

Who Governs the City?
**The Powerlessness of City Governments and the
Transformation of Governance in Bangalore**

Mathew Idiculla*

© Mathew Idiculla

(*) Research Associate, School of Policy and Governance, Azim Premji University,
Bangalore. mathew.idiculla@apu.edu.in

Paper presented at the RC21 International Conference on “The Ideal City: between myth and reality. Representations, policies, contradictions and challenges for tomorrow's urban life” Urbino (Italy) 27-29 August 2015. <http://www.rc21.org/en/conferences/urbino2015/>

Who Governs the City? The Powerlessness of City Governments and the Transformation of Governance in Bangalore

Mathew Idiculla

Abstract:

The globalization of Bangalore has been accompanied by political and institutional transformations that have altered the way the city is governed. As the narrative of good governance gains currency, new governance institutions and policies which circumvent the existing political system are being introduced in India. These may take the shape of new federal policies on cities, the empowerment of non-representative parastatal agencies and the promotion new civil society-government partnerships. In Bangalore, the latest governance institution that seeks to counter local politics is the Electronics City Industrial Township Authority (ELCITA), an industrial body with municipal powers including that of taxation despite it not having any locally elected members. This paper examines the forces and processes effecting the transformation of democracy and governance in Bangalore. It seeks to explain how the democratic city government is getting disempowered in the context of various new governance regimes usurping its functions. These processes seek to undermine the practises of local municipal politics where the poor groups are said to make claims on the state through “vote bank” politics. This paper aims to bring a grounded understanding of the unfolding of new urban governance initiatives by critically examining how parastatal agencies, civil society-government partnerships and ELCITA seek to transform ideas of democracy, governance and citizenship in Bangalore.

Introduction

The globalization of Bangalore has resulted in unprecedented economic, demographic and spatial growth of the city. This has been accompanied by political and institutional transformations that have realigned governance structures. Consequentially, the engagement of “the governed” with “the state” has also undergone significant modifications and the city has become a site for contesting realms of political and legal regimes. Analyses of the changing urban governance regimes in Bangalore show how competing forces play a role in shaping the development process of the city. And Bangalore has become a site where multiple contestations are played out as new institutional regimes, reflecting the changing economic priorities, seek to transform urban realities. This paper examines some of the forces, processes and expressions of these changes, especially in regard to the way governance mechanisms and ideas of citizenship in Bangalore get transformed.

With globalization taking root, Bangalore has witnessed several political and economic changes which have altered the way the city is governed. Since 2007, the transformation of Bangalore’s governance has been starker since the boundaries of the municipal corporation was further extended to include peri-urban areas around the city. The integration of these peripheral areas was carried out by the State government without holding proper consultations with any of the affected municipalities and village councils.¹ Eight years later, the state finds the 709 sq. km area of the city to be too unwieldy and has now sought to divide it into multiple municipal corporations. These processes show that the role of the city government of Bangalore and local governments in its peripheries to decide its own future is limited. The question is not just who takes decisions regarding the city but about who has the power to allocate decision-making authority.²

While the idea of democratic decentralization has gained much popularity in public discourse in India and has also received constitutional recognition, in reality the local governments, especially in urban areas, only have a limited sphere of

influence. In 1992, with the passage of the 73rd and 74th Constitutional Amendments, rural and urban local bodies became mandatory institutions of local government. Since local bodies continue to be under the State List of the Constitution, various States including Karnataka amended their laws to bring them in conformity with the Constitutional provisions. However, many of the functions that the local government was mandated to perform as per the 11th and 12th Schedule to the Indian Constitution including planning and regulation of land use are still being carried out by certain semi-autonomous corporations and parastatal agencies which are not accountable to the local government.³ Since significant decision-making powers with regard to delivery of various services in the urban and peri-urban areas of Bangalore rest with various parastatal organizations, the democratically elected urban local bodies are being disempowered.

As the narrative of good governance gains currency, the role of the elected city council in shaping the development of the city is being further enfeebled with the emergence of various civil society partnerships with the state government. In Bangalore new forums of “citizen participation” in governance in the form of citizen-headed task forces like Bangalore Agenda Task Force (BATF), the Agenda for Bangalore Infrastructural Development (ABIDe) and Bangalore Political Action Committee (B.PAC) have exerted much influence in the city’s governance. The criticism against such initiatives is that it undercuts municipal politics and allow certain powerful interest groups to get a direct say in the way policies are decided by entering into a partnership with the government.⁴

The newest governance institution that seeks to counter local politics in peri-urban Bangalore is the Electronics City Industrial Township Authority (ELCITA), an industrial body with municipal powers including that of taxation despite it being a democratically elected body. The creation of ELCITA must also be seen in the context of the powerlessness that afflict local government in Bangalore. Specifically, the practice of parastatal agencies performing municipal functions and elite groups influencing governance in Bangalore set the necessary context in

which the ELCITA was created. ELCITA was created by an executive order of the government after the Industrial Association of Electronics City lobbied for the creation of such a body. This has extinguished the jurisdiction of all local bodies and planning authorities in the area including that of three Panchayats (Local Village Councils) that used to levy property tax from the area.⁵

Hence, Bangalore's governance system has been undergoing various forms of transformations over the last two decades. Some of these processes seek to undermine the practises of local municipal politics where the poor groups are said to make claims on the state through "vote bank" politics.⁶ This paper examines the forces and processes effecting the transformation of governance in Bangalore and seeks to explain how the democratic city government is getting disempowered in the context of various new governance regimes usurping its functions. It aims to bring a grounded understanding of the unfolding of new urban governance initiatives by critically examining how parastatal agencies, civil society-government partnerships and ELCITA seek to transform ideas of democracy and governance.

This paper is divided into 5 parts. The first part discusses how the state has been reterritorialized under the influence of globalization and decentralization and how it influences cities and their governance. It lays down the conceptual background for understanding the transformation of governance in Bangalore. The second part discusses how Bangalore has transformed from a colonial town to an IT Hub and also examines the changes in the governance system due to the spatial growth of the city. The third part discusses how, despite Constitutional provisions, the city government has limited powers to administer basic municipal functions due to the presence of various parastatal agencies. The fourth part examines how national policies like Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and civil society-government partnerships like Bangalore Agenda Task Force (BATF) and Agenda for Bangalore Infrastructural Development (ABIDe) further affect local governance. The fifth part examines the contested creation of the Electronic City

Industrial Township Authority (ELCITA) to understand how new governance institutions displace the existing governance forms in peri-urban Bangalore.

Globalization and the Local State

One of the defining characteristics of the current global economic system is the increased mobility of capital along with mobility in goods, services and people. What is unfolding in an era of deregulation and disinvestment, effected by increasing international trade, is the decreasing capacities of existing economic and political divisions to shape or direct the movement of capital. The last few decades have witnessed the emergence of multiple political institutions that produces rules and disciplines human conduct. Hence, we now have a global polity that is dominated not just by states at the national level but various socio-spatial institutions operating at various scales. With globalization, the state is reconfigured and rescaled through institutional arrangements that shift the state's scale both upwards to supra-national scales and downwards to sub-state scales.⁷

The most fundamental change in the policy paradigm of independent India was the roll out of the new economic policies in mid-1991 that saw the opening up of Indian markets to foreign investors. Interestingly, this was followed by a comprehensive decentralization initiative in 1992 which saw the enactment of the 73rd and 74th Constitutional Amendments, which handed down various political and administrative powers to governmental bodies at the local level- Panchayats in rural areas (with the 73rd Amendment) and Municipalities in urban areas (with the 74th Amendment). With the liberalisation of trade in the 90s and the urban concentration that followed, the sites and the modes of organisation of the economy and the society has also undergone change in India. India's political economy was till then seen as predominantly statist whereby the central government occupied an overarching influence in the economy and society. India hence underwent a significant transformation in the 1990s with the roll out of the twin forces of globalization and decentralization.

With efforts to decentralize powers to local governments taking place, the role of the cities in these global processes become an interesting topic to examine. The combined unfolding of globalization and decentralization across the world in the last three decades has meant that the nation-state as an economic entity is not robust as before. With the rise in international trade, national borders have become porous and global forces have a larger role in transforming the geographies of a place. With the liberalization of the economy, the services sector in India started to occupy a much larger share of the national economy. This has also contributed in cities, which have predominantly been the location of organisations in the service sector, playing a more dominant role. Cities can be hence said to act as the entry point of global capital.⁸ In India, the promotion of private-sector operated Special Economic Zones (SEZs) occurred along with the shift in economic policies in 1990s and the subsequent promotion of Information Technology-led export oriented growth. Not surprisingly, 61 per cent of the formal approvals given for the establishment of SEZs are in the IT/ITeS (Information Technology and Information Technology enabled Services) sector.⁹

In an increasingly globalizing world where economic boundaries that regulate the entry of investment are reducing, it is cities that act as the nodes of accumulation and also as coordinates of state territorial power in the larger sphere of globalized state institutions.¹⁰ This means that the spatial scale of the state is not being eroded but is being reterritorialized. By examining the transformation of urban governance in Western Europe between 1960 and 2000, Neil Brenner argues that it is through urban governance that the state is being restructured and rescaled.¹¹ In the context of such a post-Fordist post-Keynesian order, the role of the local and regional levels of the state is enhanced and its character and form are reconfigured.¹²

The transformation in the spatial scale of the state is also resonated in India with the shift of powers taking place from the centre to the states. In the first few decades after independence, India's political system was more centralized under

domination of the Indian National Congress political party and was hence called as 'The Congress system'.¹³ In this system, the federal government had much control over the states especially because the Congress party was the ruling party in both the centre and the states. However the sub-national units, primarily the states in the Indian context, have become much stronger with regional political parties gaining more strength and economic reforms giving the states more freedom in international transactions.¹⁴

Even after introducing various reforms that facilitate urban transformation in a mode preferred by the global economy, the domination of such forces continues to be severely contested in the global south. As James Holston argues, the emergence of "insurgent citizenship" in these countries challenges the upshots of the global urbanisation process.¹⁵ In India, the conditions of informal economy, non-modern social systems and insurgent political processes act as hindrance towards the unfolding of the process of urban transformation. Rajesh Bhattacharya and Kalyan Sanyal argue that India follows a "bypass" approach to urbanisation by focusing on new towns in the peripheries to bypass the "street politics" of existing cities.¹⁶ The institutional spaces that urban reform measures seek to navigate, as Solomon Benjamin explains, is already embedded in the peculiarities of local municipal politics.¹⁷ Through "vote bank" politics, poor groups are able to make claims on the state for access to basic infrastructure and services.¹⁸ As Arjun Appadurai argues, poor groups also build alliances with NGOs to reconstitute citizenship in a way that mediates globalising forces in a manner that benefits the poor.¹⁹

The resistance shown by the practices of the existing socio-economic systems is sought to be corrected by the politics of "policy reform". Innovative policies and institutions are hence introduced as instruments that circumvent the barriers to spatial restructuring. New urban institutions with unique legal features are being unleashed across India by the designation of certain spaces as Special Economic Zones (SEZs), Industrial Townships and Smart Cities. Instruments like the Land Acquisition Act, new titling measures and SEZs are required in India because majority of the land available in India lies with smallholding peasants who "do not

treat their land as a pure financial asset to be bought and sold on the market”.²⁰ The very need for creating such instruments arises out of the difficulty of global capital to gain ascendancy over the existing socio-political system mediated by the local economy.

Bangalore: The Expanding Metropolis

Bangalore is, in many ways, a tale of two cities- of Bengaluru and Bangalore. Bengaluru was the *pete*, the old indian town, which dates back to five centuries and Bangalore, was the British-established cantonment which dates back to two centuries.²¹ Bangalore Cantonment was a little British enclave within the princely state of Mysore which also administered Bengaluru, the city. While Bengaluru occupied the western part of the present city, Bangalore flourished in the eastern part during the British era. The two cities had developed as independent entities, with separate central markets, railway stations, hospitals and coexisted without interfering much with each other. Cubbon Park, an expansive park in central Bangalore, acted as the broad parkland that separated the city from the cantonment.²² The cultural divisions between the two cities were quite deep in pre-independent India, and arguable continues in certain regards even today. After India's independence, the city was united and a single municipal body called the City of Bangalore Municipal Corporation was set up in 1949 by the amalgamation of Bangalore City Municipality and Civil and Military Station (Cantonment) Municipality.²³

Bangalore has since then grown both demographically and spatially. Spatially, Bangalore has grown more than 10 times since it 1949. In 1949, when the Bangalore City Corporation was formed under the City of Bangalore Municipal Corporation Act, 1949 the area of the city was merely 69 square kilometers. Today, under the Greater Bangalore Municipal Corporation, the area has extended to 709 square kilometers. Even in 1971, the population of the city was just over a million in 1971 and today, as per the provisional figures of the 2011 census, its population

is 9.5 million. The Bangalore City Corporation was later officially renamed the Bangalore Mahanagara Palike (BMP) which essentially means the same in Kannada, the local language.

The liberalization of the Indian economy in the 1990s took place at a time when there were major technological changes in the field of telecommunication. This ensured that the physical distance between India's technology workers and their corporate headquarters did not matter anymore. Bangalore was interestingly placed at the cusp of these disparate changes and was able to leverage its advantage in the technology and electronics sector. Bangalore was central to India's IT boom in the mid-1990s and has become synonymous with Information Technology (IT) earning it the moniker "Silicon Valley of India". Today, close to 2,840 IT and ITeS (IT-enabled Services) companies operate out of Bangalore.²⁴ IT firms in Bangalore employ about 35% of India's IT professionals and the city also has the highest share for IT-related exports in the country.²⁵ The last two decades have seen the Government of India and the Government of Karnataka provide other "enabling" policies for the IT industry like granting Special Economic Zone (SEZ) status to certain IT-based establishments and exempting the sector from certain key labour laws.

With the demographic and spatial growth of Bangalore, the boundaries of the city government also expanded. In January 2007, the Bruhat Bengaluru Mahanagara Palike (BBMP or the Greater Bangalore Municipal Corporation) was officially formed by merging the 100 wards of the erstwhile Bangalore Mahanagara Palike (BMP or Bangalore City Corporation) along with seven City Municipal Councils (Rajarajeshwari Nagar, Dasarahalli, Bommanahalli, Krishnarajapuram, Mahadevapura, Byatarayanapura and Yelahanka), one Town Municipal Council (Kengeri) and 110 villages around Bangalore. The total area of the Corporation hence increased from the 226 sq. km to 709 square kilometers. The integration of these peripheral areas to the city subsumed and extinguished the rural and urban

local bodies that existed in these areas without these bodies having any opportunity to voice its concerns.²⁶

The expansion of the city government's boundaries also had an impact on the system of representative local government in the city. After the 5 year term of the Bangalore City Corporation (BMP) ended on November 23, 2006, without the holding of any fresh elections, the council was dissolved since the larger BBMP was being formed. However, since then, till March 28, 2010, when the elections were finally held as per the orders of the High Court, the BBMP functioned without an elected city council. The redrawing or delimitation of wards further continued the logjam with the city under bureaucratic rule with no political accountability.²⁷ The holding of elections to the city council further got delayed due to the delimitation process as the state government initially redrew the BBMP map to create more sub-units known as wards. Hence, the enlargement of the city council not only disempowered the local governments of peripheral Bangalore but also resulted in the absence of local democracy in Bangalore for close to 4 years.²⁸

The Government Notification which increased the area of Bengaluru's corporation in 2007 explained that such a move would coordinate and improve infrastructure development and service delivery, and also strengthen administrative capacity to ensure better enforcement of rules. However, eight years later, the decision to amalgamate these areas is seen by the state government to be a failure. The areas that were added, especially the 110 villages, have been found to languish in terms of basic infrastructure and service delivery.²⁹ BBMP, the largest geographical urban area managed by a single Municipal Corporation in India, is said to have become too large and unwieldy to be managed. The state of infrastructure and centralised waste management practices of BBMP are also found to be wanting. Hence, the state government announced its plans to divide Bangalore into multiple municipal bodies. The need to divide Bangalore was justified on the basis that it had become difficult for a single body to manage the affairs of such a large

population and smaller urban bodies are assumed to enhance efficiency in administration.³⁰

Interestingly, there is widespread opposition to the proposal of division of BBMP from the elected council of the body itself.³¹ As the BBMP looks likely to be split even in the face of opposition from within the council, it is important to look at how decisions regarding the boundaries of a city are taken. The question is not just whether it is the state, the city, or neighborhood that decides what a policy should be. The more basic question is about who has the power to allocate decision-making authority. In the case of Bengaluru, the decision on the division of BBMP is taken by the State government and not the city government itself. The question then is who decides which body has the right to decide the boundaries of the city. In India, such authority also rests with the state government though ultimately the powers of the state are laid out in the Constitution of India.³²

The Powerlessness of the City Government

The Constitution of India, unlike the constitutions of many countries, has given city governments a definite space within the constitutional governmental structure. By the passing of the 74th Constitutional Amendment in 1992, Urban Local Bodies became mandatory democratic institutions within a three-tier governance structure. The Constitutional Amendment has sought to achieve the empowerment of local bodies through the mandatory devolution of functions, funds and functionaries to elected municipal bodies. The constitutional entrenchment of local governments was required to ensure that the state government endow the local government with powers necessary to “enable them to function as institutions of self-government”. However, despite the pronouncements in the Constitution, cities in India continue to find themselves powerless to solve their problems. This is one of the contradictions of city governance in India.

The key question about the status of city governments under the Constitution of India is whether they are envisioned as autonomous unit of government, a governmental body with specific powers devolved from state government or as decentralized administrative units of the state government. The role of the city government can also be placed in the broader context of federalism in India. Federalism, after the 73rd and 74th Constitutional Amendment, need not be restricted to the relation between the centre and the state, but can be seen as relations between the three levels of government and the people's interactions with these three levels- local, state and union governments. Hence, Bengaluru's city government need to be seen as an integral part of India's federal polity with formal recognition in the Constitution.

Local governments in India, especially in cities, continues to be under the extensive control of the state government. The manner in which state government exercises control over the city government may be through finances, parastatal bodies and the involvement of state level political representatives in local decision-making. City governments have very limited taxation powers and hence relies on funding form the state and central governments. Many municipal functions continue to be carried out by parastatal agencies under the control of the state government. Members of Legislative Assembly, despite being state level representatives, are also formally members of the local city government. Adding to this, is the expectation of Members of Parliament and Members of Legislative Assembly to perform an executive role in their constituency. However, the role of an MP or MLA is to legislate and be a check on the executive and not that of delivering the essential requirements of the electorate like water and sanitation. In fact, it is the municipal corporation which has been made responsible for many of the basic issues a citizen interacts with on a regular basis.

Though local governments continue to be within the exclusive legislative domain of the state, the 74th Amendment has ensured that state governments cannot undermine the specified domains of the city government. Various State

Governments have hence amended their Municipal Acts so as to bring them in conformity with the Constitutional provisions. The Karnataka Municipal Corporation (KMC) Act, 1976 and the Karnataka Municipalities Act, 1976 were amended in 1994 to make it in consonance with the requirements of the 74th Amendment. The 74th amendment lays down the framework for the state to make laws that provide for the devolution of powers dealing with the preparation of plans and implementation of schemes for economic development and social justice.

The role of local government in managing the city's affairs has been reduced over the decades in Bangalore with the promotion of various parastatal agencies. In Bangalore the first parastatal agency came as early as 1964 when, as per World Bank's recommendation, the state government decided that the responsibility for water supply, which was then with the elected city government, be entrusted to a new agency called Bangalore Water Supply and Sewerage Board.³³ The liberalization of the economy in 1991 was also accompanied by demands for large-scale infrastructure development which saw the emergence of large financing institutions at various levels. In Karnataka it took the form of the Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), which is also the nodal agency for externally funded programs including the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).³⁴

Other parastatal agencies in Bangalore responsible for development and service delivery include the Bangalore Development Authority (BDA), Bangalore Metropolitan Region Development Authority (BMRDA), Bangalore Water Supply & Sewerage Board (BWSSB), Bangalore Metropolitan Transport Corporation (BMTTC), and Bangalore Electricity Supply Company (BESCOM).³⁵ These parastatals perform many of the functions listed in the 12th Schedule of the Constitution of India which are to be performed by the elected city government. The 12th Schedule of the Constitution was added by the 74th Constitutional Amendment to guide State Governments in the assignment of various functional responsibilities to the Municipalities. It consists of a list of 18 functions including urban planning,

regulation of land use, solid waste management, construction and maintenance of drains, roads, pavements and planning for economic and social development. However many of these are done by parastatal agencies with no connection with the local government.

Though urban planning and development are essential functions of the municipal government, in Bangalore, parastatals like Bangalore Development Authority (BDA) and Bangalore Metropolitan Region Development Authority (BMRDA) perform these functions. The BDA formulates the Comprehensive Development Plan (CDP) for the city, is also responsible for land use zoning, regulation and planning of land, providing sites, creating urban infrastructure and improving urban environment in the Bangalore Metropolitan Area of 1309 sq.km. For the larger Bangalore Metropolitan Region of 8000 sq.km comprising of Bangalore urban, Bangalore rural and Ramnagaram districts, the BMRDA is responsible for planning, coordinating, and supervising the development of the region.

Various essential urban services like water supply, electricity and transport are also performed by parastatals like Bangalore Water Supply & Sewerage Board (BWSSB), Bangalore Electricity Supply Company (BESCOM), Bangalore Metropolitan Transport Corporation (BMTC) and not the city corporation. The biggest issue regarding these bodies is that they do not have any locally elected representatives for consultations in their panel nor are they held accountable to the BBMP. These parastatal agencies are only answerable to specific departments in the state government. Hence these bodies are not held accountable to the people of Bangalore. With urban planning, regulation of land use, water supply, slum improvement, being performed by agencies of the state government, the local government's power and influence has been deliberately minimized.³⁶

Another issue which Bengaluru faces with the multiplicity of authorities is that there is hardly any overlap between the administrative jurisdictions of these agencies. The geographical extent of each of these parastatals are different and the

various sub-units of these bodies have also no geographical congruence. With each agency having a different jurisdiction there is difficulty in coordinating the different civic services. The underlying problem is that none of these bodies have any political accountability either at the ward or municipality level. There are also many functional overlaps in these bodies as multiple organs are responsible for similar tasks. For example the BBMP, the BDA and the KSCB (Karnataka Slum Clearance Board) are responsible for the improvement of slums while the BBMP, BDA and PWD (Public Works Department) are responsible for road maintenance.

Another criticism against the increasing influence parastatals agencies is that they have been heavily funded by loans from International Financial Institutions (IFIs) which come attached with various conditionalities.³⁷ The increasing influence of International Financial Institutions (IFIs) and their conditionality tied loans over the para-statals is a major concern. The Karnataka Municipal Reforms Programme (KMRP) was funded by the World Bank with two of its plans prepared by private external consultants- CRISIL (for the Urban Finance Framework and Design) and STEM consultants (for State Urban Land Management Framework).³⁸ In fact, the Comprehensive Development Plan (CDP) for Bangalore for 2005-2015 prepared by BDA was drafted by SCE Crocean (India) Pvt. Ltd., a French consortium.³⁹ IFIs and their clients, which grant conditionality attached loans to parastatals, are hence able to by-pass resistance that might have otherwise come up from the elected bodies.

Governance Innovations in Bangalore

New institutional architectures have been created in Bangalore and other megacities in India to facilitate some of the policy priorities of post-liberalized India. These institutional regimes prioritize a limited number of cities and regions over others to enable them to be “engines of growth” for the national economy. The enquiry becomes even more important as India seeks to invoke a city centric growth strategy for economic development.⁴⁰ The central government’s effort to bring in more investment for mostly high end infrastructural development of big

cities resulted in its biggest urban programme ever- the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

To encourage private investment into the cities, it is made mandatory under JNNURM for the state legislatures to carry out specific reforms if their respective governments are to be eligible for receiving central funds under the scheme.⁴¹ Despite India having a federal Constitution, a central scheme like JNNURM requires states to pass certain legislative and executive decisions to avail the central funds. The scheme, as per its own mission document, is required because liberalization policies of the government have increased the share of urban population and to sustain urban economic activities, there is a need to increase investment in urban infrastructure.⁴²

So to encourage private investment into the cities, it is mandatory under JNNURM for the state legislatures to carry out specific reforms. These include the repeal of urban land ceiling and regulation Act, amendment of rent control laws, reducing the stamp duty to below 5 per cent and simplification of legal frameworks for conversion of agricultural land to non-agricultural purposes. Topics like local governance, land ceiling and conversion, rent control etc. are under the State list in the Constitution, which disallows the Centre to make laws on these subjects.⁴³ What a scheme like JNNURM does is make the States to pass “reforms” that the Centre is constitutionally prevented from doing with the use of funds tied up with conditionalities.

Essentially, these reforms facilitate the easy access of the market, especially real estate, for domestic and international capital to participate in. Interestingly, as Vinay Baindur and Lalitha Kamath have shown, most of these reforms are policy recommendations by International Financial Institutions (IFIs) like World Bank and Asian Development Bank.⁴⁴ IFI recommendations include the repeal of the Urban Land Ceiling Regulation Act, reduction of stamp duties, phase out of rent control laws, increase in water tariffs, introduction of double entry accrual

accounting, all of which have been incorporated in the JNNURM guidelines.⁴⁵ Hence, the conditionalities that IFIs require for access to its loans have also been adopted by the state as they have become conditionalities for accessing funds under the centre's JNNURM programme.

Interestingly, JNNURM emerged out of the experience of Bangalore where elite lobbies in the form civil society initiatives have a long history of engagement with the state.⁴⁶ The first initiative- 'Bangalore Agenda Task Force (BATF)- set up in 1999 under the Chief Minister'ship of SM Krishna, was launched with the stated aim of transforming Bangalore into a Singapore. It was headed by the then chairman of Infosys (one of the largest Indian IT company) Nandan Nilikeni and its members comprised of industrialists, entrepreneurs, professionals and "prominent citizens" of Bangalore.⁴⁷ The BATF worked along with elite NGOs like Bangalore Forward, Public Affairs Centre (PAC) and Janaagraha and was also involved in applying public-private partnership models for the infrastructural development in the city.⁴⁸

Subsequently with the fall of the SM Krishna led Congress government and arrival of the BS Yedyurappa led BJP Government, the ABIDe Task Force was set up in July 2008 with the objective to "revive and rebuild Bengaluru through a combination of comprehensive planning, improved municipal services and new investments into infrastructure" ABIDe prime objective, as per its vision document- Plan Bengaluru 2020 is to "make Bengaluru the preferred Metropolis of India which will serve as the gateway of investment and prosperity for Karnataka."⁴⁹ ABIDe, like BATF, largely consisted of many experts drawn from civil society and became a major actor in city governance. With the term of the BJP Government also coming to an end, the latest entrant in the field is the Bangalore Political Action Committee (B.PAC) which calls itself "a group of responsible citizens".

B.PAC has powerful IT-BT interests and is helmed by Biocon chief Kiran Mazumdar-Shaw and was officially launched by former Infosys chief Narayana Murthy.⁵⁰ B.PAC has a six-point "Agenda for Bangalore" some of it which clearly

aim to channel the resources of the state to Bangalore instead of spreading it across the state.⁵¹ Hence it aims for increasing revenue of Bangalore by having a major share of professional tax, stamp duty and road tax collected from the city to remain with the city and not go to the rest of the state. It also seeks to increase the city's influence in policymaking by increasing the number of Parliament and Assembly seats allotted to Bangalore and the passing of the Bangalore Metropolitan Region Governance Bill.⁵²

Initiatives like BATF, ABIDe and B.PAC stresses the need for “public participation” in governance and “citizen’s involvement” in decision-making. However, none of these “civil society” interfaces have any representation from or held consultation with any mass-based organizations or movements of the urban poor, dalits, workers and farmers.⁵³ The demand for “citizen experts” to be nominated to Bangalore’s Municipal Corporation and its standing committees is explicitly stated in its B.PAC’s “Agenda for Bangalore”. Also present in B.PAC’s agenda is the implementation of all the demands made by the Karnataka Information Technology and Communication (ICT) Group, an IT lobby group, which aims to develop “world class infrastructure” for “world class city”. In fact BATF, it has been observed, provided opportunities for private corporations to access land and infrastructure more easily.⁵⁴

The disempowerment of the local bodies and rising power of alternate agencies is a phenomenon that Bangalore has been experiencing for over a decade. With the unfolding of an urban expansion that is guided by global capital which seeks new landscapes for capital accumulation, the political voices emerging from the margins of the city are sought to be undercut in a process that is ostensibly inevitable. Initiatives like the BATF, ABIDe and B.PAC eschews the political process by ignoring the local politicians by engaging directly with top-level bureaucrats and the Chief Minister. These initiatives allow certain powerful interest groups to get a direct say in the way policies are decided by entering into a “partnership with the government”.

Governance Transformation in Electronics City

In Bangalore, the latest instance of a governance institution seeking to counter local politics is the creation of an Industrial Township Authority in the city's peripheries. Before the establishment of the technology park, the areas constituting Electronics City were for a long period primarily used for agriculture.⁵⁵ The land used for setting Electronics City was forcibly acquired by the Karnataka Industrial Areas Development Board (KIADB) in the late 1970s and also in 1990s using the Land Acquisition Act, 1894. The villagers protested against the move by KIADB, however the acquisition process went ahead. The landowners were provided compensation at a rate much lower than the market prices and no compensation was provided for the cultivators who worked on the land.⁵⁶ The role played by KIADB was central in the acquisition process. KIADB was set up by the Karnataka Industrial Areas Development Act, 1966 to promote and assist in the "rapid and orderly establishment, growth and development of industries in the State." KIADB has been found to have acquired land for industrial areas in contravention with prescribed land use patterns provided in the Comprehensive Development Plans (CDPs) of the areas.⁵⁷

The Electronic City Area has, over the last few decades, become a site of contestation between various agents. The first phase of the Electronics City was created in 1978 in the peripheries of Bangalore by the state-controlled Karnataka State Electronics Development Corporation Limited (KEONICS) with the Karnataka Industrial Area Development Board (KIADB) performing the task of land acquisition. In 1997 the Government of Karnataka handed over the maintenance of basic facilities of Electronics City (like roads, drains, street lights and waste management) to the Electronics City Industries' Association (ELCIA).⁵⁸ This was followed by the expansion of the Electronics City in 2003 to two new phases under the aegis of KIADB.

Bangalore's Municipal Corporation (BBMP) made attempts to incorporate this region within its jurisdiction; however this was strongly opposed by the ELCIA. To

get more revenue, the cash-strapped BBMP had long been discussing inclusion of E-city under its jurisdiction. It estimated that 3 billion rupees can be raised as property tax from around 187 major electronics and IT companies that operate in the area. These companies have been paying taxes, albeit a much smaller amount (collectively, about 30-40 million rupees), to their local panchayats.⁵⁹ In August 2012 the elected council of the BBMP passed a resolution to include Electronic City and the villages surrounding it under its jurisdiction. However, BBMP's resolution was not approved by the State Government in the light of strong resistance by ELCIA.⁶⁰

Ultimately on March 18, 2013 State Government issued a notification creating the "E-City Industrial Township Authority" which made it responsible for the 3 phases of Electronics City constituting a total of over 903 acres.⁶¹ Electronics City hence became the first industrial area in the State of Karnataka to be constituted as an "industrial township authority." With the creation of ELCITA, all other local authorities lost their powers over the region as the new Industrial Township was vested with the powers of a municipal government including the power to levy property tax.⁶²

As per the notification, more than 903 acres, which consists of Dodda Thoguru, Konappana Agrahara and Veerasandra Gram Panchayats would come under this first of its kind township. However all the three Gram Panchayats have opposed the move to create the township and have passed a resolution to stall the development. With the formation of the township, a major source of its revenue which it used to receive from the industries in the area, would now go to the new township. The BBMP has also opposed the creation of the township and has filed a Public Interest Litigation (PIL) against the notification. Electronics City has hence become a site of contestation between various groups- the industrial association, the local village council, the central city council and the state government.

The ELCITA now operates as an urban local body with powers for planning for economic and social development, water supply for industrial and commercial purposes, solid waste management, protection of environment, provision of urban amenities and facilities such as parks, gardens, street lighting, parking lots, bus stops and public conveniences. The creation of such an Industrial Township Authority can be seen in the context of the creation similar such enclaves of autonomy taking the form of SEZs and industrial and infrastructural corridors. The ELCITA Council Members includes 5 representatives of companies in Electronic City, 2 invited members (both associated with ELCIA), 3 members from the various department in the government of Karnataka (one each from the department of industries, town planning and urban development) and 1 member from Doddathogur Gram Panchayat. The township is a form of local government and the notified area will be excluded from the jurisdiction of urban local bodies and planning authorities.

Soon after becoming an Industrial Township Authority, the process to covert Electronics City into a “Smart City” is already underway through a partnership between ELCITA and Cisco.⁶³ The smart city project of ELCITA is being launched at a time when India’s new government at the Centre under Narendra Modi is promising to build 100 new “smart cities” across India. Electronics City is touted wot be the first operational “smart city” in India and the technologies used in it are slated to be replicated in other smart cities that are in the pipeline.

The creation of an Industrial Township Authority, by usurping the powers of local village bodies has largely been ignored in the public discourses in Bangalore. Beyond the fact that IT lobby of Bangalore was able to directly engage with the higher levels of the state, the reasons why such a move, which can be seen to be politically risky, is an interesting question. On further examination, we find that one of the main reasons why the government could create ELCITA was that the area maintained by ELCIA for which township status was requested did not have any residential areas within it.⁶⁴ The area which has been transferred to ELCITA only has spaces used for industrial, commercial and public utility purposes and

does not have any registered voters. Since only land that had already been acquired by KIADB land was transferred to ELCITA, it has not directly threatened the people living in the *gram thana* areas.⁶⁵ Hence, after the land acquisition stage, subsequent changes in the governance structure of the area did not have a direct bearing on the livelihoods of the people living in the area.

Conclusion

In India, the unfolding of urbanization driven by global economic forces is met with various forms of resistance from existing social systems, dominated by the informal sector in urban areas. New governance institutions and policies are hence introduced to circumvent the barriers of the local. These may take the shape of national policies like Special Economic Zones (SEZ) and the Jawaharlal Nehru Urban Renewal Mission (JNNURM), the empowerment of non-representative parastatal agencies and the promotion new civil society-government partnerships like Bangalore Agenda Task Force (BATF). The newest governance institution that seeks to counter local politics in peri-urban Bangalore is the Electronics City Industrial Township Authority (ELCITA), an industrial body with municipal powers including that of taxation despite it not having any locally elected members.

In Bangalore, the role of the elected city council in shaping the development of the city is being enfeebled with various parastatal agencies performing many of tasks of the local government. With essential municipal functions like urban planning, regulation of land use, water supply and slum improvement being performed by parastatal agencies with no link to the local government, there is no democratic accountability for government actions at the local level. Along with this, since the late 1990s, Bangalore has witnessed the emergence of new elite forms of representation through civil society-government interfaces like BATF, followed by the Agenda for Bangalore Infrastructural Development (ABIDe) and Bangalore Political Action Committee (B.PAC). Such institutional innovations in governance,

which seek the “orderly development of the city” highlight how some political spaces have morphed into chambers for supporting elite mandates.

What has been happening in name of “good governance” and efficient policy is a systemic depoliticization of inherently political processes and concerns. Initiatives like the BATF, ABIDe and B.PAC eschews the political process by ignoring the local politicians by engaging exclusively with high ranking bureaucrats and working directly with the Chief Minister. By vague notions of public consultations, the political space has been disrupted due to the emergence of “civil society” actors.⁶⁶ The promotion of such partnerships in the urban political space is precisely aimed at progressively undermining the role of elected representatives in indulging in what is derisively termed “vote bank” politics. While the elite citizenry seek to engage with citizens’ initiatives and the upper echelons of state agencies, the larger population of Bangalore, including the poorer groups, relies on local government consisting of the councilors, and the lower bureaucracy to make their claims.⁶⁷

Inconveniences of existing of democratic and informal politics is sought to be circumvented by prioritizing planned development, hi-tech infrastructure and urban governance reforms. “Governance” has hence become a device by which business-friendly policies and initiatives are sought to be created by bypassing local democracy and “vote bank” politics through the seemingly acceptable form of “citizen participation”. The perpetual resistance of existing social systems in urban landscapes to the hegemony of global capital means that these sites emerge as spaces of continuous contestation.

Endnotes

- ¹ Idiculla, Mathew Prasad (2014) "Who decides where your city ends?", *India Together*, 29 November, Available at <http://indiatgether.org/city-metropolitan-region-municipal-corporations-governance-government>
- ² Frug, Gerald E (2001) *City making: Building communities without building walls*. Princeton University Press
- ³ Idiculla, Mathew Prasad, (2010) "A guide to Bangalore's Civic Agencies", *Citizen Matters*, April 28, available at <http://bangalore.citizenmatters.in/articles/view/1968-all-about-bangalore-civic-agencies>
- ⁴ Benjamin, Solomon , (2010) :'Manufacturing Neoliberalism: Lifestyling Indian Urbanity"' in *Accumulation by Dispossession: Transformative Cities in the New Global Order* Edited by: Swapna Banerjee-Guha Sage, New Delhi, India
- ⁵ Ramani, Chitra "Power struggle over an authority" *The Hindu*, August 30, 2013, Available at <http://www.thehindu.com/todays-paper/tp-national/tp-karnataka/power-struggle-over-an-authority/article5073948.ece>
- ⁶ Benjamin, Solomon. "Occupancy urbanism: radicalizing politics and economy beyond policy and programs." *International Journal of Urban and Regional Research* 32.3 (2008): 719-729.
- ⁷ Swyngedouw, Erik. "Globalisation or 'glocalisation'? Networks, territories and rescaling." *Cambridge review of international affairs* 17, no. 1 (2004): 25-48.
- ⁸ Sassen, Saskia (2009), "Cities in today's global age" *SAIS Review*, 29(1), 3-34.
- ⁹ Sector-wise Distribution of approved Special Economic Zone (As on 21.2.2012): Department of Commerce, Government of India. See- http://commerce.nic.in/publications/pdf/CHAPTER_5.pdf
- ¹⁰ Brenner, Neil. "Global cities, glocal states: global city formation and state territorial restructuring in contemporary Europe." *Review of International Political Economy* 5, no. 1 (1998): 1-37.
- ¹¹ Brenner, Neil. "Urban governance and the production of new state spaces in Western Europe, 1960–2000." *Review of International Political Economy* 11, no. 3 (2004): 447-488.
- ¹² Brenner, Neil. "Globalisation as reterritorialisation: the re-scaling of urban governance in the European Union." *Urban studies* 36, no. 3 (1999): 431-451.
- ¹³ Kothari, R. The congress "system" in India. *Asian Survey* (1964) 4.12: 1161–1173
- ¹⁴ Corbridge, Stuart "The contested geographies of federalism in post-reform India" In S. Ruparelia, S. Reddy, J. Harriss, and S. Corbridge (Eds.) *Understanding India's New Political Economy. A Great Transformation?*, Routledge (2011):. 66–80

¹⁵ Holston, James (2009), "Insurgent Citizenship in an era of global urban peripheries." *City & Society*, 21 (2), pp. 245-267.

¹⁶ Bhattacharya, Rajesh and Sanyal, Kalyan (2011)"Bypassing the Squalor: New Towns, Immaterial Labour and Exclusion in Post-colonial Urbanisation." *Economic & Political Weekly*, 46 (31), pp.41-28

¹⁷ Benjamin, Solomon (2007), "Occupancy Urbanism: Ten Theses." *SARAI Reader 2007: Frontiers*, pp. 538-562.

¹⁸ Benjamin, Solomon. "Occupancy urbanism: radicalizing politics and economy beyond policy and programs." *International Journal of Urban and Regional Research* 32.3 (2008): 719-729.

¹⁹ Appadurai, Arjun (2001), "Deep democracy: urban governmentality and the horizon of politics." *Environment and Urbanization*, 13 (2), pp. 23-43.

²⁰ Levien, Michael (2011): "Special economic zones and accumulation by dispossession in India." *Journal of Agrarian Change*, 11(4), pp. 454-483

²¹ Janaki Nair, *The Promise of the Metropolis: Bangalore's Twentieth Century* (New Delhi: Oxford University Press, 2005), p. 26

²² Janaki Nair, *The Promise of the Metropolis*, p. 73

²³ Bangalore Development Authority website- www.bdabangalore.org/history.htm

²⁴ Bangalore: Real Estate Market Report, Strategic advisory Group, Vestian, November 2013

²⁵ Brief Industrial Profile of Bangalore Urban District- Ministry of Micro, Small and Medium Enterprises- <http://dcmsme.gov.in/dips/Bangalore%20Urban%20District.pdf>

²⁶ Mathew Prasad Idiculla "The Delayed BBMP Elections and Governance Reforms in Bangalore," CBPS Working Paper, August 2009.

²⁷ See a detailed account of the delayed elections in Mathew Prasad Idiculla "The Delayed BBMP Elections and Governance Reforms in Bangalore," 2009

²⁸ Idiculla, Mathew Prasad "Why the BBMP elections are not happening" *Citizen Matters*, 28 October 2009 available at <http://bangalore.citizenmatters.in/articles/view/1484-delayed-bbmp-elections-bengaluru>

²⁹ BBMP Restructuring: Expert Committee Preliminary Report, Dec 2014. Available at <http://www.bbmprestructuring.org/wp/the-preliminary-report-of-the-committee/>

³⁰ Ibid

³¹ "Palike Council rejects proposal to bifurcate BBMP", *Deccan Herald*, Jul 11, 2014. Available at <http://www.deccanherald.com/content/419052/palike-council-rejects-proposal-bifurcate.html>

³² Idiculla, Mathew Prasad "Who decides where your city ends?", *India Together*, 29 November, 2014, Available at <http://indiatogether.org/city-metropolitan-region-municipal-corporations-governance-government>

³³ Ranganathan, Malini, Lalitha Kamath, and Vinay Baindur. "Piped Water supply to Greater Bangalore: putting the cart before the Horse?." *Economic and Political Weekly* (2009): 53-62.

³⁴ Baindur, Vinay, and Lalitha Kamath. "Reengineering urban infrastructure: how the World Bank and Asian Development Bank shape urban infrastructure finance and governance in India." *Bank Information Centre* (2009).

³⁵ Idiculla, Mathew Prasad, (2010) "A guide to Bangalore's Civic Agencies", *Citizen Matters*, April 28, available at <http://bangalore.citizenmatters.in/articles/view/1968-all-about-bangalore-civic-agencies>

³⁶ Chamaraj, Kathyayini, "Parastatals and task forces - the new decision-makers", *India Together*, 22 February, 2009. Available at <http://indiatogether.org/parastate-government>

³⁷ Goldman, Michael. "Speculative urbanism and the making of the next world city." *International Journal of Urban and Regional Research* 35.3 (2011): 555-581.

³⁸ Daksh, (2009) "Master Report on Review of Democracy and Performance of the Government of Karnataka, available at <http://www.dakshindia.org/Dec2009/Daksh%202009%20Master%20Report%20Dec%202022%202009.pdf>

³⁹ Rao, Arati (2005) "Bangalore: Whither the future?" *India Together*, September 27, available at <http://www.indiatogether.org/2005/sep/gov-bangalore.htm>

⁴⁰ Kennedy, Loraine, and Marie-Hélène Zérah (2008), "The Shift to city-centric Growth Strategies: Perspectives from Hyderabad and Mumbai." *Economic and Political Weekly*, pp. 110-117.

⁴¹ JNNURM Mission Overview- <http://jnnurm.nic.in/wp-content/uploads/2011/01/PMSpeechOverviewE.pdf>

⁴² *ibid*

⁴³ List II, Schedule VII, Constitution of India

⁴⁴ Baindur, Vinay, and Lalitha Kamath. "Reengineering urban infrastructure: how the World Bank and Asian Development Bank shape urban infrastructure finance and governance in India." *Bank Information Centre* (2009).

⁴⁵ Goldman, Michael. "Speculative urbanism and the making of the next world city." *International Journal of Urban and Regional Research* 35.3 (2011): 555-581.

⁴⁶ Benjamin Solomon ., (2010) :'Manufacturing Neoliberalism: Lifestyling Indian Urbanity"' in *Accumulation by Dispossession: Transformative Cities in the New Global Order* Edited by: Swapna Banerjee-Guha Sage, New Delhi, India

-
- ⁴⁷ Nair, Janaki. "Singapore is not Bangalore's Destiny." *Economic and Political Weekly* (2000): 1512-1514.
- ⁴⁸ Benjamin Solomon ., (2010) :'Manufacturing Neoliberalism: Lifestyling Indian Urbanity"' in *Accumulation by Dispossession: Transformative Cities in the New Global Order* Edited by: Swapna Banerjee-Guha Sage, New Delhi, India
- ⁴⁹ ABIDE Task Force, Plan Bengaluru 2020 by, available at http://www.abidebengaluru.in/PlanBengaluru2020_english.pdf
- ⁵⁰ List of members of B.PAC available at <http://www.bpac.in/team-bpac/>
- ⁵¹ B.PAC, Agenda for Bangalore, available at <http://www.bpac.in/agenda-for-bangalore/>
- ⁵² Idiculla, Mathew (2013) "Bangalore's New Agenda Setters" *NewsLaundry*, May 3. Available at <http://www.newslaundry.com/2013/05/03/bangalores-new-agenda-setters/>
- ⁵³ Chamaraj, Kathyayini (2009) "Parastatals and task forces - the new decision-makers" *India Together*, 22 February, available at <http://www.indiatogether.org/2009/feb/gov-parastate.htm>
- ⁵⁴ Ghosh, Asha (2005) "Public-private or a private public? Promised partnership of the Bangalore agenda task force." *Economic and Political Weekly*, pp. 4914-4922.
- ⁵⁵ Interview with Mr Jayaram Reddy, Vice-President, Konnapanna Agrahara Gram Panchayat on 23 July 2014
- ⁵⁶ *ibid*
- ⁵⁷ Report of the Comptroller and Auditor General of India, No.6 of 2010-11 "Performance Audit of Acquisition and allotment of land by Karnataka Industrial Areas Development Board"
- ⁵⁸ About us - Electronics City Industries Association in http://www.elcia.in/?page_id=8
- ⁵⁹ Navya P K "BBMP eyes Ecity; they say no, thank you", *Citizen Matters*, Aug 14, 2012 Available at <http://bangalore.citizenmatters.in/articles/4406-bbmp-eyes-ecity-they-say-no>
- ⁶⁰ "Power struggle over an authority" *The Hindu*, August 30, 2013, Available at <http://www.thehindu.com/todays-paper/tp-national/tp-karnataka/power-struggle-over-an-authority/article5073948.ece>
- ⁶¹ Notification No. UDD/69/MLR/2010, Government of Karnataka
- ⁶² Ramani, Chitra "Power struggle over an authority" *The Hindu*, August 30, 2013, Available at <http://www.thehindu.com/todays-paper/tp-national/tp-karnataka/power-struggle-over-an-authority/article5073948.ece>
- ⁶³ Indo Asian News Service (2014), "Cisco to Transform Bangalore's Electronics City Into a Smart City", *NDTV*, July 02, <http://gadgets.ndtv.com/internet/news/cisco-to-transform-bangalores-electronics-city-into-a-smart-city-551864>

⁶⁴ Interview with Ms. Rama N.S., CEO of ELCITA, on 17 July 2014

⁶⁵ Interview with Mr Jayaram Reddy, Vice-President of Konnapanna Agrahara Gram Panchayat, on 23 July 2014

⁶⁶ Coelho, Karen, Lalitha Kamath, and M. Vijaybaskar (2011). "Infrastructures of consent: interrogating citizen participation mandates in Indian urban governance." *IDS Working Papers* 362 pp. 01-33.

⁶⁷ Benjamin, Solomon. "Occupancy urbanism: radicalizing politics and economy beyond policy and programs." *International Journal of Urban and Regional Research* 32.3 (2008): 719-729.