



DEVELOPMENT, DISPOSSESSION AND ACCUMULATION: MUMBAI IN CONTEMPORARY TIMES.

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INTRODUCTION

Starting from December 2004 more than 70,000 houses were demolished in Mumbai in a short span of two months; this was unprecedented in scale as well as brutality. It resulted in rendering lakhs shelter less, without any roof over their heads, children forced to roam on streets, scores of un-natural deaths, suicides, loss of livelihoods and lives and misery. All this was done for the acclaimed purpose of transforming Mumbai into Shanghai; a global financial hub. Mumbai, it has been the hope, will be the driving force of India's global economic integration. Hence this comparison with Shanghai, which became the driving force of China's global economic integration.

In this mad rush of the city's make-over, the victims have been thousands of working class residents who were made spokes in this giant wheel of transformation. The blue print which had been charted out for the city's development had international consultants (McKinsey) and corporate bodies (Mahindra, Tata, ICICI) as its authors and was given a participatory touch by formulating a Chief Minister's Task Force, members of which have been glittering on page three of many newspapers and thus had no concern or regard for the toiling masses of the city.

The paper while discussing the projects, bares the neo-liberal agenda in-built in these projects the agenda, which furthers advances the global capital and opens up new avenues of dispossession and exploitation of the working class of the city.

The paper is divided into three sections, section one briefly introduces the reader to the idea of Mumbai as an International Financial Centre (IFC) and to the actors whose imagination drives Mumbai as an IFC. Section two covers how the process of accumulation is taking place in Mumbai and people who are being disposed in this process; Section three concludes the paper by exposing the myth of the idea of Mumbai as a world class city.

MUMBAI: THE CITY

Mumbai, the city as it is seen and understood today has covered a journey from seven islets to a megalopolis spread across some two centuries. At one level, rather than being a city, can be understood as a conglomeration of 'cities'. Today, tall standing structures next to the flatly laid spread out tenements point out to the processes of contestations and negotiations that would have been and are being engaged in by the residents of these two worlds. And then they, at one point come together to constitute what is known as the *urbs primis*.

It is commonly stated that more than half of the Mumbai's population lives in slums. The population census of 2001 puts 48.5 per cent in BMC (Municipal Corporation) area to be living in slums. In 2001, the population in BMC area was 11.9 million, indicating that around 5.8 million of the population of the city was living in slums then. If other industrial workers' housing (called chawls – one room housing units laid out in a row along a corridor in a three to four storey building) is included then close to 70 per cent (or 8.3 million population) of Mumbai's population lives in either slums or chawls. Compared to an annual need of 8 new dwellings per thousand population, only 1.8 are being built, thus causing a spillover of excess population into slums. The annual housing need for the metropolis is estimated at 60,000

units. The Government agencies construct about 4,000 units annually. The contribution of the non-governmental sector has fluctuated around 12,000 units a year. But these of course are quite out of reach for the working class poor. With the housing shortage escalating precipitously, more and more of the poor are forced to live in appalling conditions. One of the major factor of this is in-equitable distribution of land across the residents. In the city, more than 60% of the population lives on 11% of the land. As per the National Commission on Urbanisation (1987) 91 individuals own 55% of the vacant land of the city.

Along with the rest of India, Mumbai, its commercial capital, has witnessed an economic boom since the liberalisation of 1991, the finance boom in the mid-nineties and the IT, export, services and BPO boom in this decade. Since then this city has emerged as a major financial hub in the global chain of financial centres. Upward mobility among Mumbaikars has led to a direct increase in consumer spending. Mumbai has been ranked 10th among the world's biggest centres of commerce of financial flow in a survey compiled by Mastercard Worldwide and as of 31st October 2008, Mumbai was ranked 7th in the list of Top Ten Largest Billionaire Cities (Forbes 2008).

THE IDEA OF MUMBAI AS A GLOBAL FINANCIAL CENTRE

In the year 2007 A High Powered Expert Committee formed under the Ministry of Finance came out with a Report on Transforming Mumbai into an International Financial Centre with the rationale that in order to sustain its growth trajectory India has no choice but to become a producer and exporter of International Financial Services (IFS) and capture an increasing share of the rapidly growing global IFS market. For attaining these twin goals it is considered imperative that Mumbai is transformed into an International Financial Centre (IFC). The report clearly mentioned that the need for establishing Mumbai as an IFC was implicitly a metaphor for (and synonymous with) deregulating, liberalizing and globalising, all parts of the Indian financial system at a much faster rate than presently it was. Further it argued that India's financial services industry would neither become export-orientated, nor derive significant IFS export-revenues, in case Mumbai failed to become an IFC.

The reasons for selecting Mumbai are varied, from it being the acclaimed financial capital of the country, to it being home to the National & Bombay Stock Exchanges which are the 3rd and 5th biggest exchanges in the world by number of transactions. The RBI and SEBI head offices are located here.

Almost all major Indian banks have their headquarters in this city. Many foreign banks and financial institutions have either their head quarters or their branches here. Until the 1980s, Mumbai owed its prosperity largely to textile mills and the seaport, but the local economy has since been diversified to include engineering, diamond-polishing, health care and information technology.

Recently the Chief Minister of Maharashtra reiterated State's commitment of transforming Mumbai into an International Financial Centre by declaring that \$60 billion had been earmarked for developing Mumbai Metropolitan Region during a meeting held on the side lines of World Economic Forum.

THE UNHOLY ALLIANCE: PLAYERS IN MUMBAI

Wendy Larner (2003, cited in Hariss -2008) calls for a “careful tracing of the intellectual, policy and practitioner networks that underpin the global expansion of neo-liberal ideas, and their subsequent manifestation in government policies and programmes”. In India generally, and in Mumbai particularly, the real estate sector got a major boost in 2001 when the then NDA government reduced the interest rates for housing. The next major boost arrived with the decision of the present UPA government of allowing Foreign Direct Investment (FDI) in the real estate sector in 2005. Given its convenient and the strategic location, Mumbai has been at the forefront of this boom. Since 2005, there has been a rush of national as well as trans-national investments in the sector. Associated with this boom have been a number of players including bankers, developers/builders, financial institutions, think tanks, consultants, World Bank, Asian

Development Bank, NGOs etc. This motley group is binded together with the thread of neo-liberal ideology and their faith in market economy. Below, as called by Wendy Larner an attempt is made to identify and lay down the role of actors that press neo-liberal ideas in Mumbai’s development.

In 2003-04, India received total FDI inflow of US\$ 2.70 billion, of which only 4.5% was committed to the real estate sector. In 2004-05 this increased to US\$ 3.75 billion, of which the real estate share was 10.6%. However, in 2005-06, while total FDI in India was estimated at US\$ 5.46 billion, with real estate share around 16%. The total FDI in 2006-07 was about US\$ 8 billion in which the real estate share has been about 26.5%. (The Times of India, 2010)

The major investors are as follows:

Sr. No.	Major Global Investors	Major Indian Investors/Real Estate Funds
01.	Carlyle	ICICI
02.	Blackstone	Kotak Mahindra Reality Fund
03.	Morgan Stanley	Dewan Housing Finance
04.	Trikona	Kshitij Venture Capital Fund
05.	Goldman Sachs	Maia (NRI Malini Alles)
06.	Lehman Brothers	IDFC
07.	Knight Frank	
08.	Meraiil Lynch	
	Combined Investment-\$12 Billion	

It is generally known that it was around 2004-05 that the housing bubble of USA's real-estate business started blowing off and that is the very period when one witnessed sudden boom in the real estate sector of India in general and in Mumbai particularly. This shift of capital from crisis ridden American market to the greener pastures of Mumbai was very much an indicator of the speculative capital which flies from areas of crisis to newer areas having opportunities of generating profits.

One good example of flight of capital from American market to Mumbai is the Rs 7.5 billion investment of Lehman Brothers in the Golibar redevelopment project. Golibar, located on the Western Express Highway, is spread over 140 acres housing around 20,000 families and is one of the single largest slum rehabilitation projects in Mumbai. This scheme proposes to change the skyline of Mumbai in the coming years, with about one km of frontage on the Western Express Highway. The existing 20,000 houses have to make way to a 'project that has the vision to develop mixed use integrated development of Residential Skyscrapers, State of art Commercial buildings, High-end Retail and Hospitality ventures' or 'Santa City', as it has been named. Lehman Brothers Real Estate Fund had acquired a 50% stake in Phase I of the Project by investing Rs 7.5 billion in the project before their debacle in the year 2008 (LiveMint, 2011). It is said that the Fund could apprehend the looming

housing bubble crisis and thus shifted its investments away from the American housing sector to greener pastures like Mumbai.

The World Bank has been, of late very closely involved in forcing its neo-liberal agenda by intruding in the policy making realm of State Legislature. In the last 8 years a number of projects have been brought on the instance of the World Bank Group, be it Mumbai Urban Transport Project, Maharashtra Water Sector Reforms, Sarva Shiksha Abhiyan, Repeal of progressive legislation Urban Land Ceiling Act. A number of Consultants have been appointed to various State Departments and Bodies that are acclaimed market fundamentalists. Note worthy amidst them are McKinsey, Lee Consultants, Castilia, TCS etc. Through direct and indirect interventions these have been responsible for proposing and pushing pro-market and anti-people decisions like privatisation of water and other such basic services, capital intensive, private oriented transport projects, retrenchments, pro-builder policy amendments, setting up of SEZs etc.

These processes and ideas have been further pushed and supported by many Civil Society Organisations/NGOs that have either their roots in the market ideology or are covertly supported by other such groups. Worth mentioning amongst them are Bombay First, AGNI,

CitiSpace, SPARC. Anjaria (2009) describes such NGOs and groups as 'guardians of the bourgeois city'.

Bombay First, a NGO having an exclusive membership of the corporate houses was the one that hired McKinsey International to come out with a report on Transforming Mumbai as a World Class City. The release of the Report was precursor to the massive demolition drive of 2004 which rendered more than 3 lakh people homeless. NGOs like AGNI & CitiSpace have been at the forefront in raising the issues and responsible for eviction drives against working class staying in slums and engaged in activities like hawking and street vending. SPARC, which few years back was a representative social movement of slum dwellers has, of lately, been co-opted by the state and the market and now is at the fore front in facilitating its implementation of many such projects that are based on neo-liberal ideology. Although Arjun Appadurai (2002) attempts to portray the work of SPARC as a response to the hegemonic designs of globalisation by terming their work as 'deep democracy' he has been critiqued by authors like Judy Whitehead (2007) who notes that such organisations "inhabit(ing) a consensual wing of the liberalised state that has privatised its legitimation functions to civil society... is (are) not accountable to the people it represents, nor does it oppose the revanchist

policies". The same has been critiqued by authors like Mukhija (2003) and Doshi (2011).

Be it the displacement of more than 35,000 families under the World Bank funded Mumbai Urban Transport Project or the Metro Rail Project, SPARC has been instrumental in using its leverage with working class populations for implementing pro-market policies.

Few interesting facts have also come to light which expose few new agents of Global Capital in Mumbai. Many of the so called religious leaders have been openly campaigning and supporting many of the neo-liberal Urban Renewal Projects in Mumbai. Sri Sri Ravi Shankar, who has a mass following on millions of people across the globe has been supporting the real estate plans of revamping C-Ward and Hiranandani Developers who are engaged in real estate projects globally and setting up of SEZs. As per the website of the Remaking of Mumbai Federation (ROMF), he is member of their Managing Committee (www.romf.org) Similarly, the self acclaimed yoga guru Swami Ramdev has been supportive of Sudhakar Shetty a well known builder of Mumbai (Indian Express 2008).

Many of the government officials bureaucrats have either left their jobs, turned consultants-builders or double as same. Bhushan (2004) describes

this phenomena as 'Revolving Door'. Few note worthy names are Sanjay Ubale who earlier was Secretary-Special Projects Government of Maharashtra; now is CEO-TATA Reality and Infrastructure. Similarly VK Jairath, who was Chief Secretary-Department of Industries and was instrumental in convincing corporates to commit investment worth nearly USD 30 billion over the last two and a half years, and in approving more than 100 SEZs for Maharashtra recently resigned to turn into a freelance consultant. Kishore Gazbiye resigned from the office of Asst Municipal Commissioner to join reality firm India Bulls. Many of them have been doubling as real estate agents and consultants for land deals while serving in government offices still.

Similarly it is well known that the TDR Cartel, an instrument that converts land in to a speculative market commodity is controlled by the Deputy Chief Minister of Maharashtra, Narayan Rane, who recently launched his own newspaper. For the first full week the newspaper was full of complimentary advertisements placed by builders, and real estate agents, clearly exposing the nexus. Raj Thackeray, head of Maharashtra Navnirman Sena is director of real estate firm Matoshree Developers, while Mangal Prasad Lodha a member of the Maharashtra Legislative Assembly from the Bhartiya Janata Party, heads Lodha Developers.

ACCUMULATION: THE MODUS OPERANDI

What has been happening in Mumbai can be best explained with the David Harvey's postulate of Accumulation by Dispossession. In his own words it's " about plundering, robbing other people of their rights, taking away peoples rights to dispose of their own resources". In Mumbai what generally has been understood as displacement,

actually, is a phenomenon explainable by following Harvey's postulate. The advantage of the same is that this exposes not only the exploited but also the exploiter. The following section throws light on the modus operandi being followed to dispossess people of their rights.

SEZs: ZONES OF EXPLOITATION

SEZs have been approved not only in rural areas but also in the Metropolitan areas. In this list tops Mumbai, that has till date 5 approved SEZs that fall within the Metropolitan region of the city. For these 5 SEZs 700 acres of land has been acquired, while the poor of the city are displaced, dishoused and remain shelterless because of the land 'shortage' in the city. Such decisions are definitely without any sort of people's consultation but also are going to be unprecedented as would be taking this parasitic form of development to unmanageable proportions.

Without any control of the local municipalities over this SEZs the city will be converted as hinterland of their own selves; as per the Act they are to avail dedicated and unrestricted power and water supply. In addition challenging the whole concept of local self-governance, would be islands of crony capitalism as they would be regulated by not a single tax regulation.

Most seriously, SEZs are a violation and contrary to the 73rd and 74th amendment of the constitution, which had given primacy and decision making power to the Gramsabhas and Basti Sabha. On one hand we have District Planning Committees, which are the constitutional bodies of decision-making and on the other hand are the corporates and consultants who are encroaching upon their rightful domain and creating an imbalance between groups and communities.

SEZs in Mumbai and elsewhere are not merely about displacement and rehabilitation, the politics is beyond. They are a reflection of the nexus that exists between the Capital & State where democracy is replaced by governance and citizens are supposed to take back seat to give turn to the consumer.

Sr. No.	Name of SEZ	Location	Area in Acres
01.	Hiranandani	Powai	31
02.	Royal Palms	Goregaon	538
03.	Bombay Industrial Corp	Chembur	30
04.	Raheja	Malad	30
05.	Geetanjali	Boravali	25

DISPLACEMENT AND DISPOSSESSION: MUMBAI AS A WORLD CLASS CITY

In an effort to transform Mumbai into a "world class city", the Maharashtra Government had set in motion a multi-pronged programme, which they hope to complete by the year 2013. Though slum demolitions and evictions have been quite common phenomena in Mumbai, the nature and extent has changed a lot. Whitehead (2007) says that the approach towards the slums has become much more revanchist. She rightly says that the present day approach is of forced demolitions and evictions. It has moved full circle from in situ upgradation to re-development to relocation to the present day policy of forced demolitions and evictions.

Presently, the Project of Transforming Mumbai encompasses six focus areas which include creating a Mumbai Development Fund, repeal of Urban Land Ceiling Act (ULCA) to create land supply, setting up of Special Economic Zones, strengthening the entertainment industry and the Bollywood brand and making Mumbai more attractive to Information Technology companies improving the city's commuter systems-better roads, highways, privatising civic amenities, particularly the city's water supply; adopting a new property tax system etc.

Accordingly, to transform Mumbai into a world-class city it was suggested to invest Rs 200,000 crore in the next ten years with more private partnerships in city's development.

The project of Makeover Mumbai encompasses a slew of projects that have been envisaged towards transforming Mumbai as a Global City. These projects mostly focused around transport sector, creation of new capital intensive infrastructure, beautification drives, housing etc.

Mumbai has a long history of slum demolitions, carried out under whatever pretext available and many different economic situations. The 2004-05 demolitions are also in a way as much an extension of the past politics of development as of the imminent globalisation of India and of Mumbai. The demolition of slums has been one of the means of clearing land for economic or upper-income residential uses continued alongside.

Every increase in property prices in Mumbai, has been leading to rash demolition drives. In the immediate wake of reforms, from 1992-95, property prices increased drastically in Mumbai. In 1994, there was a large-scale demolition in Mumbai. In 2004-5, with the opening up of the Real Estate

Sr. No.	Name of the Project	No. of Families Displaced	Time Period
01.	Mumbai Urban Transport Project (MUTP)	20,000	2004 onwards
02.	Mumbai Urban Infrastructure Project (MUIP)	35,000	2004 onwards
03.	Mumbai Makeover to Shangai	70,000	December 2004
04.	Mithi River Development Project (Phase I)	5,000	May 2006
05.	Mahatma Gandhi Path Kranti Yojana	5,000	2007
06.	Airport Expansion Project	90,000	To Start Yet
07.	Dharavi Redevelopment Project	60,000	To Start Yet
08.	Mumbai Metro	N.A	To Start Yet
09.	BRIMSTOWD	26,000	2007
10.	Slum Rehabilitation Scheme	No Estimates (Rehabilitated till date 85,000)* not counted in the Total.	
	TOTAL	3,11,000	

Sector for 100% FDI the property market picked up resulted in slum demolitions. In a short period of 2 months 70,000 homes were demolished for 'Transforming Mumbai a World Class City'. The demolitions were carried out on 44 sites and an estimated 300 acres of land was cleared. These demolitions can be understood as a means to further the process of accumulation. Weinstein (2009) rightly puts up that "Over the past decade, the state government has come to view the thousands of acres of urban land that house this population—estimated between 6 and 10 percent of the city's total land area—as a development opportunity". Thus the slums are evicted and the land that is freed is being diverted for the use of massive reconstruction activities and also providing for a site where the global capital can be invested.

Year of Demolition	Number of Houses Demolished
1994	55,784
1995	62,385
1996	84,681
1997	108,322
1998	49,154
2004	70,000

Source: Darshini Mahadevia (2005)

MYTH OF WORLD CLASS CITY: THE PROJECT OF URBAN NEO-LIBERALISM:

In the project of implementing urban neo-liberalism based urban development it becomes imperative for the proponents that they circulate around a myth of transforming the city into a world class city, where everything is of first class order, the second class gives way to the first, the old to the new; poor to the rich. For this they engage into exercise of branding the city, in Mumbai several projects have been undertaken that focused only on building the brand of 'Mumbai'. They range from NGO initiatives like 'I Love Mumbai', political party led campaigns like 'Amchi Mumbai'. And these campaigns are directed towards building an ego of the city which encompasses the ego of the individual. Individual's ego has only the option of linking itself with the ego of the city. And thus individuals' identity is so intensively linked with that of the city's that when destruction is carried

out in the name of development, instead of opposing the same, individuals welcome that, as happened in 2004-05 when more than 3 lakh fellow residents were brutally evicted, Mumbai stood to congratulate the powers that be. Such exercises give a way to operate hysterical development.

Further, the World Class city provides for new avenues of control and authority where power can be exercised over hitherto sections of the society that have escaped capitalist exploitation and thus creating newer sites of repression and exploitation. Another peculiar feature of world class city is commodification, of services to life. Everything imaginable is being brought under the realm of market and being converted into saleable commodities, from culture to planning. There have been series of operations that are leading to citizenship taking

a back seat and the consumer being given preference. This can best be depicted by the adage "I consume, therefore I'm".

The so called world class cities have turned the human settlements into sites of parking speculative capital that stay there till they are able to generate profits and takes flight the moment they are able to locate greener pastures. Cities become new sites of manipulations, from where profits can be made by speculations.

All this, leads us to a point where there is an imperative need of developing new sites and modes of resistance

and struggle. This has to start with developing a new idiom of resistance as well as exploitation. The need is to start with exposing the nexus of present day Nero's and his guests. David Harvey pens for us a line of hope when he says that this "political task of organizing such a confrontation is difficult if not daunting, however the opportunities are multiple... one step towards unifying these struggles is to adopt the right to city as both working slogan and political ideal, precisely because it focuses on the question of who commands the necessary connection between urbanization and surplus production and use".

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