

HOW TO DEAL WITH THE HOUSING NEEDS OF LOW-INCOME GROUPS
IN INDIAN CITIES

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Every year municipal authorities in Delhi, the administrative capital of India, demolish thousands of illegal squatter settlements. As half of city's population of seven million people lives in these places, every slum demolition drive displaces some hundred thousand urban poor, often rendering them jobless. In a city where land prices have skyrocketed, and rentals are very high, illegal encroachment of public land is the only recourse for the low-income groups. According to official figures, there are 6343 illegal squatter settlements in Delhi, and 90% of them are occupying public land. In the midst of high urban infrastructure of Delhi, slums are urban spaces where civic amenities and basic hygienic conditions are absent.

Often, in official discourse, illegal squatter settlements are seen as a product of the living habits of low-income groups and hence, for state authorities, the demolition aims to contain the growth of slums in cities. The existing policy of slum demolition as a counter to the growth of illegal settlement in the city, I argue in this policy brief, is a harmful one. As an alternative, state authorities should consider a more constructive approach which takes into account the livelihood and residential needs of urban poor along with the question of building a better city.

The Slum as a unit of Production

Although slums cater to the residential needs of low-income groups, the complex nature of the urban labor market in India also acts and explains the strong pull of squatter settlements for incoming rural migrants.

- Despite the two decades of economic reform, the labor market in India functionally remains tightly integrated with the hierarchies of caste, regional networks, and kinship affiliations. In consequence, for the majority of workers in the urban economy the occupational choices, opportunities available and wages are largely determined and depended on once belonging to specific kinship, caste, and regional network. In such a situation, a significant number of urban poor, belonging to a particular groups/affiliation are forced to stay together in small but dense squatter settlements in cities.
- What these statist discourses ignore is the importance of the slum as a ready-made social network that enable incoming poor migrants to access cheap housing and, more importantly, the labor market. Interestingly, despite the promise of reform by the government, one's membership to an existing social network still the major determinant for access to the labor market. In a situation where 80% of the Indian urban labor force works in a largely unregulated, unstable, job market, these crowded squatter settlements become more critical to livelihood stability and access to economic opportunity for the urban poor. The demolition of squatter settlements harms the intricate fabric of social and community networks built over the years and endangers the already precarious existence of the poor in the city.
- For low-income groups, the squatter settlement is instrumental to take advantage of existing social networks or build a new socio-economic community network to access the city and opportunities. Interestingly, these slum settlements are identified by other class of people as places of specialized

skills, and they often come here looking for workers. For instance, the garbage collection and trading in the city of Delhi is an exclusive preserve of migrant Muslim communities from Bengal whereas construction workers in the city often come from the province of Rajasthan.

- Slums not only provide access to job market but also function as a localized, place-based, economic unit. In Delhi and Bombay, some of the biggest slums actively participate in the handicraft industry, food-processing business, leather works and generate a billion dollars in revenue. In Bombay's Dharavi (the biggest slum in Asia) alone, according to a report, there are 20,000 mini-factories working day and night.

From the urban poor's perspective, the rationale of secure and stable access to the urban labor market, along with cheaper housing needs, contributes largely to growth of illegal settlements.

Consequence of Displacement

Every cycle of eviction and demolition, thus, not only renders thousands of people homeless and jobless but it also breaks apart community-neighborhood networks built over a long period. Women and children play most important role in forging of these networks and, hence, they are the one who is most negatively affected by displacement.

- Shifting to a new site, following the eviction, means either a child had to drop out of school or travel a long distance to reach schools. Children, often, find it difficult to adjust to new environment and pressure of adjustment affect their physical and mental health.
- In working-class families, women's wages are critical to a family's survival strategies. As a consequence of forced eviction, they are often left jobless. According to one study, women participation in the labor market is directly proportional to their participation in family decisions. This loss of agency at home further exacerbates the trauma of physical and economic displacement.
- Building neighborhood-based social networks is a long process which involves difficult negotiations among the families living in the slums. However, once established they have a certain level of durability. In an unstable labor market, these networks often act as a safety net for fellow community members in time of temporary joblessness, health issues, and marital disputes. The loss of these neighborhood organizations is the most devastating aspect of slum demolition.

Alternative to Eviction and its benefit

On the part of state authorities, the slum eviction and demolition is self-defeating for two reasons. First, they are rarely successful in erasing these urban illegalities because the poor displaced from these sites often occupy another stretch of public land or settle in another existing slum. Second, in a situation where the Indian working class is facing acute joblessness and the government is failing to create enough new jobs, the demolition drives disrupt the slum-based economies, further exacerbating joblessness. Within this context, we need to develop new approaches to the questions of slums and the housing needs of urban poor while keeping in mind the complex relationship of the labor market, social networks, and the slum. Here are some ways to start:

- Rather than demolition, the state should emphasize on the rehabilitation of squatters on encroached public land. One way to do this is by regularising and granting land rights to squatters and encouraging them, with the help of municipal authorities, urban planners, and real estate developers, to build cheap affordable housing.
- To make the project less burdensome for state finances, a portion of this squatter settlement could also be leased to real estate developers. The real estate's developers, in turn, would subsidize or contribute to the rehabilitation program.
- Once granted a legal right to the land, banks should be encouraged to advance long-term home loans to these poor.
- In designing these housing projects, the primary function of these settlements as localized production unit must also be kept in mind as not to effect an artificial segregation between work and residence. In fact, state authorities must envision these projects in spirit of job-cum-residential generating projects rather than a low-income housing project.