

REVIEW

Report of Informal Housing Policy in India

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ABSTRACT

Informal housing can be broadly defined into two types: first, those in which occupants illegally occupy a certain area of a residential location and build a dwelling on the land; second, housing or residential areas which do not meet the master plan or building regulations. This report describes and evaluates the informal housing policies in India, introducing the improvement of the living standards brought on by these policies to the low-income residents of Chennai, while the case of Kannagi Nagar will be used to analyse the adverse effects of said policies.

1. The Problem

After India gained independence in 1947, it began on a distinctive path to modern development. However, in the process of rapid industrialization and urbanization, scarcity of urban housing land, an increase in real estate prices, and a widening gap between the rich and the poor led to many social problems. The most prominent among these issues is the housing shortage for the impoverished population and the resultant emergence of a large number of slums. According to the report of the National Sample Survey Office (NSO), urban poverty accounts for 50% of India's poverty, and 70% to

80% of the urban poor live in low-income families^[1]. The increasingly severe housing problem of the poor and the continuous increase of slums have made India one of the most housing-stressed countries in the world. This has both severely constrained the development of Indian cities and received widespread attention from all walks of life.

Chennai, the capital and administrative hub city of the Tamil Nadu region has been particularly prominent in the rapid development of the nation. The south-eastern city is the country's fifth largest with the fourth largest metropolitan area, with an urban agglomeration of a population of nine million, which ranks it number 34 in the world. How-

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ever, the city is representative of the nation's overall housing problems, with over 1,400 slums, 25% of the city's total population is comprised of those who dwell within, living mainly in small, informal housing.^[2] To address this issue, the Indian national government, the Tamil Nadu regional government, and the local Chennai government proposed policies on the status quo of informal housing in the city, which can be assessed to judge their impact upon the residents of these informal housing.

2. The Background

2.1 Social Background – Urban Development and Population Growth

Many cities in India have comparative advantages due to their long history and economic development, and thus they became important socio-economic and cultural centres in the region, such as Chennai. After becoming core cities in a region, such cities will gain further advantages, such as the potential of economic development diversification, a prospering urban economy, the advancement of industrialization, and the abundance of industries, making them central cities for the development of commerce, finance, and industry. However, in the example of Chennai the population of the city and the region in which it is located has increased dramatically. This is shown in Table 1 below, which compares the population data of Chennai from the 14th Indian census (2001) and the 15th (2011), while table 2 makes the same comparison for all of Tamil Nadu.

Table 1. Chennai Population Table

Description	2001	2011
Actual Population	4,343,645	4,646,732
Male	2,219,539	2,335,844
Female	2,124,106	2,310,888
Population Growth in 10 Years	6.98%	13.07%

Sources: Population Census 2001. Population Census 2011.

Table 2. Tamil Nadu Population Table

Description	2001	2011
Approximate Population	62,400,000	72,100,000
Actual Population	62,405,679	72,147,030
Male	31,400,909	36,137,975
Female	31,004,770	36,009,055
Population Growth in 10 Years	15.61%	11.19%

Sources: Population Census 2001. Population Census 2011.

The two tables demonstrate Chennai's population growth has occupied a central place in the population growth of the entire Tamil Nadu region. The population growth rate in Chennai increased from 6% to 13%, while the population growth rate in the Tamil Nadu region

dropped from 15% to 11%. This shows that Chennai's population growth rate is higher than the overall region. A likely result of economic push and pull as people are attracted to moving to the big city by the job opportunities available and put off from living in the comparatively less developed rural areas where there are mostly labour-intensive roles. These internal immigrants provide a good source of cheap labourers the rapid development of the city has an urgent need for in the era of large-scale machine production. To support this, only 7% of Chennai citizens living in informal housing, mostly comprised of slums, were born in Chennai.^[3] Because of the vast numbers of such individuals, the labour market is oversaturated meaning there is a lack of suitable jobs for everyone and the quality of their lives are thus often very low. Despite this, the inflow continues, causing a rapid expansion of the population, a major cause of the urban housing shortage

2.2 Economic Background – The Gap between Rich and Poor & Poverty

With the development of the economy in India, the per capita national income has increased greatly; however, this is not even across income levels. In Chennai, the gap between rich and poor is large, with the 10% of the population with the highest income in the city accounting for more than 50% of the total national income and for two-thirds of the total increase in personal income.^[4] This that the current Indian wealth is increasingly concentrated in the hands of a small number of people and thus the gap between rich and poor has become a serious social problem.

This is the result of both historical and contemporary factors. Historically speaking, the 3000-year-old caste system entrenched in the country has locked a relatively large number of people into poverty, and thus provides a certain legitimacy for the separation between rich and poor within social customs.^[5] Moreover, the malformed development of the colonial economy under British power and the later unbalanced economic development following independence resulted in inequality of economic development.^[6]

2.3 Political Background

In India, all the political parties follow policies which promote their own power,^[7] attracting votes by distributing national products and services to a wide range of people. This guiding ideology has led to national policy on slums being adopted to win the support of key groups in slum dwellers. The state government's policy is to make strategic changes to the usefulness of its local political interests in accordance with national government directives. For example, in Tamil Nadu, the operation of the first few

years of the Tamil Nadu Slum Clearance Board (TNSCB), established in 1970, was dominated by the priorities of Dravida Munnetra Kazhagam (DMK), the national party which created it. Thus, the TNSCB's policy formulation will likely give priority to increasing the votes from the slums for the DMK, and is therefore not necessarily a policy which is truly beneficial to residents in informal housing.^[8]

3. The Policy

3.1 Policy Approaches

The informal housing policy of the Indian national government has been varied greatly across different periods. However, since the 21st century, the policies of the Central Government have tended towards improving existing housing and the resettlement of individuals. One such example of this is the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), implemented at the end of 2005 to integrate the redevelopment plans of 65 cities through subsidies for the urban poor and slum improvement. A second would be Rajiv Awas Yojana (RAY) which plans to build 12 million affordable houses in 2009 and makes efforts to achieve a "slum-free India" by 2020.^[9] These policies reflect the two different guiding ideologies of the central government, respectively looking to improve the existing informal housing through the redevelopment of slums and, through the construction of affordable housing, to achieve resettlement and comprehensive development in other places.

In Chennai specifically, the policies of both the local and regional governments are more oriented towards resettlement^[10], operating alongside the national government's aforementioned TNSCB. Moreover, in the late 1970s, the World Bank and other international financial institutions started to become major sponsors of urban development projects in India, and, due to the market-friendly orientation of the nation, policies led to the relocation of residents to development sites. A typical example of this was the comprehensive rehabilitation program enacted in Okkiyum Thuraipakkam in 2009, on the edges of Chennai, which had the intention of relocating 10,000 families along the Chennai waterway, thereby freeing up land to build a Mass Rapid Transit System^[11]. To 2016, the state government has placed more than 15,600 families in Okkiyum Thuraipakkam, push the poor more from the city to the periphery^[12]. Furthermore, due to the TNSCB's resettlement policy, from the late 1990s to the end of 2010, more than 100,000 people from the slums of Chennai were forced to settle in relocation sites built by Kannagi Nagar, Emmencherry, and Thilagar Nagar.^[13] Despite the repeated resistance to such forced relocation,

the government did not change its policy and continued to expel people from their homes.

3.2 Policy Evaluation

The Indian national government's policy on the housing issues of the nation is, in general, a macro-guided policy, aiming to increase financial subsidies to address the crisis and reduce the cost of building houses to meet the low-income residents' ability to afford housing. This ability to focus on the larger picture is an advantage of national policy. However, the adoption of the national rehabilitation and resettlement process by urban communities has led to serious human rights violations, including those of adequate housing, food, water, education, health, work/living, and personal and family security.^[14]

Despite this, the state and municipal government resettlement policy in Chennai has received much praise. For example, the United Nations suggests the Okkiyum Thuraipakkam relocation led to a substantial increase in the living standards of Chennai's low-income residents, due to its provision of permanent housing and removal of many problems caused by the inadequate sanitation common in informal housing groups. However, due to the growth of the Chennai population, the existence of a gap between the rich and the poor and the starting point of government policy formulation not being in the interests of low-income residents, but rather those of the government itself, low-income residents could be more disadvantaged.

This can be shown by using the resettlement of low-income residents to Kannagi Nagar of Chennai as an example. Prime amongst the issues raised by this was the distance between the old location and the new. Commutes of more than 25 kilometres led to low-income residents losing stable income, with 79.3% of the respondents immediately losing their jobs after relocation because of the distance between the place of their new residence and their place of work. This affected those without means to afford transport more than those who could, and thus increased the gap between the rich and the poor and heightened social instability. Moreover, after the resettlement, the school drop-out rate for school-age children increased by 30% for similar reasons.

Furthermore, issues arose from the combining of different people from varied slums. This was because each slum in the city are usually bonded by a single source, be it a common case or language. The TNSCB's resettlement policy did not take this or the differences in daily life of those from different slums into account and thus a poor community consciousness was created in the new settlements.^[15]

Finally, the migration of people does not just simply demand housing. A lack of physical infrastructure, such as

hospitals and schools, often makes newly formed settlements, both in Chennai and other cities, a gathering place for poverty and crime, having a large negative impact on the low-income residents who are forced into these locations.^[16]

4. Conclusion

In general, all levels of government in India have proposed policies which have the potential to bring improved living standards to low-income residents of Chennai in the face of severe socio-economic and political challenges, and in some instances, have done so. However, these policies bring with them a negative potential to exacerbate current social problems and even bring about new social and economic problems themselves. As a result, these policies urgently need further revision and improvement to properly address the housing issues faced by the nation of India.

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