CONCEPTIONS AND POLITICS IN THE PATTERNING OF AN URBAN-REGIONAL SPACE

The Case of (New) Bombay

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This paper reveals the conceptualizations and politics behind the formulation and implementation of the New Bombay plan, which emerged in the early 1970s to address problems of 'overurbanization' by diverting growth away from Greater Bombay and its suburbs. It argues that conceptions of spatial inequality and 'largeness' of the city that are used to understand spatial policies obscure the political bases of state action. A (largely Marxian) framework is proposed for the analysis of the political bases of spatial policies and their implementation. Such a framework necessarily requires a nuanced conception of the state with regards to its relation with civil society. It is shown that the redefinition of territoriality is a conflictual and contested process.

It is pointless trying to decide whether Zenobia is to be classified among the happy cities or among the unhappy. It makes no sense to divide cities into these two species, but rather into another two: those that through the years and the changes continue to give their form to desires, and those in which desires either erase the city or are erased by it. -- Italo Calvino (1974:35)

Large urban agglomerations like Bombay are seen at once as being the centers of socioeconomic dynamism and the 'cause' of a plethora of social ills within themselves and in the surrounding regions. Bombay is undoubtedly India's industrial and commercial center. This role has led to many attempts at addressing the 'problems' of overurbanization, and to the polarization of economic activity through explicitly spatial policies. Such policies are mainly concerned with the spatial ordering of urban-industrialism, and entail the redefinition of physical territory and the redistribution of economic activity. They have sought to reduce the 'ills' within the urban areas,

while at the same time attempting to address the 'underdevelopment' of the peripheral regions. While patterns of urban growth and the expansion of urbanization in India have received considerable academic attention, there have been nearly no attempts at providing a framework for the analyses of the political bases of these spatial policies and their implementation.2

This paper addresses the conceptualizations and politics behind the planning and implementation of one such set of policies, those included in the New Bombay plan. This plan emerged in the early 1970s to rationalize urbanization in the Bombay Metropolitan Region (BMR), located in the state of Maharashtra. A new city across the Thane Creek on the mainland was planned with the intention of absorbing further growth in the region by diverting it away from Greater Bombay. The state, backed by legislation such as the Land Acquisition Act (1894), converted a lot of hitherto agricultural land for urban-industrial uses.

I first give a brief historical account of Bombay's development, situating it within the colonial context, which is important for understanding the rise of the city as an industrial center in general, and further, for discerning the ways in which colonial hegemony has patterned the urban fabric. This historical account is followed by a description of the spatial policies at the national and State levels that have sought to rationalize urbanization, reduce interregional inequalities, and alleviate growth pressures from Bombay.3 In the next part, I suggest that such regional policies are informed by ideologies of spatial inequality and problems immanent in the 'largeness' of the city; such conceptions are fraught with theoretical difficulties and obscure the political bases of state action. The final section focuses on the analysis of the New Bombay plan as the alternative offered by local political and economic interests in contrast with the efforts at the State-level. This analysis requires a nuanced conception of the state, especially with regards to its relation with civil society. It has to come to terms with the conflictual nature of the redefinition of territoriality and the inability of progressive interests to coalesce in order to challenge the state's hegemony.

The Colonial Legacy

The need of the British colonizers to establish economic and political hegemony in India transformed Bombay from a
collection of islands with excellent harbors and limited urban development into an important commercial and industrial center. By 1875, Bombay had undergone significant spatial and municipal restructuring, testifying to its growing importance within the capitalist world system. It had become integrated into the 'global' economy as a colonial head-link, an urban center mediating between a capitalist core and a primary-goods producing periphery.

Initially Bombay's wealth was based on the exports of raw cotton to England and opium to China. In the 19th century, Bombay emerged as the most important port for exporting raw cotton and as an entrepôt for the supply of manufactured British goods to India. Local elites who had accumulated substantial capital from trading activities engaged in a process of import-substituting industrialization. Cotton manufacture and ship-building emerged as the first substantially locally owned manufacturing activities. At the turn of the century the demand for cotton increased and employment in the industry grew further; by 1922, the cotton mills were employing over a quarter of the working population of the city. The advent of World War II heralded a period of rapid industrial growth, particularly in the light engineering and petrochemical sectors. The post-independence (1947) period saw substantial increases in industrial as well as trade and service related activities.

Colonial hegemony had patterned the urban fabric of Bombay right from the start. Like most other British colonial towns, the 'White Town,' or the European quarter, was separated from the 'Black Town,' or the native quarter, by an Esplanade or open *maidan*; the two quarters provided a spatial representation of the highly unequal division of power and the dominant-dependent relationships that existed between colonizer and colonized (Dossal 1991:17). Bombay's 'White town' was located in the Fort area in the Southern part of the island. It contained the seat of the government and the other institutions of political and economic control: arsenals, docks, the mint, courts, banks, the offices of agency houses, insurance companies, etc. In the 'Black Town,' there was no separate work-place or business district, though there was spatial separation of residences and trades based on caste or community.

In the latter half of the 19th century, most of the industrial growth located in the Parel-Tardeo-Mahalakshmi-Tardeo area, which was then the outskirts of the city (Bawa 1985:109).
Since then, the industrial zone and the boundaries of the city have been growing continuously, expanding Northward and Eastward. To rationalize this expanding urbanization, the state has developed spatial policies at all levels: national, State, and local.

National- and State-Level Regional Policy

Since independence, the main instrument of national planning in India has been the Five Year Plan. The initial plans were propelled by considerations common to ex-colonial countries in their development efforts: existence of mass poverty, glaring inequalities in income and wealth, low rates of growth, excessive dependence on primary sectors, and lop-sided industrial development (Misra and Natraj 1981:259). The avowed and often reiterated ideological underpinnings of planning at the national level were unity of purpose or the need for a nationally agreed consensus on the goals; public participation or involvement at all levels of the planning process; and reduction of inequalities in income, wealth, and socioeconomic power. The first reference to the need for balanced regional development is found in the Industrial Policy Resolution of 1956. This resolution simply remained a hopeful suggestion for securing balanced and coordinated development of the industrial and agricultural economy in each region, so that the entire country could attain a higher standard of living (Misra and Natraj 1981:259).

Balanced regional development did not become an openly articulated plan objective till the Third Five Year Plan (1961), which however offered little by way of policy instruments to achieve this balance. Since the fourth plan, however, there has been an increase in the number and scope of explicitly spatial policies. The main elements of the regional strategies of the national government have been: 1) attempts to locate large-scale industrial projects in industrially lagging areas through central sector investment; 2) allocation of central assistance to states on the Gadgil formula with weightings for population, per-capita income below national average, taxes in relation to population, and outlays for selected irrigation and power projects; 3) special funds for backward areas, and 4) measures to encourage private investment to move to these areas (Misra and Natraj 1981:270).

At the State level, considerable amount of regional policy and new organizations were explicitly directed towards Bombay
to address the problem of 'over-urbanization'. Since early in the 20th century, Maharashtra has been the most industrialized, most urbanized and therefore the most 'developed' of the Indian states. In spatial terms, State-level statistics are highly misleading, since the Bombay Metropolitan Region (BMR) totally dominates industry. If the BMR is excluded from the statistics, then what is left is one of the less developed regions of the country. With less than 10 percent of the net cropped area under irrigation, its agriculture is poorly developed (Khadpekar 1988:31). The government of Maharashtra first recognized the need to explicitly address Bombay's urbanization in 1964 when, based on the reports of the Gadgil Committee, it published the Development Plan for Greater Bombay for legislative consideration. The motivating force behind this plan was a general recognition of the failure of the urbanization strategy until that point. The new Development Plan's strategies involved: 1) laying the routes for industrial spillover in the immediate fringe zones through the provision of infrastructure by several agencies of the State government; 2) leaving the newly developed areas for private commercial development; and 3) extending the limits of the Bombay Municipal Corporation periodically to formalize administratively the economic annexation achieved earlier by private effort (Verma 1989:32). This set of strategies forced the expansion and annexation of the surrounding areas into the city, rather than any dispersion of economic activity from the city. The Development Plan was a significant break from the existing development strategy as it recommended the decentralization of industry and commerce from the city to the suburbs and beyond, as well as private sector investment in the provision of infrastructure. It came under heavy criticism from business interests which opposed to the plan based on the fear that: 1) it would hinder the 'growth-spillover-annexation-growth' scheme, which had hitherto enabled private developers to get developmental subsidies; 2) it would have considerably more political will for enforcement behind it as a State mandate; and 3) it would divert State funds from the development activities to more pressing problems with the city itself (Verma 1989:34).

The coalition to oppose the plan first applied political pressure to prevent the approval of the provisions of the plan, and then came up with an alternate plan known as the MARG plan, which laid the bedrock for the development of New Bombay.
Analyzing Spatial Policies

The main spatial policies that have sought to address the patterns of urbanization in large urban agglomerations like the BMR are guided by predominantly two statist ideologies: first, that the size of the city is itself a problem and second, that regional disparities in the level of development are in some way 'inequitable' and need to be addressed. In this section, such ideologies are questioned.

The large city problem

In this ideology, urban agglomerations, or big cities, are seen as the basic problem. Large-scale and rapidly growing urbanization is associated with a host of familiar socio-economic problems such as the lack of infrastructure, high rates of unemployment, crime, congestion, etc. The 'optimum' city size debate is couched in this ideology (Richardson 1973, Wheaton and Shishido 1981). Neoclassical economists argue that the city grows unproductively beyond its optimal size because of the divergence between private costs, borne by entrepreneurs and social costs borne by the urban community. The two basic problems with this ideology seem to be the spatial definition of the city and the difficulty of measuring the externalities as well as correlating them to city size. The case of Bombay shows that so far, despite having all the 'problems' of a large metropolis, it has not stopped growing, either in terms of economic activity, population, or spatial boundaries. The constant annexation of the surrounding areas clearly shows that the real extent of the urbanized area may not coincide with the official extent of the municipal jurisdiction. Furthermore, for an industrial city such as Bombay, it is clear that the extent of the city as a working economic unit far exceeds the jurisdictional boundaries. With improvements in transportation, it seems that the extent of the economic city, at least in terms of its labor market, keeps on expanding.

In addition, even if there is a correlation between increasing externalities and city size, one cannot assume causation. Such an assumption leads to the inherently false conclusion that the problems in large cities are actually the problems of the largeness of those cities. The problems within Bombay such as the lack of affordable housing and the growing slums have to be situated within the broader social processes of society, and
not simply attributed to the size of the city. This brings into question the role of the state in the organization of space.

The causative relationship between the problems in the city and the size of the city (especially in demographic terms), needs to be questioned. At the bureaucratic level, the connection is made unabashedly, while at the political level the issue is complicated by the electoral process: with nearly 52 percent of the total population living in the so-called slums, and a large majority of them being immigrants and voters, political rhetoric at the city level is tempered. At the State level, framing of the problem in this way serves both the interests of the representatives from the city and those of other regions in the State. The former benefits from the use of state funds to 'solve' the large city problem, by paradoxically attempting to build another focus of economic activity right across the creek. For the representatives of other regions in the State, the case is quite clear: Bombay is too large because of the lack of opportunities in the other parts of the State, and hence developmental funds need to be appropriated to address the spatio-economic inequalities.

**Spatial inequality**

The central concept in the bourgeois ideology of spatial inequality is that of polarization - seen both as a state and as a moment in the process of development - of population and of economic activity. The relationship between polarization and economic development (industrialization) has been articulated since the early days of modern 'development' theory; this articulation was founded on the notion of a conflictual relationship between interregional equity and national economic growth. There are two opposing perspectives on this relationship. The first holds that polarization is essential in the early stages of development in order to maximize efficiency, and that as development progresses regional inequalities are reduced. The second claims that polarization actually retards the development potential of peripheral regions and distorts the development path of the national economy.

The first position, applying industrial location theory to developing countries (Alonso 1975) claims that in the short run the advantage of agglomeration economies and the need to provide a ' hospitable seedbed' for engendering industry means that large urban-industrial regions are conducive to economic growth. In the long run, the argument claims, some structural
transformations in the space economy may be necessary to sustain growth, because of the possibilities of diseconomies of excessive agglomeration and the restriction of demand for goods. The economic theory behind the argument is basically neoclassical: at the macroeconomic level, increased output and savings propel investment and tightening labor markets generate higher incomes; and microeconomically, scale economies are necessary to lower costs of production and transaction. The opposing position argues that polarization is a distorted type of capitalist development, and tends to retard the development of the peripheral regions (Myrdal 1957, Hirschman 1958). The ability of capital-intensive industry to absorb labor is questioned, along with the income concentration to support the consumption of goods. Further, 'backwash' effects lead to the diversion of potential investment away from the peripheral regions and to the depletion of their human resources.

The ideology of spatial inequality clearly informs regional development policy at the national and State levels. Over the period 1971-1991, Maharashtra's share of national employment and enterprises has grown mostly due to growth in Bombay. Some empirical evidence indicates that the location of large industrial projects in 'backward areas' has not generated all-round growth - much less development - and that propulsion towards development has been centripetal (periphery to core) rather than centrifugal (core to periphery) (Misra and Natraj 1981:270).

New Bombay could clearly be seen as an attempt at polarization reversal by relocating some of the industries from the city and providing the seed bed for further development. The strategy of 'polarization reversal' or generation of new growth poles is questionable at both theoretical and practical levels. At the theoretical level, one can question the concept of the redistribution of polarization impulses, i.e., urban-industrial growth poles. The concept of a growth pole, as first formulated by Perroux, was later spatialized, in terms of theories of regional development and further developed into a strategy for economic development planning. The central government policies of installing state-owned enterprises and subsidizing the location of private sector firms in backward areas, and the State government's policies of opening up 'backward' areas for urban-industrialism, are clearly based on the growth pole strategy. Though many theories have been forwarded to explain the failure of this strategy, the one that
seems to explain the Maharashtra case fundamentally questions the validity of looking at the existing volume of input-output transactions of firms and assuming that such a transactional structure can be developed or transferred to assigned points in regional space. The strategy completely fails to take into consideration the fact that developed input-output relations are the outcomes of densely articulated industrial systems which have high levels of spatial inertia because of their external economies, and hence are not easily transferable in space. The organization of production and the social division of labor themselves form a fundamental set of variables governing spatial agglomeration and growth center development (Scott 1988:54). The comparative advantage of an urban-industrial agglomeration like Bombay is not simply based on some given set of factor endowments that can be replicated; it is socially produced by the internal developmental logic of regional growth and change (Scott 1988:59). Cities as 'modes' of industrial organization are deeply implicated in the ability of industries to function, and the way industrialization unfolds (Sayer and Walker 1992:140). The territorial expansion of these modes of industrial organization cannot simply be understood as the dispersal of economic activity from cores (Storper and Walker 1989:188); the reproduction of the conditions for accumulation in the 'periphery' is a much more complex and contested process.

At the practical level, the main question is the selection of the regions and the evaluation of the inequality criteria within the regions; in other words, the relationship between spatial equity and social equity. To assume that a reduction in interregional inequality is equivalent to a reduction in interpersonal inequality is to commit an 'ecological fallacy,' that is, to infer that the average conditions in an area apply to all individuals to that area (Gore 1984:53). In fact, some studies show that the promotion of rapid growth in poorer regions result in a more unequal income distribution within those regions (Barkin [1972] in Gore [1984]). This was clearly observable in the case of New Bombay. But the dispossession of the villagers' land and the claimed economic growth cannot be viewed simply as committing an ecological fallacy, for it does not reveal the political bases of the expansion of urban-industrialism. Further, the evaluation of the inequality criteria to gauge interregional differences is dependent on the spatial delineation of the 'regions', a process that is also inherently political.
Arguments around spatial inequalities are sometimes ensconced in the language of 'urban-bias': that is, the growth of Bombay is seen as actively retarding development of other, predominantly rural, parts of the State. The patterns of resource allocation that favor urban over rural areas slow down the rate of growth, and increase welfare disparities. Spatial equity in resource allocation is based on the distribution of population; since in most developing countries rural areas are relatively populous, they should get a proportionately higher share of resources. Furthermore, it is argued that the same amount of capital results in proportionately greater increases in output in the rural sectors. These arguments are very often made in the case of Maharashtra. As one State-level bureaucrat put it, the only way to stop the exodus from the surrounding areas to Bombay is by increasing the expenditures in rural infrastructure and in the generation of economic activity (Lalwani 1988). This is precisely how the state justified its role in the provision of infrastructure for the 'economic development' of peripheral rural areas. But as we shall see, the 'allocation' of resources to the 'rural' areas actually implied the 'rereallocation' of resources, benefiting factions in the state, the urban elite, and the large landowners in the villages (Phadnis 1988).

New Bombay and the Annihilation of Space

The planning and development of New Bombay

Around 1967 the idea of having an autonomous city called New Bombay was first proposed in the MARG plan which was financed mainly by private business interests. The writers of this plan were Charles Corea, Pravin Mehta, and Shirish Patel, who were well-known architects and town planners. The plan proposed to stop the flow of migrants into the city by creating a 'counter-magnet' and a 'rational' structural pattern (Verma 1989:37). Quixotically, the plan argued that the growth of the new city through the establishment of a satellite town, was more desirable than the ad-hoc growth of Bombay through similar processes. To demonstrate financial feasibility, the plan argued that land across the creek could be bought at relatively low prices, and that the revenues from the sale of that land would be substantial enough to finance the additional infrastructure needed to connect the two cities. It proposed a rail line and a road bridge across the creek. Revenue would
also be generated by a new port, Nhava Sheva, that would be built on the mainland to divert traffic from Bombay. The elaborately worked out plan was submitted to the Bombay Metropolitan Region Planning Board (BMRPB), which was persuaded to select the plan over other proposals for submission to the State government.

In 1970, the State government accepted the twin-city proposal of the BMRPB and established the City and Industrial Development Corporation of Maharashtra, Ltd. (CIDCO) to develop New Bombay. CIDCO was established as a subsidiary of SICOM Ltd., an industrial investment corporation wholly owned and operated by the State government. Soon after it came into being, it was designated as the New Town Development Authority (NTDA) for New Bombay, and consequently as the Special Town Planning Authority (STPA) for surrounding areas (Verma 1989:50). Before the New Bombay plan, the planning of the new towns was undertaken by a NTDA that was a part of the Urban Planning Department of the State government. The establishment of CIDCO to oversee the new development could be seen as a way for business elites in Bombay to have much greater control over decisions, which had hitherto been made directly by State-level bureaucrats. Its organizational form, i.e., as a registered company under the Companies Act, enabled it to pursue investments using public funds, and to operate as a semi-autonomous public-sector organization.

CIDCO's main objectives were: 1) to create an attractive urban area on the mainland that would absorb immigrants and attract some of Bombay's population; 2) to support State-wide industrial location policies; 3) to provide physical and social services; 4) to provide and maintain a desirable urban environment; and 5) to participate actively in the economic and social life of the city. To these objectives, CIDCO itself added: 1) guiding and encouraging the location of only specified industries to New Bombay, 2) developing New Bombay as a self-financing project; and 3) restructuring metropolitan growth by cutting back the growth of industrial jobs (CIDCO 1973:10-16). The specific actions proposed by CIDCO to 'decongest' the city were to relocate the State government offices, produce market, and certain iron and steel mills as well as divert office construction to New Bombay.

In 1964, the Maharashtra Industrial Development Corporation (MIDC) had started acquiring land in the New
Bombay area for developing industrial estates, and then in the early 1970s, CIDCO started acquiring land for the development of the new city. But unlike the MIDC acquisitions for industrial purposes, CIDCO had an elaborate plan for the resettlement of the affected population. Given unlimited political power and resources, CIDCO could have quickly acquired all the land needed for its developmental plans. But there was considerable opposition to the process of acquisition, and land could only be acquired in a slow, haphazard manner. Over the twenty year development of New Bombay, the first ten years were marked by involved and acrimonious dealings between the state and the local population (Shaw 1994:39). Organized opposition to the project at a general level came from the Peasants and Workers' Party (PWP) which had a rather militant leadership and was popular in the affected areas (Verma 1989:94). The PWP not only opposed land acquisition; it was against the very concept and visualization of the project. People affected by the project, supported by the PWP, expressed opposition to the project in varied forms ranging from simple arguments, to court cases, to physical assault of the CIDCO officials and dumping of construction equipment and materials in the creek. This initial period saw a massive amount of police repression, and the 'acquired' land was secured and heavily policed.

In the 1980s, the focus of the agitation shifted from villagers attempting to prevent takeover of their lands by physically stopping land acquisition to demanding more remunerative prices for the land. The local population saw that resistance to the project was futile, and the predominant feeling seemed to be that if their land was going to be grabbed anyway, they must at least be paid reasonable prices (Shaw 1994:40). At the heart of the impasse was the state's view that the value of land at the edge of the city is close to the value of agricultural land and should be acquired at prevailing agricultural prices. The agitation over land prices had the support of relatively wealthy land and property owners in the area. The early 1980s were marked by violent clashes between the police and the demanders of higher compensation (the villagers and recruits of the wealthy landowners). The violence, police repression, and the intensity of the villagers' dissatisfaction grabbed the attention of the media, and served momentarily to unite the opposition parties. While it forced the state to marginally increase the compensation amounts, CIDCO still made massive profits by buying land cheap and selling it at
much higher prices to the developers. Moreover, there was a massive amount of corruption in the process of land allocation (TFPUD 1983).

The social amenities initially promised by CIDCO - such as the development of community centers and the building of gutters, secondary schools, bus stops, etc. - have been limited to a small number of villages in the area. There are massive inequalities between the CIDCO-built urban nodes and the original villages (Shaw 1994:42).

Among academic observers of the growth of New Bombay, there seemed to be consensus that the gradual capture of hinterland at the periphery of a city by builders and urban elite by displacing the rural population is in no way different from other processes of 'development' visible in the country. This way, displacement of inhabitants from their land to be used for constructing dams or setting up industries, has many common threads with the capture of hinterland by the urban rich (Sharma 1991:417).

The State government bureaucrats themselves stalled the plan to move their offices from Nariman Point in the heart of South Bombay, to New Bombay. Though some minor government functions were moved, it was found that attempts to make them take up residence in proximity to their workplace in New Bombay failed miserably (Verma 1989:72).

The State government has continued to sanction the reclamation of land and the building of extremely high-priced residential and commercial development in the central city. The relocation of commercial (office) activity has been wholly unsuccessful and there has been an increase in the commercial activity on the reclaimed land in South Bombay and in Bandra, a formerly swampy area just north of the CBD.

The agricultural produce markets, located in the center of the city were cited for the 'inappropriateness' of land use and large volume of truck traffic. The traders, who form a significant political lobby, petitioned the State government and even took the issue to court. Though they lost the case in a local court and a significant portion of the activity was directed to relocate, only a small portion of the onion and potato markets shifted to New Bombay (Verma 1989:149). There has been no relocation of the iron and steel mills from their current locations in South Bombay. The land allocated for them in New Bombay has been bought up by major steel producers who have built (or plan to build) new plants.
By the end of the first two decades of the New Bombay experiment, there was widespread recognition that it had failed to achieve its stated objectives of decongesting Bombay, or even retarding its growth.

Towards a political analysis

The analyses of the policies that have been put forth in the previous section have been, in some sense, functional. Spatial policies also need to be situated within a political context — not just in terms of the 'politics' of the different spatial units (city, state, nation) within a given political system, but more broadly, in terms of the socio-political implications of the overtly spatial policies. The following section attempts to offer such an analysis by looking at policies formulated at the city level, especially those around the New Bombay plan, peripheral development, and the city's decongestion on economic/environmental grounds.

In one of the most detailed studies of the policies that led to the development of New Bombay, the author comes to the unequivocal conclusion that the phenomenal growth of the metropolis and acute centralization of industrial-commercial activity in its CBD cannot possibly be avoided in a non-authoritarian, stratified, capitalist society (Verma 1989:160). The poor and the politically weakest are affected the most by the drops in the quality of life. Renewal and restructuring exercises are ideologically planned to make the same segments bear the pain (e.g. the demolition of slums, resettlement of squatters, acquisition of surrounding land). The capitalists, in cahoots with the state, always manage to profit from the growth, and from the spatial policies more generally. These observations point to some of the main reasons that Bombay is held up as exemplary for its developmental successes: the formation of an urban business elite and the coincidence of their interests with those of the political elite (both at the level of the city and the State) provide the necessary conditions for capital accumulation and growth. The issue of the formation of a local capitalist elite is a complicated one in itself, all the more so in the case of Bombay because, traditionally, certain minority communities have assumed that role. Explanations range from cultural theories about the greater business acumen of certain groups to the preferential treatment given to those groups during the colonial era. Of more interest here is the
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question of the state, and its role in economic development in general and the ordering of new urban space in particular.

The role of the state in the definition of the territoriality of the social relations of production could be understood as a need for a 'spatial fix', that is, the postponement of the crisis of overaccumulation (that results from the 'inner dialectic of capitalism') through geographical expansion (Harvey 1982, 1985a, 1985b). The basic concept here is that the state, acting in the interests of the capitalists, invests in infrastructure, such that excess capital and labor power are put to creating new productive capacity in new areas (Harvey 1985b:155). But this conception of the state assigns a sort of epiphenomenal status to it in relation to its role in managing the crises of capitalism, and fails to relate socio-spatial public policies to an analysis of the state itself. There seem to be several problems with this conception in the context of spatial policies in New Bombay: 1) the state not only acted in the interests of the capitalists, but also in its own economic (making massive profits on the land) and political interests; 2) it is unclear the extent to which the claim can be made that there was some sort of 'causal' connection between a (presumed) crisis of overaccumulation in Bombay (the territorial delineation of productive activities itself being a problem) and the state's actions in developing New Bombay; 3) the contestation over the process and outcomes of the state's redefinition of the spaces that are used for the 'fix' is not problematized, and 4) struggles against the state's activities cannot simply be seen in class terms.

The state's intervention in the provision of infrastructure could also be theorized as the need to provide collective consumption goods necessary for the reproduction of labor power (Castells 1978:168). Firstly, by supporting the needs for reproduction of labor power (e.g. housing), it decreases the responsibility of the capitalists. Secondly, investment in public goods, which is generally non-profit-making, is considered a form of the devaluation of capital which is required by the capitalists to counter the falling rate of profit. This in essence frames the contradiction in the state's role in sustaining both the falling rate of profit (through Keynesian measures) and the quality of community life through the reproduction of labor power. These contradictions give rise to new forms of social cleavage that cannot simply be theorized in class terms, and the urban social movements produced by these new sources of
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social inequality possess the potential of strengthening the working class struggle (Castells 1983).

In the case of the spatial policies in New Bombay, there were clearly two kinds of infrastructure provision: one, for the consumption of the capitalists (plots of land with infrastructure) and the second, ostensibly for the 'resettlement' of the population that was dispossessed from the land. Contrary to the theory above, the state's investment in 'public goods' (if one may indeed call them that) was an extremely profit-making venture; this indeed was the premise on which CIDCO was founded in the first place. The profits from the sale of land were to be used for further expanding development in the urban periphery. The supply of infrastructure for the resettled population cannot simply be seen as supporting the needs for the reproduction of labor power; rather, it was a strategy that was ostensibly for increasing the economic opportunities of the dispossessed, but actually for quelling organized opposition to the state's activities through concessions. Finally, the case of New Bombay reveals the total inability of 'grassroots movements' - at least in the case of the opposition organized by the PWP - to ally themselves with the urban workers (or vice-versa). Throughout the period of conflict, the PWP, in cahoots with opposition parties in the State, were able to organize only one city-wide bandh (stoppage of work) (Shaw 1994:41). And that, too, was over the amount of money that was being paid to the farmers in one of the villages (Uran, a stronghold of the PWP and the Shiv Sena). Apart from that incident, it seemed that the urban workers were wholly unsympathetic, or totally unable to organize their sympathies into meaningful political action. Or that the conflict between the new social movement and the state/capitalists, and the class conflict, were themselves in conflict.

As opposed to the view of state above, the Indian state at various levels could more appropriately be theorized as a framework for the exercise of power, which cannot be reduced to economic (capitalist) interests alone. The state can act in the interests of capital, but can also pursue its own economic and political interests. The 'production of space' suitable for such activity is an intrinsic part of state activity (Lefebvre 1991). The state and its bureaucratic and political apparatus intervene continually in space, and make use of space in order to intervene at all levels and through every agency of the economic realm. This conception of the spatial practices of the state is more fruitful for understanding the policies around New
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Bombay, because the state could be seen as continuously engaging in the annihilation of the social space of the periphery and the creation of 'abstract' space. The expansion of capitalist relations is accomplished by the state's control over space. Revolutionary practice - opposition to the state's machinations - has to involve 'socio-spatial praxis', i.e., resistance to the ability of the state to destroy social space and to re-socialize of abstract spaces.

While these conceptions of space and the role of the state serve as useful metaphorical devices, their explanatory power seems to be rather limited. First, the extent to which spaces can be considered truly 'social' - i.e. 'unabstrac ted' by the state - is questionable. For even though the spaces of the villages that existed before the incursions of the state could be considered relatively 'social', one cannot ignore the massive power differentials (e.g. small vs. large landowners), the existence of capitalist relations of production (urban markets for the produce), the role of the state in defining and enforcing property relations, and the role of the state in providing the conditions for reproduction. Further, some of the 'abstract' spaces that were created (plots of land with infrastructure) were themselves used as 'social' spaces (through the development of middle and upper-class housing complexes) generating enormous profits both for the state and certain private interests (particularly the developers). Finally, what of the potential for socio-spatial praxis? In concrete terms that would at the very least imply the repossession of the physical spaces. And this in turn implies a direct challenge to the power of the state to enforce its own rights over space. In New Bombay at least, such a challenge could but remain as abstract as the metaphor that was used to conceive it.

In the analysis of the social practices that determine and are themselves shaped by the spatial practices, the delineation of the 'state' as an actor in the social process becomes rather difficult. This kind of delineation, posing 'the state' as an external relation, leads to its theorization as a 'thing' (an instrument) or as a subject (an autonomous force) (Poulantzas 1978:132). This type of theorization is problematic because the interests and the ideologies behind 'state action' may not be coherent across the different levels (city, state, country), and further, each level is infused with, or is a reflection of, the social contradictions of the so-called 'civil' society. Though the internal organization of states, especially developmental ones, comes close to approximating a Weberian bureaucracy - hence
they are, in some sense, 'autonomous' - they are also embedded in a concrete set of social ties which binds the state to society and provides institutionalized channels for the continual negotiation of goals and policies. I would argue that it is precisely this 'embedded autonomy' of the state that provides the underlying structural basis for the spatial policies, and, arguably, for the state's role in the continued economic 'success' of Bombay and territorial expansion.

Since Independence, the Indian state, at all levels, could easily be characterized as 'overdeveloped' (Bardhan 1984:23). It has wielded considerable influence by the sectoral and spatial regulation of private investment through industrial licensing policies and by its monopoly of key industrial, infrastructural, and financial sectors. And as we have seen in the case of Bombay, it has also played a dominant role in the patterning of urban-regional space. But this exercise of its power cannot be interpreted simply in functionalist terms - such as those implied in the language of 'zoning' - but must be seen as a part of a political process infused with power relations and contestation over access to resources. Space cannot be treated solely as an a priori condition of institutions and the structures of authority which preside over them, because it is at once a precondition and a result of social structures, and though it is a product, it is also a means of production, fashioned by networks of exchange and flows of raw materials and energy (Lefebvre 1991:85). What is needed, then, is an analysis of space as an expression of social structures, which amounts to studying the way it is shaped by the economic, political and ideological systems, and by their combinations and the social practices that derive from them (Castells 1977:126).

One of the most significant ways in which the Indian state has exercised its power is through the control of land, and hence the introduction of land into a political analysis of spatial policies is important. Firstly, the owners of the land have a claim to the surplus product through rent, in addition to the institutionalized returns to capital and labor. Because of this, any class faction organized around land represents a separate interest determining the course of capitalist development, regardless of how the faction is constituted - that is, as a separate class, a faction of one class, or a coalition of several class factions (Gotttdiener 1994). This faction cannot be reduced to clichés such as the 'capitalist class and their associates' (Verma 1989:160). This 'class' - or rather, constellation of economic-political interests - clearly consisted
of various factions from the building industry (architects, builders, developers), the industrialists, the large landowners, the state at all levels, etc. The interests organized around land are themselves socially produced (by the property relations of capitalism). As the interests of these factions coalesced in New Bombay, they were able to use the repression of the state in order to manipulate land development through monopoly powers and create the conditions for the realization of rent and the production of land values. The factions of the state, for their part, were able to successfully accomplish both accumulation (by reselling the land) and legitimation (by the provision of 'services', etc.). What seems important here is that the process by which spaces are redefined, and people are denied access to resource land, is in itself an activity that can be immensely profitable for the factions involved; one does not have to wait for the institution of capitalist social relations and the realization of value either through rent, or through wage labor. Further, the process of the redefinition of space may itself serve to stave off one of the fundamental contradictions between accumulation and landed property: that of the capitalists' need to invest in land in order to combat the falling rate of profit, which implies that they have less money to reinvest in production. In other words, the process of 'spatial fixing' may itself be the fix.

One of the main reasons that was given for the implementation of the New Bombay plan was that if development were left to market forces, the pattern of urbanization would be haphazard and the pull of the central city would not be diminished. Undoubtedly, land development and real estate activity is a relatively uncoordinated activity, especially when it occurs at the rapidly expanding fringe of an economically growing metropolitan region. The state's claim was that the resulting land-use pattern would be deleterious to society in general; hence the need for planning. But the role that the planners played in New Bombay - especially those in CIDCO - cannot be understood simply as either contributing to processes of reproduction or rationalizing the secondary circuit to help production, because ample opportunities for doing so existed in Bombay itself. The 'failure' of CIDCO to rationalize the process in New Bombay (let alone in the Greater Bombay) could be evidenced even in the early stages; even by the end of the first two decades, the new city has started experiencing significant levels of congestion and pollution. In some ways it is even worse, because the infrastructure needed for
monitoring and enforcing even the basic industrial pollution control measures are not yet in place.\textsuperscript{18} Clearly, the planners could not rationalize New Bombay any more than they could Bombay. The outcome of their role in coordinating specific societal interests (including, most importantly, their own, to accumulate through dispossession, legitimate through the provision of 'basic' services and quell dissent through repression) could be anything but a rationalization of developmental forces.

Studies on urban growth (Ramachandran 1989, Noble and Dutt 1977) simply address the overall patterns of urban development, without analyzing the actual conflict-ridden processes of expanding urbanization. The silence may be attributable to the assumption that the expansion of urbanism into peripheral rural areas expands the economic opportunities available to the already 'impoverished' locals. But the process is actually one of proletarianization and pauperization, in which the labor is freed up for working on the developmental activities (construction, etc.) in the area itself, for industry in general, and for domestic help. They join the ranks of the 'urban poor' who are then blamed for blighting the city with 'slums.' Poverty is reproduced not only through the dispossession of material means, but also by the creation of ideas and ideologies about slums and slum-dwellers.\textsuperscript{19} The process of dispossession then continues with measures such as 'slum eradication,' where the value of the slum land can itself be realized, while avoiding the true cost of 'compensation' and suppressing dissent. This pattern is clearly observable in most 'Third World' metropoli (Hardoy and Satterthwaite 1990).

Conclusion

The purpose of this paper was to provide a framework for the analysis of the spatial policies of the state. It was argued that the complex processes by which predominantly rural land on the urban periphery is converted for urban-industrial uses cannot be conceptualized or justified simply in terms of the 'largeness' of the city, or the need to address spatial inequality. The process of spatial transformation is much more than development in the periphery through land use conversion - it is a conflictual process in which the state exercises its power to serve the interests of the urban-industrial elite, as well as its own. This raises a fundamental paradox in the process of expanding urbanization in most large cities in the developing
world: the rationalization of the process by which urbanization expands into peripheral territories requires state intervention, but it also enables the state to exercise its monopoly power over land freely. In the Bombay Metropolitan Region, changes in the nature of the accumulation process and role of the state will continue to result in, and be influenced by, the evolving socio-spatial dialectic. Whether or some sort of radical spatial praxis evolves in this context will depend on the outcome of everyday political struggle.

1 Note that the name of Bombay was officially changed to Mumbai a few years ago; consequently New Bombay also became Navi Mumbai. I use the old names for the sake of readers' familiarity with them.
2 For general overview of the spatiality of Indian cities, see Bose (1978), Brush (1977), Noble and Dutt (1977), Ramachandran (1989). Verma (1989) and Shaw (1994) provide excellent descriptions of the process of the development of New Bombay, but do not adequately analyze the political bases of the state’s actions.
3 ‘State’ refers to the government of Maharashtra, the state in which Bombay is located, and ‘Center’ refers to the national government.
4 In 1981, migrant flow accounted for 51% of the total population increase (Census of India, Maharashtra: Migration Tables).
5 Several new Western and Central railway train lines were added in the 1980s, and even currently, there is an ongoing program of adding and upgrading the rail system. Recently there have been reports that areas like Goa, are opposing plans to improved rail linkages, fearing the concomitant, rapid changes in economic activity and demographics (New York Times, May 3, 1994).
6 Anecdotal evidence suggests that three to four hour commutes (one way) from nearby towns are not uncommon.
7 Though recent events show a rise in the religious-linguistic regionalism. The Shiv Sena, a regionalist political party, often vituperates against the mostly non-Maratha (Marathi-speaking Hindus) immigrants.
8 Such an argument is developed by Storper (1991) for the case of the growth pole strategies implemented in Brazil.
9 Note that in Lipton’s conception, distinctions between 'urban' and 'rural' can also be intra-urban and intra-rural. For example, a large-scale mechanized farmer (in a traditionally 'rural' area) is considered 'urban.'
10 What the bureaucrat failed to mention was that the majority of the migrants are from out of the state (57% in 1981 [Census of India, Maharashtra: Migration Tables])
11 A concept used by Evans (1995) in analyzing the role of the state in the industrial transformation of South Korea, Brazil and India.
Especially in the reproduction - at least in physical terms - of space as a means of production.

There is a host of legislation such as the Land Acquisition Act (1984), Urban Land Ceiling and Regulation Act (1976), Maharashtra Regional and Town Planning Act (1966), etc. that enable the state to lay claim to land.

One of the most important issues here is obviously the 'value' of land, both in its use and exchange forms. The social bases of the law of value implies that urban land values are influenced by economic, political, as well as cultural forces.

Marx (1973) provides an analysis of the contradiction that landed property is both a precondition for production and reproduction of wage labor, and it is also a concrete relation outside of capital and hinders the accumulation process because the separate class of landowners can lay claim to part of the surplus value as rent.

Scott (1980) shows how chaotic, even anarchic, it can be.

Harvey (1985a) elaborates on both these roles.

Pollution induced illnesses are already a cause of major concern, and have recently received a substantial amount of press, with headlines such as "The twin city is far from the promised land" (Times of India, Dec. 19, 1994) and "Thane-Belapur belt endangered: mushrooming factories will lead to environmental disaster" (Times of India, Dec. 23, 1994).

Roy (1993) found that abstract, class-biased notions of slums, squatter settlements and the urban poor living can be found in films, ethnographic accounts and the plans and programs initiated by the upper classes and bourgeoisie state. Stereotypes such as rural ways of speaking and behaving, low caste, high levels of literacy, lack of hygiene, etc., tend to reproduce both in ideological and material terms, the conditions of poverty.

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