Rejuvenating India’s Small Towns

Kalpana Sharma

Visits to seven small towns in north India reveal how paucity of funds, slipshod planning and a dearth of capabilities have contributed to poor civic services and inadequate infrastructure. Citizens in some areas have organised themselves into neighbourhood committees to tackle problems that the urban bodies neglect, but this has its limitations and cannot substitute for efficient local government. The keys to tap the rich potential in these small towns are purposeful research, participative planning, responsive governance and healthy finances.

In Madhubani, Bihar, the longest queue is seen in front of one of the four ATM machines in the town. They work as long as there is electricity and run out of cash before the day ends. In Jhunjhunu, Rajasthan, a desert city is unexpectedly green because citizens’ groups have transformed garbage dumps into gardens. In Sehore, Madhya Pradesh, a town that once had plenty of water is now dependent on tankers for every drop and two functioning factories have had to shut down. And in Janjgir, Chhattisgarh, the urban local body has no money to construct drains but has received a grant from the state government to purchase a mechanical road sweeper costing Rs 45 lakh. There is only one road wide enough for it to sweep.

These are four disparate snapshots from small towns in India. They illustrate the “other” urban story, one located outside the metropolitan and larger cities that draw most of the attention and the funds, both for development and for research. Yet, as India continues to urbanise, it is precisely such towns – whose population is typically around 1,00,000 or less – that should be the focus of new research.

New technologies such as mobile phones or ATMs have found a place even in small towns. Yet, the absence of basic infrastructure, such as reliable electric power, limits the usefulness of such technology. What are the consequences of raising expectations by providing such a technological leap without backing it up with infrastructure?

Small towns are potentially more easily governable than large cities. There you can see some interesting experiments in local democracy and citizen involvement, as in Jhunjhunu. Yet, such citizen participation has its limitations and cannot substitute for efficient local government. The 74th Constitutional Amendment Act in 1992 was designed to provide this by devolving powers to local governments. While it has facilitated the creation of elected urban local bodies even in the smallest of such towns, many of them do not have the capacity, or even the knowledge, to use the powers they have to improve conditions in these towns. Instead, you see some bizarre use of these powers that serves no one’s interests, as in the case of Janjgir.

This paper, based on visits in 2009 to seven small towns in north India – Madhubani, Jhunjhunu, Sehore, Janjgir and...
Rajnandgaon in Chhattisgarh, Narnaul in Haryana and Mirzapur in Uttar Pradesh, attempts to set out the challenges of governing such small towns and the limitations of the existing system. It also recommends areas for further research that could feed into the discussion on policies being devised for the future development of these towns.

The definition of small towns used here is urban settlements with a population of less than 1,00,000, although Jhunjhunu and Mirzapur have populations exceeding this. The Census of India differentiates between larger urban agglomerations/towns with populations in excess of 1,00,000 and statutory and census towns. Statutory towns are places with a municipality, a cantonment board or a notified town area committee. Census towns, on the other hand, are defined as any settlement with a population of at least 5,000, a density greater than 400 persons/sq km and with more than 75% male workers in non-agricultural occupations. These would be large villages that are, in effect, transition towns. The provisional figures for the 2011 Census have 4,041 statutory towns, 3,894 census towns, 475 urban agglomerations/towns and 981 outgrowths (defined as areas contiguous to a statutory town but outside the town limits, such as a railway colony or a university campus).2

1 Themes in Small Town Governance
Largely due to the imperfect implementation of the 74th amendment, there are some common problems that the majority of small towns confront. These are

(a) A Finance Gap: This is the result of a lack of capacity in local bodies to raise own revenues, inadequate transfer of funds from the state or central government and the inability to attract investors.

(b) Lack of Planning: This happens because of a lack of capacity in urban local bodies as well as the centralised approach to planning whereby power to make decisions is concentrated in the central and/or state governments.

One consequence of these two shortcomings is the increase in urban poverty in small towns, with the poor being deprived of basic urban services. At the same time, the finance gap also affects the delivery of all urban services and affects the poor and rich alike.

Finance Gap
The 74th amendment was meant to devolve powers to urban local bodies. Yet even a cursory look at the situation in numerous small towns reveals that this has not happened uniformly. On paper, urban local bodies with powers granted under this amendment exist. In reality, the people elected to them have little knowledge of their powers or responsibilities.

Even where more political autonomy has been granted nominally, it has not translated into financial autonomy. Urban local bodies in small towns are usually unable to collect the few taxes that they are entitled to collect such as property tax, water tax, commercial tax and vehicle tax. They simply do not have the manpower for the task. As a result, they depend almost entirely on grants from the state government, or centrally sponsored schemes, to finance even the delivery of basic services. In turn, the poor conditions prevailing in small towns and their dismal urban infrastructure deters private investors from other parts of the country from bringing in fresh investment to such towns.3 As the president of the Janjgir Municipal Council, Motilal Dahariya, explained, “We have no sources for revenue in Janjgir. There is no factory from which we can collect tax. We do have property tax and mandi (market) tax. The water tax is fixed at Rs 50 per month as there are no water meters.” As the municipal council uses most of the local funds to pay the interest on a loan it took to set up a water filtration plant, it runs out of money to pay salaries in the last month of the financial year.

Additionally, in many urban local bodies, the elected representatives are unable to read budgets. Even a town like Mirzapur, which in 2009 had one of the most highly educated municipal bodies with four practising lawyers and several postgraduates, elected representatives were unable to formulate projects for their constituency to submit to the urban body.4 As a result, the chairperson of the urban body, who is either directly elected or chosen by the elected representatives, and the executive officer, a bureaucrat, take most decisions, including formulating the budget.

Municipal bodies in small towns are caught in a pernicious vicious cycle of low capability, resulting in low collection of revenue leading to poor performance in the delivery of all basic services.

Centralised Planning
The 74th amendment has devolved powers to urban local bodies to undertake planning for their respective urban settlements. But they face several constraints. First, they do not possess the institutional capacity to undertake local planning. Second, the power to plan lies with centralised bodies at the central and state levels.

While state governments have planning bodies that determine the way urban areas grow, at the centre, there is the Town and Country Planning Organisation (TCPO). This is a top-down structure under the Union Ministry of Urban Affairs, which is described as “an apex technical advisory and consultant organisation on matters concerning urban and regional planning strategies, research, appraisal, and monitoring of central government schemes and development policies.”5 It was set up in 1962 with the merger of the Town Planning Organisation (TPO), established by Jawahararl Nehru in 1955 to develop the first Master Plan for Delhi, and the Central Regional and Urban Planning Organisation (CRUPO), which was tasked with planning for the Delhi region as well as steel towns and river valley projects. The TCPO also works with state governments and assists them in policies relating to “urbanisation, town planning, urban transportation, metropolitan planning, human settlement policies, planning legislation...”6
While this is being done because the expertise will not be easily available everywhere, particularly in small towns, a top-down centralised system does not necessarily serve the needs of small towns where there is no uniform pattern of growth, where there are different historical reasons that determine the way a town has developed, and where the ability to generate local resources for planned development vary. Many of these towns are still in transition from large villages and hence do not fit into the established norms of urban planning.

Under the provisions of the 74th amendment, district planning committees are supposed to have been formed, comprising elected representatives. They are expected to formulate and lay down norms for land use, among other things. But it is rare to come across a small town – barring a “company town” such as Bhilai in Chhattisgarh – where land use has been planned. Many small towns do not possess even an accurate town map. In some cases, such as Madhubani, non-governmental organisations (NGOs) like Participatory Research in Asia (PRIA) have taken on the task of preparing a map of the town.

The randomness of the buildings visible in many small towns, where it is evident there are no rules about the height of buildings, the required setback from the main road or the space that needs to be left between structures, illustrates the absence of planning norms. Similarly, roads are converted into “concrete” roads, seemingly at random (because funds have been assigned and not necessarily because they are essential for the well-being of the town). In Madhubani, Rajnandgaon and Sehore, concrete has been laid on the old road without first levelling it. As a result, there are roads that are several feet above the houses on either side, making them vulnerable to flooding when it rains. A road plan for an entire town would necessarily have dealt with this type of obvious anomaly.

The absence of planning is especially visible in the handling of urban poverty. Small towns are the first stop for many rural migrants. For many it is a transition point to a bigger city. As in the larger cities, rural migrants set up base on any available open land within town limits or just outside it. In the course of time, some of these settlements get formalised with the residents receiving land pattas (titles). Others are shifted to the outskirts of the town. But in the majority of cases, even if some basic services such as water and electricity are provided, the infrastructure of the town does not plan to accommodate these poor. Often the poor live outside the network of underground sewerage – if and where it exists at all – or the electricity grid. Other services, such as the removal of solid waste, also extend only partially to these areas.

**Urban Poverty**

The incidence of poverty in small towns is often higher than in big cities due to a combination of lower per capita income, a lack of opportunities in the organised sector and few secondary activities. According to studies (Kundu and Bhatia 2001), the graph of the incidence of poverty seems to follow the population size of urban settlements – the smaller the population, the higher the percentage of people living below the poverty line. There is also evidence that along with poverty, the percentage of households without adequate access to basic amenities such as drinking water, toilets and electricity increases in proportion to the population as the size of the town decreases.

Thus, poor management of municipal affairs, linked to finance but also to the capability of those running urban local bodies, affects poor communities most. Services such as sewerage or water supply are skewed in favour of the privileged. Most slum settlements are underserved or not provided with any of these basic urban services.

The contrast is particularly stark in older towns that have a colonial history. Here the deliberate division between the company town and the kasteh (old town) remains entrenched despite the end of colonial rule. Mirzapur, for example, is typical of such towns. The old town is a maze of extremely narrow roads while the sarkari (government) area is neat and orderly with the prized locations overlooking the river reserved for the bungalows of government officials. And the sewerage lines in this part of the town skip the areas where the poorest communities live.

An estimated 29% of Mirzapur’s population of 2,95,264 (2001 Census) is poor and live in the 51 listed slum colonies. Many of these colonies have no water or electricity. One such slum is Visundarpur, located a stone’s throw away from the well-appointed, river-facing bungalows of the bureaucrats. Another, Tarkapur, near the police lines, is a settlement of chamars. The residents complained that even though settlements all around them are connected to the sewerage system, which was built in the early 1990s and covers only 25% of the town, they have been repeatedly overlooked. “This is a basti (slum) of chamars. If brahmins and Thakurs lived here, something would have happened. All around us there are sewer lines, but they have not come to our area. There are no toilets. Twenty-five per cent of the women have to go on the road,” said Chandan Tyagi, a young graduate living in the basti.

**Delivery of Services**

Another consequence of poorly managed finance is the failure of municipal bodies to deliver basic urban services. The management of solid waste in small towns is a particularly useful indicator of the efficiency of urban local bodies. Metropolitan cities are better provided with both water and solid waste management systems than other urban centres. Only one-third of Class 1 cities and one-fifth of small towns have sewerage systems. Clearly, as investment levels are higher in the former due to concentration of population, the residents are better served.

For efficient solid waste management (SWM), considerable capital investment is needed. In metros, motorised transport is used for the collection and disposal of solid waste. There are funds to ensure that these vehicles are well maintained. Some small towns might have vehicles, but more often than not these cannot be used because of poor...
small towns. Many municipal bodies in small towns do not have the funds to transport solid waste to dumps outside the urban area. As a result, it is dumped within town limits. Hence, while in Mirzapur you see piles of garbage alongside the temples that dot the banks of the river Ganga, empty plots within town limits inevitably become garbage dumps in other towns. In Madhubani, which is quite picturesque with its ponds and green spaces, pigs can be seen rummaging through the large garbage piles below hoardings exhorting people to keep the town clean. And in Jhunjhunu, although large metal containers have been strategically placed to be receptacles of garbage, the waste is strewn all around them.

Although the evidence of inefficient solid waste management is glaringly evident in small towns, the situation is not very different in larger towns. The attitude of urban citizens towards solid waste remains the same in both locations – that dealing with it is someone else’s job. As a result, everywhere in urban India, municipal bodies are faced with the daunting challenge of managing solid waste. In Janjigir, for instance, although a local woman councillor from a middle-class colony has personally supervised garbage collection and street lighting, she cannot prevent residents from throwing their garbage into the nearest empty plot as the idea of storing garbage till it is collected is not familiar.10 This absence of a civic sense, combined with the poor services that urban local bodies provide to remove solid waste, contributes to the dismal state of many small towns.

2 Experiments in Local Democracy

Despite the apparent failures of urban local bodies and the crisis in the delivery of services, many small towns are throwing up some interesting experiments in local democracy. In the 74th amendment, the concept of citizen involvement in governing urban areas has been incorporated in the idea of ward committees. Ward committees are mandatory in towns with a population exceeding 3,00,000, while small towns, such as the ones mentioned above, do not have to follow this rule. As a result, there is no formal mechanism for citizen participation or consultation.

A number of NGOs working in small towns have tried to organise people at the neighbourhood level, through mohalla samitis (neighbourhood committees). The results have been mixed. This writer observed some of this variation during the visits to these seven small towns. There was a clear sense of where neighbourhood organisations worked and could be sustained, and where they did not.

Jhunjhunu has a population of 1,00,485 (Census 2001). It appears well developed because it is located in the Shekhawati region of Rajasthan, home to a dozen or so of the leading industrial families in the country. Many of them still have havelis (mansions) in Jhunjhunu or in surrounding areas. Several of these families have invested in the town by building hospitals and educational institutions. As a result, the town does not look as rundown or neglected as several other towns of equivalent size elsewhere in north India.

The mohalla samiti experiment has worked quite well in middle-class housing colonies in Jhunjhunu. Here, even though the residents are not a homogeneous group in terms of caste, they are largely Hindu and belong to upper and middle castes. They also are in the bracket of people who are able to buy their own homes.

With the municipal body unable to keep neighbourhoods clean, a number of localities in Jhunjhunu have set up mohalla samitis. They have taken on the job of keeping individual lanes clean by paying extra to municipal sweepers or hiring people to clean open drains. Each family contributes water to flush these drains. In addition, they have hired men to collect garbage from houses at fixed times in the day. The mohalla samitis collect contributions from the residents to pay for these services.

An innovative step taken in many such neighbourhoods is turning vacant plots that had by default become garbage dump into gardens. The municipal body has now adopted what began as an initiative by individual neighbourhood groups. The municipality contributes 70% of the costs, expecting the neighbours to raise the remaining 30%. As a result, many middle-class colonies now have a striking number of gardens that are open to all and well-maintained.

Yet, even this kind of initiative can be undermined if the municipality promises to do the job but then does nothing. This is precisely what happened in one of the housing colonies in Jhunjhunu that has around 800 houses. While the residents were willing to hire rickshaws to collect garbage, the municipality assured them that the service would be provided. In the end, one rickshaw was sent where four were needed. As a result, the residents have resumed throwing garbage in empty plots.11

In poorer areas, the mohalla samiti idea has worked where there was already an established group that had come together on a different issue. For instance, in Narnaul’s Nai Basti, Nari Network, a women’s self-help group, already existed. This
group has now extended itself to deal with the solid waste and water problems in Nai Basti. The women’s determination has yielded some results, but these are limited by the fact that decisions such as extending the water supply network to their mohalla or laying sewerage lines there are outside their remit. Also, they do not have the political clout to ensure that these facilities are provided, although they have tried to pressure the municipal body by resorting to dharnas and roadblocks. Without municipal resources being shared with the urban poor, it is unlikely that community initiatives such as this can be sustained.

In Rajnandgaon, with a population of 1,43,727 (2001 Census), there are 23 notified slums. The population in most of these slums consists of dalits, tribals and backward castes. A large number of women in slums are beedi workers. Yet, a slum area like Shanti Nagar is surprisingly clean. Despite the poverty, there are no overflowing drains. The vile smells you associate with many urban poor settlements are absent. The reason is the active involvement of women, some of whom have formed self-help groups and now run a local ration shop in which they have invested their savings. One of the moving spirits behind this effort is Burhan Bai, a beedi worker. She said that women take the responsibility of keeping the area clean seriously and if municipal workers do not come to do their job, they call up the councillor and ensure that the work is done. Yet, as in Narnaul, in the long run, the municipal body will have to extend basic services to slums like Shanti Nagar and not depend entirely on the initiative of citizens to manage the disposal of solid waste.

In small towns like Janjirg, which is little more than an overgrown village, there is practically no citizen participation in municipal issues. An estimated 25% of its population of 32,493 (2001 Census) live in slums or slum-like conditions. The Shanti Nagar slum in Janjirg was formed when the area around the Bhim Talab, adjacent to the popular pilgrimage site of a 12th century Vishnu temple, was cleared. None of the basic services promised to the displaced population have been provided. People were given pattas to the land on which they live. With most families dependent on daily wages, the poverty is stark. More than 200 families depend on five handpumps for water. Electricity is stolen. And there are no toilets. Yet, oddly, there is a “concrete” road that is 10 feet wide but ends abruptly after 30 feet, well above the level of the houses in Shanti Nagar. For the residents, this partial road signifies the promise of “development” that has not yet reached their doorsteps. They wait for it but do not believe that they can influence or intervene to change the conditions in their settlement.

**What Works and Why**

Given these experiences, the uneven nature of citizen participation, the inability or lack of capacity of elected representatives to gauge citizen opinion in the absence of institutions like gram sabhas or ward committees, and the poor financial situation of small towns, is it realistic to expect neighbourhood and community groups to do what elected bodies do not or cannot do?

Experience from organisations like PRIA suggests that such groups work best where there is already a network in place that is working on some other issue, such as the women in Nai Basti in Narnaul. In middle-class housing colonies in Jhunjhunu, forming a group and taking on the cleanliness of the area enhances the value of the property and thus serves everyone’s personal interest.

In the absence of this, there is little that can sustain community involvement. And sometimes, as in Jhunjhunu, the municipality taking over such initiatives actually damps citizen involvement. In poor areas, even a charismatic personality will not be able to sustain the initiative if help by way of investment in basic services and infrastructure by the urban local body is not forthcoming. Therefore, even if ward committees are made mandatory for small towns, they can at best be a beginning for creating a more meaningful interaction between those who govern and the governed.

On the other hand, despite the shortcomings of the urban local bodies, the privileged often succeed in accessing services designed for the benefit of all by virtue of their ability to access the system. Citizens’ groups in middle-class areas are often able to sustain themselves even if they do not get the support of the elected representatives or of the municipal body. In a paper on the Madhubani experience of citizen participation in solid waste management, Shalini Grover of PRIA writes,

> There were certain socially and economically privileged sections of the society who were cornering some benefits and services by dint of their awareness and information about the legal framework, powers of elected representatives, existence of certain schemes, et al. Evidently this was for the most part at the expense of certain disadvantaged sections comprising mostly women, scheduled castes and the poorest of the poor.

**3 Conclusion**

There is untapped potential in small towns. Many of them are the ideal size for interventions that are designed to meet their specific needs. This could transform these urban settlements into ecologically sustainable models of urban development. But for this to happen, research must precede the formulation

---

**For the Attention of Subscribers and Subscription Agencies Outside India**

It has come to our notice that a large number of subscriptions to the *Economic & Political Weekly* from outside the country together with the subscription payments sent to supposed subscription agents in India have not been forwarded to us.

We wish to point out to subscribers and subscription agencies outside India that all foreign subscriptions, together with the appropriate remittances, must be forwarded to us and not to unauthorised third parties in India.

We take no responsibility whatsoever in respect of subscriptions not registered with us.
of urban policies. For instance, town plans for small towns should be the result of consultation and involvement with all classes of their residents. Through such a process, backed by adequate research, more useful and sustainable town plans could emerge, instead of the current practice of adapting generic town plans to each location.

Another area that needs to be explored is whether and how the 74th amendment is being implemented in small towns and how the efficiency of urban local bodies can be enhanced. Such research should specifically address the question of the financial health of urban local bodies and how they could generate more income, thereby reducing their current dependence on state and central grants.

Last, the efficacy of the provision for citizen participation in the 74th amendment needs a closer look. Has the provision been implemented? Has it worked? Have citizens felt their voices are heard? The examples above suggest that for citizens’ initiatives to be sustained, a system of consultation between the governed and those who govern needs to be put in place. In the absence of such a system, only a few groups – more often than not middle class and educated – will persist, while others will inevitably give up.

NOTES
1 These visits were facilitated by Participatory Research in Asia (PRIA) for a monograph by the author, “India’s Small and Medium Towns: A Story of Lost Opportunities”, March 2009. The purpose of the study was to look at the implementation of the 74th amendment, whether elected representatives were aware of their rights and duties, whether local community groups were satisfied with their performance and whether these groups had tried to intervene in the delivery of basic services such as solid waste disposal. This paper goes beyond the largely descriptive documentation of the small towns in the monograph and attempts to suggest an agenda for future research that would contribute towards formulating policy for small towns.
3 K C Sivaramakrishnan, Amitabh Kundu and B N Singh (2005), Handbook of Urbanisation in India (New Delhi: Oxford University Press), p 52.
4 In an interview on 27 February 2009 during the visit to Mirzapur, the Commissioner of Mirzapur, Satyajit Thakur, IAS, said, “Ward members are supposed to formulate projects and submit them. They should generate some income. They do not even use the resources that they have. They are highly politicised and discriminate on that basis. They are not even collecting the taxes that they can. They keep on hoping that the government will help. It is not as if they do not have the money. They cannot even pay their employees.”
8 In a personal interview at Mirzapur, 27 February 2009.
10 Personal observation from a visit to Janjgir, 12 February 2009.
11 Personal interview with Durga Dutt Dahl of the Housing Board Vikas Samiti, a retired senior account officer with the National Mineral Development Corporation (NMDC), in Jhunjhunu on 31 January 2009.
12 Personal interview with Burhan Bai in Rajnandgaon, 10 February 2009.
13 Personal observation during visit to Janjgir, 12 February 2009.

Economic & Political Weekly

UNIVERSAL HEALTH COVERAGE
February 25, 2012

Universal Health Coverage in India: A Long and Winding Road
Thailand’s Universal Health Coverage Scheme

Medicines for All: Unexceptionable Recommendations
Political Challenges to Universal Access to Healthcare
A Limiting Perspective on Universal Coverage
Human Resources in Health: Timely Recommendations,
Some Lacunae and What about Implementation?
Gender in the HLEG Report: Missed Opportunity
In Pursuit of an Effective UHC: Perspectives Lacking Innovation

For copies write to:
Circulation Manager,
Economic and Political Weekly,
320-321, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.
email: circulation@epw.in

©EPW