back of this chaotic situation. (Hausmann R, Klinger B, Wagner R 2008) The complete mess that our towns and cities have become makes it amply clear that random and unplanned growth can be catastrophic. The following features were soon evident in the development of cities:

1. Mixed use of space for residential and commercial purposes
2. Entrance of the commercial and residential buildings from the main road side
3. Houses, shops and commercial establishments are constructed on both sides of the main roads.

Since price of land adjacent to roads surges manifold, therefore, more and more people are tempted to use the ground floor and front of their houses for commercial use. Some laws are there to separate the residential and commercial areas but they are flouted with impunity. To make matters worse, hawkers, street vendors and vehicle parking occupy the remaining space between the shops and the roads. In many places footpaths for pedestrians have disappeared. Encroachments by illegal occupants are common. It all results in congestion on roads, slow traffic and traffic jams as the number of vehicles plying on the roads has also increased tremendously. The area gets littered and filthy easily. Crimes like eve teasing, snatching, looting, murder and kidnapping also easily thrive in this scenario.

Smart City Project of the NDA Government

The Modi Government which assumed power in May 2014 intends to address the urban space development problem with alacrity. It is also keen to incorporate inputs and ideas from the citizens of the country and make them valuable stakeholders in nation building. The present paper is an effort in this direction. Hitherto the suggestions by experts of urban planning and various efforts by different governments almost invariably have fallen prey to 'path dependence'. It is often easy and cost effective to simply continue along an already set path. The directions for future development are often foreclosed or inhibited by directions taken in past development (Nooteboom B. 1997). The number of 'veto players' has also increased with time. Veto players are individuals or collective actors with an ability to resist change from the status quo. (Tsebelis

1995, 2002) The authors, aware of these multilemmas have put forth a completely 'out- of- the-box' solution to the problem of land acquisition and urban planning. Taking a completely different path, they have painstakingly presented a model of a functional city and suggested a method for land acquisition which they believe can address a host of governance issues which appear baffling at present. The Modi Government's main plank during the 2014 general elections was good governance. One of the favorite projects of the government is to build 100 smart cities. In the last week of April 2015 the Cabinet agreed to allocate about Rs. 1 lakh crores over a period of five years for developing 100 smart cities and rejuvenating another 500. This can be path breaking-provided there are sound institutional structures in place to build much needed physical, social and economic infrastructure. (ET 4May). The idea is that a smart city provides adequate municipal services like clean water supply, sanitation and solid waste management, efficient mobility and public transport, affordable housing, easy access and fast internet connectivity, dependable utility services and transparency in governance for improved health, education and well being. (ET 4May) The concept behind developing the smart cities is to create highly advanced urban regions in terms of overall infrastructure, sustainable real estate, communications and market viability. Essential services to the people living in these cities will be provided through information technology.

An estimated 160 million people have moved to the cities in the last two decades and another 230 million are projected to move there within the next20 years (Mckinsey, 2010). By 2017, India is expected to have 100 million people living in slums (PSC Report, 2010) and another 10 million migrants moving to the cities each year. The Government therefore, has to factor in these projections in its planning

In the second Infra Summit, an initiative of The Economic Times ET Edge, the first panel focused on the topic, '100 Smart Cities: Ideas and Impact'. Lisa Grande, UN Resident Coordinator and UNDP Resident Representative said, "A smart city is one that is financially sustainable, it has its own revenue base. Also, it should govern itself." Additional Secretary, Urban Development, Mr. D S Mishra averred that focus should be on social capital and on making the city livable and resilient. Other participants emphasized that participative tools must be given to the people. (ET, 17 Oct. 2014). It is an opportune time therefore, to give serious

thought to the subject of city planning. It is very important to take on board all kinds of eventualities. A visionary perspective is the need of the hour and therefore mandatory. Government needs to be open to suggestions and embark on this mega project fully equipped with information and technicalities.

Growth of science and technology will soon make the possibility of flying cars and use of drones for delivery of goods and services a reality. Some state governments have already sanctioned the use of drones to monitor and disperse crowds. Security too can't be compromised. The advantage of demographic dividend will be there for a few years only. As the youth bulge of today transforms into geriatric citizenry, government needs to plan a safe ecosystem for them too. The differently abled should be catered to with sincerity and care. Women safety is a colossal responsibility. Road safety is a priority since India has very poor record there. The number of deaths caused by traffic is amongst the highest in the world. Keeping all these governance woes in view, the paper suggests a model for new functional cities and towns, easily reproducible in rural areas also. The model can address the inconvenience of the present urban areas. The proposed system is based on the concept of simplicity, it is environment friendly, self sustainable, easy to govern and maintain, cost effective and offers an improved quality of life to all its inhabitants.

The Model of a Functional Smart City

While at the drawing board and conceiving about the functional smart city, the fundamentals of a sound, wholesome, self-sufficient city should be clear and thereafter carefully planned. This will absolve us of many glitches, hassles and even big troubles later on. Functionality should always take precedence over smartness. The city fundamentals should be robust in the sense that there should be provision and preparation to face emergencies like earthquakes, floods, fire, epidemics, terror attacks and the like. Smart city features will be the add-ons in keeping with the technological developments of the times. Aesthetics should always be kept in mind while planning all this. Beautiful urban spaces will always garner the maximum support from the people. They will identify with such spaces easily. Besides providing for our essential needs like safety, education, health care, entertainment, markets, waste disposal, banks etc., the city should be mood uplifting also. This will have imperceptible positive impact on the productivity and

national character of the people. People can rightfully take pride in their cities. The present cities are prone to road rage and irritation where even shopping experience has become a nightmare. Roads and lanes crisscross in a serpentine manner. Inner and outer ring roads are built around cities. These roads are not actually round because of stringent land acquisition laws. These roads are constructed in the most perfunctory manner. Commercial centers invariably sprout on both sides of these ring roads leading eventually to congestion and traffic snarls. To overcome the problem, elevated roads and flyovers are resorted to. The roads are dug up at regular intervals on one pretext or the other like laying of cable or water lines, phone or gas lines etc. The overall quality of life takes a toll.

Among the best places to live in the world are countries like Denmark, Norway, Canada and Australia. They are safe, functional, smart, beautiful and salubrious. It is these countries only which top the charts on all socio-economic indices. It is true that their population is much less than ours but aerial survey reveals there is no dearth of land in India, vast swathes of land are lying empty and unutilized while all the pressure lies on land near commercial centers where living life has become a harrowing experience.

Proposed System

Main features of the proposed model are:

1. It will be a walled city without erecting actual walls.
2. The city is planned in squares or rectangles instead of being inside a ring road.
3. Main roads are only for trees and transportation.
4. Roads meet at right angles.

Since the cities have developed in an extremely haphazard, sporadic and chaotic manner, it will be a Sisyphean task to convert the entire existing cities into functional cities. The best way is to circumscribe the existing cities within a real or imaginary square or rectangle and build two hundred meter wide roads on all the four sides. Inside the existing cities and villages people are living there. They are settled there and would not like to be disturbed and also their resettlement and rehabilitation will be an enormous exercise taking away a huge amount of government resources.

Although their day to day existence is miserable, but they have found a modus vivendi and have come to terms with reality.

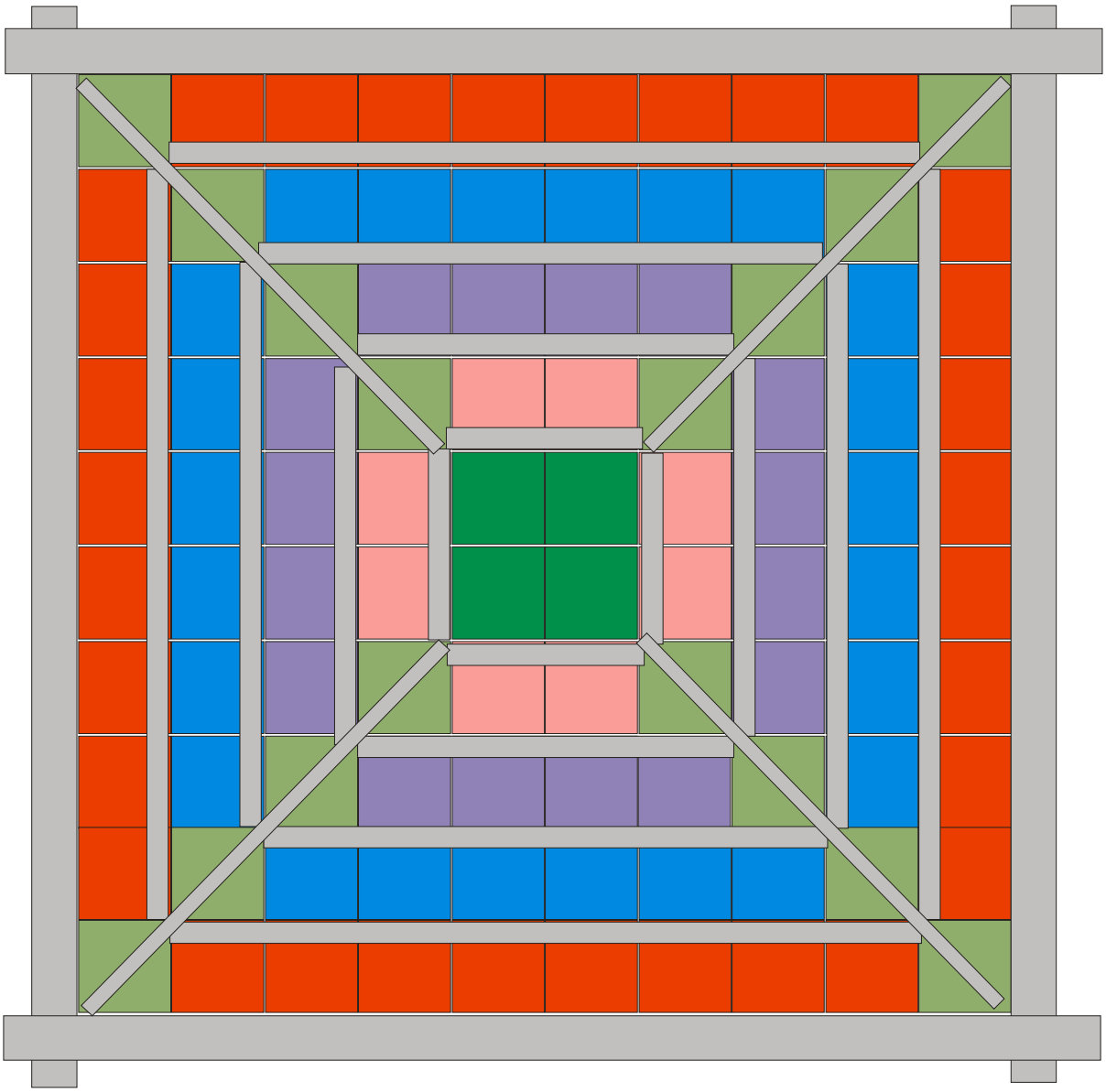
Since demolishing the present cities to make new ones will be a cure worse than the disease and is cost prohibitive, therefore the wiser way is to stop beautification of present cities and instead develop new cities on a clean slate of empty land with a fresh template. The old cities as already mentioned should be surrounded by 200 meters wide straight roads on all the four sides. Construction on both sides of the road should be banned. Only trees should be planted there. A concrete or cement road, wide enough as per the existing need should be built on the allocated road space. After that 100 meter wide roads should be built after every one kilometer in a grid like fashion and every fifth such road should be of 200 meters wide. When these horizontal and vertical roads will intersect at 90 degree, it will create empty blocks of one square kilometer. Rivers, lakes, forests; small villages should be adjusted on a pragmatic basis. The new cities large or small should be built on these empty blocks of land.

The whole country, wherever possible, starting from plains, should be divided into such grids. If a new city has to be created for a population of 1 million people, 100 blocks of 1 square km can be used for the purpose. If the area of roads is included, a new big city will require about 130 square kilometers. Of these 100 blocks, 50 can be used for residential purpose. The template of a residential block can be as under if the block is a square.

Template of the Residential Block

The residential block is further divided into 100 sub blocks of 10000 square meters each or 1 hectare as shown in the diagram. The square residential blocks will comprise of four rows on all the four sides. The outer row which will be the largest will comprise of 36 sub-blocks evenly placed (in case the block is a square) in all the four directions. The second inner layer will have 28 sub- blocks; the third one will have 20 sub- blocks, fourth will consist of 12 sub- blocks and in the centre will be left 4 sub- blocks. As per the design, the corner sub- blocks of each side will be left empty. So the basic design will be as shown in the diagram.

Figure: Template of the Residential Block



Grey Color: Roads, Red Color: Commercial complex, Blue and Purple Color: Residential Complex, Pink Color: Schools, Library, Auditorium, Old Age Home etc. Dark Green Color: Play Ground and Light Green Color: Parks and Parking

Of the 36 sub- blocks in the outer row, 32 will be used for commercial purpose and the 4 corner sub-blocks will be left vacant and used strictly for entry, exit and police surveillance and CCTVs. The commercial sub-blocks can have shopping malls, hotels, banks, restaurants, clubs, art galleries, hospitals, post offices, business centers and offices, trade towers, emergency services like police, fire station etc. Some space can be allotted for street vendors also. In the second row, 24 sub- blocks will be residential and again the four corner blocks are left vacant. Similarly in the third row, 16 sub- blocks are residential and 4 corner sub- blocks will be left vacant. In the fourth row, eight sub- blocks are used for schools, dispensaries, community halls, old age homes, public libraries etc. The four juxtaposed sub- blocks in the centre will be used for playgrounds, parks, promenades etc. because that will be an area of 4 hectares. The scheme of four vacant corner plots provides a diagonal passage which can be used as a short cut to reach other blocks and entry, exit can be easily monitored in them.

In the residential blocks 40% of total area is used for residential purpose, 32% for commercial purpose, 8% for schools, college, training institutes and dispensaries and 4% open area in the middle for playground and other purposes. The inside roads of a block connecting the residential sub blocks can be of 10 meter to 15 meter wide depending on their needs. The basic drainage sewerage facilities should be robust. The residents of the blocks will be the main stakeholders and can take charge of the sanitation and safety of their blocks. One residential block of one square kilometer can easily accommodate up to 20,000 people. The blocks with rich residents and living in sprawling complexes will have much less people. Blocks with very rich residents can be allowed to arrange and manage their own lighting, roads and parks and can take their creativity to a whole new level. If a block is only or primarily occupied by the economically weaker section, the government can provide various concessions to their residents. Many blocks and sub-blocks can be left empty to be filled later on. With ingenuity, the space can be utilized in hundreds of wonderful ways. Cities and blocks can have their distinct identities as industrial cities, heritage cities, religious cities, high rise buildings cities, sprawling bungalows cities, education centric cities and even agricultural cities.

Thus this plan not in the least suggests that all the cities should be exactly as per this design and look monotonous and boring. This basic design or skeleton should be fleshed and padded

according to the needs and wishes of the residents of that place. They along with the architect can create beautiful urban spaces.

As regards the roads, as mentioned earlier in the paper the blocks will be connected by 100 meter roads but every fifth road should be of 200 meters width. At present this may sound rather too wide but that can serve a lot of needs and can be a boon for disaster management. Such a broad road can be used for multiple purposes. The 200 meter roads which are on all the four sides can have a canal and broad sewer lines. In case of floods, water from other blocks and sub-blocks can be easily drained out. There will be enough space for landing of helicopters, drones and flying cars and for troop movements. City can be fortified easily.

Since there are roads on all the four sides and they meet at right angles and there is also a diagonal road on all the sides, therefore the traffic will get distributed and there will be no extra pressure on any road. If some schools or hospitals are better in other blocks, people can avail their services and skip the neighborhoods ones. People can have all kinds of choices for taking the routes as per their needs. In this model all the residents of the city can have a high quality of life since safety, health care, sanitation, good roads, schools, clean air and water, good drainage will be available to all.

The Issue of Land Acquisition

The scenario so far is that the land is now divided into grids automatically creating blocks of one square km or 100 hectares. Grids are in fact roads some of them not fully metalled but there is provision to concretize them as per needs. The most intriguing question that arises is how to acquire land for roads and future cities?

Recommendations

All land should be classified either as agricultural land or as commercial land. All land should be converted into tradable shares listed on stock exchanges. One share should be equal to 1 square meter of land. If a person owns one hectare land, it means he has 10000 shares (locked-in) of that particular land. The Government should appoint Land Administrators in each city to expedite the buying and selling of land. To begin with the land owners will be given the option

to use their land either for agricultural or commercial purpose. They may decide to use all or some portion of their land for agricultural purpose. All such land should be consolidated. These farmers will get locked-in shares equivalent to the size of their land holding as stated above.

Locked-in shares mean that the shares belong only for a specified piece of land. With locked-in shares the possibility of selling the shares on stock exchange without surrendering the land is ruled out. Shares can be unlocked only by the Land Administrator. By locking the shares, supply of tradable shares in market is controlled and the price of stock can be increased.

Selling of agricultural land

There will be three options to sell or part with the land.

1. The person can surrender the land to Land Administrator and get his shares unlocked and sell them anytime on stock exchange.
2. Find a buyer and ask the Administrator to expedite the deal. The owner will surrender the land to the Land Administrator with the request to sell the land to the particular buyer at the specified price, get his shares unlocked and transfer them to the buyer.
3. The land can be transferred from one person or company to another as inheritance, gift donation etc. Rules can be developed for that.

Buying of Agricultural land:

1. Find a seller (individual or company) who is interested in selling land.
2. Seller could be Land Administrator who can auction the surrendered land (with conditions) in a transparent manner.

Non Agricultural or Commercial Land

When the owner decides to use all or some portion of his land for commercial purpose then that land will come out of the Agricultural land pool or bank. It will be developed for commercial purpose for instance, if a farmer owns 5000 square meter of land and he wants to keep 4000 sq. meter of land for agricultural and 1000square meter for commercial purpose, the Land Administrator should allot him 4000 square meter of agricultural land and 4000 locked-in shares

for that specific piece of agricultural land. The farmer will have the option to sell that land anytime the way he wants as mentioned above. For the 1000 square meter of commercial land, the Land Administrator should issue 1000 shares that can be traded on listed stock exchange as any other stock of the stock market.

The Government can prepare the layout for the city. There will be blocks of agricultural and commercial lands. It should be made clear that blocks will be either agricultural or commercial. These two activities should not be mixed in the same block. The Government should invite developers for developing infrastructure like roads, housing, airports, bridges, and flyovers, industrial and commercial complexes as per the present and future requirements. The commercial land blocks should be auctioned. The minimum auction price of the land should be equal to the number of shares that belong to the area of that land. The highest bidder should be awarded the land. The Government should ask the Land Administrator to lock-in the shares of successful bidder to expedite the deal. The premium earned will be the profit of the government which can be used to pay dividend to the share holders and reinvested in the same city to develop infrastructure of public goods.

An important feature of the new system would be that the government will be the primary owner of all land whether agricultural or commercial. This is not nationalization of land. The secondary or the actual owner will have the right to sell or purchase land but it will be done through a Land Administrator or government agency which will charge a reasonable registration fee as it is being charged currently as circle rate by many state governments. Owners can sell their land at the best price they can elicit or obtain. The government can also develop a property exchange akin to or on the model of stock exchange.

The transactions of this government agency or land administrator should be transparent, online and the best standards of e-governance should be maintained. This government agency should be the repository of all land records. The registrar of property or land administrator should transfer the ownership of land from the seller to the buyer.

Conclusion

The proposed system is simple, self sustainable, technology based and fair. The vast network of roads in a grid like pattern and the coverage of all land in it will gradually make all land equally valuable. The tag of 'premium' land which triggers all kinds of corruption will by itself become redundant. The urban-rural divide will also be of no consequence.

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