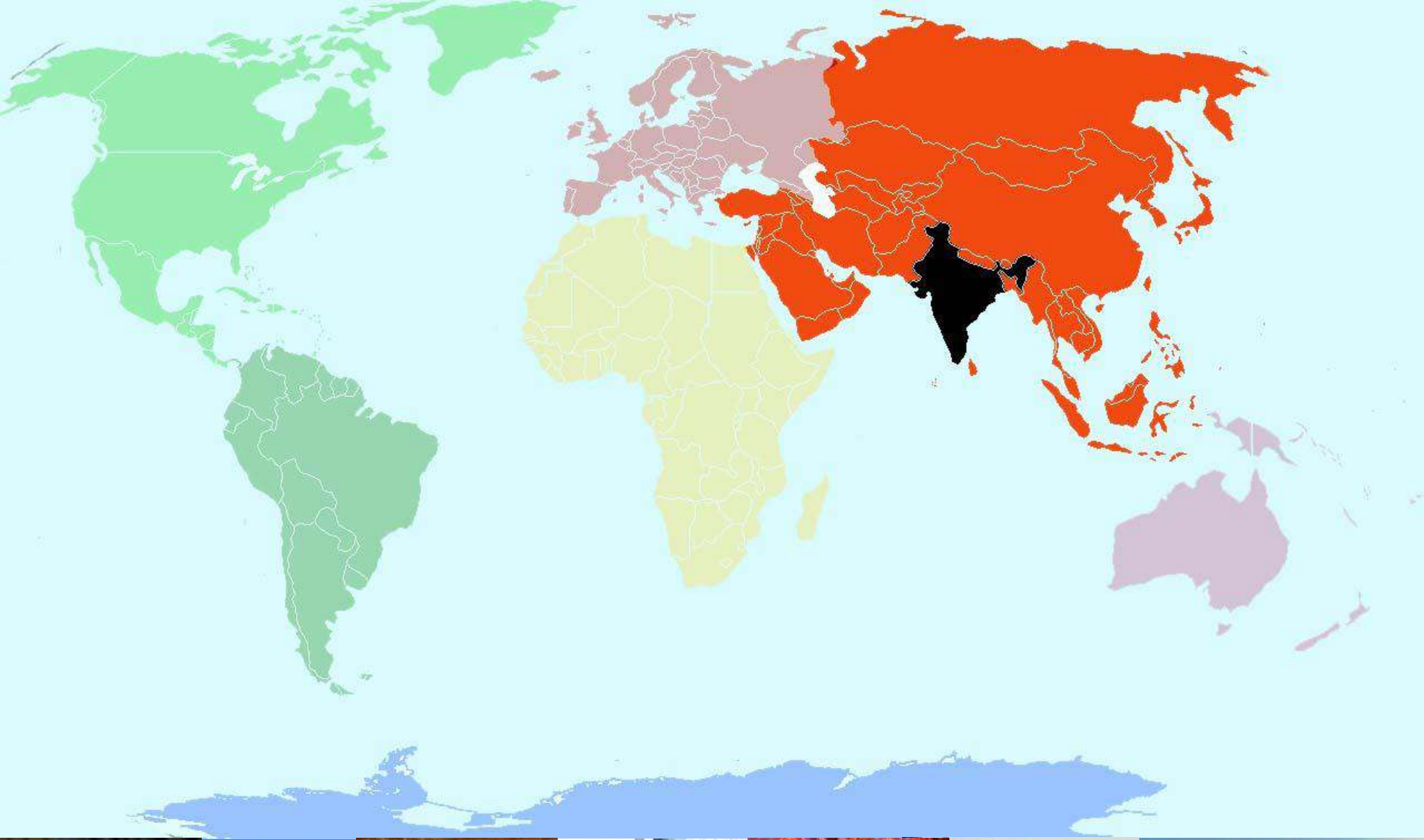
Urban Knowledge Hub People's Republic of China

November 13th 2014
Tongji University, Shanghai

Sharing Urban Best Practices for Sustainable Development in Asia and the Pacific

Rural Development and Urban-Rural Development Policies in India

Kirtee Shah
President, Habitat Forum (INHAF)
Hon. Director, Ahmedabad Study Action Group
Chairman, KSA Design Planning Services Pvt.Ltd.









Rural Development and Urban-Rural Development Policies in India

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

India : Salient features

- India Size : 3.28 Million sq.km with 29 states and 7 Union territories
- Population: 1.2 Billion.
- GDP: $1.824 Trillion
- GDP/Per Capita: $1,491 (2012)
- GDP grew by 6.3% in 2010–11 (IMF).
- Sectoral Composition of GDP (2012)

  Agriculture 17.40%

  Industrial 28 .80 %

  Services 56.90%

- The consumer market, currently world's 11th largest, is expected to become 5th largest by 2030
- India's telecommunication industry, the world's fastest-growing, added 227 million subscribers during the period 2010–11
- World's largest democracy. 2014 General election had 814 million eligible votes.
- 23 million in18/19 age;
- 66.8%voted.
- Largest election in the world ever.
- 1.4 million electronic voting machines. 9,30,000 Voting Centres
- Mahatma Gandhi lead unique non violent people's struggle to gain independence.







Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Average Rate of Growth of Real GDP in India

Period	Growth (per cent)
1900-2008	3.16
1950-2008	4.79
1980-2008	6.08
1990-2008	6.39
2000-2008	7.19
11th Plan Period (2007-12)	
2007-08	9.2
2008-09	6.7
2009-10	7.2

Source : Bose and Chattopadhyay (2010) upto 2008 and CSO, Govt. of India for the rest of the information

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Definitions

Urban Unit (or Town)

All places with a municipality, corporation, cantonment board or notified town area committee, etc. (known as Statuary Town)

All other places which satisfied the following criteria (known as Census Town):

- A minimum population of 5,000
- At least 75% of the male main workers engaged in non-agricultural pursuits and
- A density of population of at least 400/sq.km

Rural Areas

All areas which are not categorized as Urban area are considered as Rural Area

Source- Census 2011- Provisional Population Totals- India

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Growth Rate of Population (in%)

	1991-2001	2001-2011	Difference
India	21.5	17.6	-3.9
Rural	18.1	12.2	-5.9
Urban	31.5	31.8	+0.3

Population by Rural Urban Residence- India 2011

Persons:

- Total : 1,210,193,422
- Rural: 833,087,662
- Urban: 377,105,760

Rural Urban Distribution Persons (in %):

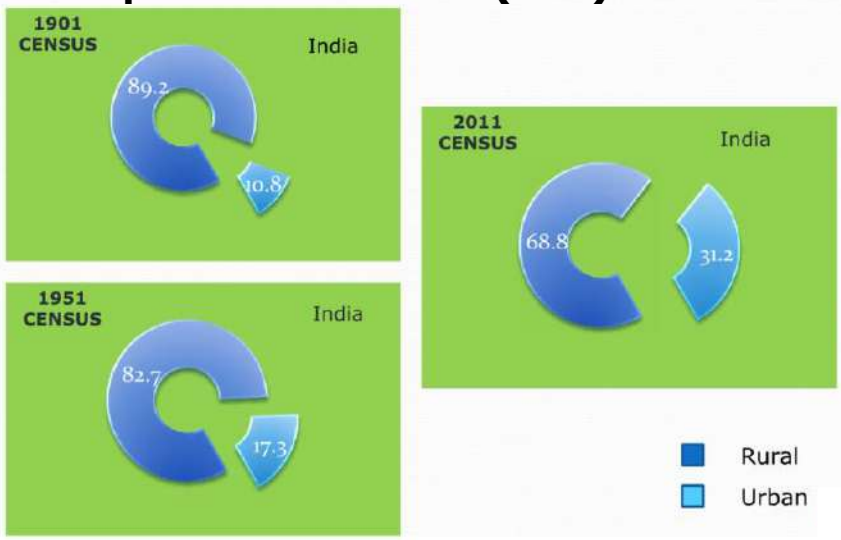
- Total : 100.0 %
- Rural: 68.84 %
- Urban: 31.16 %

Population Highlights

- Out of the total of 1210.2 million population in India, the size of Rural population is 833.1 million (or 68.84% of the Total Population)
- Urban population 377.1 million (or 31.16%)
- During 2001 – 2011 the population of the country increased by 181.4 million
- Increase in Rural areas: 90.4 million
- Increase in Urban areas: 91.0 million

Source- Census 2011- Provisional Population Totals - India

Trends in Rural Urban Distribution of Population – India (in%)



Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Declining villages

DWINDLING NUMBERS

No. of villages | 640,930

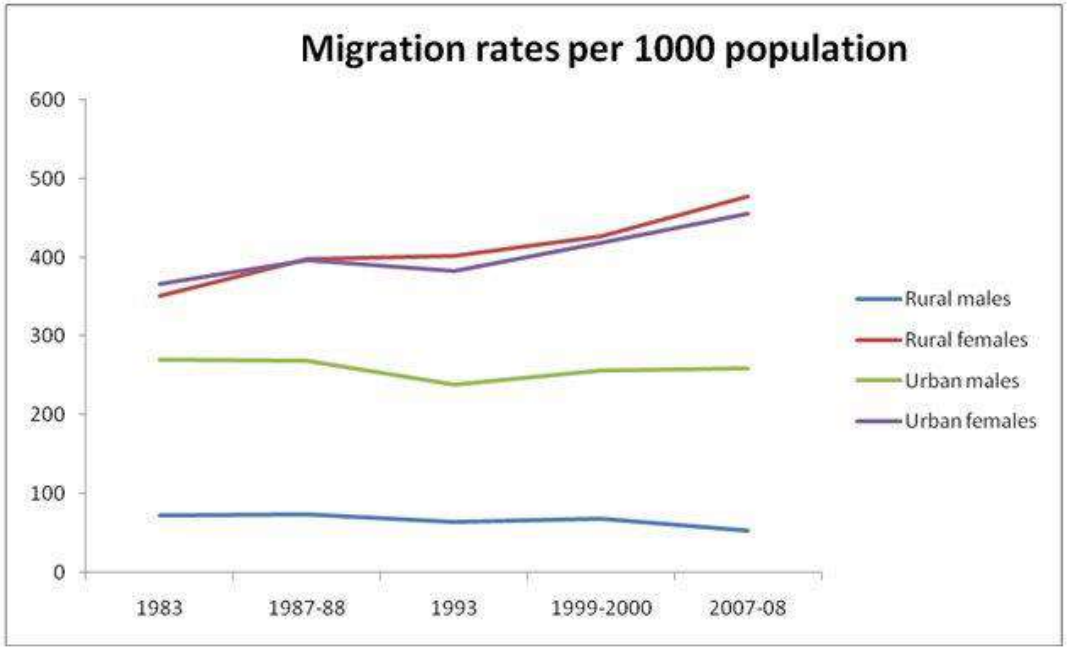
Inhabited	Ghost villages
597,483	43,447

Village Size (population)	2001	2011
Below 2,000	46%	41.8%
2,000-9,999	45.4%	49.5%
Above 10,000	8.6%	8.7%

Source – Times of India, December 11th 2013

India's rural population is getting concentrated in a narrow band of villages ranging in size from population of **2000 to 10,000.**

The number of farmers is dramatically declining. Villagers seek jobs elsewhere, especially bigger villages or towns.



Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Rural Reality

Gandhi said " My India lived in Villages" and idealized rural life and Village Republic.

❖Despite rural development thrust in successive FYPs—12 already-- and substantial efforts in land reforms (from land ceiling acts to Bhudan (social movement for land redistribution) and investment in rural economy-- irrigation, agriculture, animal husbandry, seeds and fertilizers ,green revolution, dairy (rather successful) ,etc. the share of the agriculture to GDP has declined from about 50 % in 1950 to 33 % in the 90s to 17 % now with labour ratio almost constant at 50%.

❖ Agriculture growth hovers around 2 % compared to 6 to 8 % of the industry.

❖ High poverty level—between 28 % to 40% depending on how it is counted.

❖ Deficient infrastructure –transport, water, sanitation, waste treatment; Social services—education , health care etc both in coverage and quality.

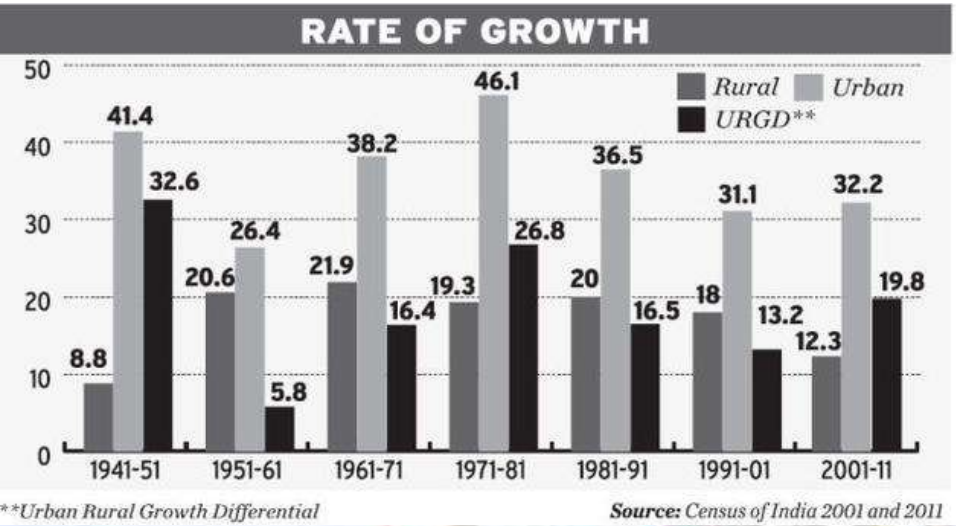
❖ Distress migration towards cities –strong push factor as also pull factor—though the composition of the urban growth now is 40 (*migration*): 40 (*natural growth*):22 (*re-classification*) composition of the urban.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Rural Landscape

Changing Landscape, Improving Infrastructure		
INFRASTRUCTURE	2001	2010
Tele Density	0.7	21
Road Connectivity inVillage	40	70
Electrified Households	44	60+
Permanent Houses	41	56
Source: IRS 2008, Economics Survey,FY11, Census 2001	Figures in %	

Better Infrastructure / Roads	Mobile
Economic opportunities & wealth, frequent travel to town, exposed rural audience	**Power of** information to Consumer, improved productivity, exposure to urban



**Urban Rural Growth Differential

Source: Census of India 2001 and 2011

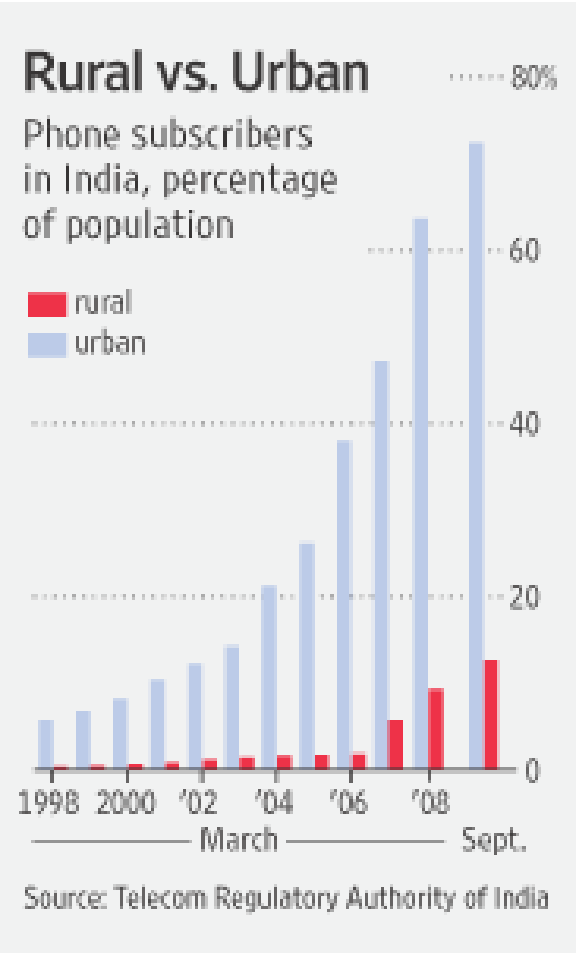
Rural Constituencies And Vote Percentages

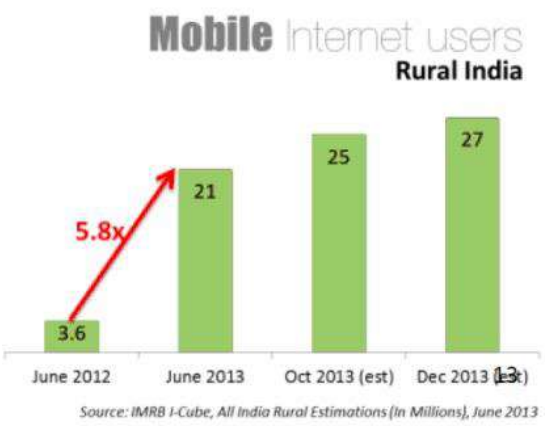
Name of Constituency	State	Poll % in 2009	Poll % in 2014
Valsad	Gujarat	56	74
Mandi	Himachal Pradesh	64	63
Outer Manipur	Manipur	83	83
Barpeta	Assam	72	84
Garhwal	Uttarakhand	49	53
Rajmahal	Jharkhand	55	70
Jhanjharpur	Bihar	43	57
Banka	Bihar	48	58
Mandla	Madhya Pradesh	56	66
Kandhamal	Odisha	66	73
Jajpur	Odisha	66	75
Raigarh	Chhattisgarh	65	77
Gadchiroli-Chimar	Maharashtra	65	69
Banswara	Rajasthan	53	69
Shravasti	Uttar Pradesh	43	54
Domariyaganj	Uttar Pradesh	49	53
Chidambaram	Tamil Nadu	77	79
Bankura	West Bengal	78	82
Mahbubnagar	Andhra Pradesh	68	71
Nagarkurnool	Andhra Pradesh	70	75

Source: Election Commission

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Mobile





Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.







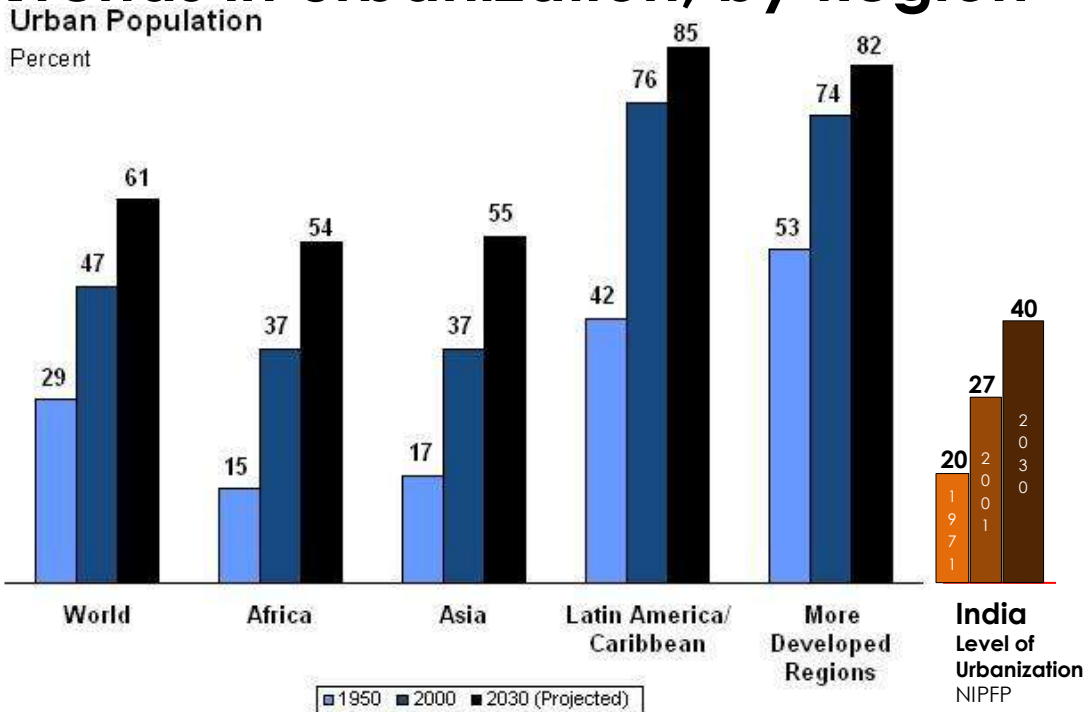


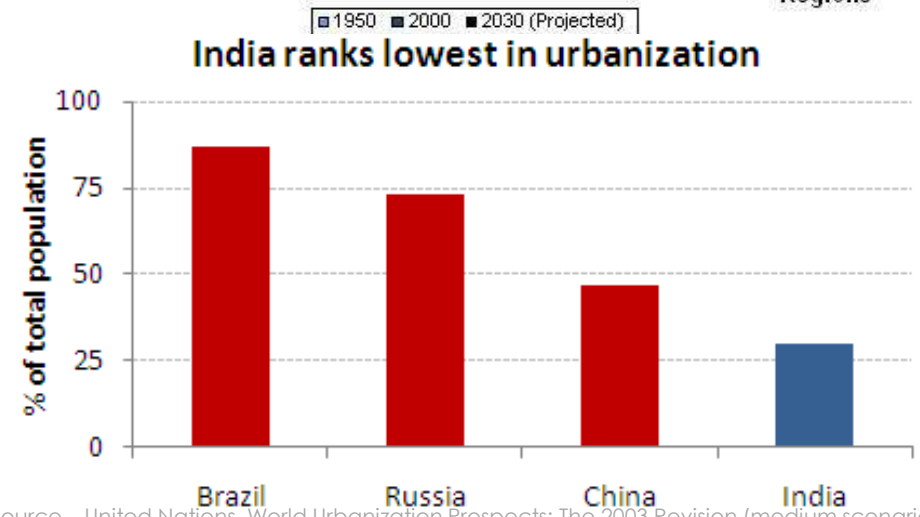
Rural Development and Urban-Rural Development Policies in India

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

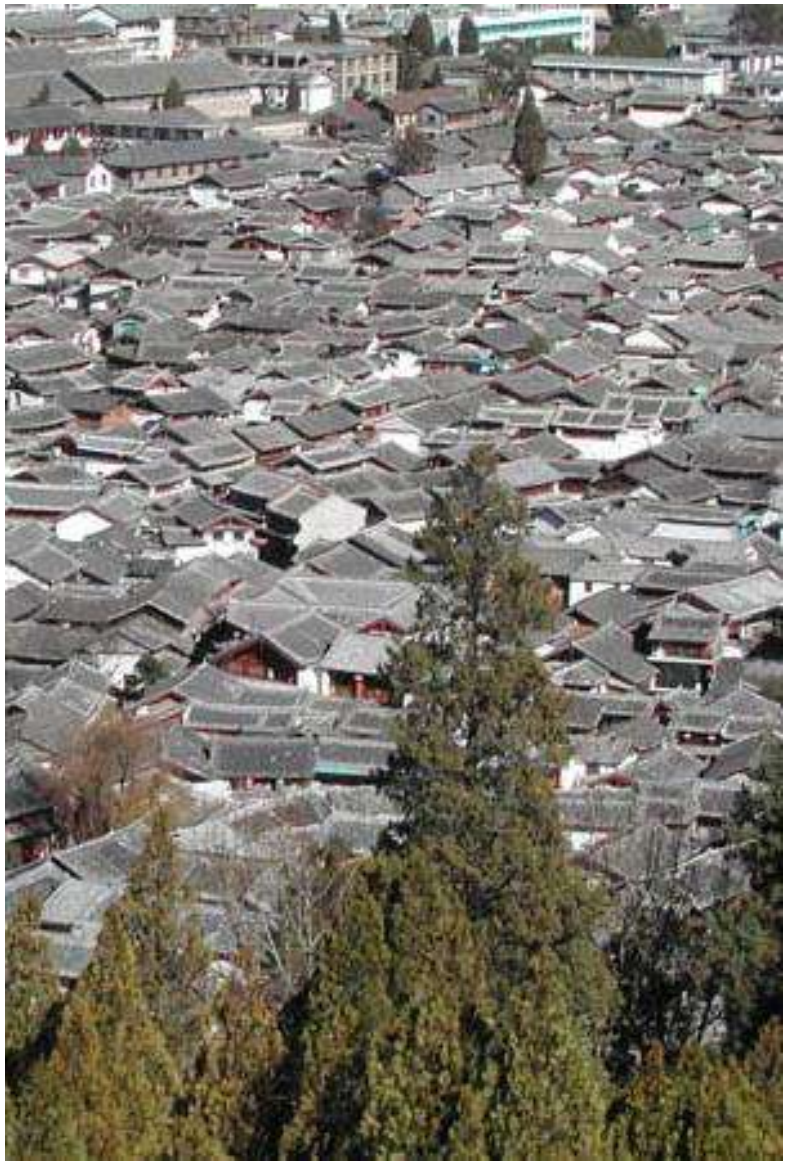
Traffic in Our Cities – New Delhi

Trends in Urbanization, by Region



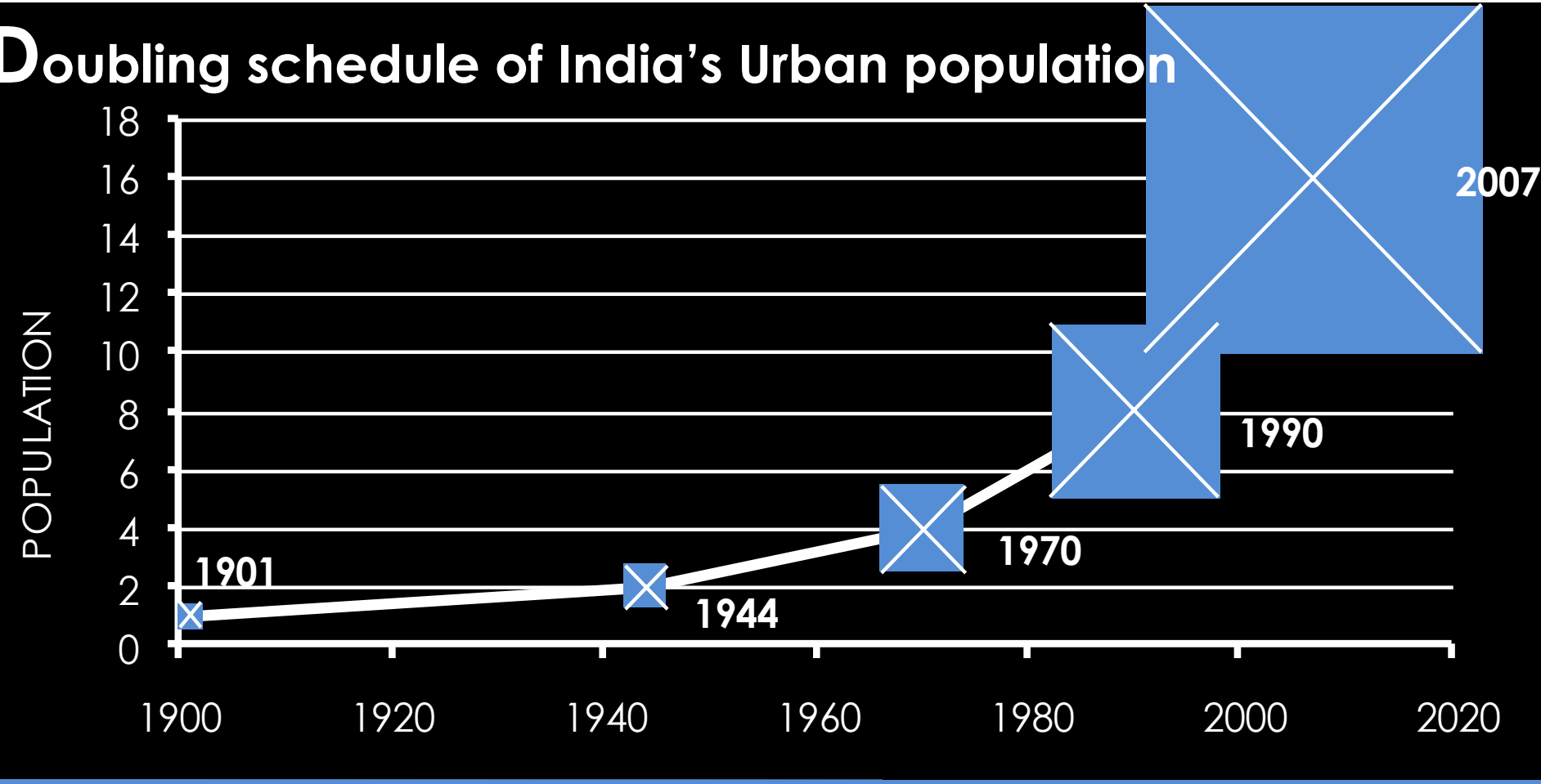


Source – United Nations, World Urbanization Prospects: The 2003 Revision (medium scenario), 2004



Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Doubling schedule of India's Urban population



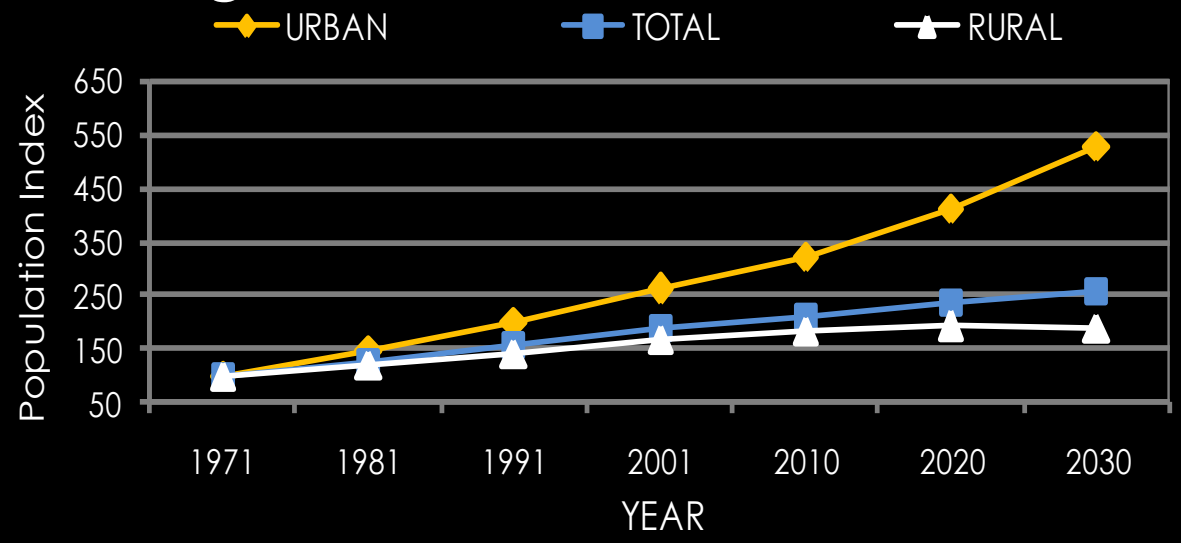
Urban Population	Number of years it took to double
25.8 to 51.6million	43 (1901-1944)
51.6 to 103.2million	26(1944-1970)
103.2 to 206.4million	20(1970-1990)
206.4 to 412.8million	17(1990-2007)

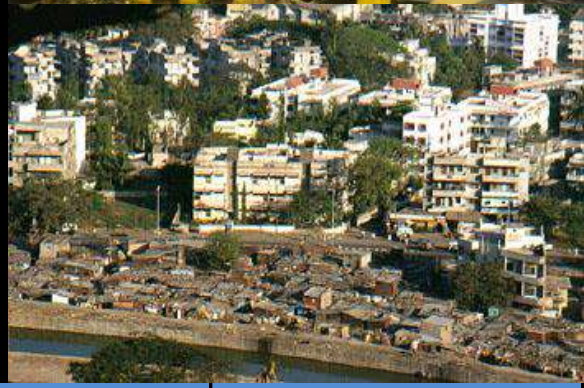
Source – NIPFP, Census of India series

INDIA: 1991-2001 IN THE LAST DECADE THERE HAS BEEN A NET ADDITION OF 113 MILLION IN RURAL AREAS AND 68 MILLION IN THE URBAN AREAS OF THE COUNTRY

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Urban growth



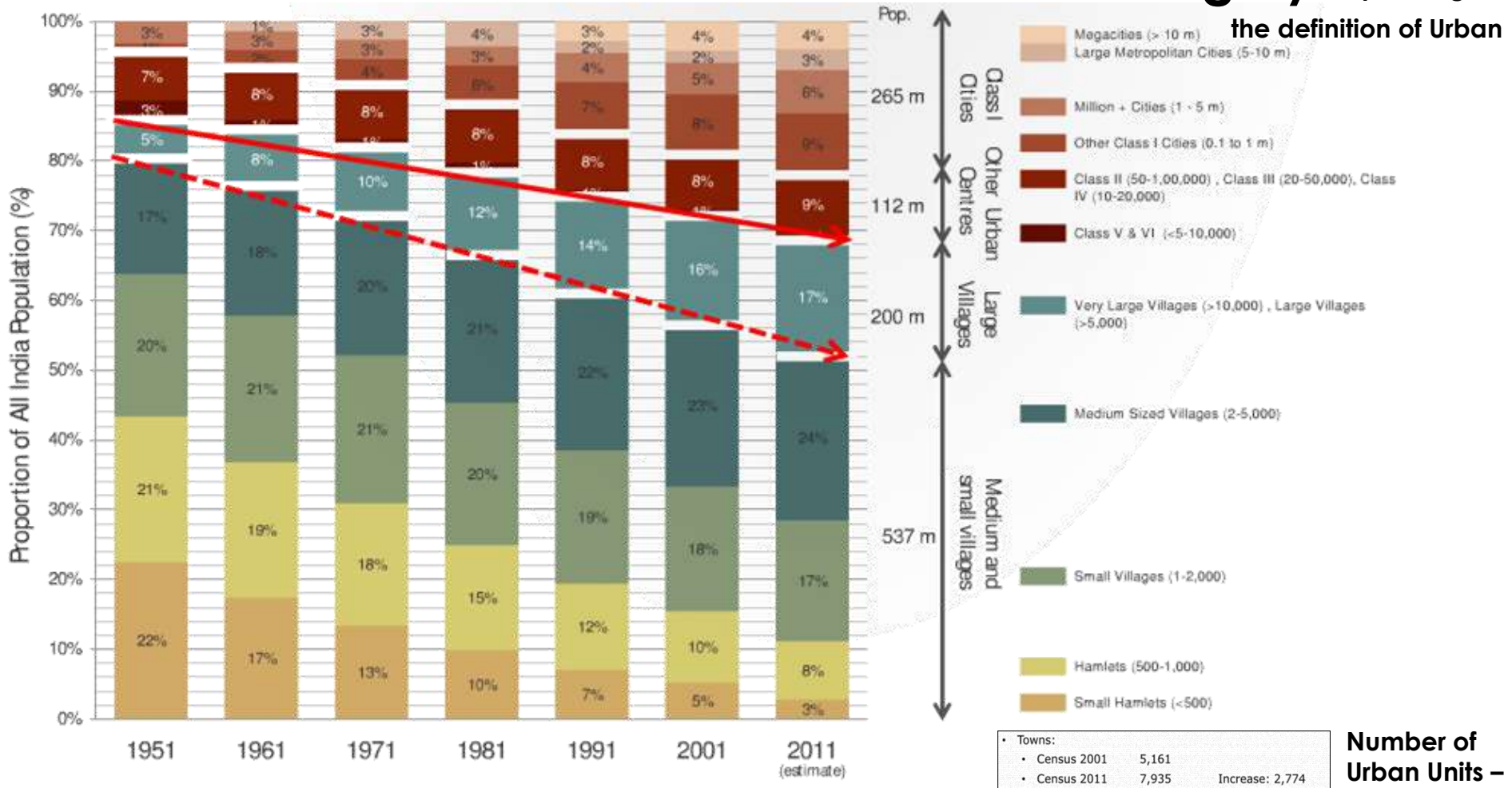


Source – NIPFP, Census of India Series,World Urbanization Prospects

Year	Urban Population (million)	Level of Urbanization (%)	Annual Avg. Growth of Urban Population (%)
1971	109.10	19.90	3.24
1981	159.50	23.30	3.80
1991	217.60	25.71	3.11
2001	285.35	27.78	2.71
2010	352.25	30.30	2.11
2020	447.53	34.70	2.42
2030	575.68	40.09	2.52

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

More settlements shift from rural into urban category depending on the definition of Urban



All India: Number of Settlements (1971-2011)

	1991	2001	2011
Urban	3,351	5,161	7,935
Rural	6,34,321	6,38,588	6,40,867

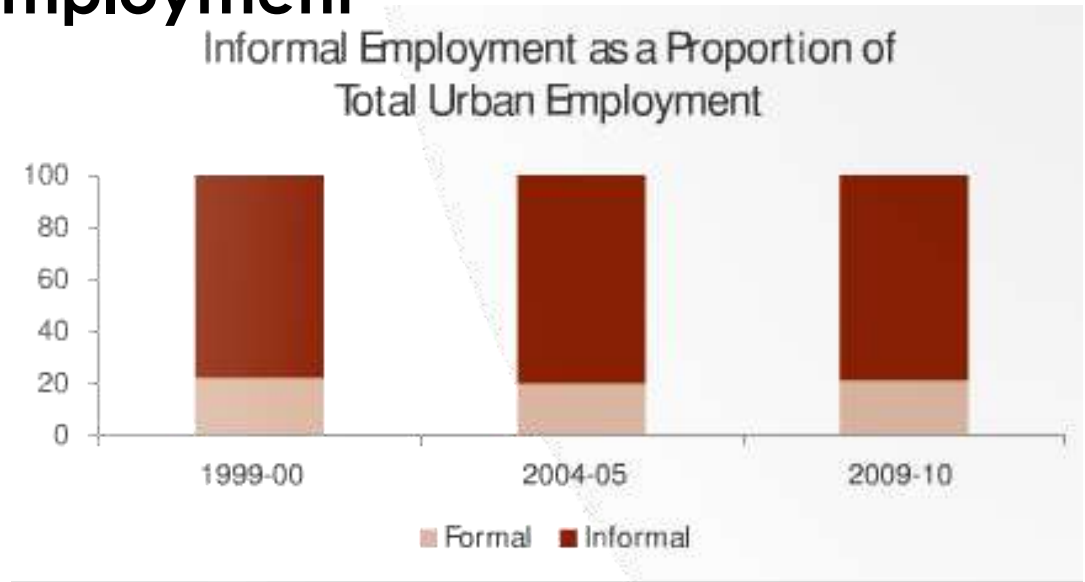
- Towns:
  - Census 2001 5,161
  - Census 2011 7,935 Increase: 2,774
- Statutory Towns:
  - Census 2001 3,799
  - Census 2011 4,041 Increase: 242
- Census Towns:
  - Census 2001 1,362
  - Census 2011 3,894 Increase: 2,532

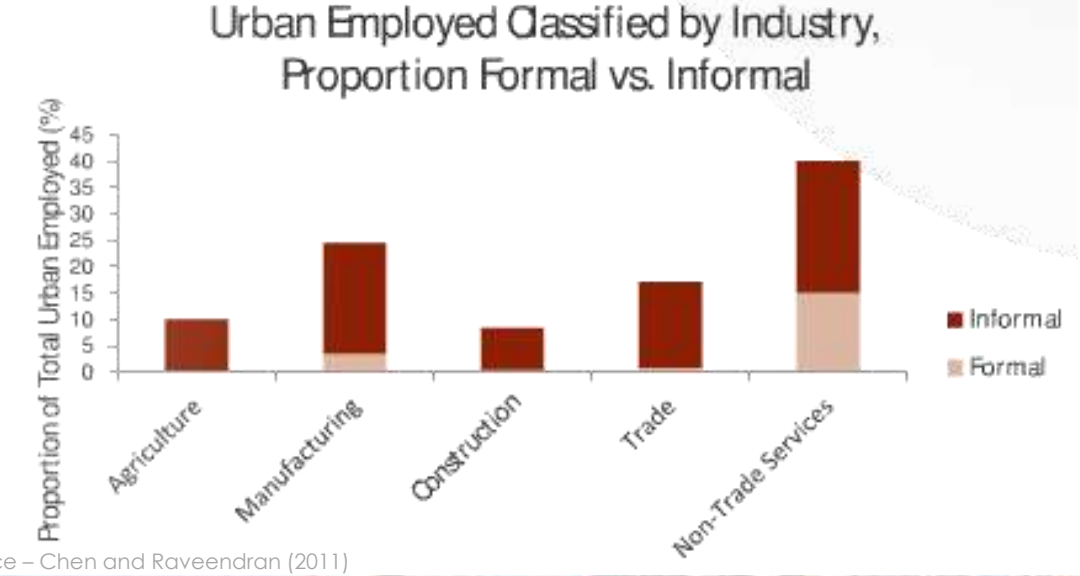
Number of Urban Units – India

Source – Census 2011

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Employment





Source – Chen and Raveendran (2011)

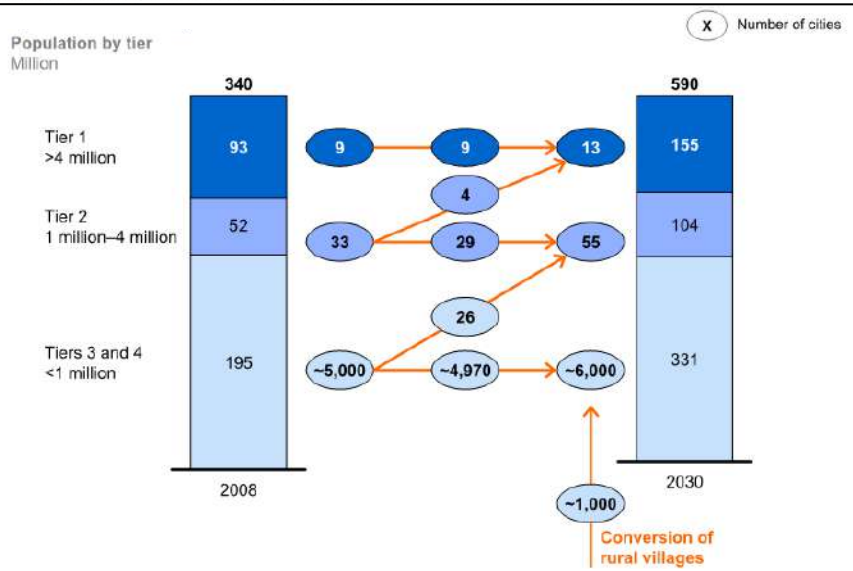
Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

13 cities will have a population of more than 4 million

	Population in 2030 Million	GDP, 2030[1] $ billion	Per capita GDP, 2030[1] $ thousand
Mumbai (MMR)	33.0	265	8.0
Delhi (NCT)[2]	25.9	296	11.4
Kolkata	22.9	169	7.4
Chennai	11.0	73	6.6
Bangalore	10.1	127	12.6
Pune	10.0	76	7.6
Hyderabad	9.8	67	6.8
Ahmedabad	8.4	68	8.1
Surat	7.4	53	7.2
Jaipur	5.4	24	4.5
Nagpur	5.2	37	7.1
Kanpur	4.2	15	3.6
Vadodara	4.2	35	8.5

1 2008 prices.
2 National Capital Territory; excludes Noida, Gurgaon, Greater Noida, Faridabad, and Ghaziabad.

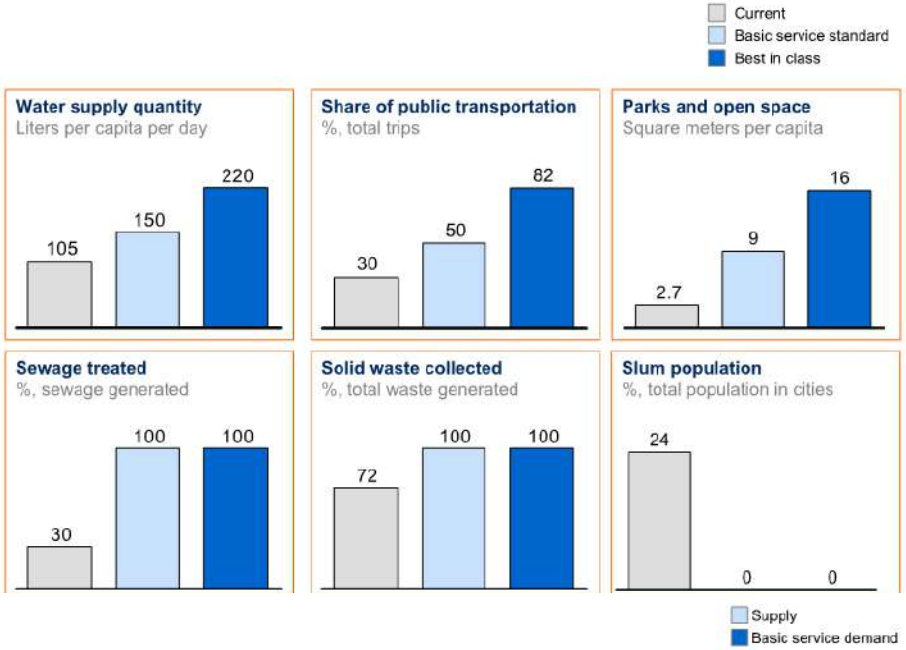
India will have 68 cities with more than 1 million population by 2030 up from 42 today



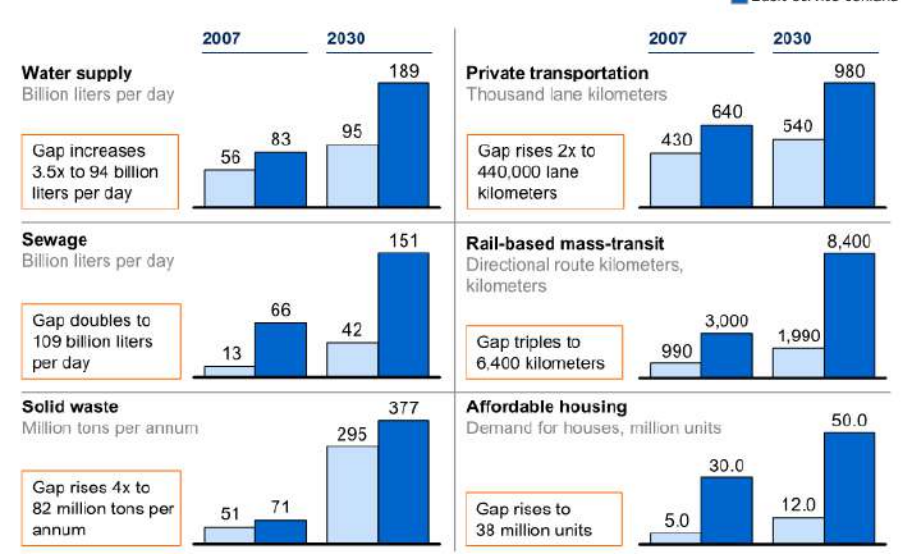
Source – India Urbanization Econometric Model; McKinsey Global Institute analysis

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

The current performance of Indian Cities is poor across key indicators of quality of life

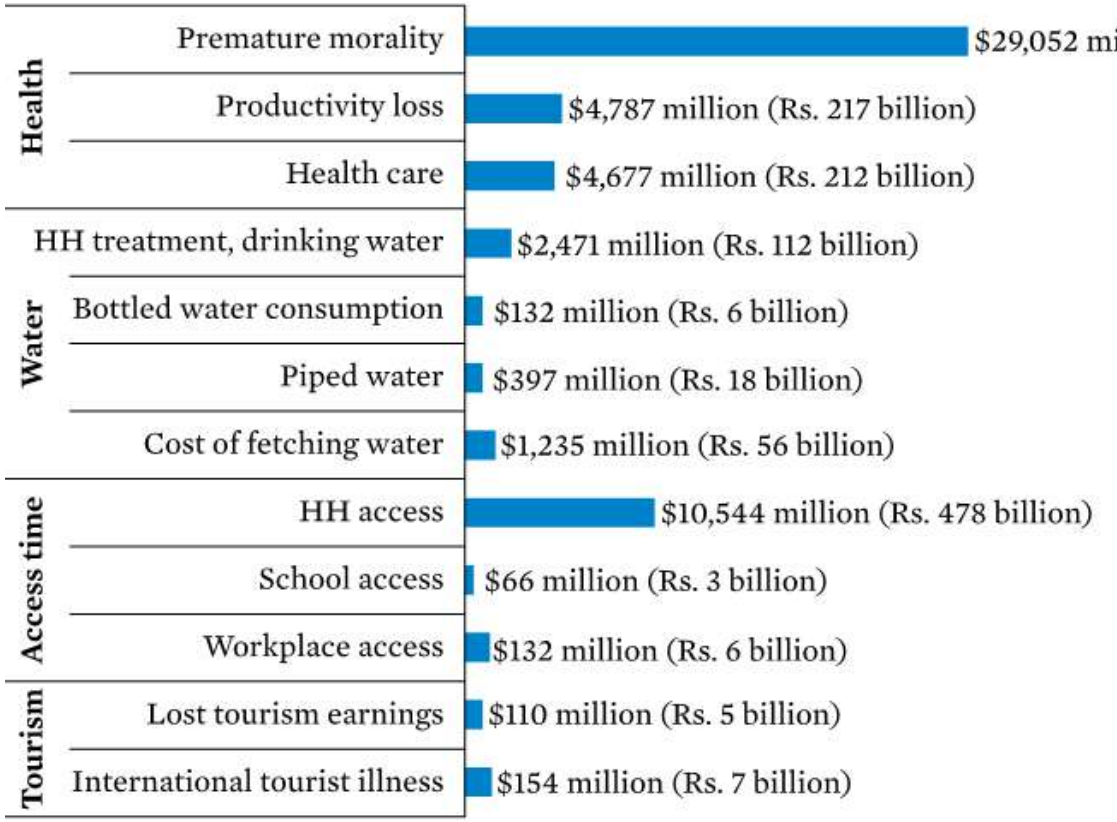


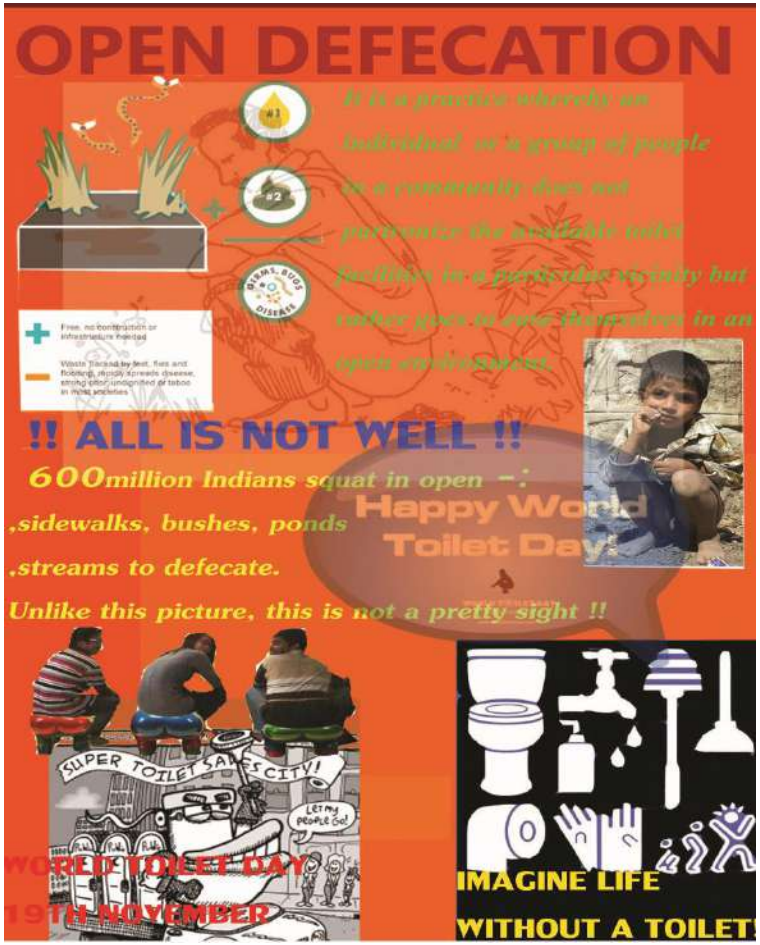
On current trends, quality of urban services will deteriorate quite sharply by 2030



Source – United Nations; press search; city Development Plans; The Energy Resources Institute; Planning Commission; Census 2001; Central Pollution Board; McKinsey Global Institute analysis; Handbook of benchmarks. Ministry of Urban Development; W.Smith, Transportation Policies and Strategies in Urban India

Economic Impacts of inadequate sanitation - India 2006

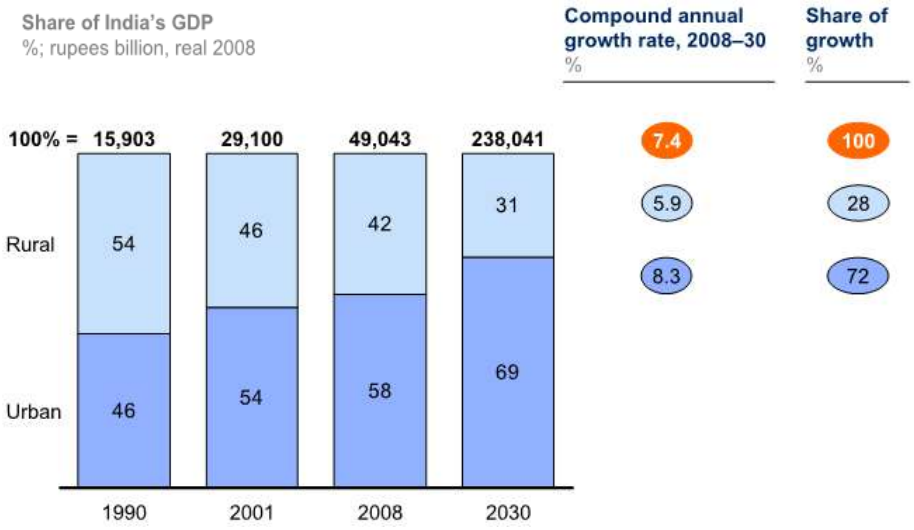




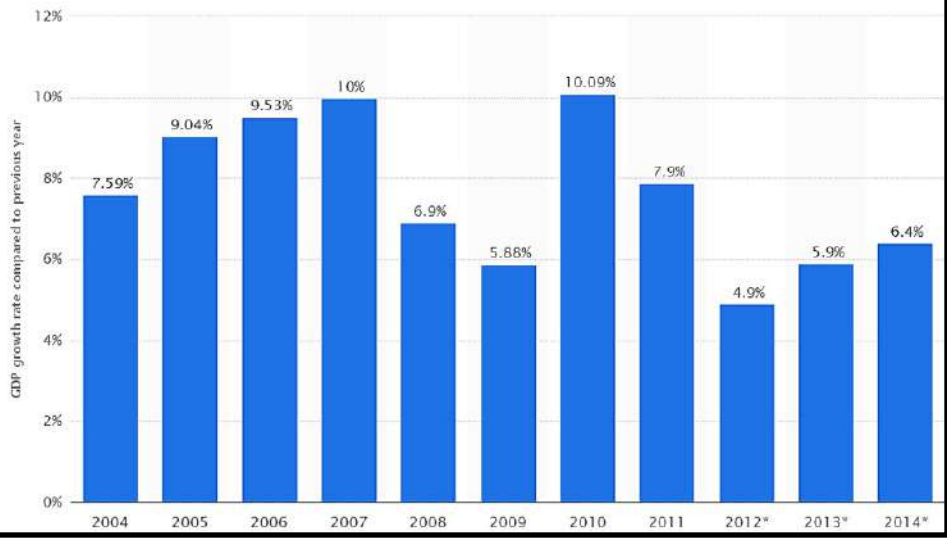
Source – Adapted from WHO (2012), Manik Bansal; Sushant School of Architecture

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

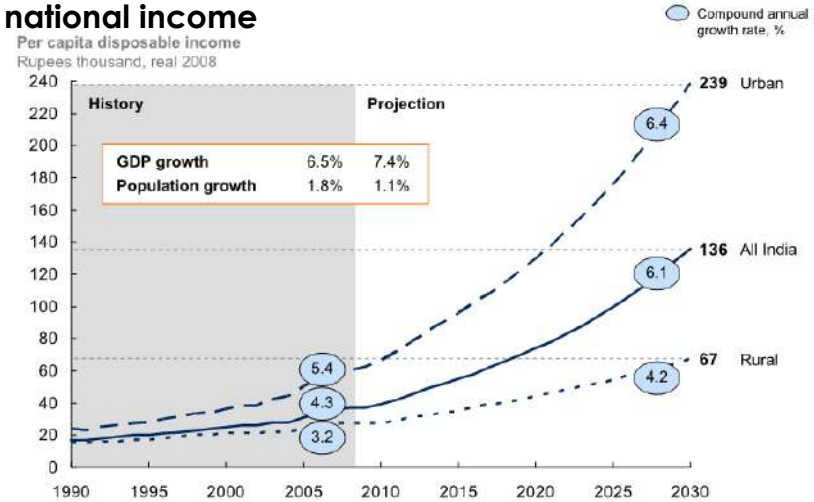
Cities will account for nearly 70% of India's GDP by 2030



India : Real GDP Growth Rate 2004-2014



Urban India will drive a near fourfold increase in average national income



India's urban operating model should focus on 5 elements

Source – India Urbanization Econometric Model; McKinsey Global Institute analysis. Forbes- In India, Timing And Manager Selectio

Urban Turn Around—Suggested Strategy for India

.

- United Kingdom, South Africa and China have turned around their cities in a decade.
- Needs to step up investment to bridge the gap between demand for services and their provision
- In per capita terms India's current annual capital spending of $17 is only 14% of China's ($116) and 4% of UK ($391)
- Mckinsey Global Institute estimates an investment of $1.2 –trillion (53.1 trillion rupees) just in capital expenditure in cities over the next 20 years, equivalent to US$134 capita per year. 8 times the level of spending today.
- Increase in spending from 0.5 of GDP of today to 2% annually
- Half of the investment to erase infrastructure backlog and rest to fund the future needs.
- Annual spending of over $ 30 billion through 2015; Reaching to $60 billion a year by 2020. $90 billion annually by 2030
- Large city need $200 per capita per year
- 5 point formula for resource mobilization and creating support environment
- 1 Funding
  - Formula based :Central and state government grants and loans
  - Land monetization
  - PPP Model
  - Retention of value added tax
  - Special Purpose value to access debt market.
- 2. Governance: Leadership and Management
- Empowered leadership
- 3. Planning-Inform
- Informed trade off on the se of scarce resources.
- 4. Sector polices on job creation , public transportation, affordable housing and climate change –
- 5. Shape

The strategies, ideas and plans that caused urban turn-around in a span of a decade in some developing countries should be used, followed and learnt from—such as what suggested by MGI and others.

However, the Indian reality needs something more and different to be done too.

Planning and hope are needed and legitimate.

But

Under JNNURM, India's recent and biggest reforms linked urban infrastructure investment program, over a period of 7 years, in 63 selected cities, investment of some 70,000 crore ($ 12 billion) was done. Works out to Rs10,000 crore a year ($ 1.7 billion a year.

Incomplete projects, reluctance on reforms, capacity limitations of local bodies, etc have been identified as main constraints.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Indian urbanization is different than the Western Needs a different, a nonconventional response : why?

a) Staggeringly large numbers: 17 years of doubling cycle with large population base
b) Predominant rural reality despite strong urbanization trends 69: 31 in 2013
c) Fast growing economy but huge investment backlog. Competing demands on resources
d) Industrialization and employment are legging behind .
e) Poverty induced urbanization—strong push factor
f) High incidence of poverty : 350/700 million? Food Security Bill covers 800 million . 75 % of rural and 50% of urban population
g) Lingering influence of long period of colonization: Systems and institutions in transition.
h) Weak governance
i) Globalization trends but confusing signals yet
j) Strong democratic roots . Gradually evolving systems Takes time
k) Complex Diversity : Language, Region, Religion, Ethnicity, Caste, Creed
l) Prevalent inequality (gender, income, wealth, opportunity)
m) Cultural traits with coexistence of contrasts (poverty and affluence; tradition and modernity; progress and backwardness, cows and cars)
n) Social mobility in tradition bound, culture conscious societies
o) Demographic Dividend : Largest young population in the world. Also means impatience .
p) Need to create 220 million new jobs in 15 years is opportunity . But staggering.
q) Propensity for institutional innovation
r) Vulnerability to Natural Disasters

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

What needs to be done: Do not neglect the rural reality

1. Rural reality is being ignored—not only the staggeringly large numbers-over 850 million ; 30 % urban automatically means 70% rural —but under the guise of trends—urban-wards trends—strategic, needed and doable interventions are being ignored. Trends are taken as given. The rural place is given up today because urban will happen tomorrow.
2. The Push Factors need looking into. From agricultural productivity to investment in infrastructure and basic service to poverty alleviations to quality in education to technology transfer..
3. Viable and sustainable rural development strategies, therefore, should form an integral part of fashioning a new urban future, including

- Improving agricultural productivity
- agro based industrialization, cottage industries, handicrafts
- food processing
- investment in human resource development
- technology up-gradation
- support to rural craft and small-scale manufacturing,
- poverty alleviation
- capacitating local governments
- Population planning are some of the possible routes.

4 . 30 people per minute are walking into Indian cities now.

A minor deflection or retardation or reversal in migration trends will reduce the urban burden considerably..

5. Sri Lanka has shown that good rural development policies help
6. This looks old fashioned .There is much newness in the idea. Taking millions to cities, with their poverty and inappropriate work skills is less attractive than getting jobs and services to villages.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

What needs to be done: TAKE 3 URBAN CHALLENGES SERIOUSLY

- In the Indian context

  Sustainability---environmental, ecological, social, cultural

  Inclusivity—not only poor, also villages

  Participation—democratization systemically and empowerment individually

  cannot be taken casually. Symbolism and tokenism will not work.

- That requires questioning the fundamentals of the "Growth Dynamics" and "Development Model". They are the key determinants of the shape, culture and quality of our cities.

- **Cities, we are told, are engines of economic growth. We have now learnt that they not only produce growth, they are also produced by growth.**

  - The quality of growth (not only quantity)
  - The means by which we achieve growth (whether in ecological harmony or in a polluting manner)
  - The nature of growth (whether exploitative or just, whether creative or destructive, whether inclusive or exclusive)
  - The texture of growth (whether equitious or imbalanced) ,and
  - The substance of growth (whether leading to contentment, durable happiness and peace or greed, strife and violence)

  determine, to a great degree, the nature and quality of our cities.

  Question quality, texture, nature and substance of economic growth

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Viewing Urbanization

QUESTION MODEL OF DEVELOPMENT

Viewing urbanization and development of the cities, especially in the developing world, in the sustainability frame work and what it entails in form of fundamental and far reaching changes in the way we think, live, produce, transact and relate, something of a revolution is indeed called for.

If the urban world and civilization want to survive and produce peace and happiness for their populace, we need different kind of economics, growth, technology, energy, institutions, governance, vision, and, of course, a different type of "development". Both our bench marks and goals must change. Also the measuring yard-stick.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Question inevitability of urbanization

- Questioning inevitability of urbanization-- especially inevitability of resource depleting, polluting, exploitative and, in many ways, dehumanizing and unsustainable urbanization-- is key to making cities sustainable.

- It is essential to recognize that the urbanization we experience and the cities we live in are product of the economic policies we pursue and the development model they promote. It is result of conscious choices we have made, not divinely ordained. If the policies and the model change, the urbanization trends and cities will also change. There is nothing inevitable about it.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

UNDERSTAND INFORMALITY AND BUILD FOR PEOPLE

- **Understanding and managing creatively the "informality" of the Indian cities—the informal economy, informal systems, informal production processes, informal transaction methods, etc.– is another dimension of making the Indian cities, Smart Cities .**

- **Planners, administrators and the upper crust of the urban society are hostile to them . It is seen as "unurban", "backward","un-smart", "illegal", "unauthorised" . Rejecting something as ingrained and innate as informality is walking against gravity. It can be done. But demands much effort and energy. It is tiring and wasteful.**

- **Must not reject and plot to destroy but plan around informality of Indian cities**

- **----------**

- **Cities are for, by and of the people. In improving and making them they are the first to be ignored and forgotten. Roads are widened at the cost of the pedestrian. They must remain in the centre.**

- **Cleaning the river Ganga is not only building sewage treatment plants on the towns and cities on the river route. It is recapturing the emotion, sentiment, even belief that the Hindus live with—more than 80% of India—that a drop of water in mouth while dying is a door opener to Moksha—Nirvan.**

- **It must also capture the energy, motivation , spirit and resources of 60 million people who walk, on their own, at their own cost, to the Kumbh Mela on the river every 12 years.**

  Culture, tradition and religion must play a role in shaping the Indian city.

ASK AND DO

- 1

- Forests
- Farms
- Minerals
- Land
- People (hands, labour, human resource) are in the rural areas
- Why are the villages poor?
- Why are capital, technology, knowledge resources and jobs not there?
- Are not our structures, institutions , priorities and solutions ,missing something fundamental?

- 2
- 220 million new jobs are to be created in 15 years in India?
- Can 30% of them be created in the rural sector?

- 3
- I t is absurd to force millions to leave their roots and comfort zone to move to an alien place—from home to slum--r with no or unsuited skills. It is somewhat like our sewage system. Dirtying good water to carry waste and spend energy and waste land to clean it. Why dirty it in the first place?

- Migration is not bad. It created the world's most powerful and prosperous nation- USA

- Distress/ Forced migration is the problem. It is the lack of option.

- Can villages be developed where the villagers have a choice ? Can the push factor be reworked?

- 4
- Rural urban can not be either or nor can it be rural versus urban. It has to be both: rural and urban.
- The silos mentality is the issue.
- E-kranti, the planned billions of dollar digital thrust promises rural connectivity too
- ---
- 5
- Cities occupy 2 % of land mass
- But consume 75 % of world's resource and throw 75% of the waste in the environment.
- London's ecological footprint is 125 times its land mass. It spills into its rural hinterland both for goods and services and throw its pollutants.
- Can this exploitative relationship change?
- Can cities be more responsible and responsive? More just?
- ---
- 6
- In the villages, the Mantra must be to do better what one does.

- While addressing quantity, reach and coverage, also think quality.

- Not only providing water and education. What quality of water, what quality of teaching?
- Does not cost much. It is a mindset issue too.

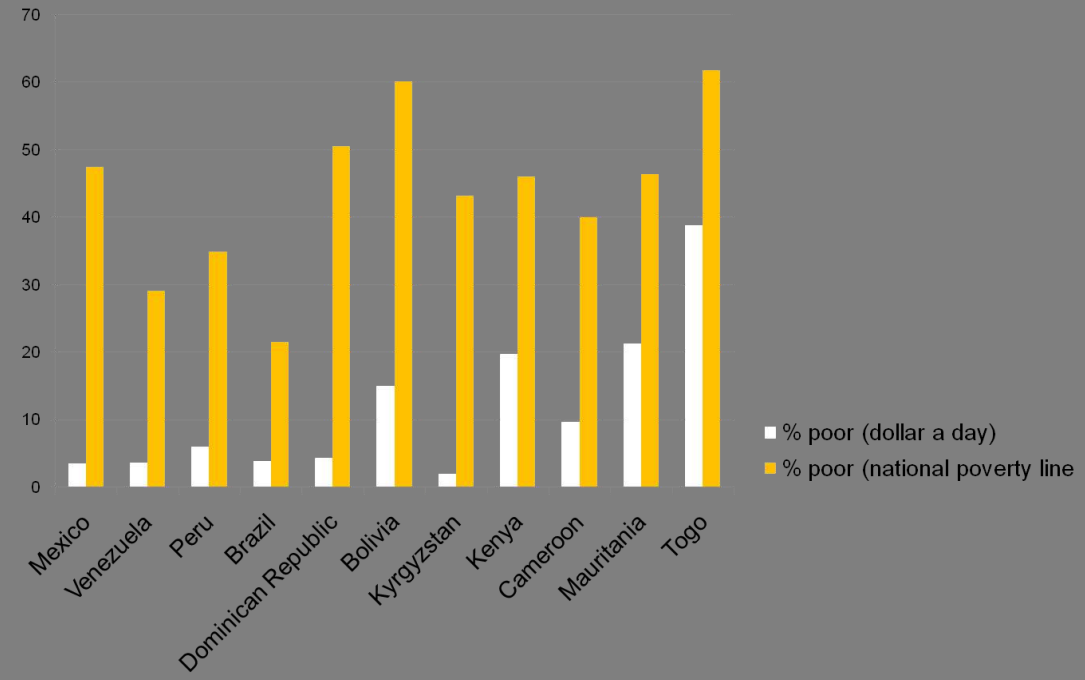
- While building houses for the poor, make them economic assets too. That will not only improve quality of life, it will also contribute to poverty alleviation.

- **7**
- **Trust people, especially the poor people, to do things. Solve their problems. They want it the most. They are not burden. They are resource.**
- **Slums are not only problems, they are solution too. Certainly an approach to solution. Do not destroy them. Build on that motivational , skill and entrepreneurial start.**
- **Trust them with resources, decision making. Solutions will be easier and less expensive.**
- **Participation is democratisation, devolution, decentralisation. It is empowerment too**
- **Sri Lanka housing project by Goi for 50,,000 war victims. They can build. Strengthening people and building communities while building houses.It is doable**

- **8**
- **Combine top down with bottom up –in problem definition, solution search, method of doing.**
- **Top down, bottom up, middle down , middle up**

.

Using the dollar-a-day poverty line



NOTE: *The poverty lines in this table have been calculated by the community organizations in four countries, according to what they have agreed are reasonable minimum daily expenses in their context. The study teams in Cambodia and Vietnam were not able to set their poverty lines in time to be included in this report - but stay tuned!*

POVERTY LINES DEFINED BY POOR PEOPLE : *(all figures in US$)*

Monthly expenses per person (according to the expenses for a person who is part of an average 4-5 person household)	NEPAL		SRI LANKA		PHILIPPINES		THAILAND	
	Very poor	*Ordinary poor*	*Very poor*	*Ordinary poor*	*Very poor*	*Ordinary poor*	*Very poor*	*Ordinary poor*
1. Food and drinking water	105.26	147.37	141.54	158.46	115.16	157.35	205.00	240.00
2. Transport	21.05	52.63	35.77	35.38	28.95	52.37	20.00	86.67
3. Water and electricity	3.16	6.32	7.23	9.23	8.19	18.00	16.33	35.00
4. Housing / rent	21.05	52.63	9.23	10.77	13.95	21.81	10.00	40.00
5. Kids expenses, education	15.79	54.74	8.08	9.62	27.44	48.60	50.00	66.67
6. Household expenses	42.11	35.26	14.69	13.27	15.06	25.40	20.00	26.67
7. Health care	5.26	8.42	6.38	10.46	4.65	22.21	8.33	10.00
8. Alcohol and cigarettes	6.32	5.26	14.23	27.70	6.69	13.56	0	0
9. Lottery, gambling	6.32	12.63	7.69	9.23	5.40	5.23	4.00	8.00
10. Repaying debts	15.79	26.32	18.08	21.54	3.49	6.86	6.67	50.00
11. Other	0	0	9.62	9.62	0	13.95	5.33	8.00
Total monthly expenses	236.84	401.58	272.54	315.27	228.99	385.33	345.67	569.33
Daily expenses per person	$1.97	$3.35	$2.27	$2.63	$1.91	$3.21	$2.88	$4.74

WHO REALLY IS POOR AND WHO ISN'T? AND WHO SHOULD MAKE THAT CALL?

In 1973, the World Bank's president set a goal to "eradicate absolute poverty by the end of this century" and drew his line for measuring poverty at 30 cents of a US dollar per day, which was thought to be enough to eliminate malnutrition and illiteracy, reduce infant mortality and raise life expectancies to match those in developed nations.

When the World Bank's new president announced in April 2013 that his institution was going to "end extreme poverty by the year 2030", he set a poverty line of $1.25, which is the WB's previous dollar-a-day poverty line adjusted for inflation (but actually worth less). That $1.25 will definitely not be enough to keep kids at school or to access healthcare or decent housing or secure tenure or basic services, but it may be enough to just barely keep a person in most places from starving to death - which is the World Bank's disappointingly unambitious definition of "absolute poverty." By simply lowering the bar, the chances of actually achieving that noble-sounding goal to end poverty has been made magically more likely.

By such tricks of statistical smoke and mirrors, the game gets adjusted to serve different purposes, at global and local levels, and the true nature and extent of poverty remains as murky as ever. So who really is poor and who isn't? And who should be making that call and defining those poverty lines? Sadly, it's almost never the poor themselves - the ones most intimately acquainted with all the multi-dimensional fine points of deprivation, and the first to laugh at the notion that $1.25 a day could ever clearly separate the poor from the non-poor. Yet billions of poor people around the globe are being left out by policies that are based on those inappropriate top-down poverty lines, and hundreds of countries are cutting their urban poverty programs because those figures tell them poverty is disappearing.

ACHR and IIED decided to challenge this stuff with a little *bottom-up* research of our own into poverty in Asian cities. But instead of getting a few professors to gather the information and write up a paper, in the style of most conventional development research, this regional poverty study has been organized to create space for urban poor people around Asia - the ones who understand poverty best - to think, examine, discuss and sharpen their own understanding about what constitutes poverty in their own particular contexts.

HOUSING byPeople IN ASIA

Newsletter of the Asian Coalition for Housing Rights Number 19, September 2014

DEFINING POVERTY

Despite what the big institutions may suggest, income isn't the only thing that defines poverty. This study in six countries has given community organizations a chance to analyze the poverty they experience first-hand and to identify and describe in living detail all the various aspects that characterize that poverty. The community teams also looked at who the poor are, and how their differing situations divide them into distinct poverty levels, each with different problems and needs.

CAUSES OF POVERTY

Lack of sufficient income isn't the only thing that makes people poor, and another important part of the study has been giving these poor community groups a chance to survey, discuss and refine their own understanding about what factors make them poor and keep them in poverty.

BETTER POVERTY LINES

None of the community groups in the study had ever heard of the World Bank's dollar-a-day poverty line or known that it was being used to set policies that may affect their lives. When they did hear, they were so indignant that they decided to show the world the right poverty lines.

SOLUTIONS TO POVERTY

The community groups who carried out the poverty study in six countries are not your moaners and groaners given to complaining about the fine points of poverty line-setting, but are active finders of practical solutions to their problems of housing, land, living conditions and livelihood. And because of that, all the discussions in the poverty study moved naturally and immediately into the business of what the poor themselves can do to lift themselves out of poverty.

SPECIAL ISSUE ON HOW POOR PEOPLE SET THEIR OWN

POVERTY LINES

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case Studies

1. E- Choupal—A corporate/business promoted program to assist rural farmers though access to technology and information

2. Amul Dairy—India's largest cooperative venture in milk production and distribution

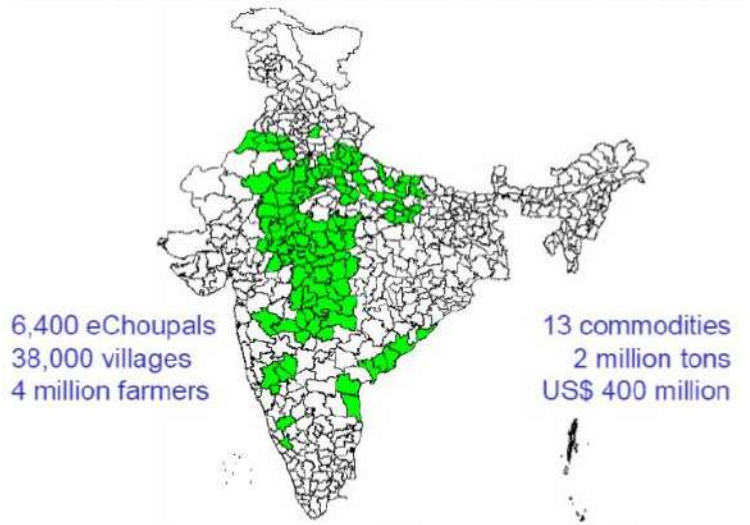
3. Mahatma Gandhi Rural Employment Guarantee Act—A country wide government program to provide minimum 100 days of employment to the rural poor

4. Sulabh Sauchalya—An NGO promoted scheme to provide low cost appropriate technology toilets and creating pay and use sanitation facilities for the floating populations in Indian cities

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study – E Choupal

Involves the installation of computers with internet access in rural areas of India to offer farmers up-to-date marketing and agricultural information.



ABOUT

Developed by ITC agri-business division
Brainchild of S.Sivakumar
Promoted by Y.C.Deveshwar, Chairman, ITC
Launched in June 2000
Largest Internet-based initiative in Rural India
Benefits $ million farmers in 40,000 villages

Characteristics

Customer centric
Used for many commodities and multiple
Easily scalable
Uses local talent and people and develops local leaders
Extended to local as well as global procurers
Nurtures local entrepreneurs
Uses all the existing institutions and legal frameworks

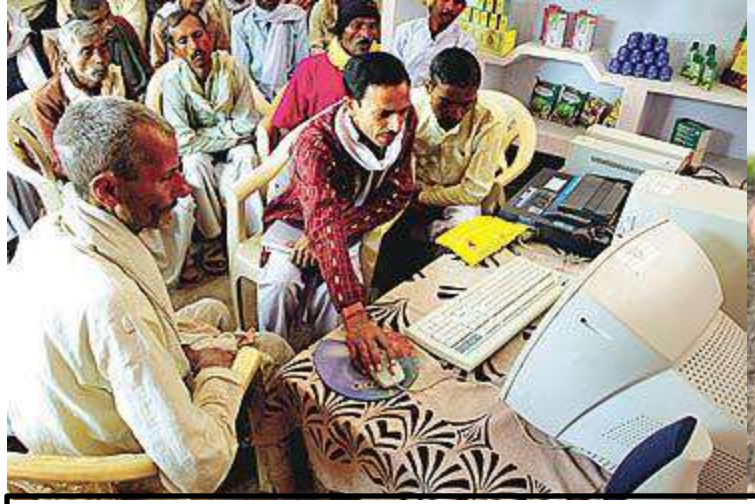
Core information and communication needs-

Weather, Pricing, News, Customized quality solutions,
Intelligent product deployment
Best practices.

Statement of a farmer - "Initially we were restricted to selling our produce in the local mandi. We had to go through middlemen and prices were low. ITC trained me to manage the Internet kiosk and I became the Sanchalak in my village. Today we are a community of e-farmers with access to daily prices of a variety of crops in India and abroad – this helps us to get the best price. We can also find out about many other important things – weather forecasts, the latest farming techniques, crop insurance, etc. e-Choupal has not only changed the quality of our lives, but our entire outlook."

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study – E Choupal

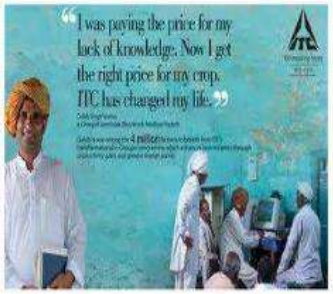


Process

The farmer carries a sample to local kiosk and receives a spot quote from the sanchalak. If the farmer accepts the quote, he can transport the produce directly to an ITC collection center, and gets payment within two hours.

Success data –

Today this initiative of ITC has empowered the lives of people living in 10 states where 40000 villages have 6500 e-choupals and around 4 million farmers have been empowered.



Sanchalak –

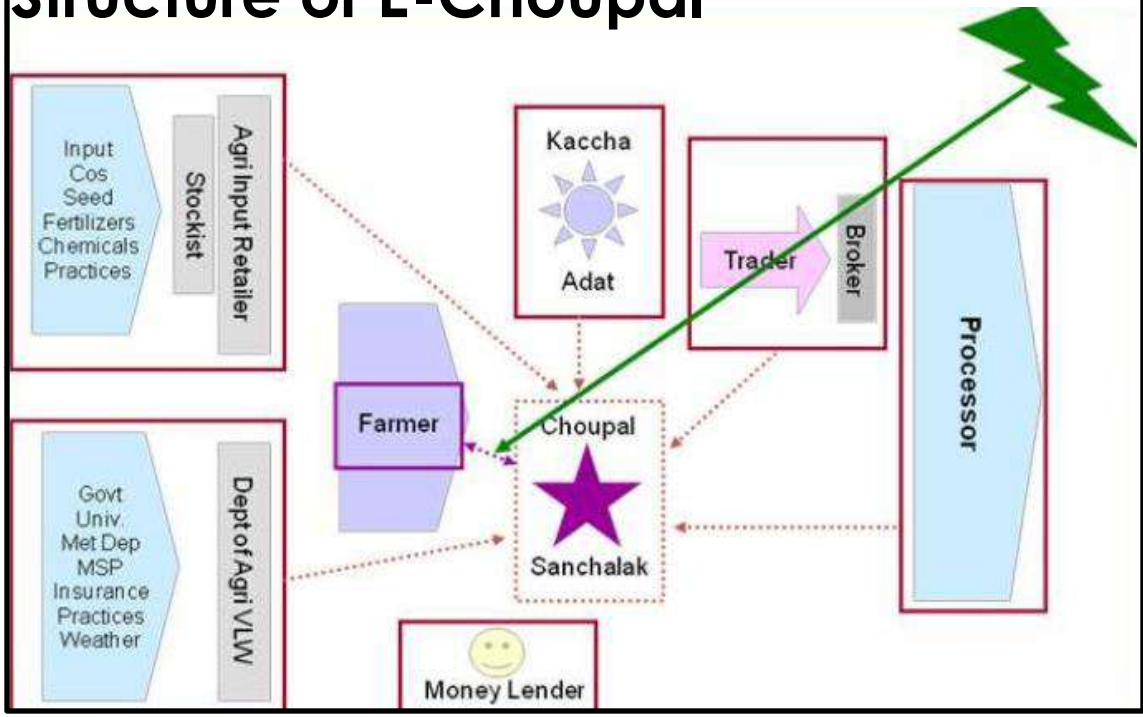
A literate in village is elected from among the village population. He acts as a mediator and retrieve the information on behalf of the farmer.

The computer, typically housed in the farmer's house.

It is linked to the Internet via phone lines or by a VSAT connection.

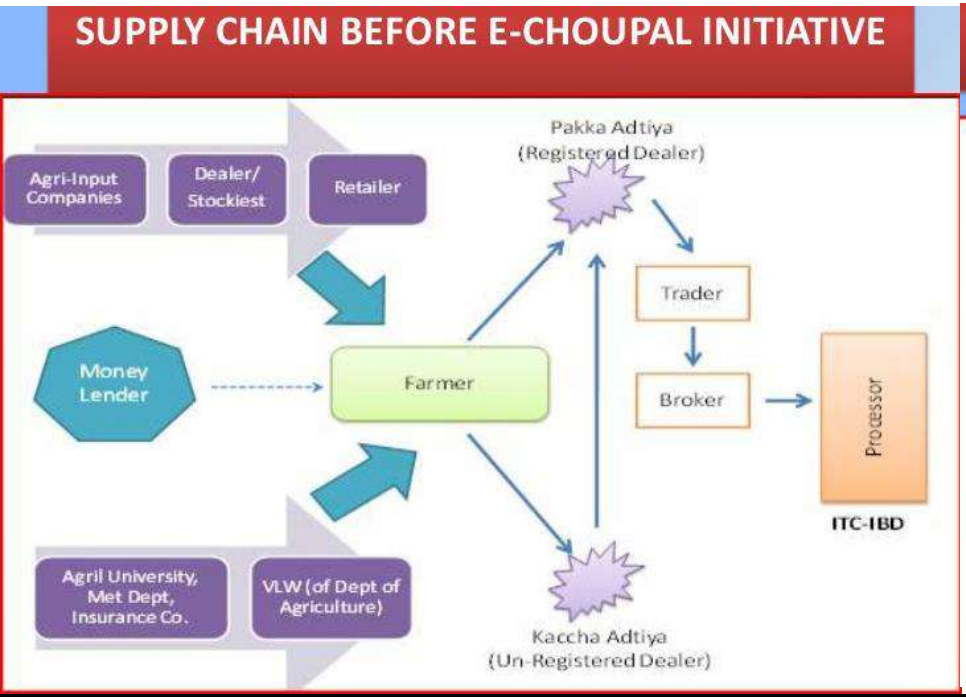
It serves an average of 600 farmers in 10 surrounding villages within about a 5 kilometer radius.

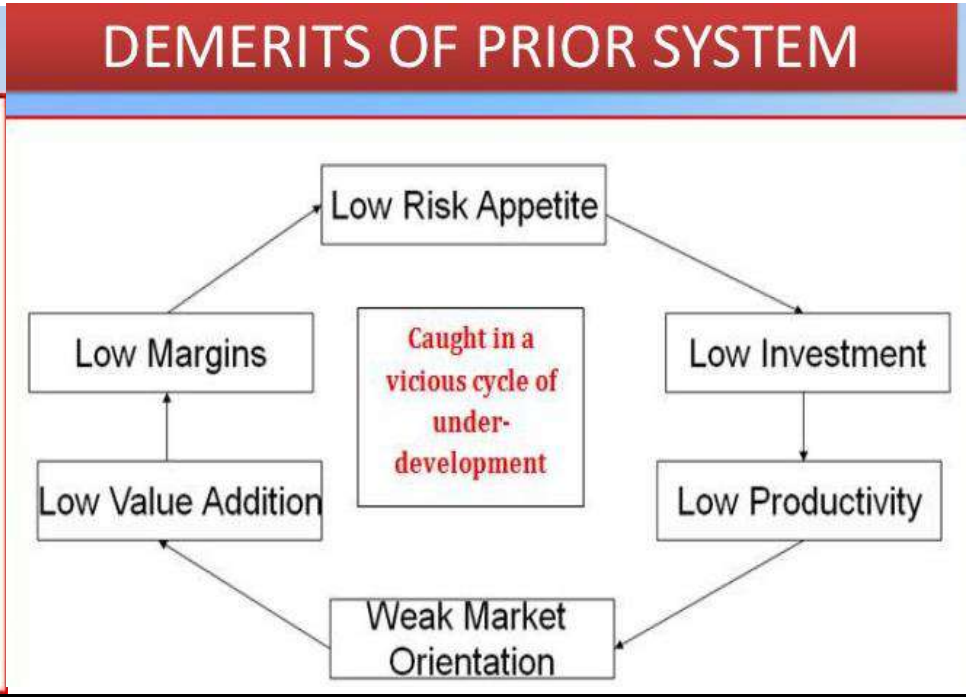
Structure of E-Choupal



Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study – E Choupal





Benefits of E- Choupal

-Accurate weighing, faster processing time, and prompt payment.

- Access to a wide range of information, including market price knowledge, weather, scientific farming practices, farmer peer groups, soil-testing and market trends.

- Helps them decide when, where, and at what price to sell.

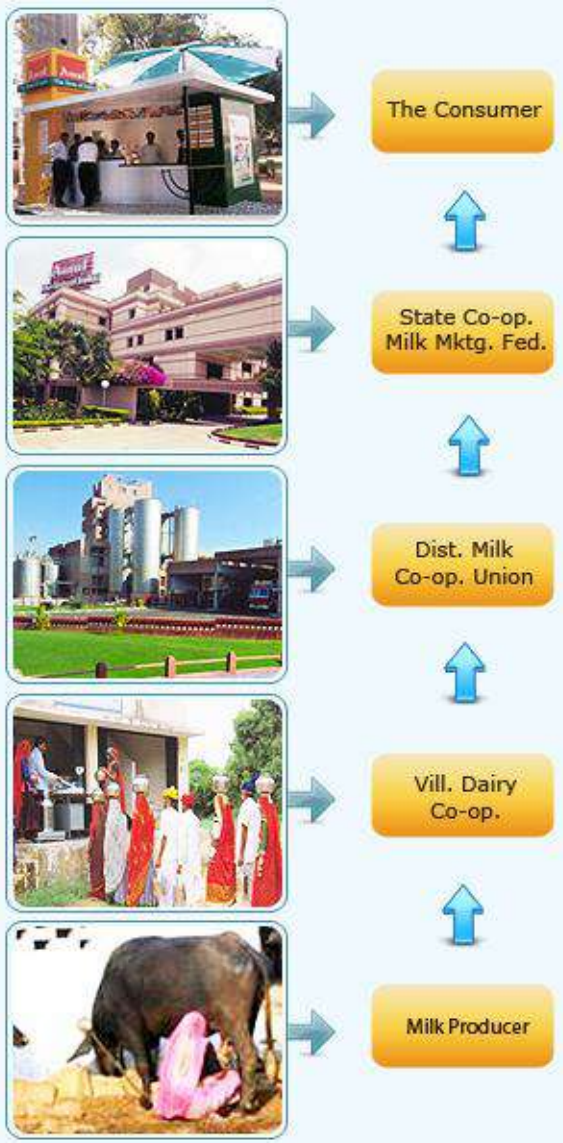
- Serves as both a social gathering place for exchange of information (*choupal means gathering in Hindi*) and an e-commerce hub.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study - Operation Flood– Amul Dairy

CITY CONSUMER, VILLAGE PRODUCER : TRANSFERRING INCOME TO FARMERSCC

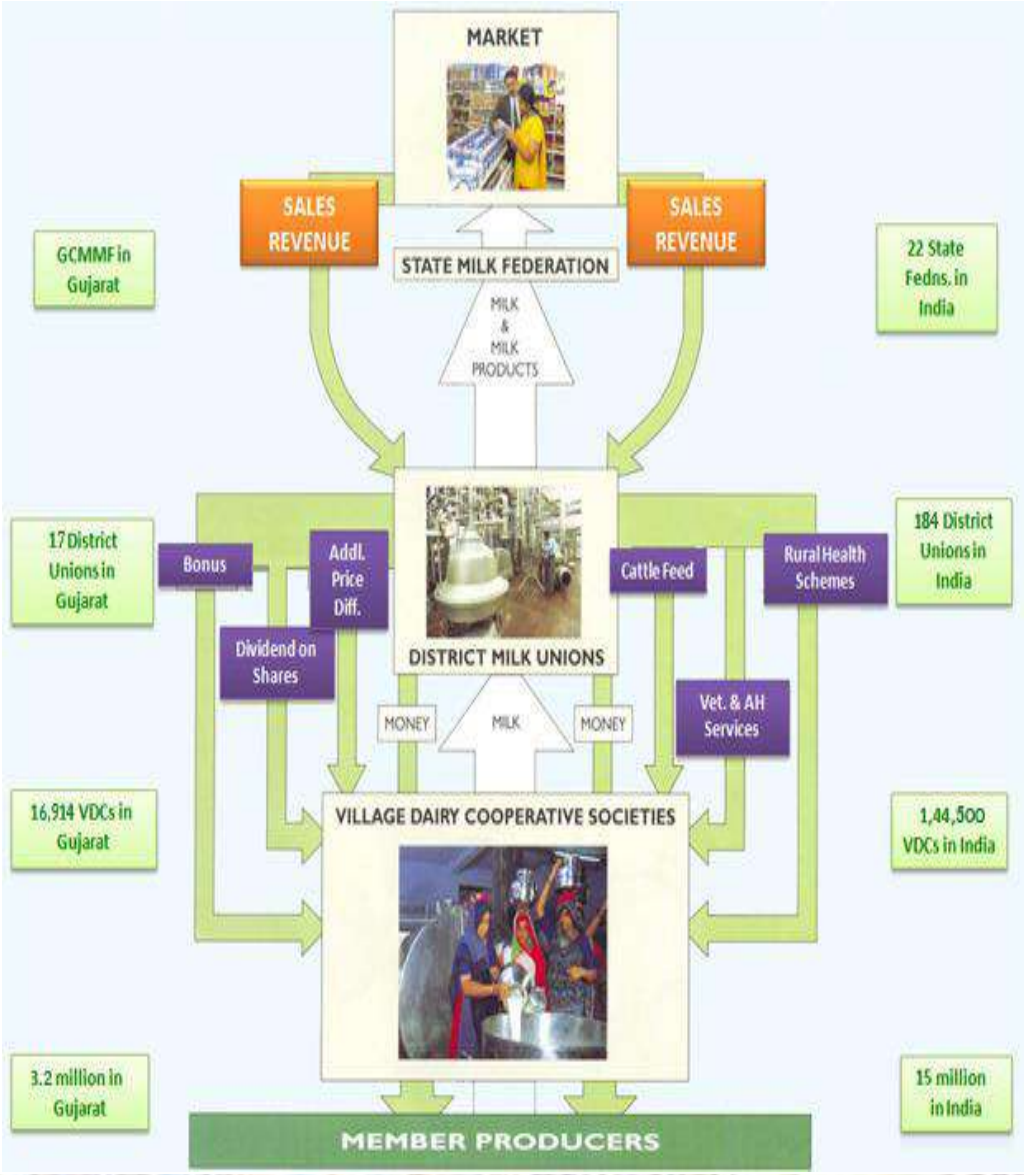
- **Operation Flood**, launched in 1970 is a project of the National Dairy Development Board (NDDB), world's biggest dairy development program
- Made India a milk-sufficient nation
- The largest milk producer in the world, surpassing the USA in 1998
- About 17 percent of global output in 2010–11; doubled the milk available per person in 30 years
- Made dairy farming India's largest self-sustainable rural employment generator.
- Launched to help farmers direct their own development, placing control of the resources they create in their own hands.
- All this was achieved not merely by mass production, but by production by the masses.
- **Revenue : $ 3.1 Billion 2013-14**



Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study - Operation Flood– Amul Dairy

- Operation Flood had created a national milk grid linking milk producers throughout India with consumers in over 700 towns and cities
- Reduced seasonal and regional price variations while ensuring that the producer gets a major share of the price consumers pay by cutting out middlemen.
- Reduce malpractices
- Helped dairy farmers direct their own development, placing control of the resources they create in their own hands.
- The bedrock of Operation Flood has been village milk producers' co-operatives, which procure milk and provide inputs and services, making modern management and technology available to members. Operation Flood's objectives included:
- Increase milk production ("a flood of milk")
- Augment rural incomes
- Fair prices for consumers



Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study - Operation Flood– Amul Dairy

Impact of Amul

- An investment of Rs. 20 billion over 20 years under Operation Flood in the 1970s and 80s contributed in increase of India's milk production by 40 million metric tonnes (MMT), i.e., from about 20 MMT pre-Operation Flood to more than 60 MMT at the end of Operation Flood (World Bank Appraisal of Operation Flood))
- An incremental return of Rs. 400 billion annually have been generated by an investment of Rs. 20 billion over 20 years.
- India's milk production continues to increase and now stands at 90 MMT(as of 2012).
- Despite this fourfold increase in production, there has not been a drop in the prices of milk during the period while production has continued to grow.
- Due to this movement, the country's milk production tripled between the years 1971 and 1996. Similarly, the per capita milk consumption doubled from 111 gm per day in 1973 to 222 gm per day in 2000.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study – Mahatma Gandhi National Employment Guarantee Scheme

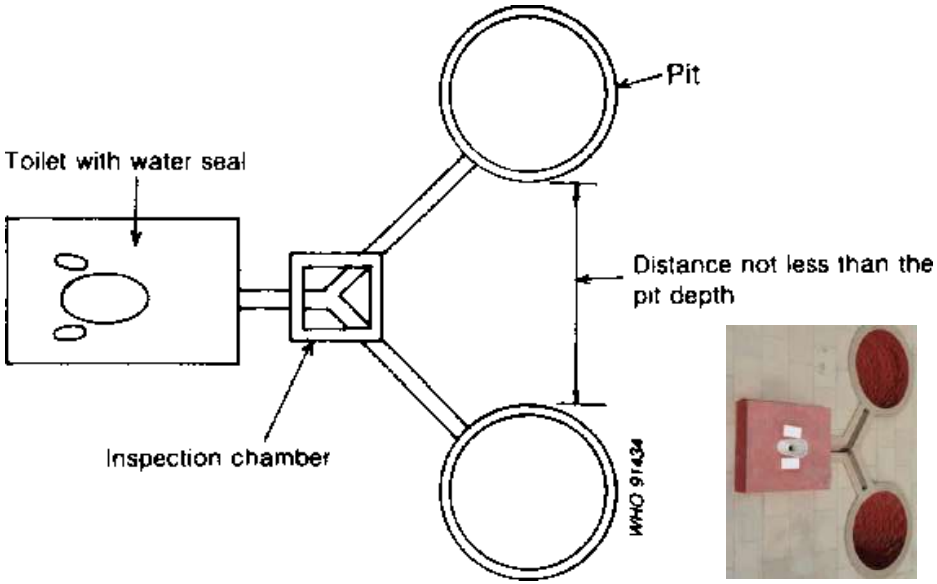
- Right to work. Livelihood Security in rural area.
- Minimum 100 days of Guaranteed wage employment in a financial year to a willing adult in unskilled labour work
- Targeting poverty through employment generation. The largest and the most ambitious social security and public works programme in India.
- Since its inception in 2006, around 1,10,000 Crore (about USD$25 billion) has gone directly as wage payment to rural households
- 12 billion person-days of employment has been generated. On an average, 50 million households have been provided employment every year since 2008.
- 80 % of households are being paid directly through bank/post office accounts, and 100 million new bank/post office accounts have been opened.
- 120 million Job Cards (JCs) have been issued and these along with 90 million muster rolls have been uploaded on the (MIS), available for public scrutiny. Since 2010–11, all details with regard to the expenditure of the MGNREGA are available on the MIS in the public domain.]
- Evaluations have found leakages, corruption, poor quality of assets being created. Also upward revision in unskilled labour wages and labour scarcity on construction sites in cities.
- Review under new government. Suggestion is to confine it to the poorest 200 districts to reduce cost and better management.

		FY 2014-2015	FY 2013-2014	FY 2012-2013	FY 2011-2012
Total no of Districts		645	644	636	635
Total No. of Blocks		6603	6576	6568	6378
Total No. of GPs		247643	247643	247643	247643
Total no of Villages		778134	778134	778134	778133
Total No. of HH Registered(In Cr)		13.2	12.6	13.2	12.6
Total No. of Workers in Job Card(In Cr)		28.4	27.2	29.3	27.8
Number of GPs with NIL exp		46702	18395	26190	25389
Number of Ongoing Works(In Lakhs)		84	65.1	79.1	53.2
Total No. of Works Takenup (New+Spill Over)(In lakhs)		91.2	89.9	104.6	80.8
Total Exp(In Cr)	Wages(Rs. In Cr.)	16266.6	25813	27152.8	24306.2
	Material and skilled Wages(Rs. In Cr.)	4999	9254.7	10430	10650.5
	Adm Exp:				
	GP Level	57.5	219	307.6	301.8
	Block Level	709.2	1309.1	1330.1	1191.7
	District Level	262.6	552.4	482	514.4
	State Level	57.441	192.259	32.936	108.055
	Total Adm Expenditure	1086.8	2272.8	2152.7	2116
	Total Exp(Rs. in Cr.)	22352.3	37340.6	39735.4	37072.7
	Labour Vs Material(%)	76.5	73.6	72.2	69.5
	Admin Exp(%)	4.9	6.1	5.4	5.7
Wage Employment Provided(in lakhs)	Households	334	466.8	498.9	506.4
	Individuals	492.2	717	797.3	820
	Men	238.5	372.7	422.1	446.6
	Women	253.8	344.3	375.3	373.3
	SCs	110.6	165.8	181.7	185
	STs	90.4	126.3	142.9	147.4
	Persons with Disability	3.5	4.6	4.6	4
Person days(In Cr)	Total as per LB	227.0	248.7	278.7	199.6
	Persondays Generated so far	105.7	214.6	230.5	218.8
	% of Total LB	46.5	86.3	82.7	109.6
	% as per Proportionate LB	81.7			
	SC persondays	24.1	49.2	51.2	48.5
	ST persondays	17.2	37.1	41	40.9
Average Wage rate per day per person		138.3	132	121.4	114.5
Average days of employment provided per Household		31.6	46	46.2	43.2
Total No of HHs completed 100 Days of Wage Employment(In Lakhs)		7.5	45.2	51.7	41.7
% payments generated within 15 days		27.2	46.7	63	57.8
% of payments Disbursed through EFMS		70.2	39.8	12.3	0

Performance since inception: Persondays Generated (In Cr.): **1760.66** Total expenditure(Rs.In Cr.): **265713.79**
Today 2942361 workers are expected on 158873 worksites (as per e-MustRoll)

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.

Case study – Sulabh Suachalaya: NGO



Sulabh was founded by Bindeshwar Pathak in 1970.

- Innovations include
  - a scavenging-free two-pit pour flush toilet (*Sulabh Shauchalaya*), safe and hygienic on-site human waste disposal technology;
  - a new concept of maintenance and construction of pay-&-use public toilets, popularly known as Sulabh Complexes, with bath, laundry and urinal facilities in cities.

Used by about ten million people every day

- generates bio-gas and bio fertilizer produced from excreta-based plants
- low maintenance waste water treatment plants of medium capacity for institutions and industries.
- English-medium public school in New Delhi and also a network of centres all over the country to train boys and girls from poor families, specially scavengers, so that they can compete in open job market.
- Sulabh claims their plan on human waste disposal and social reforms has provided jobs directly to 35,000 people, and has created one million. mandays, making 240 towns scavenging free.

Kirtee Shah
President, Habitat Forum (Inhaf)
Chairman, KSA Design Planning Services Pvt.Ltd.