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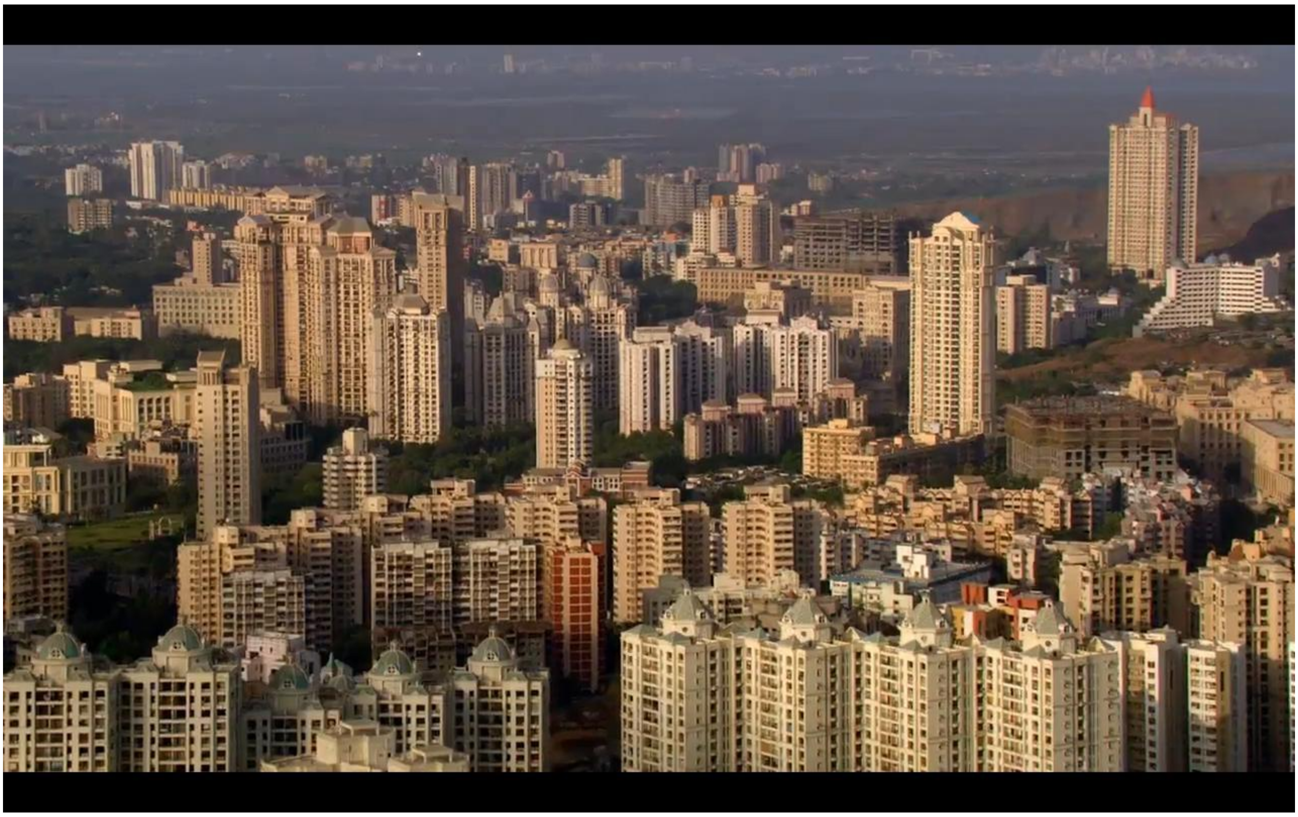

 Photo Cover: Mumbai Skyline - The Hiranandani Gardens township in Powai, Mumbai. Photo by Deepak Gupta

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By Matt Birkinshaw* and Victoria Harris**

The process of transformation of Mumbai into a "world class city" has been underway for over 5 years. In this article, we discuss the "world class city" concept which is being used to support and justify major processes of socioeconomic restructuring that are taking place in Mumbai. Our argument is that these transformation are leading, both directly and indirectly, to dire consequences for the city's poorer inhabitants: the transformation of Mumbai into a "world class city" is - we argue - directly responsible for a wave of displacement of the disadvantaged and the marginal.

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THE RIGHT TO THE CITY

Our perspective and analysis is guided by an understanding of the "right to the city". We find this to be an useful ethical and political idea, reflecting the contribution of ordinary people to their cities and their right to participate equally in the "production of space" (Lefebvre, 1974). The "right to the city", in the sense we will be using it here, although recently picked up (and diluted) by several international organizations, was coined by Lefebvre (1968) and more recently popularized by Harvey (e.g. 2003). The concept is used by urban movements around the world in framing their struggles, in particular Abahlali baseMjondolo in South Africa, Movimento dos Trabalhadores Sem Teto in Brazil, The Right to the City coalition in the US, and the National Alliance of People's Movements in India (NAPM)[1] of which Ghar Bachao Ghar Banao Andolan (*Save Houses, Build Houses Movement*) is an affiliate.

The right to the city can be seen as having three components:

1. The right to equality. Important actions are being led by marginalized groups fighting to end the discrimination that leads to a denial of the two rights outlined below
2. The right to a living place. The right not to be subject to attacks on life, livelihood or standard of living; the "right to stay put" (Hartman 1984). Challenging evictions, service denial, and gentrification would fall into this category.
3. The right to "shape" cities. The right to full and adequate participation, in governance (including budgeting), planning, architecture, service provision, policing, etc. The city as a collectively self-organized urban space.

The exercise of this right, as with all others, is a function of power relations in society. Harvey suggested that Mayor Giuliani in New York epitomized the case of a hegemonic exercise of the "right to the city" (see Mitchell 2001 for more U.S.- based examples). In Mumbai this hegemony belongs to a number of powerful groups, which push for the implementation of development projects for the elite and the middle class; shopping malls, freeways, luxury housing developments. If the aim is the

1 NAPM assert 'People's rights over natural resources, apprioriate decentralized democratic development, towards a just, sustainable and egalitarian society, with true internationalism'. They describe their ideas as attempting a holistic blend of Ghandi, Marx, Lohia, Phule, Ambedkar, Periyar along with feminist and eco-socialist conceptualization[s]' (NAPM nd).

development of socially sustainable urban environments, this hegemony must be contested by popular democratic politics.

WORLD CLASS CITIES

We situate our analysis within the body of research on the importance of urban growth for capitalist development (Harvey 2007, Sassen 2001, Smith 1996, Brenner & Theodore 2002) and find that the notion of “world class city”[2] is functional to a neoliberal (e.g. Peck and Tickell 2002) agenda of urban governance. The primary generation of the term can be seen in the work of economic geographers who described the rising importance of key-cities in the growth and maintenance of the capitalist economy. It is the secondary, derivative, discourse that we are more concerned with here, and this refers to aspirational claims made by politicians, city officials, public intellectuals and the media. Mumbai, Delhi, Karachi, Johannesburg, Istanbul, Sao Paulo, Lagos – all these cities strive to achieve a “world class” status, often with detrimental consequences for the poor.

The positioning of certain localities as “global cities” or “world class cities” reflects but also reinforces the spatial network of distribution and concentration of power and capital. As Robinson (2006) observes, the concept of a global-, world- or “world class city”, while useful in analysis of the geographical functioning of capitalism, leads to “a punitive gain of catch up in an increasingly hostile international, economic and political environment” (2006:6). The “world class city” is an urban imaginary that further manufactures and normalizes the idea that the neoliberal urban development model is replicable and sustainable. The concept ignores uneven development, as well as the negative effects of a changing economic basis on the population (Sassen 2001, Massey 2009, Feinstein 1992). In many cases, including Mumbai, this produces and exacerbates local, national, regional and global disparities. Maharashtra, the state where Mumbai is located, showed the highest growth rate in the country between 1980 and 1995, while at the same time, it was the only state in India whose rural

2 The broader social phenomena of city classification that the World Class City discourse taps into can be seen as a market driven quantification of aspects of places (a commodification similar to the necessity for accurate cadastral surveys in preparing land markets). Examples can be seen in e.g. the Cities Alliance, the production of city development strategies (Robinson 2006:127), or the trend to indices of governance (e.g. World Bank Doing Business Indicators), competitiveness (e.g. OECD 2006), or liveability (e.g. Brule 2009).

poverty increased. Urban poverty in Maharashtra is now the highest in the country (Grant and Nijman 2004). In sum, the process of transformation into a "world class city" is likely to bring about uneven social consequences: citizens not deemed "world class" (e.g. slum/shack dwellers, street-traders, bar girls) are likely to face increasing exclusion and state repression.

Work on gentrification and displacement often focuses on Europe and North America, while the processes of displacement, segregation and spatial restructuring occurring in the cities of the rest of the world (the ones that are urbanizing at a faster pace) are relatively newcomers to the debate (Robinson 2006:6, Harris 2008, Atkinson and Bridge 2005). Indeed, Robinson (2006) argues that the global North is often associated with production of theory, while the global South with developmental interventions (but see Rao 2006). This is echoed in Atkinson and Bridge's assertion that difference between more "violent" or "benign" versions of gentrification can be ascribed to the degree of social polarization and the level of established practice surrounding property rights in a society. In Mumbai, this phenomenon fits well with Smith's (2002:440) analysis of third wave state-sponsored gentrification and seems to be driven by the process noted by Harvey (2001): that urban government has increasingly become entrepreneurial rather than managerial. The process of city transformation in Mumbai reflects Smith's observation that "gentrification represents a vengeful urban policy predicated on the need to attract global inward investment by securing the elite social groups who act as its functionaries" (Atkinson and Bridge 2005:13).

INTRODUCING MUMBAI

The UN has predicted that Mumbai will be one of the world's largest cities by 2015. Currently its population is around 19 million people (Gandy 2006:10). Including the suburbs of Navi Mumbai and Thane, it is the world's fourth largest urban agglomeration. The physical geography of the once island city, long and straight with few East-to-West access points and the concentration of economic activity in the South, has contributed to some of the highest population densities in the world; up to 45,000 people per square kilometer (Rao 2007) in some areas, and 314,887 in some parts of Dharavi (Savchuk et al, 2009).

The Indian economy, which counted on some of the largest nationalized industries in the world, has been rapidly liberalizing since 1991. India is now a country where 50 individuals control wealth equivalent to 20% of the country's GDP and 80% of stock market capitalization (Leahy 2009). At the same time it is home to a quarter of the world's poorest people (Chopra 2004).

Mumbai is India's financial capital city: 23 of India's billionaires live in the city, more than twice as many as Delhi. Mumbai houses the National & Bombay Stock Exchanges, the 3rd and 5th largest exchanges in the world by number of transactions. Almost all major banks have their headquarters in the city. It serves as an important economic hub of the country, contributing 10% of all factory employment, 40% of all income tax collections, 60% of all customs duty collections, 20% of all central excise tax collections, 40% of India's foreign trade and Rs.40 billion (US$810 million) in corporate taxes. Four of the Fortune Global 500 companies are based in Mumbai. Many foreign banks and financial institutions have either their headquarters or their branches here.

Mumbai has a strong colonial heritage; it secured the British presence in the sub-continent, and in 1947 it was the city from which the British left. Pre-British intervention, the area was a scattered islands populated by Koli fishers, yet by 1820 Mumbai was the sixth largest city in the world with a population of 300,000 people (Gandy 2006:6). Its economic position under colonialism was initially derived from its port and its position as an administrative centre, and later moved into textiles production and manufacturing. The economic base has shifted further since independence and the liberalization of the Indian economy in 1991.

Since the 1950's, the textile industry has been declining, with employment falling by nearly 60% between 1970 and 1990 (Harris 1995:49-50). Until the 1980s, Mumbai owed its prosperity largely to textile mills and the seaport, but the local economy has since been diversified to include engineering, diamond-polishing, healthcare and information technology. The mills were finally closed after the great textile strike of 1982-1984. This change is reflected in Mumbai's occupational composition; in

1961, 65% of Mumbai's workforce was employed in the formal sector, and 35% in the informal sector. By 1991, only 35% of the workforce were employed in the formal sector (Bhowmik 2000). The shift to informal labor is mirrored by changes in housing.

Surveys in the 1950s found that 15% of Mumbai's population was living in slums (Gandy 2006:8). Between 1971 and 1981, Mumbai's population grew by 2.27 million people; the population living in slums grew by 2.25 million over the same period (Weinstein 2008:26). Today, around 55% of Mumbai's population lives in slums on 12.85% of the cities land (IPTEHR 2005:38). If we include the population living in *chawls* (industrial worker's accommodations with shared facilities), the figure of people living in cramped sub-standard or unsafe housing (IPTEHR 2005:38) is close to 70 per cent (Mahadevia & Narayanon, 1999:10). Mumbai is the world's most densely populated city, with a density reaching 45,000 people per square km. The metropolitan region needs to produce an estimated 60,000 housing units a year. Government agencies currently construct about 4,000.

Government not only fails to provide housing but undertakes demolitions and evictions on a massive scale. Between 1994 and 1998 an average of 72,000 houses a year were destroyed in slum clearances (Mahadevia & Narayanon, 1999:16). In 1999 the BMC was reportedly destroying 500 huts a day (IPTEHR 2005:16). In 2004 80,000 houses were demolished with no provision for rehabilitation (IPTEHR 2005:45). 140 acres of the land cleared fell under no development zones, another 125 acres had been reserved for public housing and housing the homeless (Mahadevia & Narayanon, 1999:29). Piles of rubble can be seen all over Mumbai in spots where people previously lived. Sometimes families are still squatting in the ruins of their former homes.

In face of the massive shortage of affordable housing, hundreds of luxury apartments and retail outlets are being built by private developers. With the post-liberalization growth in finance (Harris 1995:55), Mumbai's real estate industry peaked in 1995 with prices at the time allegedly the highest in the world (Economist 1995). The growth in real-estate was also influenced by the interventions of Mumbai's powerful criminal networks who were required to diversify their activities as the new economic climate meant that previous income from smuggling became less lucrative (Weinstein 2008:30-31).

New luxury developments mean less land, infrastructure and space for housing ordinary people. Land that could be used for slum redevelopment / low-cost housing - for example the old mill lands, is being sold to private developers for luxury flats, malls and offices. At the same time, slums (such as Dharavi) that were once on the periphery of the city, now occupy central locations and are seen as prime real estate.

MUMBAI AS "WORLD CLASS CITY"

Powerful interests have engineered financial and policy reforms that aim to remake the city as a "world class city". In 2003, a document called Vision Mumbai set out a new plan for the city, and the Maharashtra state government created a task force with a mandate to implement it. *Vision Mumbai: Transforming Mumbai into a World Class City* (Bombay First / McKinsey & Company 2003) was created by the international corporate consultants McKinsey & Company (linked to the IMF) in association with MCGM, MMRDA and the Government of Maharashtra. The aim was to provide the basis for Mumbai to become a centre of international finance. The plan echoes a similar report by McKinsey issued in 1993, which is arguably responsible for the shift in the 1996-2011 MMRDA strategy - from a previous emphasis on decentralization, to centralized financial investment in order to consolidate international trade, financial services, and hi-tech industries (Bannerjee-Guha 2009:101-102). Mumbai's current City Development Plan (CDP) for 2005-2025 bears a remarkable similarity to *Vision Mumbai*.

In 2005 foreign investment regulations in real estate were liberalized, and a new urban development framework (JNNURM) was introduced. In 2007, a Ministry of Finance High Level Expert Group issued recommendations for transforming the city into an international financial centre. These plans aim to encourage land and property development in order to make the city more attractive to international business investment and personnel. However, the effects are an increasingly gentrified and ghettoized city, where forced evictions are destroying poor people's livelihoods and communities to make space for new affluent citizens and their consumption-driven lifestyles.

Bombay First explicitly models itself on the pro-corporate group London First and has links to the Bombay Chamber of Commerce and Industry. Its board and committees are staffed by powerful corporate directors from the worlds of finance, industry and commerce as well as the local government. India's largest companies, Tata, Mahindra, and Hiranandani, the IDFC, and foreign investment banks Knight Frank, CIDCO, and ING are all represented in the organization.

After *Vision Mumbai* was released, the Government of Maharashtra appointed a Government Task Force to implement the program through private – public partnerships (MTSU 2008). The Task Force included many members of Bombay First and staff from state and municipal government (MTSU 2008). This was supplemented in 2004 by a Citizens Action Group which included more corporate leaders and associates of Bombay First (MTSU 2008b, Bombay First). The Mumbai Transformation Support Unit (MTSU) was launched in 2005 as a multilateral initiative between the World Bank, Cities Alliance[3], USAID, and the Government of Maharashtra (MTSU 2008c). MTSU is coordinating all major urban development projects in the city (MUTP, MUIP, DRP). Further corporate access was obtained in 2006 with a 'high powered Empowered Committee' formed with seven representatives from the CAG (six from Bombay First and the former director of McKinsey India) and 17 high level representatives from Maharashtra government (MTSU 2008d, Bombay First nd). Vision Mumbai calls for an investment of US $40 billion (Rs 20,000 crores) over 10 years. This is to boost growth through a focus on high- and low-end services, hinterland manufacturing and consumption, infrastructure (funded through debt and private finance), environment and services, and housing. 25% of this money should be spent on public transport and housing (Sharma 2003). It also suggests that the number of people living in slums must be reduced from 50-60% to 10-20% by 2013, by finding market-based solutions to the problem. Vision Mumbai has made a number of recommendations that favor builders and property speculators. Amongst its recommendations are increasing land supply through relaxing appropriate laws (such as the ULCA), making "large land parcels" (e.g. the mill lands - see appendix) available for supermarkets and hypermarkets" and reducing the amount of time needed for building approvals (from 90-180 days to 45) (Bombay First / McKinsey 2003:24).

3 The Cities Alliance is sponsored by the World Bank. Set up in 1997 it provides an international forum for municipalities to debate and develop urban policy. Notably, Slum Dwellers International, (founded by SPARC) was the only civil society representative.

The report does not offer a realistic set of provisions dealing with socio-economic problems in Mumbai[4]. It does instead recommend upgrading entertainment venues and attractions, softening labor laws, developing mainland SEZs, the privatization of Mumbai's international airport and a reduction in octoroi (Bombay First / McKinsey 2003:24). It should be noted that the airport development is likely to displace between 90,000 families. Regarding the octoroi tax, the Times of India (9th February 2009) reported that the BMC budget for 2009 states that a low octoroi income has led to municipal borrowing in order to meet its commitments - therefore increasing the city's debt and decreasing the municipality's capacity.

As well as being suggested by *Vision Mumbai*, municipal borrowing is being driven by the Central Government urban renewal program - the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The Mission makes funding available for cities provided that half the funds are raised from private sources. This promotion of sub-national borrowing and conditionality-attached funding has led to some analysts dubbing the program "structural adjustment of cities".

MTSU is an obvious example of an internationally funded corporate lobby group tasked with overseeing urban development projects in the city. This process is a classic example of 'growth machine' politics and elite agenda, and *Vision Mumbai* mirrors the need to secure investment-led growth while substantially neglecting the demands of lower income people (the majority of the city's population). This is underlined by its focus on high-end services, private education and private healthcare. The report uses a series of indices including economic growth, mass and private transport, housing, safety etc. to rate Mumbai against other 'world class cities' such as London and New York. Mumbai fares pretty badly on all counts. Existing strengths are unrecognized; for example, above average literacy rates for male slum dwellers (Mukhopadhyay 2006:879).

The model of restructuring in progress in Mumbai is set to continue, indeed intensify. In 2007 the Ministry of Finance released a "Report on Transforming Mumbai into International Financial Centre". It argues that in order to sustain growth, India has no choice but to become a producer and exporter of

4 At time of writing Bombay First and McKinsey are holding an international conference, Megamorphosis, (sponsored by the World Bank, PriceWaterhouse Coopers, KPMG and Deloitte to focus on the transformation of Mumbai into a World Class City, McKinsey is advising on housing

International Financial Services and capture an increasing share of the rapidly growing global IFS market. Mumbai's competitiveness as an IFC is seen as central to the export-orientation and revenue streams of India's financial services industry. The authors suggest that since Mumbai will be unable to compete with Singapore and Dubai as a regional finance centre, the best option will be to attempt a "quantum leap" to global status along with Shanghai, London and New York. To do this, it will be necessary to attract international financiers, CEOs, etc. by radically improving the current state of the city's environment (disrepair of buildings, lack of freeways, few private schools, scarcity of high-end residential space). The authors also suggest that the premise for establishing Mumbai as an IFC is bound up with deregulating and liberalizing all parts of the Indian economy at a much faster rate than at present. The report notes that global integration, indicated by cross border currency flows, rose from $105 billion in 1992 (<32% of GDP) to $658 billion in 2005 (>90% of GDP).

Mumbai's ability to perform as a GFC will, however, depend on attracting "high-level expatriate staff from foreign financial firms". If Mumbai wishes to become a GFC (and not merely an IFC), it will therefore have to address concerns of foreign firms regarding inadequate infrastructure, congestion, rampant pollution, along with poor standards of urban governance and law enforcement (exec summary xxix). The authors suggest that to attract such "internationally mobile high-level human capital" to an IFC in Mumbai, special investments will be required on: 1) Infrastructure; 2) Migration and cosmopolitanism; 3) Lifestyle facilities; 4) Municipal and state governance, personal security and law enforcement. Issues to be addressed include: road/rail mass transit; waterborne transport; urban expressways/freeways; airports/airlines/air-connections; provision of power, water, sewerage, waste disposal. This will also include dealing with "crumbling housing in dilapidated buildings pervading the city", while providing accommodation for an international class of workers demanding "high-quality residential, commercial, shopping and recreational space that meets global standards of construction, finish and maintenance". Services need to be at pace with "world standards" and "run on world-class lines in terms of their management and growth": this include new public-private partnerships in the realms of health, education, entertainment, and cultural institutions "catering to global tastes" and recreation. The International Finance Centre report makes it very obvious that efforts will have to aim at making the city more attractive to a global business elite.

DISPLACEMENT

The term "slums" in India encompasses a diverse range of informal urban settlements spanning from *pucca* (brick) houses, through *katcha* (less formal structures), shacks, and tents. Each of these settlements have their own histories and social fabrics. Some slums such as Dharavi and Bherampada have been established for over 60 years and have a population of 1 million (Dharavi), and 150 thousand (Bherampada). Slum areas provide housing, employment opportunities, and social networks for the poor living in the city, often in central locations. The presence of slum areas offers cheap housing, manufacturing and labor, and contributes to its economic dynamism. Dharavi alone has an estimated annual turnover of $500 million (The Economist; 2005). However, slum dwellers face the constant threat of eviction and displacement - in declared slums, recognized and serviced by the BMC, the threat may come in the form of rehabilitation projects headed up by private developers; in unrecognized areas, the threat of eviction is a constant reality.

Slum clearances are not new: between 1994 and 1998 an average of 72,000 houses a year were destroyed in slum clearances (Mahadevia & Narayanon, 1999:16), and in 1999 the BMC was reportedly destroying 500 huts a day (IPTEHR 2005:16). 55,000 people were evicted from Sanjay Gandhi National Park in phases between 1999 and 2009 (Bhide 2009).

In 2004, a new wave of demolitions began shortly after the formation of the Bombay First Citizen Action Group. The Chief Minister of Mumbai justified the demolitions as part of the need improve infrastructure. 90,000 households were destroyed between November 2004 and March 2005 (IPETHR 2005:10). 80,000 of the houses were demolished with no provision for rehabilitation (IPTEHR 2005:45), 350,000 people were evicted. 140 acres of 'cleared' land fell under no development zones, while another 125 acres had been reserved for public housing and "housing the dishoused" (Mahadevia & Narayanon, 1999:29). This was justified by reference to Mumbai's ambitions as a World Class City, and Bombay First CAG declared their full support for this process:

> *"We fully support the CM's drive on the demolition of illegal slums…. If Mumbai has to be a World Class city then the slums have to go and for which strong and urgent steps need to be*

> *taken. Any encroachment of public property cannot be tolerated and must be dealt with according to the rule of law."* (Mahadevia & Narayanan 2006:2)

However, it was not long after evictions that people, led by women, returned to their former sites and began rebuilding. By the end of February 2005, 18 out of 21 sites had been rebuilt on (Bhide 2009). Although part of a wider political move, many of these demolitions were connected to infrastructure development, the MUTP in particular (see following chapter).

Many groups are organizing through NGOs and social movements - the Ghar Bachao Ghar Banao Andolan, for example. GBGBA demands legal recognition of the right to adequate living and conditions of livelihood in the city. In 1984, a High Court ruling deemed that the right to livelihood was concomitant with the constitutional right to life – the case involved the eviction of informal dwellers in Byculla, who argued that evictions contravened their ability to work and thus the ability to live. The right and ability to earn a livelihood is an absolute necessity to people living in precarious situations. Displacement often re-houses people on the periphery of the city, in some cases up to 40km away from the city core, with no access to services such as education or healthcare and to labor opportunities. The National Alliance of Peoples' Movements (NAPM) has described the displacement of slum dwellers to peripheral areas as strategies whose ultimate outcome is to create "cities of the poor" (NAPM 2009, see Nainan 2006 on Mankhurd for an example). The human cost of gentrification and redevelopment in Mumbai is the displacement and further ghettoization of large numbers of the city's population. The main causes of displacement in Mumbai can be attributed to specific political initiatives aimed at reaching the "world class city" status, by infrastructure projects, and by rising land values via urban development.

1- POLITICAL STRATEGIES

Political strategies of repression of certain social groups began with the banning of dancing girls in bars (estimated at 75,000) (Mahadevia & Narayanon, 1999:29). Hawking and street trading was later banned - with the exception of special government designated zones, after a Supreme Court order in December 2003 in response to a petition by an NGO called CitySpace. There was strong resistance by hawker's union leaders (Mahadevia and Narayanan 2006:5).

Mumbai's unique place in the Indian economy places it in a dialectical relationship with national policy, while also allowing for some unique developments (such as the cross-subsidized slum rehabilitation scheme, which has now spread to other contexts, see e.g. Islam 2002). The Slum Rehabilitation Act (SRA) framework allows developers (e.g. Unitech, RNA) to turn this to their advantage by offering development rights in other parts of the city in exchange for slum rehabilitation projects – Transferable Development Rights (TDRs) (see Nainan 2008). As private companies are motivated by profit and vulnerable to market conditions, this has, in the past, led to shoddy or unfinished rehabilitation projects which have then been abandoned to pursue new business opportunities (Sharma 2003:177-180). As slums underwent redevelopment, the original residents were moved to less desirable land, and further out from the city core. TDRs are then used to develop high-end properties in another areas continuing the cycle of gentrification and exclusion (Singh 2009b).

2- INFRASTRUCTURE PROJECTS

Infrastructure provides large opportunities for investment and construction, while strengthening future opportunities to attract FDI. There are numerous examples of large infrastructure projects in Mumbai; here we will discuss the MUTP and the metro rail project. The World Bank-sponsored MUTP began in 2002 with the aim to generate a 37% return though increased efficiency in the city. The project has three components: the improvement of north-south rail travel; improving connectivity by widening east-west links[5]; and resettlement and rehabilitation (R&R) of displaced persons. The project officially displaced 20,000 households, an estimated 120,000 people, to 33 R&R sites across the city. The re-housing tenements were financed and built through public-private partnerships and subsidies to

5 The road components the MUTP and MUIP are displacing thousands of people for the benefit of the 12% of the population that use private transport.

developers in the form of increased floor-space index (FSI) and transferable development rights (TDR) allowing them to build more profitable buildings elsewhere in the city.

There have been numerous controversies in R&R strategy, including irregularities in allocation, poor quality of resettlement buildings, inadequate water supply (water available for no more than 15-20 minutes a day), little waste management provision, lack of consultation with PAHs and sites chosen to suit developers (due to TDR mechanism)[6], mosquitoes, lack of services, unpaid electricity bills prior to resettlement, resulting in non-functioning elevators in high rise blocks, poor quality of construction (30-40% of interviewees complained of leaks), and lack of street lighting.

In 2004 the United Shop Owners Association which gathered people displaced by the MUTP, filed a complaint to the Bank's Independent Inspection Panel claiming that the involuntary resettlement associated with the MUTP would adversely affect their rights and interests, that their right to participation and consultation were neglected, and that, contrary to the Bank's policy that states "Displaced persons should be assisted in their efforts to improve their livelihood and standard of living or at least to restore them in real terms to pre-displacement levels or to levels prevailing prior to the beginning of project implementation", the proposed resettlement would in fact "destroy our livelihoods, causing us to dismantle our productive sources and cause our supporting networks and kin groups to disperse" (USOA 2004). Funding to the project was halted briefly, and the Panel found that complaints by shopkeepers were justified, that WB safeguards on involuntary resettlement had been violated, leading to loss of livelihoods and harm to the displaced.

The R&R component of the MUTP was then effectively outsourced to the NGO alliance SPARC/NSDF. The Inspection Panel was highly critical of this, and noted its concerns about the "transfer of the main implementation responsibilities from the State Government and municipal agencies to NGOs with insufficient institutional capacity and knowledge to deal with the overwhelming magnitude of the responsibilities transferred" (Inspection Panel Report 2005:11).

6 As Mankhurd is to the east of central Mumbai land is relatively cheap but allows developers to use TDRs at equivalent southerly (and much more expensive) locations in central Mumbai (see Nainan 2008).

The MUTP exemplifies an external intervention into state development. Although, rightly, the rehabilitation component of it can be criticized, it is interesting that the World Bank was held accountable for not fulfilling its own safeguards and policies - environmental, social or otherwise. In regards to the right to livelihood, the United Shop Owners Association were able to argue for their right to life. This is not necessarily the case when the state alone or indeed the private sector enters into rehabilitation projects. The state sponsored Mumbai Urban Infrastructure Project (MUIP) made 50,000 families eligible for rehabilitation: 70% were to be resettled within 5km, and 30% within 20km of their original dwellings. The NAPM argues that the legislation should have been for in-situ resettlement or within 2km to protect the right to livelihood for which there has been no compensation for livelihood or transport. 92% of displacees have reported decreased incomes after rehabilitation (NAPM 2009). In the case of the state-sponsored Metrorail project, which will displace a total of 200,000 people, the central location of the project and the vast amount of lands acquired indicate that 90% of the displaces may lose their access to occupation (NAPM 2009). There has also been no Environmental Impact Assessment, while any surplus land acquired during the project could be sold at profit by the developer who has already gained 50m of land either side of the track for the regulation and commercial development. Critics argue that this looks like a land grab by developers (Patkar et al 2009:23).

3- RISING LAND VALUES

In the cases reported here – the slums of Dharavi and Vakola – informal settlements will be replaced by private developments catering to high-end professionals, while the slum dwellers will be moved in multi-storey public housing complexes.

The Dharavi Redevelopment Project is a Rs 150,000 million scheme for the 590-acre site located in Mumbai's “golden triangle” between Nariman Point, the Bandra-Kurla complex and Worli. The DRP will provide free *pucca* housing for residents on 47% of the land currently occupied. The Project has been developed by a US-based architect, and approved by the GoM in 2004. It divides Dharavi into five sectors, each of which is open to bidding for redevelopment. Developers are to be given an increased FSI of 4. However, the surveys implemented for calculating the numbers to be re-housed were based on the ground floors of any given structure: as 40,563 of the 60,258 structures in the slum are ground floor there is concern that around 25,000 residents will not be eligible for re-housing (Barucha 2009). The re-housing scheme has been widely criticized for lacking consultation, being insensitive to the area, damaging livelihoods, and not considering renters and recent migrants. Rehabilitation is planned for 57,000 PAH but census data for Dharavi gives 133,000 households. This will leave 65,000 households homeless (Singh 2009). Behrampada, a large Muslim slum very close to Dharavi, was partially destroyed by a major fire in 2009 (a suspected case of arson), weeks after the cut-off date for slum rehabilitation was extended. Chief Minister Ashok Chavan has said that Behrampada will be redeveloped along similar lines to Dharavi (Vyas 2009).

Another example of private development intertwining with slum rehabilitation is the Unitech project for Vakola. Unitech, launched in 1974, is India's second largest listed real estate company, with market capitalization of Rs 67,600 crore (Bhasin & Mehta 2008) and a total land reserve of around 13.9 thousand acres (Unitech 2008:10).
Vakola is a 97 acre (/127 acre/140 acre) sprawling settlement near the Vakola flyover on the Western Express Highway, close to the Santa Cruz station and not far from Mumbai's commercial district of Bandra-Kurla (Mumbai Property Exchange 2009). The Vakola project is a 50:50 joint venture with local developers for about 100 acres of mixed-use development which will include office space, retail outlets, residential units and hotels for a total of about 800 million square feet. U.S. Investment Bank Lehman Brothers has invested approximately US $170 million (about Rs.740 crores) to acquire a 50% stake in the initial phase. The ambition is to create a new district along the line of Roppongi Hills in Tokyo, Canary Wharf in London, and Battery Park in New York (Unitech 2008:32). Real estate development in a slum has significantly lowered the land costs for Unitech. While the rate for commercial property in the area is around Rs25,000 per sq ft for similar projects, the land is estimated to have cost just Rs2,500 per sq foot, as it was acquired under the slum rehabilitation scheme (Nandy 2008). Moreover, the project is estimated to cost Rs 1,900 crore (Bhasin & Mehta 2008). The tightening of credit markets has now forced Unitech to ask for a Rs 800-crore loan from public banks, which should rescue the real estate company from a huge debt burden (Bhasin & Mehta 2008).

In a report to clients on February 14th 2008, the company stated that the rehabilitation process for former slum dwellers [was] ongoing, with 30 of 97 acres of land cleared, and the construction of rehabilitation buildings started. The Vakola project will involve the relocation of 20,000 families (Bhasin & Mehta 2008). This is the same number of relocations as for the MUTP plans, but this time no NGOs or state are involved, and no oversight mechanisms are pursued. So far, only about 1,500 families out of a total of 17,000 have been rehabilitated or moved out into temporary camps. However, the 1 million sq ft of area acquired by Lehman Brothers is still completely occupied by slum units, and it seems unlikely that Unitech will start constructions by January '09 as they had claimed (Mumbai Property Exchange 2009). Unitech is also redeveloping a 25-acre slum pocket in the residential suburb of Juhu. Almost 4,000 families will be relocated under this project.

Mumbai's rising property values have led to renewed commercial interest in previously disregarded slum land. This model of subsidized privately-led slum rehabilitation has been commented by scholars worldwide (for Turkey see e.g. Islam 2002). Housing the poor in a neo-liberalizing framework means outsourcing state responsibility to the private sector, creating new markets around poverty. If profit is granted by market solutions to poverty, the outcome of these solutions will most likely focus on profit rather than rights.

CONCLUSIONS

The discourse of "world class city" has been used in Mumbai to support a political agenda which has favored the real estate industry and the private sector, while harming the poor and the marginal. The widening inequality resulting from this agenda is likely to lead to the most dramatic consequences in countries of the global South, where social safety nets are lacking. "Vision Mumbai" has become the ideological weapon launched to secure the right to the city to the elites and the powerful. Slum redevelopment further limits the ability of ordinary people to define urban life on their own terms and to shape their own environments.

Mumbai is a highly specific example of a neoliberal agenda within an emerging market economy. The use of pro-developer mechanisms such as TDRs leads to increasing marginalization of the poor in an increasingly segregated urban space, while corporate rehabilitation schemes transfer delivery of rights to profit-driven private actors.

In an urbanizing world that already houses 18 megacities of over 10 million inhabitants, and in which small and medium size cities are absorbing new migration, three out of five people will be living in urban areas by 2030. The ‘urban frontier’ is an increasingly important site of political struggle, and the case of developments in Mumbai cast light on the challenges that arise from capitalist urbanization and profit-driven development. Without a collective social movement challenging the principles of capitalist urbanization, the future for the majority of the world’s citizens will be a grim vision of increasingly divided cities responding to the logic of profit ,rather than to the social needs of their inhabitants.

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