



# Urbanisation Trends and Implications

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# The Coverage

- Global Process and Dispersal of Economic Activities
- Indian Process of Urbanisation-Seven Decades of Structural Transformation
- Diagonal Divide in Urbanisation
- Urbanisation, Regional Balance and Focus Areas

# Global Process and Dispersal of Economic Activities

- Urban Areas Provide Economies of scale and settlements
- Global Process-beginning from Industrialisation of Europe
- Driven by Dispersal of Economic Activities –Production to cheaper place
- Supported by Competitive Edge and Demographic dividend
- Europe, US, Japan, NICS, ASEAN , SA-China and other South
- 3%-1800, 13%-1900, 30% - 1950 and 50% in 2007.

# Indian Process of Urbanisation-Seven Decades of Structural Transformation

- 1951-17% ; 2011 – 31.2%
- 6 Crores to 38 Crores in absolute terms(6+ time)
- GDP 44%(1951) to 80%+ (2019)
- Work force 31% (1951) to 45%+ (2019)
- 3000 to 7935 towns, Statutory (4041), Census towns (3894)
- Highest ever increase (2744) in Census towns in 2011

# Structural Transformation-Global Process (2017- WDI and ILO)

Region	Share of workforce in Agriculture (%)	GDP from Agriculture (%)	Level of Urbanisation (%)
High Income Countries	3	1	82
Upper Middle	17	7	65
Lower Middle	39	15	50
Low Income	68	26	32
World	26	40	55(54.82)

# Indian Process of Urbanisation and Economic Development

Year	GDP from Agriculture (%)	Urbanisation level(%)	Workforce employed in Agriculture (%)
1951	56	17	69
1991	34	25	59
2001	28	25	58
2011	14	32	55

# Changing R-urban Profile of India

- 17% urban in 1951 to 31.2 % in 2011
- 2011- net urban increase is higher than rural –Liberalisation effect
- 9.10 urban 9.06 rural (Crores during 2001-11)
- Reversal of decline in % point increase (occurring since 1981)
- 3.4 (81), 2.4 (91), 2.1 (2001), 3.4 (2012)
- Rural population no's will start declining since 2027

# DISTRIBUTION OF URBAN POPULATION

Class Category	Definition	No of Towns	Population	% of Urban	No of Towns	Population	% of Urban	Dec.Gr Rate of No. of Towns	Dec Gr of Pop
	Pop	2001	2001	Pop	2011	2011	Pop*	2001 - 2011	2001 - 2011
Class I	>1 lakh	394	196.3	68.7	468	227.8	60.4	18.8	34.9
Of which,-									
Below Mn+	1 - 10 lakh	359	88.0	30.8	415	104.2	27.2	15.6	18.4
Million Plus	>10 lakh	35	108.3	37.9	53	160.7	42.2	51.4	48.4
Of which,-									
Mega cities@	>1 crore	3	42.5	14.9	3	48.8	12.9	0.0	14.8
Class II	50 - 100k	496	27.8	9.7	605	41.3	10.8	22.0	48.7
Class III	20 - 50k	1388	35.2	12.2	1905	58.2	15.4	37.2	65.5
Class IV	10 - 20k	1561	19.5	6.8	2233	31.9	8.5	43.0	63.8
Class V	5 - 10k	1041	6.7	2.4	2187	15.9	4.2	110.1	138.7
Class VI	<5k	234	0.7	0.2	498	2.0	0.05	112.8	180.1
Total		5161	286.1	100.0	7933	377.1	100.0	53.7	31.8
Statut. Towns		3799	265.1	92.7	4041	318.5	84.5	6.4	20.2
Non-Stat Cen Towns/ UAs		1362	21.0	7.3	3892	58.6	15.5	185.8	179.0
<b>Total Urban Popn</b>		<b>5161</b>	<b>286.1</b>	<b>100.0</b>	<b>7933</b>	<b>377.1</b>	<b>100</b>	<b>53.7</b>	<b>31.8</b>

# Urbanisation in India :Key Features

- Urban Population –Growing similar nos.in absolute terms in 2011
- Two third of 468 class one population in million + cities
- Top 468 Towns acquire 60% Population-7465 towns cover 40 %
- Highest Ever Increase in Census Towns -2744
- Rapid pace of Change in Economic profile towards Non farm sector
- Almost half urban centres do not have city Government

# Urbanisation in India :Key Features

- Economic development is driving urban Growth
- 2474 census towns no growing at 186% decadal GR, class v and vi =113 and 110
- Others in nos growing between 43 and 51 %.
- Others in Population= Class 1=15 to 48 ,II to VI=63 to 65
- Census towns ,Class vi and v population growing at 179,180 and 139
- CT Fall in Metro areas and hinterland

# CT Boisar near Mumbai



# NOIDA



# NOIDA



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## Number of UAs/Towns and OGs in India

Type of Urban Units	2011 Census	2001 Census
1. Towns:	7,935	5,161
(a) Statutory Towns	4,041	3,799
(b) Census Towns	3,894	1,362
2. Urban Agglomerations	475	384
3. Out Growths (OGs)	981	953

# Typology of Town Settlements

- Urban Agglomeration
- A town and its adjoining outgrowth (OGs) or two or more physical contiguous towns together with/without outgrowth of such towns out of which at least one should be statutory town
- Outgrowth
- viable unit of village/hamlet/enumeration body located near a statutory town but outside its limits clearly identifiable in terms of its boundaries possesses urban features such as road, hospital, educational institutions, tap, drainage & waste disposal and banks etc. Example :townships/colonies from dedicated employer
- Govt. Is approaching –XV FC, Missions (SBM etc.)

# The Two Approaches on Industrial Towns /Census town Conversion

- NOIDA created in 1976
- GN (Greater NOIDA was created in 1991
- Navi Mumbai was created in August 1979
- NMMC (Municipal Corporation) in Dec. 1991
- NMMC ULB in 12 Years
- NOIDA 44 Years, GN 29 Years in waiting

# Decadal Evolution of Census Towns

Class Size	Number of Census Towns				Number of Statutory Towns			
	2011		2001		2011		2001	
	No.	Share % of Total	No.	Share % of Total	No.	Share % of Total	No.	Share % of Total
Class I	20	1%	10	1%	476	12%	412	11%
Class II	54	1%	29	2%	546	14%	475	13%
Class III	593	15%	226	17%	1320	33%	1170	31%
Class IV	1148	29%	448	33%	1089	27%	1116	29%
Class V	1713	44%	540	40%	475	12%	503	13%
Class VI	364	9%	109	8%	135	3%	123	3%
<b>Total</b>	<b>3892</b>	<b>100%</b>	<b>1362</b>	<b>100%</b>	<b>4041</b>	<b>100%</b>	<b>3799</b>	<b>100%</b>



## Decadal Evaluation of Census Towns

- 20 CT have more than 100000 and 74 have more than 50000 Population
- Away from mainstream urban system
- 91 %(352) above class v = gross negligence by states for ULB status
- Marginal increase from 8 to 9% in Class VI Numbers
- Status constantly reluctant
- GoI issued Advisory in 2016 to states to convert CT as ST (Statutory )

# State wide Decline in the Share of Statutory Towns

Sl. No.	State	Census 1991	Census 2001	Census 2011
1	Andhra Pradesh	43.94	55.71	35.41
2	Bihar	63.47	96.15	69.85
3	Gujarat	29.92	69.42	56.03
4	Karnataka	58.50	83.70	63.40
5	Kerala	33.50	37.74	11.35
6	Madhya Pradesh	83.23	86.04	76.47
7	Maharashtra	73.21	66.40	47.85
8	Orissa	82.26	77.54	47.98
9	Punjab	93.33	88.54	65.90
10	Rajasthan	86.94	82.88	62.29
11	Tamil Nadu	23.67	86.66	65.72
12	Uttar Pradesh	94.29	90.63	70.82
13	West Bengal	30.37	32.80	14.19

# State wide Decline in the Share of Statutory Towns

- All States show decline in the share of statutory towns
- Andhra, Kerala, Odisha and WB have highest Decline
- Andhra, TamilNadu, Kerala, Gujarat and West Bengal have <50 percent ST
- Shows reluctance of states to upgrade CT
- Role of Political Economy is crucial
- Allocation pattern, Real Estate and Illegal land subdivision drive the Process

## Central Allocation – Union Budget 2018-19

Area	Amount (Rs in Crores)	Share	% of Population
Urban	37016	23	31 (2011) - >50% in 2015
Rural	127268	77	69 in (2011)
All	164284	100	100

# Norms for Statutory Towns

State	Population	Density	Occupation	Income of local body (Rs. Per annum)
Andhra Pradesh	40,000	Not specified	Not specified	Rs. 60 Lakhs
Karnataka	20,000	Not specified	Not specified	Rs. 9 Lakhs per annum
Kerala	Not specified	Not specified	Not specified	Not specified
Maharashtra	25,000	Not specified	Not specified	Not specified
Tamil Nadu	Not specified	Not specified	Not specified	Not specified
West Bengal	30,000	750 persons per sqkm	Non-agricultural > or = 50 per cent of adult population	Not specified
Model Municipal Law, Government of India	25,000	Not specified	Non-agricultural > or = 85 per cent	Local revenue generation listed as a criterion but no figures stated



# Norms for Statutory Towns

- Census critereon not followed by many states
- 20000,25000,30000,35000 population limit
- Karnataka,Maharashtra,MML,West Bengal and Andhra aespectively
- Census criterion not followed by many states
- TamilNadu=Not specified
- Density =Not decided
- Occupation 50(WB)to 85(MML)



# Municipalisation Policy

- Taken in a purely ad-hoc manner
- Working Group of State Secy's UD on finances of municipalities in 2013
- Observed larger financial flow from central allocation for rural for CT existence
- GoI issued Advisory in May 2016 to states to expedite conversion of CT
- Progress by states is dismal
- This call for a proper policy-due attention by centre

## Imbalances in Urban Growth

- Population concentration in Top Towns -69%,468 towns
- Diagonal divide in Urbanisation -Regional Imbalance
- States in western and southern part are more urbanised
- Urbanisation and economic development –positive relation
- Urbanisation potential –not fully recognised
- Census Towns –In search of Identity(Political Economy)

# 2011

3 cities with a population > 10 m and 53 with > 1m

833 m live in 0.64 m villages  
377 m live in ~ 8,000 urban centres

Delhi (16.9)

Ahmedabad (5.7)

Mumbai (20)

Pune (5.0)

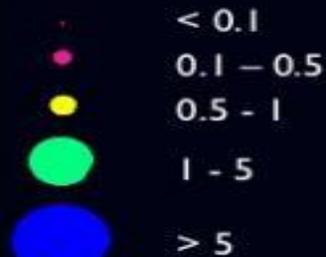
Bangalore (7.2)

Hyderabad (6.7)

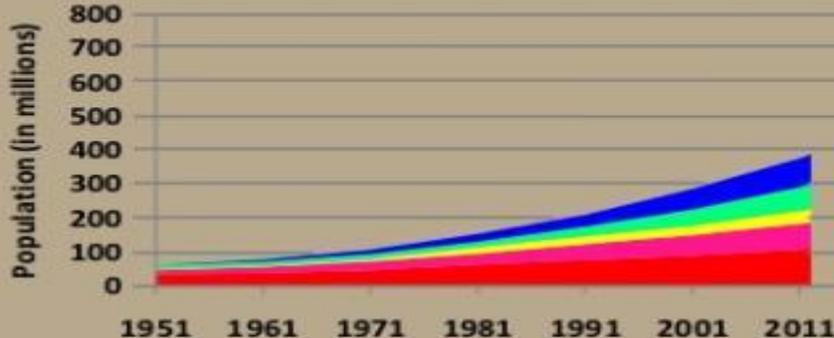
Kolkata (15.5)

Chennai (7.5)

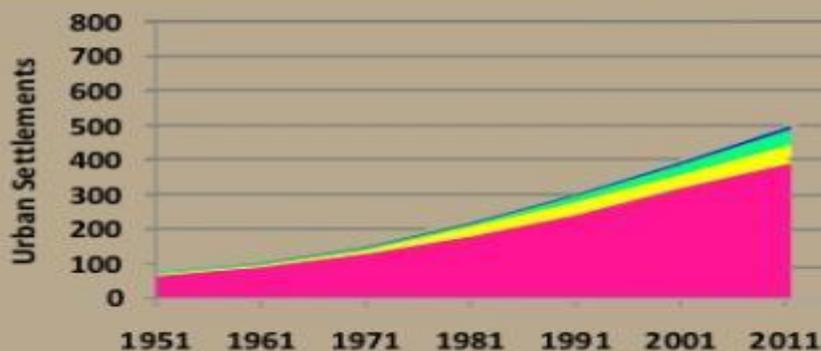
Population Size (millions)



Source: Census of India, 1971-2001  
UN, 2007  
IIHS analysis, 2009-10



Urban Population Growth

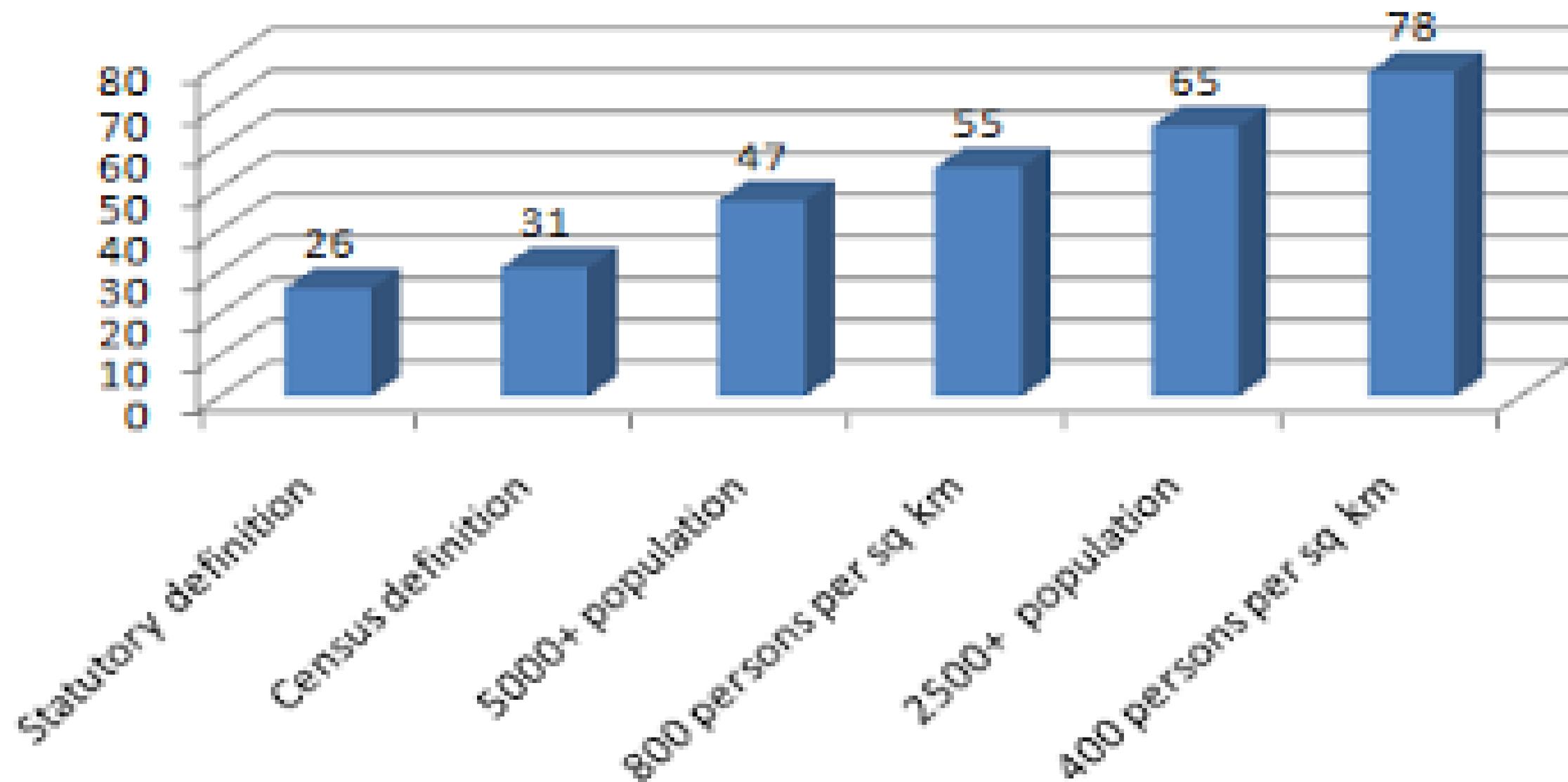


Large Urban Settlement

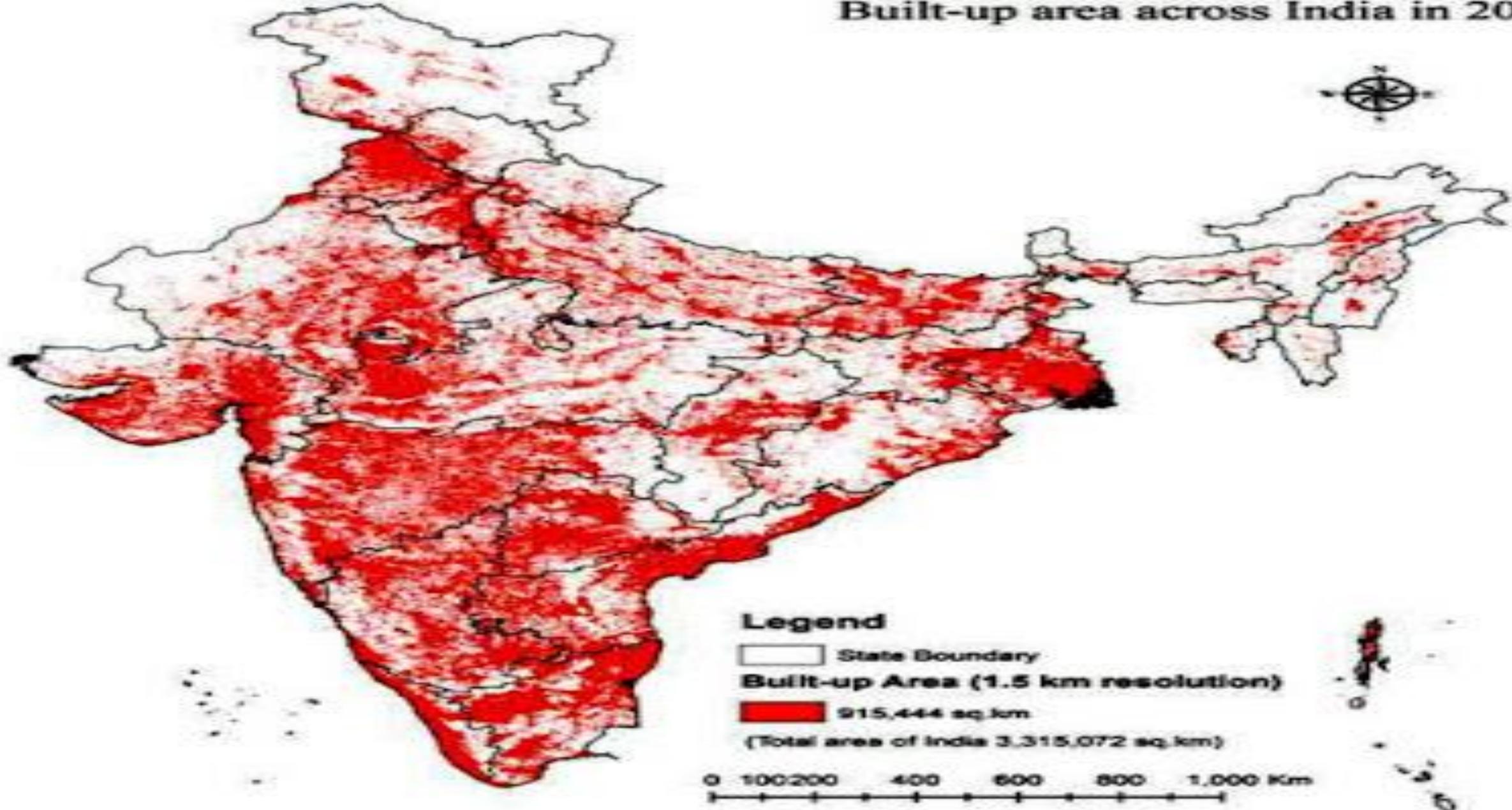
# Urbanisation Potential

- Statutory (4041) Towns with Urban Local Body(ULB)
- Exclusion of Census (3892 out of 7933 )Towns - with 25% Population
- 31.2 % of urban size is underestimated as per other Global Methods
- Global Human Settlements Layer of European Union
- (a) 4 contiguous cells with at least 1,500 persons per square kilometer, (b) minimum of 50,000 persons per cluster, and (c) density of built-up area greater than 50%.
- India is 63 % Urban

## Urbanization in India: % according to existing definitions



# Built-up area across India in 2014







# Impact from ad-hoch approach

- Rapid urbanisation of Kerals
- Villages have developed without due conversion
- Infrastructure got affected
- Circulation and natural drainage remained inadequate
- Urban Flooding cause heavy toll

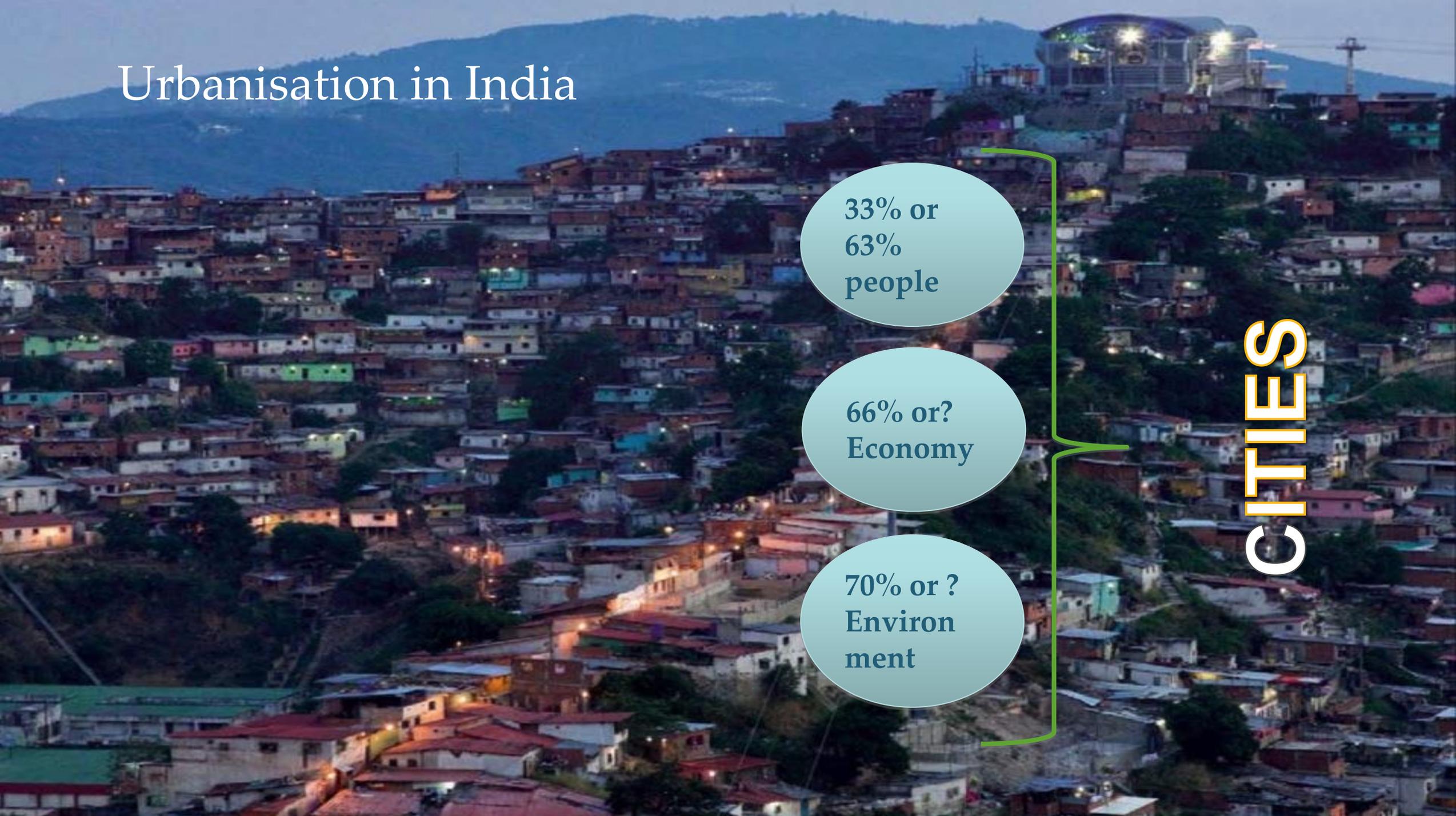
# Urbanisation in India

33% or  
63%  
people

66% or?  
Economy

70% or ?  
Environ  
ment

**CITIES**

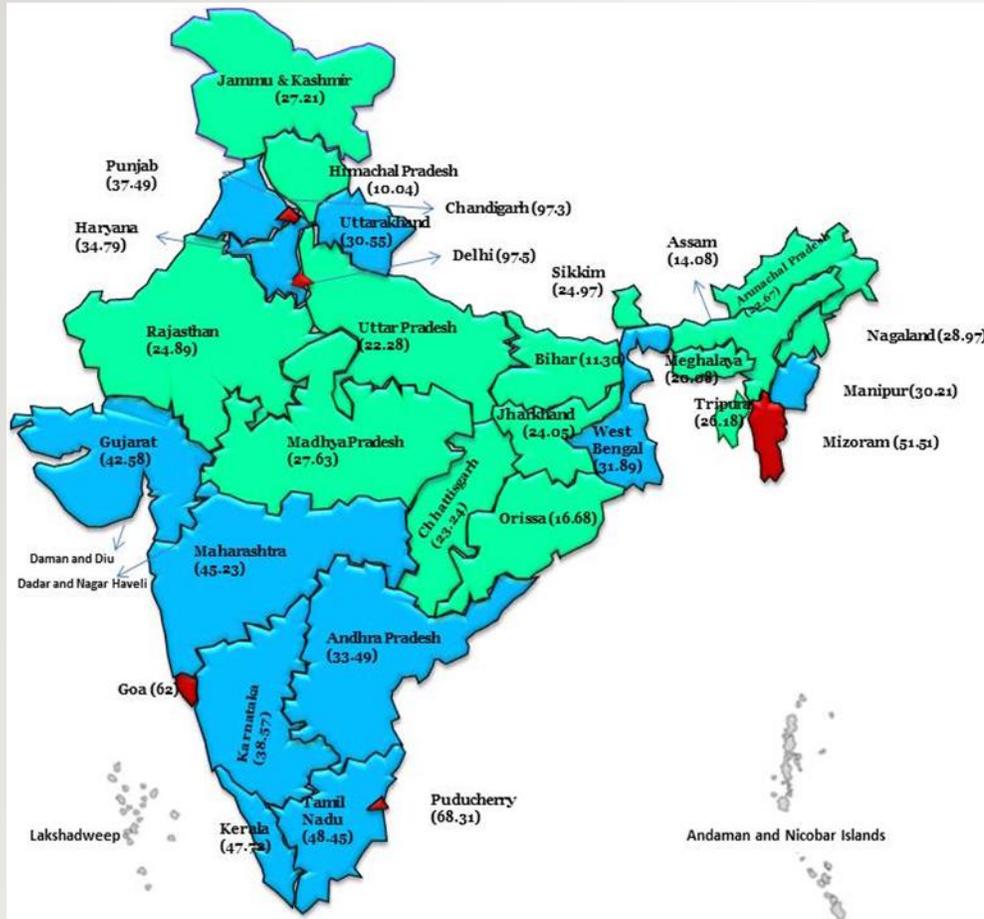


# Urbanisation and Economic Development

- Two sides of same coin
- Cities provide economies of scale and settlements
- States with above average GDP=above av. Urbanisation
- Unbalanced economic growth
- Large no of Migrant Labour -not Absorbed in Cities
- Select Concentration of Economic Activities

## Urbanisation Level in States & UTs – (%) (Census 2011)

## Average Per Capita Income of Last three years (2010-13) (Amount in Rs. Thousand)



Code	Urbanisation Levels	No of States/UTs
A	50% and above	5
B	Between 30% and 49%	12
C	Less than 30%	15

Code	Average Per Capita Income of last three years	No of States/UTs
A	More than Rs. 75000	13
B	Between Rs. 75000 & 50000	9
C	Less than Rs. 50000	10

**5**



# Imbalanced Urbanisation

- Cities do not accommodate migrants adequately
- COVID 19 has confirmed congestion of space, access to water
- Reverse Migration to native place
- Yet , lack of income and employment at Native place
- Dispersal of Local Urban Economic Activity holds the key
- PM-SVANidhi tries to address issue in urban context

# Global middle class(USW\$ 2-10 pc/pd) Demographic dividend

2012

- US= 12%
- China=11%
- India=10%

2030

- India=18%
- China=17%
- US=16%
- Yet 27% Indians will cover 4% of National consumption

# The emerging leads

- India is also urban-Acknowledge in the nation
- Imbalance in economic development and urbanisation
- Special attention for poor and middle class
- Two third of 100 backward districts are in Low income low urbanised states
- Spatial dispersal of economic activities is needed
- Policies need suitable reorientation

# Lessons

- Structural Transformation :Challenge for developing economies
- Urbanisation is Inevitable and Desirable
- Economies of scale and Agglomeration Economies
- Spatial dispersal of Economic Activities is needed
- Attend diagonal divide in urbanisation
- Urbanise the urban areas-census towns

Thanks!

