



## MUMBAI: WHICH WAY FORWARD?

*Delivered by Cyrus Guzder, Chairman and Managing Director, AFL Group*

“The City of Gold” is two places. Firstly, the city to which people came – hoping to make their fortune. But in their search for gold...many died. Their bodies were laid in a place called Sonapur which also means “City of Gold”...

- Gillian Tindall  
“City of Gold”

“Commoners here by the thousands float  
And jostle one another down,  
Each paddling in his leaky boat  
And here they fish for gold; or drown”

- Jonathan Swift

The authors of these two quotations are separated by three centuries. But each of them contains something of a spirit that underlies a great city. Gillian Tindall is somewhat more philosophical and she talks about how the city draws in people but once the city is embraced it could be devoured and become a casualty. Jonathan Swift also plays on the success and failure, but he is a bit harsher. In his attitude of man’s behaviour towards men he sees energy and creativity but he also sees crassness and self-seeking. What I’ve been asked as a businessman but more as a concerned citizen I had to give my views on a variety of things: what works what doesn’t work, visions of Bombay in ten years, in twenty years, what would I do if I became the planner – so you have to forgive me if my remarks seem rather superficial. I’d be happy to engage in all the arithmetic once the debate begins.

So let’s look at what’s great about Bombay. We know most of this, we know that scale helps and we have great scale here. The city is wealthy and can be tamed. It has a large workforce which makes it easier to set up businesses across a whole range of skills. The geographic location of India by the sea is an asset. Five out of the six cities in China, that give China one fifth

of their GDP, are coastal cities and 60% of all Americans live within 50 kilometres of the coast. Bombay is the most cosmopolitan of all cities. It is easier to find work, caste barrier is minimized, it’s a lively place. Telecom, infrastructure, availability of ports, rail, bus and all of these work relatively better than most Indian cities. We lead the country in so many things: services, entertainment, jewellery, export, shipping, banking, so we are a great city. In fact, an economist might say because we are rather an unproductive city there’s a lot of upside; we need to improve our productivity, so why do we need to have this debate? But as Charles Correa famously said “Bombay is a great city but a terrible place”.

So what’s terrible about Bombay? First of all, barring a small elite class and we must remember that any of us who go to work in a car and we don’t spend more than 45 minutes commuting to work, we are only 5% of the population of Bombay. So I am going to take a look at this from the point of view of the 95%, and as a business man I am entitled to do that because we employ people and they comprise the 95%. Well, decent housing is unaffordable. That 60,000 huts men near the Bombay airport with almost a third of a million people, living effectively outside the country because frankly they live in the airport’s wanted area. Commuting time and discomfort are close to intolerable and the transport system is severely stressed. Access to quality school in the neighbourhood is almost impossible, so also children have to commute long distances. Open spaces and playgrounds for children to play and for adults to walk in are vanishing. Against the international norm of four acres per thousand we have less than 0.03 acres. This is the official statistic which by the way includes restricted lands and private clubs, like the William club, the traffic islands, fountains and such other things. Slum resettlement programmes benefit only a small fraction of slum dwellers. We need to talk about the slum redevelop-

opment authority later on which has created a great moral hazard and it has greatly distorting expectations of the poor end of the city. Piped water and sanitation, as we know, reaches only a small minority of homes and supplies exist only for a couple of hours a day. Here is a main water line that comes from the lakes in the mainland into the cities in the south with shanty towns all around but none of these have water connections. Tap water throughout the city as we know is not fit to drink, and municipal services are not providing equally, efficiently, or free of corruption to all. So by the amount of simple standards, affordable housing, proximity to work, availability of drinking water, minimal open spaces and supported, friendly delivery of civic services, the quality of life in the city is poor and it is getting worse by the day.

So why is there such a comprehensive failure? I think there has been an abdication by the government on three fronts. Urban planning has been effectively dismantled. The presence of the slum dwellers in the city, they are not necessarily poor but they have substantial family incomes but they don't deliver land, housing for lands, or titles to them, so we ignore their existence and their contribution to the city's well-being. And city governance, apart from the provision of basic services, has all but collapsed. We can ask three questions to test these propositions: The first is who runs the city? The second is who plans comprehensively for the city's future? And the third is how has half of the city or more come to live in non-legal housing, in rooms averaging ten by twenty, that do not have access to water and sanitation?

Let's take the question of who runs the city. Earlier on we saw a slide on how London government and New York government and others are structured. You would have expected that we have elected corporators and a mayor who pass a budget and they have a municipal commissioner to support them. But in actual fact, the city is not run by the elected representatives. The municipal commissioner who can veto anything that the corporation does with its budget is appointed by the minister of urban development, who as you know is chosen by the chief minister, who is often the minister of development himself. The chief minister is not elected from Bombay, he and the ministry of urban development wield the authority to take policy and planning decisions that gravely impact the future of the city but they are not accountable to its citizens.

Ergo, I think the citizens have the right to expect that the people who plan their future are insurable to those who elect them. No wonder Sheila Dikshit said, "we need city states". I think this was a question of reflecting on the need for political reform.

But let's turn to planning, who plans comprehensively? Now I think that the starting point for the collapse of planning was the last development plan, which was again in the water before it even came to print because the population estimates, budgets and amenity estimates were so awfully planned therefore under-budgeted, and consequently everyone was overwhelmed by the actual population increases. Yet, in the last decade the government has practiced what the NGOs call the salami planning. They've taken slices of the planning away by gradually introducing notifications of one kind or the other, which have devastated and undermined the overall planning of the city. Open spaces have been de-reserved in large ways, we talked about the SRA scheme for a moment, and we had a 37 fold increase in cars with road network less than doubled. In the suburbs, amenities were planned for FSI 1 and now we have FSI 2, so amenities were definitely after the population they were designed to serve. Assessed building regulations are a license to destroy two thirds of all the buildings that were brought up to the heritage list. A large part of the urban spaces in Parel have been de-reserved so we need to see when Parel is finally developed what will be the deficiency of open spaces. Building approvals are given without reference to traffic that need to access them or water supply. And the crowning achievement is Dharavi, and we won't go through this now but if you see the last line it says that from the plans that have been put in the public domain, Dharavi will be more congested than any locality in Bombay, and in sequel we have 115,000 persons per square kilometre. We saw earlier that Shanghai had about 5,000 in its densest localities and so when Dharavi is finally built to this plan, because the figures don't add up, either they will have low open spaces, roads or amenities or there will be in fact no commercial development or maybe 100,000 people in the plan will not be re-housed.

So it is also a question of governance and I'd like to suggest that in good governance you can maximize a city's potential. If you have bad governance it diminishes expectations, accomplishments, and leads

to hunger, injury, and even death as we have heard about rioting from Mr. Pasricha just now. So governance in my opinion comprises at least seven things – security, the rule of law, the right to participate in public processes, health care, school and education and instructions, the arteries of commerce such as banking, transport, infrastructure and communications, drinking water, air and open spaces. If I were to just give a simple scoring of Bombay on let's say a scale of 1 to 10, and if we excluded security which is on the whole fairly good and with some of the arteries of commerce, I'd say that we score a three, three and a half per cent in the score of ten. So we need a governance score card to be set up by citizens which will rate the delivery of services, shame the local bodies into superior performance and hopefully embolden civil society to push for more improvement and reform.

Well, Mumbai ten years on. Briefly all I can say about planning is that the twenty-year development plan suffers from two basic deformities. No expert or a group of experts can reliably foresee what the city is going to look like twenty years from now. And the traditional land use plan who uses a company, a development control, whose zoning controls are too rigid a mechanism from which to plan a city long-term. And so we need to move away from the rigid twenty-year plan to a set of processes that will allow you to first of all set up some basic principles which are finally close with but also to welcome objectives which are on what do you want the city to be, what jobs do you seek, where would you grow, having a house in relation to those jobs, built transport systems and so on. And when you frame all those broad objectives, you need a long, time-consuming difficult process of consultation with the people who live in the city.

So let me close by referring to the ten guiding principles that I feel that if we ask ourselves these questions and these ten are not mutually contradictory – and any planning objective that we now set for ourselves should meet one or all of these ten, if not that objective should be scrubbed. We would agree that we should make Bombay an attractive place to live in and work in for all citizens. If it ceases to be attractive, citizens leave the city. We want to encourage obligations for the city that are consistent with minimizing the infrastructure cost and maximizing

the quality of life. We know on the whole from an old ratio that one job in Bombay brings in at least 14 if not 20 people together with it. And we have to decide when we create jobs how many services people are going to come to follow, and we accordingly plan transportation and housing to go with that. We have to provide municipal services to all income groups of the city. Public interest can only be secured by listening to a plurality of voices. We should also encourage the development of rental housing, and facilitate ownership for the poor. And today no income group can get a housing loan because there is no mechanism to recover property in the event of a default. We need to reform the notary in order to recover property for every one poor, tragic case. Where the property is recovered, 99 people might get a loan for a house but equally default. We must encourage the preservation of the character of the city and we should enhance it. We have a location by the sea, and we should be thinking of planning for climate change but also for enhancing the quality of inbuilt fabric.

Public transport must have priority over private transport. There was a wonderful anecdote from Philipp Rode on the papers this morning which says that the 800 cross-scheme which will be a 1200 cross-bridge to Bandra built essentially for fast commuting transport of cars. Remember 5% of the commuting population will carry as much traffic in an hour as two trains that enter and leave Churchgate station in five minutes. And so we need to think about whether we should not be allocating finances to transport in relationship to the people who use them.

We need to expand green spaces, there should be no free housing for anyone, and to debate this later on it creates a moral hazard. If all can afford to build their homes they need land and finance to be delivered and the government policies toward land ownership should give priority to public interest. And when the government land is in proposition they should not look at that land as if they were the private owner; they should look at it from a point of view of the welfare of the city. And finally the previous speaker mentioned the development of the Eastern docklands and I hope that we will have the chance to talk about this, because it is the last available opportunity in our city to make a major intervention to expand public spaces, and has the plan to integrate planning for jobs, houses, transport, and open spaces.

Let me close by saying that if we want to plan for the new vision of the city, we need reform on three fronts as I've discussed – political, governance and planning. As Rakesh Mohan never tires telling us, if you think of everything as spectacular of the urbanization of the last fifty years you ain't seen nothing yet. And so actually we should not only talk about projects and outcomes but about institutions and reforms.

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