

An Evaluation of Mumbai's Urban Development

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ABSTRACT

Mumbai is one of the first cities which feels the strong impact of globalisation in the world. This process has changed the city significantly. The urban development process of Mumbai whose importance is gradually increasing for the world has been examined in this paper. The study aims to explore spatial, economic, socio-cultural and environmental changes experienced in this city. The issue of what these changes will bring to Mumbai in the future has been discussed in the paper. A detailed method of document analysis has been used. This study shows that the development of Mumbai into an international centre that gives directions to global flows depends on its ability to use the full potential of its young population.

Keywords: Mumbai, urban development, globalisation.

1.Introduction

Mumbai is a natural harbour city which is located at the western coastal of India. It is the capital city of the Maharashtra State which covers an area of 307,731 km². It is called the financial and trade centre of the country. This city is the connection point of India to the world. 20,5 million metropolitan area population makes Mumbai the fourth most crowded city in the world. Standing on Indian Ocean's transportation ways brings a strategic locational advantage in this city. Mumbai is India's most developed city because it is the business incubator of aerospace, optical engineering, medical research and information technology industries. These industries are playing a key role in the development of the

country. The Indian film industry, the National Stock Exchange and Reserve Bank of India are also located in this city. Mumbai's population consists of 67% Hindus, 18% Muslims and 5% Buddhists (DAVID, 1995).

2.The Globalisation Process of India

Before focusing on the urban development of Mumbai, it is better firstly to look at the globalisation process of India in short. The liberal period was started at the beginning of the 1990s in the country. The Indian economy hit the bottom after the occupation of Kuwait by Irak in 1990 (the Gulf War). P.V.Narasimha Rao Government, who came into power just after this severe economic crisis, decided to change the national economic policy from protectionist to semi-liberal. In line with this decision, some liberal laws enacted in the Indian Parliament under the guidance of International Monetary Fund (IMF). Liberal economic reforms continued in the following years. As a result, the Indian national economy was partly opened to the world and India's import and export trade started to increase (NIJMAN, 2013)(See Table 1). The slow progress of privatizations, the presence of closed sectors to foreign players (such as real estate businesses, plantation and agricultural activities, business in transferable development rights, legal services, ammunition and arms, atomic energy and railway transport) and the existence of some customs limitations in international trade indicate that the Indian government follows a 'state control policy' together with semi-liberal policies (KELSEY, 2008). The OECD's Regulatory Restrictiveness Index score for India was 0.401 in 2007 and it became 0.270 in 2012 (On a scale where 0 denotes a fully open economy and 1 a totally closed one). This score shows that liberal

economic decisions are made consciously by the government. In other words, the Indian government follows a controlled liberalization policy. The government does not try to attract foreign capital to India considering no matter what happens. In contrast, it tries to attract foreign capital to needed areas for the country such as infrastructure, rural projects with high

labour employments, agricultural productions, social projects and innovative technology. The management of India by a stable and strong government for the last 10 years ensured an average 9% growth every year in the Indian economy. The country integrates to the world economic system in a controlled way.

Table 1: India Statistical Profile (URL 1)

Country statistical profile: India 2013		2004	2005	2006	2007	2008	2009	2010	2011
	Unit								
Real GDP growth	Annual growth %	8.1	9.2	9.7	9.9	6.2	6.8	10.4	..
Imports of goods	Bln USD	99.0	140.9	178.2	218.6	315.7	266.4	350.0	..
Exports of goods	Bln USD	75.9	100.4	121.2	145.9	181.9	176.8	220.4	..
Inflows of foreign direct investment	Mln USD	14 344	17 281	19 257	15 928	14 789	12 416
Outflows of foreign direct investment	Mln USD	20 336	25 483	43 407	35 597	25 882	34 247
Purchasing power parities	INR per USD	14.47	14.67	14.93	15.28	16.20	16.86	18.35	..

India is a very efficient and dominant country in the South Asia in every sense. However, being a regional power does not satisfy India because it wants to be a global power (SHANKARDASS, 2007). India is moving on this way decisively step by step. According to the Indian government, the world order must be multi-polar and India has to be a strong polar in this order. That’s why the government follows an independent foreign policy and approaches most of international debates impartially. Involving into seventy international organisations [such as Asian Development Bank (ADB), The Association of Southeast Asian Nations (ASEAN), International Bank for Reconstruction and Development (IBRD), South Asian Association for Regional Cooperation (SAARC), South Asia Co-operative Environment Program (SACEP) and so on] as an active member, observer or dialog partner and efforts for being a regular member of the United Nations Security Council show that India wants to acquire a right to speak about the world order. In relation to India’s desire to be a global power, the government expects to make Mumbai a powerful global city. Although Mumbai is not ranked at the top of

global city lists today, it is moving on the way of being a different and dynamic global city with its unique sense of prosperity and modernism (BRUNN, 2003).

3. Research Methodology

A detailed method of document analysis has been used in the study to understand the urban development process of Mumbai. In this context, the online catalogues of Indian publishers, central libraries and Indian universities have been scanned, and all published books, magazines and theses regarding Mumbai have been collected. An online ordering service has been used to obtain these publications. Besides national resources, international resources have also been scanned. In line with this, property market reports which were prepared and published by international property service companies with regard to Mumbai’s property market have been searched because these reports might include important information about the recent historical development process of the city. The official websites of international property service companies which operate in India have been scanned and all published reports regarding India and Mumbai were downloaded as digital PDF documents. There are many

national and international portals which provide regular online information about all developments in Mumbai's property market on the Web. Some of these portals provide their web content freely to everybody whilst membership is a requirement to access the web content of other portals. The researcher, as a member of some portals or by directly accessing the free online content of other portals, scanned the news archives of all these portals one by one and collected all news about the Mumbai city. In addition, there are many associations with different functions which were established in the 2000s in Mumbai. These associations broadcast regular reports, bulletins and magazines on their official websites. These publications include comprehensive information about events that occurred in the last twenty years in Mumbai. Important publications have been obtained from the websites of these associations.

4. An Evaluation of Mumbai's Urban Development

It is necessary to say at first that India's globalisation increases Mumbai's integration to the world. Some spatial developments which are seen in the global cities of the West have also started to be seen in Mumbai. For example, an island of skyscrapers, which is called as the financial centre of Mumbai, emerged in the city (the Neriman Point). Again, the city has a neighbourhood in which the Indian jet set live (the Malabar Hill) (See Figure 1). We know from world's past experiences that being an important node in the global cities network and being strongly integrated to the world do not make a place

better and more liveable. Interestingly, top global cities like New York, London and Los Angeles are ranked at the 40s and 50s in the most liveable cities list which is produced by the Economy Intelligent Unit. If political and economic stability goes on in the same way in India, Mumbai may acquire the power of promoting the world trade a certain extent in the future. However, a city who attempts to affect the world should firstly build a peace, prosperity and happiness in itself. Even though living conditions are better than the other cities of India in Mumbai, the city today struggles with many chronic urban problems such as hunger, poverty, rapid urbanization, planlessness, organized crime, slums, cleanness, lack of sufficient infrastructure, child employment, sex discrimination, intolerance between ethnic and religious groups, environmental degradation, income inequality and safety. It is seen that many problems exist in the city so the Municipal Corporation of Greater Mumbai (MCGM) should focus on today's inhabitants of Mumbai rather than the future inhabitants of the city. In other words, MCGM should work for making this city a more liveable place for today's Mumbaikars instead of working for making it a more liveable city for future's foreign businessmen and tourists. The best vision for Mumbai is not to make it a world city through strengthening its ties with the world but to make it loved and embraced by today's Mumbaikars and to develop it into a more liveable place for everyone including rich, poor, local and foreign. When it is done, Mumbai may be a good model in the world as a unique liveable global city.



Figure 1: The Neriman Point (left) and The Malabar Hill (right)

The enhancement of physical environmental quality usually becomes the first contribution of globalisation to a city. Similar global effect has also been seen in Mumbai. Mumbai's streets are much cleaner than the streets of other Indian cities. Again, Mumbai's transportation and communication network is much more modern and developed (DATTA, 1999). Many major transportation and infrastructure investments are going on in the city today (For example, Navi Mumbai International Airport, Eastern and Western Freeways, Mumbai/Sewri Nhava Sheva Trans Harbour Link, Sewri/Worli Bridge, Western Railway Elevated Corridor, Metro and Monorail projects)(URL 2). These projects mostly put into practice through Public-Private Partnerships (PPPs), which is good. The selection of this method shows that the city governors do not lean towards unconscious and unregulated privatization. This selection again shows that the governors want to solve the infrastructural problems of Mumbai as fast as possible. By the way of PPPs, the public sector can hold the powers of control and decision-making in major urban projects while benefiting from the resources of the private sector. In the near future, it is possible to see unique PPP applications in Mumbai. Mumbai will be a showier place in physical terms and Mumbaikars will live the life faster in the

future thanks to PPPs



Figure 2: Slum Redevelopments

60% of Mumbai's population is living in slums today (See Figure 2). The Slum Rehabilitation Authority (SRA) was established in 1995 to develop all slums into healthy urban areas in the country. In a rehabilitation project, SRA provides a 21m² flat to each slum-owner family for free by law. It is also compulsory to give a place to a creche (balawadi), a welfare centre, a society office and a common passage for every 100 rehabilitation tenements in a SRA slum rehabilitation project (URL 3). SRA's approach to slum society is true because people living in Mumbai's slums need very much protection and support from governors rather than exclusion and accusation. However, slum rehabilitation projects should not be carried out only by private developers. The redevelopment of slums using market mechanisms is fine, of course, but better project outcomes can be obtained if PPPs are set up. For example, if public authorities

become involved in these projects via PPPs, flats more than 45 m² may be provided to slum owners; the acquisition process of private lands may be smoother and more social facilities such as creche, hospital, school, open and green area, sport centre and cultural centre may be developed in slum areas. More importantly, slum community's working areas (for example tanner, pot production from clay, plastic recycling and so on) may be protected and developed in this way. For better project outcomes, local and metropolitan governments must put public resources in slum rehabilitation projects in the form of money, men and material. Rajiv Awas Yojana (RAY) Scheme, which was put into practice in 2010 by the government, forces every state to make a slum-free plan of action (URL 4). The government aims to develop India into a slum-free country through this scheme. To make the country slum-free in the shortest time requires an increase in the institutional capacity of local and metropolitan governments and a significant decrease in bureaucracy in planning and property development processes. The Parliament may take some actions in this direction in the near future.

The globalisation process created a very different economic structure in Mumbai. On one hand, some young Indians find a chance to work in high skilled industries like information, aerospace, banking and finance in Mumbai. Again, a considerable amount of Indians are employed in the Indian film industry (URL 5). The existence of high skilled and entertainment industries and the employment of Indian people in these industries are enlarging middle and upper income communities in the city. This enlargement is making Mumbai a wonderful consumer market. On the other hand, 5 million poor and unskilled people are living in this city today. Some of these people have been employed as cheap workforce in shipping and construction sectors and are serving to middle and upper income classes. Some of others continue their life thanks to the existence of

poor people clusters in the city. In other words, these people make their livings from the provision of services to other poor crowds in return for a very low income. Daily income of these people is below \$2. Dobi Ghat, open markets and hawking zones are places to see trade cooperation between poors in the city. The presence of many people from every income level makes Mumbai a city of contrasts. A regional plan for the Maharashtra State is crucial for the decrease of income inequalities and for the survival of Mumbai.

With the help of a state-level regional plan, Mumbai's poor crowds may be moved to the inner regions of the state. Mumbai's urban problems can only be solved in this way. The accumulation of 12 million people in Central Mumbai in an unplanned way carries some other problems like urban sprawl and environmental degradation with it. The management and recycling of solid wastes is getting harder every day and the number of salt pans, mangroves and wetlands is decreasing in Mumbai. Chowpatty beach is not used because of the pollution. So, it can be said that having a city-wide development plan does not mean Mumbai will develop in a planned way. Making of a state-wide regional plan is crucial to solve chronic problems of Mumbai. Without a regional plan, it is very dangerous to make major housing, transportation, infrastructure or industrial decisions regarding the city. In this regional plan, the government's rural industrialization and revival of agricultural growth policies should find a place for themselves, development projects with high employment potential should be offered in Maharashtra's rural areas and the establishment of a state-wide efficient rail system should be offered. The state governors are aware of the urgent need for a regional plan so regional planning studies may speed up all across the Maharashtra state in the near future.

Mumbai is followed by international shopping centre investors and international retail chains

for a long while because the increase of middle and higher income communities in Mumbai develops the city into a wonderful consumer market. The government changed a trade law in December 2012 and this change partly opened India's retail property sector to foreign players (AKYÜZ, 2007). Therefore, it may be said that new shopping centre development projects will rise at every corner of the country including Mumbai in the next years; again, global brands will find a place for themselves in all stores in the city. The new process in the retail property market has to be understood very well by the governors. If this process is managed well, foreign players do not harm; instead they bring a benefit to the market. The entry of foreign players to Mumbai may cause a revival, modernization and institutionalization in city's commercial life. In addition, shopping centres and global brands may play a role in the internationalization of local manufacturers and retailers; the quality of local retail products may increase and local retailers may develop into global retailers creating their own global brands in this process. Local retail and property companies may develop into global players rapidly when joint ventures and partial acquisitions are largely seen between local and international property-retail companies and when the government provides some supports to local companies to increase their international competitive capacity. The start and progress of new shopping centre developments in Mumbai within the scope of a state-level regional plan is again crucial. New shopping centre developments may play a key role in the move of Mumbaikars gradually to the inner regions of the state. This is clear that Mumbai, as a large consumer market, will attract many shopping centre investments in any case in the next years.

It is also necessary to say something about the Bollywood film industry in this paper. The relation of the Indian community with the cinema is told with these words: 'Cinema in India is like brushing your teeth in the

morning. You can't escape it'. We know that Bollywood has a role in the introduction of some local cultural values (Indian dance, music and so on) to the world. However, Bollywood works yet more for the adoption and proliferation of global values (such as individualism, capitalism, sexual freedom, feminism and so on) among young Indians (URL 6). In fact, Bollywood forces traditional social structures into a change but it is clear that it is very hard for global values to take completely the place of local values which are built by Mahavira, Buddha and Mahatma Gandhi in India. Therefore, In Mumbai, where connections with the world are increasing every year, there is a need for the synchronization of local values with global values in order to take economic and social developments forward in Mumbai correspondingly. Mumbaikars should consider sensitively on the issues of which local values should continue, of which global values should be adopted and of how local and global values should mix under changing socio-economic conditions. These issues have to be discussed first in the National Education System. Again, this subject requires a civic leadership and some community actions. In this context, it can be predicted that different communities in Mumbai may go into an effort of being more active and organized through associations to defend their rights and to sustain their values in the near future.

5. Conclusion

To sum up, Mumbai like many other cities struggles with varied urban problems, today. However, Mumbai has intelligent and skilled youngs and governors who can overcome these problems. Mumbaikars desire to solve their problems as quickly as possible and show huge efforts to make their city a unique and different world city which provides beauties to the world. If the urban development process of Mumbai continues in the same way, it is easy to predict that income distribution gap will grow and the daily life will get harder for the

poor community in the city. At the same time, slums will be cleared and a better physical environment will be created. Mumbai may gain more fame as a result of these developments in the world. Mumbai keeps going on being a city of hope for everyone. As Mahatma Gandhi says: 'Strength does not come from physical capacity. It comes from an indomitable will'.

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