



URBAN PLANNING IN INDIA'S NEW DEVELOPMENT STRATEGY¹

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Reprinted from The Indian Economic Review, IIPM Think Tank,
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INTRODUCTION

Urban planning as currently practised in India is essentially concerned with planning the use and development of land in cities. Development is merely seen as physical manifestation in most of the town planning legislation². The content of development (or master) plan has been accordingly defined. The 74th Constitutional Amendment stipulated that the state should endow Municipalities with necessary powers to prepare plans for economic development and social justice;

and matters covered by the Twelfth Schedule³. But such plans prepared if any are still not mainstreamed. The basic notion of 'development' viz. economic development, inclusive growth and environmental sustainability are not explicitly incorporated in the planning of urban development. It would therefore be useful to briefly trace the evolution and challenges of urban planning in the context of evolving development strategy.

PERCEPTION OF URBANISATION

"India lives in villages" an oft-repeated adage attributed to Mahatma Gandhi guided the outlook on cities during the early years of post independence period. The Mahatma more particularly wrote "I regard the growth of cities as an evil thing, unfortunate for the mankind and the world, unfortunate for England and certainly unfortunate for India. The British have exploited India through its cities. The latter have exploited the villages. The blood of the villages is the cement with which the edifice of cities is built. I want the

blood that is inflating the arteries of cities to run once again in the blood vessels of the villages."⁴ The notion of cities as symbols of exploitation by colonial power or by native capitalists, has received acceptance in a wide spectrum of political discourse.

The First Five Year Plan declared, "...even the limited objective of increased production cannot be attained unless the wider objectives of social policy are constantly kept in mind and steadily pursued.

¹Published in The Indian Economic Review, IIPM Think Tank, May 2011

²For example Maharashtra Regional and Town Planning Act 1966 defines Development to mean "carrying out of building, engineering, mining, or other operations in or over or under, land or the making of any material change, in any building or land or in use of any building or land or any material structural change in heritage building or its precinct and includes demolition of any existing building, structure or erection or part

thereof and reclamation, redevelopment and layout and sub-division of any land."

³Article 243 W directs the states to "

⁴Young India, 26 June 1924 quoted in Village Swaraj Navjeevan Publishing House, Ahmedabad, 1962.

On the other hand, equality and social justice will have little content unless the production potential of the community is substantially raised." However the plan could not visualise the role of cities in raising the 'production potential'. Consequently it did not include urban development as a sector of economic growth. It had a chapter on housing that contains a section on 'Town and Country Planning'. The Plan further observed, "Most of the towns in India have grown up haphazardly. They have a large proportion of sub-standard houses and slums containing insanitary mud-huts of flimsy construction poorly ventilated, over-congested and often lacking in essential amenities such as water and light. This is specially so in the large industrial cities. The disgraceful sights presented by the ahatas of Kanpur and the bustees of Calcutta are conspicuous examples of this state of affairs. **These conditions have developed because of insufficient control over building activity by the State or municipal authorities. Local authorities have been generally indifferent to enforcing such bye-laws regarding building and sanitation as have existed.** (Emphasis added) Their own resources have been too meagre to permit any development work worth the name." It is noteworthy that the problem was seen as a result of poor enforcement of rules and not as that of need to expand urban land and services.

Interestingly similar approaches continued until the Sixth Five Year Plan. It is only in the Seventh Five Year Plan the economic importance of cities was noted. The Plan observed, "**Urbanisation is a phenomenon which is part and parcel of economic development in general. Certain activities are best performed in, indeed require, agglomeration of people.** Planning of urban development should essentially be supportive of the economic development in the country, state or sub-region, be it in agriculture, extractive industry, manufacturing industry or in the tertiary sector. The provision of urban services such as transport, communication, water, sanitation and shelter alone is usually unlikely to stimulate large-scale urban development. It is important to time investments in urban services and shelter to coincide with investments in agriculture and industry, mining and commerce, which provide sources of permanent employment. Therefore, a proper urban development approach must consist of two constituents. The first is the interaction between physical and investment planning and the second is the preparation of regional and sub-regional urban development plans to make the first possible. Industrial location policy must be made to subserve regional and urban planning. **During the Seventh Plan a concerted effort should be made to channelise private industrial investment in the vicinity of small and medium towns so that migration of population is diverted to these from going to the**

metropolises. The same principal should be applied to public sector investment.” (Emphasis added). It could be noted that though urbanisation was seen as part of economic development

and agglomeration benefits were recognised, migration to large cities was sought to be diverted to small and medium towns.

AXIOMS OF URBAN PLANNING

As a result of such ambivalence with respect to process of urbanisation and perception of cities through their visible problems certain axioms have emerged that seem to guide the urban planning in India.

(a). Urbanisation is inevitable during the process of economic growth. However growth of large (primate) cities is not desirable. Such growth needs to be limited firstly by promoting small and medium towns and secondly by developing new towns or counter-magnets within the city regions.

(b). Despite such efforts, when large cities continue to grow, continued growth of mixed-use, high density inner city areas is not desirable. Such growth needs to be restrained by regulations like maximum density and floor area ratio and new growth should be planned in the form of self-contained neighbourhoods (or sectors).

(c). Land and real estate markets obey and follow such plans.

The experience shows that none of these axioms are valid. However neither the new axioms nor a substantive theory of urban planning has emerged so far.

The Task Force on Planning of Urban Development appointed by the Planning Commission for the first time comprehensively examined the urbanisation and urban development. It asserted in 1983 “It must be understood that urbanisation is a phenomenon which is part and parcel of economic development in general. It is a natural consequence of economic changes that take place as a country develops. Certain activities are better performed in, indeed require, agglomeration of people while others do not. The location of activities has therefore to be seen in the spatial context of activities among others existing in a country and both likely and desirable development of network of markets and production centres of goods services and employment. It would be idle to imagine that rapid rise in rural population through demographic

growth can be absorbed in agriculture and still ensure growth of productivity and total production.”⁵

As regards the first axiom alluded to earlier, the Task Force observed “It is generally believed that (i) large cities have grown faster than at the expense of small and medium towns; (ii) that this is undesirable; and (iii) measures should be taken to retard large city growth and that this can be done by placing greater investment in small and medium towns. First it is not true that large cities have grown much faster, on an average, than small and medium towns. Second the arithmetic of growth and distribution of settlements is such that higher growth of small and medium towns will have little effect in magnitude of growth of large cities.”⁶

Despite these conclusions the Eighth Five Year Plan identified small and medium towns as the thrust area in these words. “Particular emphasis will be placed on the development of small and medium towns which serve as an important link between the village and the large cities. In order to realise the objective of more balanced distribution of urban growth both in terms of its distribution over space and also by size class of urban areas, the small and medium towns have to act as important centres of attraction, in terms of

economic opportunities, to the potential migrants not only from villages but also from urban areas to large cities.” The notion of helping small and medium towns to absorb migration and restrict size of large cities has survived from the Seventh Five Year Plan onwards. However in its present version of Urban Infrastructure Development Scheme for Small and Medium Towns – UIDSSMT the objective of restraining growth of large cities is not explicitly mentioned. 60 to 90% of the infrastructure costs are subsidised by Union Government under this scheme.⁷ Surprisingly however the Mid term appraisal of the 11th Five Year Plan reaffirms faith in small towns in these words “Healthy growth of smaller towns will ease the pressure on metros which are already bursting at their seams”!⁸

Prior to 1991 the development strategy was based on guiding and controlling investment in productive capacities. The sectoral allocation of private capital was also sought to be centrally guided. This was aptly called license and permit raj. Despite the dissolution of license and permit raj in case of investment in manufacturing industries, the raj continues to rule the domain of spatial planning largely following the third axiom mentioned earlier.⁹ Allocation of land to different uses, intensity of development through density and floor

⁵ Planning of Urban Development Task Forces on Housing and Urban Development, Planning Commission, Government of India, New Delhi 1983

⁶ Ibid

⁷ Guidelines on Urban Infrastructure Development Scheme for Small and Medium Towns Government of India, Ministry of Urban Development (date not mentioned)

⁸ Mid Term appraisal of the 11th Five Year Plan

⁹ Buckley, Robert, Alain Bertaud, and V. K. Phatak. 2005. “Property Rights and Interlocking Policy Constraints on Urban Land Markets: Reforming Mumbai’s Real Estate Raj.” Paper presented at the Land Policies and Administration for Accelerated Growth and Poverty Reduction, New Delhi.

area ratio (FAR) are axiomatically determined and justified on “health and safety” considerations. The impact of such plans and regulations on the land and real estate markets is hardly ever considered. Consequently land is sub-optimally used and inadequate consumption of housing space. It is generally believed that slums are spontaneous settlements of poor migrants. But the fact that they are a manifestation of grey housing market

that is the result of axiomatic plans and regulations is hardly recognised. Mumbai represents an extreme case where 1.33 and 1 are normal FSIs irrespective of varying accessibility and land prices. Despite growing incomes 65% of Mumbai’s households live in one-room dwelling units a proportion almost twice as that of Urban India average. Mumbai also has 54% of its population living in slums that is an active parallel housing market.

LAND POLICY

Since urban planning in India is largely concerned with development of land, it would be relevant to briefly consider how perceptions about land and real estate property have evolved. The Indian Constitution initially recognised ‘to acquire, hold and dispose of property’ as a fundamental right. Consequently when land was to be compulsorily acquired ‘compensation’ at market price was payable. Subsequently the term compensation was replaced by the term ‘amount’. This ideology culminated in the enactment of Urban Land (Ceiling and Regulation) Act 1976 that attempted nationalisation of vacant urban land by paying nominal amount. Finally the fundamental right to property was deleted from the Constitution.

The first articulation of the Urban Land Policy was proposed by the Urban Land Policy Committee (Ministry of Health)

appointed by the Government of India in 1965. The Committee articulated the following Land Policy Objectives

1. To achieve optimum social use of urban land;
2. To make land available in adequate quantity, at right time and for reasonable prices to both public authorities and individuals;
3. To encourage cooperative community effort and bona fide individual builders in the field of land development, housing and construction;
4. To prevent concentration of land ownership in a few private hands and especially to safeguard the interests of the poor and under - privileged sections of the urban society.¹⁰

¹⁰ As reported in the Planning of Urban Development op.cit.

Further the Committee observed that to realise the objectives “there is no escape from large scale public acquisition if the question of guiding urban development or the provision of adequate housing and other facilities is to be tackled effectively and large scale advance acquisition of land would really be in the interests of the society as a whole. It is by far the best and perhaps the only way to put an end to speculation in land and to capture subsequent increases in land values. These surpluses, where realised by the public authorities, should benefit the community in more ways than one.”¹¹

Not surprising the role models of Indian Town Planners – Delhi Master Plan, Chandigarh, Gandhinagar and Navi Mumbai were all based on public ownership of land. Whether public ownership in fact achieved the land policy objectives in such cases may be a matter of debate. But a verdict on the Delhi experience was;

“1. It has not been possible for DDA to provide land at affordable prices to low income beneficiaries resulting in large scale jhuggi jhopadi colonies.

2. In the absence of price signals land has been sub optimally used, resulting in over provision to powerful groups, and

3. DDA’s policy to auction very few plots at a time and treating the maximum price quoted in such bidding as the real market price has in fact meant artificially increasing the land price through deliberate scarcity.”¹²

However, securing large-scale public ownership of land implied compulsory acquisition of land. There was considerable discontent amongst the original landowners about the manner in which compensation was determined and paid. The Land Acquisition Act 1894 initially provided the date of declaration of intention to acquire the land as the reference date for determining the market value. However no time limit was laid down for actual payment of compensation. 1984 amendments introduced the time limit of three years and also provided for payment of interest from the date of award to actual payment or possession of land and solatium of 30% of market value. However the market value is to be reckoned at current use value at the exclusion of expected rise in value on account of future use. The proposed changes in the LA Act and the R and R Policy¹³ attempt to remove many of these lacunae. But planned urban development is not being recognised as a public purpose for which powers of eminent domain could be used and in practical terms the proposed method of deciding compensation and

¹¹ *Land in Metropolitan Development: Some Policy Issues* presented by L M Menezes at Seminar on Land Development, April 17 & 18, 1982, Times Research Foundation, Calcutta.

¹² Planning of Urban Development op.cit

¹³ Bill for amending Land Acquisition Act 2007 and Resettlement and Rehabilitation Policy and Bill 2007.

rehabilitation package would make recourse to compulsory acquisition of land expensive for lands that also require substantial investment in trunk infrastructure. This would compel search for new paradigm in respect of urban land.

The thinkers in the first world too were enamoured by the socialistic notion of community ownership of land. However on practical considerations they sought solutions short of nationalisation of urban land. The two extreme proposals had one thing in common. Both considered right to own land and right to develop (or build upon) as separate rights. Henry George argued that a private landowner may have right to own both land and development rights. But he has no rights on the rents accruing to land, as they are results of monopoly and not efforts of the owner. He therefore argued that the state has legitimate right to recover 100% of such rents by way of taxes. He allowed the owner to retain the returns on his investments in improvements. He was also prophetic about the ills of public ownership of land. In 1879 he stated, "I do not propose to purchase or confiscate private property in land. It is not necessary to confiscate land—only to confiscate rent. Taking rent for public use does not require that the state

lease land; that would risk favouritism, collusion, and corruption."¹⁴ On the other hand a committee under the chairmanship of Justice Uthwatt in UK suggested that the betterment occurring on account of development of land should be balanced with the compensation to be paid for acquiring land for public purposes. To enable recovery of betterment the Committee proposed nationalisation of development rights (by paying compensation). Development required planning permission subject to payment of betterment. Despite three attempts to recover betterment since 1947 it has still not succeeded. A cryptic comment on this reads, "The state expropriates property rights, and then charges those from whom it has taken those rights for granting permission to use them on its terms. A betterment levy is wrong in principle, and like most things that are fundamentally wrong, it will always fail in practice"¹⁵

The Indian urban planning thought under the pre 1991 macroeconomic framework was oblivious of property rights and resultant land and real estate market. Hernando de Soto argued the importance of clarity of property rights and labelled poorly recorded property rights as the 'dead capital' unable

¹⁴ Henry George Progress and Poverty (1879) edited and abridged for modern readers by Bob Drake, the Robert Schalkenbach Foundation, 2006

¹⁵ John Gummer (2004) 'The moral argument against a development

levy' in Peter Bill (ed) Building Sustainable Communities: capturing land development value for the public realm, Smith Institute.

¹⁶ Hernando De Soto (2001) The Mystery of Capital Why Capitalism Triumphs in the West and Fails Everywhere Else, Black Swan.

to ensure finance for poor.¹⁶ But his arguments have evoked little debate in India.

Lack of conceptual clarity about land and property rights have given rise to many expedient policy initiatives. Some of these are discussed below;

(a). FAR as an instrument of nationalising development rights:

FAR essentially a zoning tool in US cities rationalises the intensity of development that could be permitted considering the existing level of development, accessibility and use. The FAR in US cities varies considerable from less than 1 to 15. However in most Indian cities such considerations are not used in defining FAR. In many states common FSI values are prescribed across all cities as part of state wide building regulations and do not form part of master plan of individual city. (e.g. Punjab, West Bengal). There has been two-fold argument justifying this position. First, varying FSI within a city would be seen as discriminatory between different land owners and second, varying FSI across cities would lead to demand from political quarters to increase rationally defined FSI to an arbitrary level proposed in another city. The general tendency has been to prescribe low uniform FSI (around 1). This has meant scarcity of development rights particularly in

cities that experience faster economic and population growth and resultant increase in demand for per capita floor space.

Instead of adopting measures to reduce scarcity of development rights by rationalising FSI pattern, retaining existing low FSI regime is being implicitly used as an instrument of nationalising development rights beyond prescribed FSI (without paying compensation). Armed with such nationalised development rights the state administrators could allot these rights on conditions of payment or fulfilling other obligations like providing free houses to slum dwellers. (Hyderabad Master Plan proposed a base FSI and permissible increase subject to payment. Maharashtra Government increased FSI in Mumbai subject to payment that would be equally shared between Municipal Corporation and the state government. Extra FSI is similarly allowed in Chennai. Similarly extra FSI is allowed for rehabilitating existing occupants of rent controlled buildings and slums, free of cost)

In this context the objectives of raising revenue or helping a class (not necessarily poor) will succeed when base FSI is low and scarcity of development rights is created. Creating scarcity is not a healthy way of managing any market.¹⁷

¹⁷Vidyadhar K. Phatak, Is it Money Space Index finally? Hindustan Times, Mumbai Edition, 30 March 2008.

(b). Lack of clarity about property rights:

The legal intervention of rent control creates most muddled property rights. The tenants are protected against increase in rents; they can inherit tenancy rights and can also sale tenancy rights. But landlords can receive only standard rent. This virtually makes tenant an owner with the only exception that tenants' rights cannot be mortgaged. Since the owner, entitled to a controlled rent, cannot raise money against his assets, the entire property is turned into a dead capital.

Within the squatter settlements of large cities there is an active market. Rental market is operative without distorting owner tenant roles through extra-legal means. Owners transact their huts at market prices without tenure rights. But formal tenure in the hut is a dead capital. Security of tenure is seen as security against eviction by the state and not as a way of unlocking the value. The draft Rajiv Awas Yojana proposes to grant tenure to slum dwellers that can be inherited but not alienated, without recognising the fact such restrictions are unenforceable and if enforced breed corruption.

CURRENT PERSPECTIVE OF URBANISATION AND URBAN PLANNING

Current thinking about urbanisation and urban development can be gauged from the Eleventh Five Year plan. The vision of urban development included in the plan is; "Indian cities will be the locus and engine of economic growth over the next two decades, and the realization of an ambitious goal of 9%–10% growth in GDP depend fundamentally on making Indian cities much more livable, inclusive, bankable, and competitive."¹⁸ This is significant in explicitly recognising the role of cities in achieving rapid economic growth. The three out of four goals put forward for Indian cities do find reflection in the Plans proposals. However the Plan does not clarify how cities will become

competitive. Though not explicitly mentioned, the Plan still retains the old preoccupation with concern for state wise variation in urbanisation and increasing share of larger cities in urban population. This has also reflected in a proposal that intends to develop other settlements located in the vicinity of the mother city as satellite/counter magnets to reduce and redistribute the population and population influx. To cope with the above problem, the government has proposed a new scheme for development of satellite towns/counter magnet cities. This will help in the development of metropolitan regions.

¹⁸ Eleventh Five Year Plan 2007-12 Inclusive Growth Planning Commission Government of India, Oxford University Press New Delhi 2008

It should be noted in this context that the World Development Report - 2009's main message is that economic growth will be unbalanced. To try to spread out economic activity is to discourage it. But development can still be inclusive, in that even people who start their lives far away from economic opportunity can benefit from the growing concentration of wealth in a few places. The way to get both the benefits of uneven growth and inclusive development is through economic integration.¹⁹ The notion that economies of scale and agglomeration give rise to modern cities and such cities then foster innovation and further economic growth is well established. Jeb Brugmann while deciphering the hidden logic of global urban growth has observed, "**Density** increases the sheer efficiency by which we can pursue an economic opportunity. The **scale** of cities increases the range of opportunities and level of ambition that can be viably pursued in them and thereby the scale of the impacts that urban pursuits can have on the world. The scale and density of interactions among people with different interests, expertise and objectives then combine to create the third basic economy of cities – economy of **association**. The modern urban infrastructure is viable due to supply economies created by the scale and density of cities and demand efficiencies created by association. The result is economies of **extension**

– an ability to link unique economic advantages of one city with those of other cities to create whole new strategies for advantage in the world."²⁰

At the local level the 11th Five Year Plan proposes facilitator role for both the central and state governments and as corollary increased private participation. It also proposes dismantling public sector monopoly over urban infrastructure and creating conducive atmosphere for the private sector to invest. Such a conducive atmosphere requires creating and regulating markets in urban infrastructure. However the Plan does not clearly outline strategy in this regard. Similarly the Plan recognises slums as a result of poverty in urban areas. But that is only partly true. According to Census 2001, 54% of Mumbai's population lived in slums – almost twice as the proportion of people below poverty line. This is obviously a result of housing market. At the current housing prices it is estimated that only top 20% of income scale can afford formal houses in Mumbai.²¹ Under such circumstances the subsidies extended to the poor (20th percentile) whether by way of land, construction or money are bound to flow to the upper income. It is necessary to pay equal attention to both demand and supply side of the housing market. The demand relates to income, space–transport

¹⁹ World Development Report 2009 Reshaping Economic Geography
The World Bank, 2009, Washington DC

²⁰ Jeb Brugmann Welcome to Urban Revolution How Cities are
Changing the World Harper Collins Publishers India New Delhi 2009.

²¹ Business Plan for Mumbai Metropolitan Region 2007,MMRDA

trade-offs, and availability of housing finance. The supply relates availability of land and infrastructure, availability of building materials and construction finance. Each of these elements could be influenced by public policy like targeted subsidies, establishing and enforcing property rights that improve

access to housing finance, removing regulatory constraints on development rights and expansion of city and extending infrastructure. This could be achieved through enabling framework without state providing housing.²²

THE NEW PARADIGM

The Statement of Industrial Policy, 1991 that heralded India's economic liberalisation as defined the development strategy, stated "Government will continue to pursue a sound policy framework encompassing encouragement of entrepreneurship, development of indigenous technology through investment in research and development, bringing in new technology, dismantling of the regulatory system, development of the capital markets and increasing competitiveness for the benefit of the common man. The spread of industrialisation to backward areas of the country will be actively promoted through appropriate incentives, institutions and infrastructure investments." The Statement further clarified that "Major policy initiatives and procedural reforms are called for in order to actively encourage and assist Indian entrepreneurs to exploit and meet the emerging domestic and global opportunities and challenges. The bedrock of any such package of

measures must be to let the entrepreneurs make investment decisions on the basis of their own commercial judgement." The statement also asserted, "As a whole the Indian economy will benefit by becoming more competitive, more efficient and modern and will take its rightful place in the world of industrial progress."²³ Though the statement is limited to manufacturing industries could be extended to urbanisation in terms of vision, objectives and policy instruments. The role of urban planning could be accordingly developed. Urban planning though essentially a local action will require a national or state framework. The basic tenets of such an approach are outlined below.

Macro Framework

1. The current status of urbanisation is captured in the numbers 3:30:60 implying that 3% of the area supports 30% of population in urban areas and generates over 60% of GDP. Expansion

²² Shlomo Angel Housing Policy Matters A Global Perspective Oxford University Press 2000

²³ Statement of Industrial Policy Government of India, Ministry of Industries 24 July 1991

of urban area in terms of population and area will be consistent with the objective of rapid and inclusive growth. No public policy instruments are warranted to curb or restrain the growth of cities.

2. The economies of scale and density will continue benefit the overall economic growth. Policies to restrict growth of metropolitan cities will not be pursued. This may lead to uniform level of urbanisation and interstate variations will persist. However, instead of aiming state wise parity at lower economic and urbanisation levels, the 'distance' between large and dense cities and lagging regions will be overcome by improved transport infrastructure. Highways, railways, water and airways will facilitate movement of men and materials. Telecommunication and IT will facilitate exchange of information and money.

3. This should not imply neglect of smaller towns. Basic infrastructure like safe drinking water, sanitation, solid waste management local streets, primary education and healthcare should be made available to all irrespective of the city size. However the illusion that this will restrain migration to large cities and achieve 'ideal' city size distribution will not be harboured.

Local Framework

4. Although density and scale are necessary for economic growth they may give rise to externalities like congestion. Urban planning should direct its attention to managing such externalities and not directly controlling densities. Pricing could be (e.g. parking fees or congestion charges on vehicles) an important technique of managing externalities.

5. Land use, density or FSI zoning the most commonly used urban planning tools should be applied in a manner that does not create scarcity of land and development rights that distorts the market and forces the poor (and not so poor) to seek shelter in slums.

6. Muddling of land and property rights should be sorted out. De facto rights of squatters should be recognised. Mortgage finance be encouraged by enforcing foreclosures when required.

7. Obtaining adequate land for public purposes like roads, schools, healthcare facilities, parks and playgrounds will be the main challenge of urban planning. Using powers of compulsory acquisition, land readjustment in the form Town Planning Schemes or conditions of conversion of use and sub-division could all be used as a part of wider menu for the purpose.²⁴

²⁴ Shirley Ballaney and Bimal Patel Using the 'Development Plan-Town Planning Scheme Mechanism to Appropriate Land and Build

Infrastructure in India Infrastructure Report 2009 Land – A Critical Resource for Infrastructure Oxford University Press, New Delhi 2009.

8. Conventional model of property tax and user fee revenues that service municipal bonds has not succeeded in India. One time Infrastructure Benefit Tax that relates to market value of the property when it is developed seems promising. Impact Fees are useful to finance incremental costs attributable to proposed development. Specifying low general FSI and then charging fee for extra FSI (or holding purchasable development rights by the state and then selling them) is based on distorted market and should be avoided.²⁵

In essence the new paradigm for urban planning in India will have to be in consonance with the macro economic policies. The pursuit of 'correcting' the city size distribution has to be given up. The interventions at the local level have to be guided by the need to control externalities and not by axioms of 'good city'. This is not to deny the need to aggressively provide infrastructure for expansion of cities and sustaining high densities. Generating financial resources for investment in infrastructure could also be linked to real estate development. In effect the 11th Five Year Plans aim of promoting 'competitive, livable and bankable' cities has to truly reflect in urban planning practice.

²⁵ Vidyadhar K. Phatak Charges on Land and Development Rights as a Financing Resource for Urban Development in India Infrastructure Report 2009 op.cit.