

Chatterjee, Mahalaya

Conference Paper

Regional Variation in Urbanisation in India and the Emergence of New Towns

54th Congress of the European Regional Science Association: "Regional development & globalisation: Best practices", 26-29 August 2014, St. Petersburg, Russia

Provided in Cooperation with:

European Regional Science Association (ERSA)

Suggested Citation: Chatterjee, Mahalaya (2014) : Regional Variation in Urbanisation in India and the Emergence of New Towns, 54th Congress of the European Regional Science Association: "Regional development & globalisation: Best practices", 26-29 August 2014, St. Petersburg, Russia, European Regional Science Association (ERSA), Louvain-la-Neuve

This Version is available at:

<https://hdl.handle.net/10419/124498>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Regional Variation in Urbanisation in India and the Emergence of New Towns

Dr. Mahalaya Chatterjee

Centre for Urban Economic Studies

Department of Economics

University of Calcutta

India

mahalayac@hotmail.com

Alternate email: cuescu@gmail.com,

mceco@caluniv.ac.in

Abstract

India, a country with a vast land area and population, has crossed the 30% level only in terms of urbanization as per its latest census in 2011. The Census authority identifies urban areas in the country on the basis of either of the following two criteria:

- a) All the settlements having any form of local government are called *statutory towns*;
- b) Apart from these statutory towns, Census authority of India declares some areas as towns if they satisfy the following three criteria simultaneously:
 - i) size criterion: the population of the area must be at least 5000.
 - ii) density criterion: the density of population in the area should be at least 1000 persons per sq. kilometre.
 - iii) occupation criterion: at least 75 percent of the male workforce should be engaged in the non-agricultural activities.

Towns identified by the second criterion (b) are called *census towns*.

The average level of urbanisation hardly says anything about the regional diversity in urbanisation in the country. The smaller city states (e.g. Delhi, Chandigarh and Goa) have urbanisation level nearly 100 percent. Among the large states the highest level of urbanisation in the southern state of Tamil Nadu, followed by western states of Maharashtra and Gujarat. This regional diversity in the level (and also rate) of urbanisation partly resulted by the colonial legacy, partly by the forces affecting the process of urbanisation and partly by the post-independence experience of India in economic growth and development.

India was rightly designated as a 'land of villages' for a long time as a major part of its Gross Domestic Product came from primary sector and more than two-third of the population was engaged there. But the picture started to change after 1991, when the country started to move from the centrally planned model to the globalised-liberalised era. For the last twenty years, the growth in the country has been through the expansion of tertiary activities, especially the service sector. Now, more than 60% of the Gross Domestic Product is generated in the urban centres. The impact of such a change is manifested in the rate of urbanisation in the last decade. For the first time in the post-independence period, the rate of growth of urban population has surpassed their rural counterpart. Another manifestation is in the emergence of

new census towns in the country. The last decade saw the emergence of more than 2500 *new* towns, which is more than the number that emerged in the preceding century (1901-2001). But a look into the state-level data, show some interesting variations. This paper will look into the spatial spread of new towns from a perspective of regional economy and attempt to provide some explanation of the wide-spread variation.

Key words: urbanisation, regional growth and development, spatial variation

JEL Code; R12

1. Introduction

India's urbanization often represents a complex picture to the world. The metropolitan cities like Delhi, Mumbai and Bengaluru are discussed in international forums but at the same time, the country is posed as a predominantly rural one. One is surprised at this juxtaposition and it is the duty of the social scientist to offer an explanation to this contradiction. At the turn of the twentieth century, only ten percent of the total population lived in the urban areas and after hundred years, it increased to 28%. But at the same time, the country boasted of three largest metropolitan cities of the world (Kolkata, Delhi and Mumbai) and the total urban population of the country.

Modern urbanization came to India with the colonial rule and the pattern and process of urbanisation still bears the colonial legacy – its economic and political policy for the two centuries. The four metropolises in four parts of the country emerged either as port cities or seat of governance during the colonial rule. The vast country with varied landscapes and natural resources also led to an uneven urbanization pattern all over the country. This was aided by the nature and state of the economy.

Given this background, the results of 2011 Population Census regarding the urban sector came as big surprise. Not only the rate of urbanisation picked up, it has crossed the rural rate for the first time in the post-independence period. And it has been accompanied by the emergence of more than 2500 new towns in different parts of the country. The number is exceptionally high if we remember that almost equal number of new towns emerged during the last century (1901-2001). Now, the question is, whether this higher pace of urbanisation in the last decade has been able to rectify the disparities and imbalances in the urban scenario of the country? This paper attempts to look at this question from a regional perspective. After, this introductory section, the paper is divided into five more sections. The second section describes the background – the perspective of urbanisation in India till 2001. The thirds section tries to explain the recent changes taking a closer look at some front ranking states. The fourth section is an attempt to go into the political economy of urbanisation in the country and the broad conclusions are drawn in the fifth section.

2. Urbanisation in India: A Perspective

India, is traditionally looked as a rural country with agriculture and allied activities having the highest share in occupational structure. At the same time, one should not forget that the history of Indian civilization started at the Indus valley (now in Pakistan) with exquisitely planned cities, Harappa and Mohenjodaro. The epics also talks of cities as centres of pilgrimage and seats of governance. The Buddhist literature mentioned the existence of

sixteen big settlements (*Shorasha Mahajanapada*), which were either capitals of the republics or trading centres or both. Some of these survived the test of time, some of them were destroyed by natural calamities or wars. The earliest treatise on political economy Kautilya's '*Arthashastra*' describes elaborate plans for urban centres of different functional classification.

In the middle ages, the classical town planning of the country was supplemented by the Islamic tradition of West and Central Asia. The Islamic rulers were great builders of town and about one-third of the present cities and towns in different parts of the country can be dated to that historical period. The European traders started to come since the seventeenth century mainly through the sea-route. They constructed *kuthis* (workshops) along the coast or river bank to carry on their trade with the local people. Some of these *kuthis* were transformed into urban centres in course of time. However, whatever be the number of towns and their size, rural areas were totally separate from them. The agro-based self-sufficient village communities carried on their own lifestyle. The only contact they had with the rulers was for paying taxes through the intermediaries.

The British conquest in 1757 and their rule for almost two centuries after that ushered in a new type of urbanization and settlement pattern in the country. This type of urbanization was qualitatively different from what has happened before. The first hundred years saw the establishment of towns necessary for administration – cantonments, district and sub-divisional head-quarters etc. But with the advent of railways, new settlements sprang up all over the country. Railways were taken to the places where the colonial rulers had economic interest – the mineral-rich areas, the areas suitable for plantation. And there was arranged migration of labour from villages to these settlements with defined functions. The same norm was followed for the newly industrial settlements – the jute and cotton mills. So, apart from the port-cities and seats of governance of various types, there were railway towns, mill towns, mining towns, tea/coffee towns. The hill areas of the country already had numerous centres of pilgrimage, the colonial rulers added hill stations. Though a number of new settlements were built, sometimes the administration modified and extended old towns for their convenience. At the time of independence, about 17% of the total population lived in urban areas and urbanization of the country was extremely imbalanced in terms of spatial spread and population distribution.

In the post-independence period, the country went for planned development of a 'socialistic pattern of society' and the emphasis was on rural development and upliftment of rural people. But new towns were built – there were towns to rehabilitate the refugee population from Pakistan, there were new seats of governance for the reorganized states, there were towns to accommodate the heavy industries developed by the state. But on the whole, that did not affect the rural-urban distribution of population very much. The level of urbanization increased in the country very slowly, whereas in some of the pockets around the metropolitan cities, urban concentration increased very fast. From economic point of view, more than 70% of the gross domestic product came from the primary sector. The secondary sector was too small even after the 'big push' given in Second Five year Plan (1956-61). The tertiary sector was slowly rising, especially the service sector. The push for expansion of the service sector came mainly from the government activities. The journey towards 'socialistic pattern of society' led to the participation of government in different spheres of activity like

education health, engineering etc. Another push came through the nationalization of major banks in 1969. All these led to an increase in employment in the non-primary sector. But even then, the organized sector in the urban areas had no capacity to absorb the migrants and the informal sector was the only refuge of the entrants in the urban labour market.

So, during the years of mixed economy, urbanisation in India set up a course of its own. The main features of urbanisation in the country can be described as follows:

- (i) Relatively low level of urbanisation but given the large size of the population the absolute size of the population is quite large, only second to the urban population of China.
- (ii) Rate of urbanisation is decelerating.
- (iii) High rate of urban growth - primarily due to natural growth, followed by relatively low amount of rural-urban migration and reclassification of the areas.
- (iv) Large towns/cities are not growing necessarily at a faster rate, relatively small and medium-sized towns are growing also.
- (v) In the fifties and the sixties, the relative rate of urbanisation was higher in less developed districts resulting from conscious policy decision of balanced growth and emphasis on backward areas.
- (vi) Size distribution of cities at the all-India level is not characterised by primacy, but urban systems in some of the regions are characterised by primate distribution.
- (vii) Trend of concentration was prominent. The emergence of agglomerations and urban growth concentrating in the major metropolitan areas were evident from the data.
- (viii) The main reason behind urbanisation has been natural increase followed by migration and reclassification of rural areas.

Like many other countries in the world, India left 'mixed economy' setup and embraced 'liberalisation-privatisation-globalisation' along with structural adjustment. For India, it broadly implied withdrawal of subsidy (especially in the agricultural sector), license requirement for setting up of large industries relaxed (except for environmental restrictions), a number of industries can be set up by private entrepreneurs (which were previously reserved for the public sector) and relaxation of imports for a number of consumption goods. On the other hand, foreign direct investment and foreign institutional investment was allowed in a number of sectors in variable proportions. All these were expected to have a strong impact on the ongoing process of urbanization. Most of the new towns in India in the post-independence period were industrial towns set up by the government. So, removing restrictions would imply growth of new towns under private initiative. Withdrawal of subsidies would make a number of activities less remunerative and an occupational shift was expected to occur, especially from agriculture. At the same time, the revolution in the

information technology opened a new vista for the service sector in India. So it was expected that the rate of urbanization would increase leading to a higher level of urbanization.

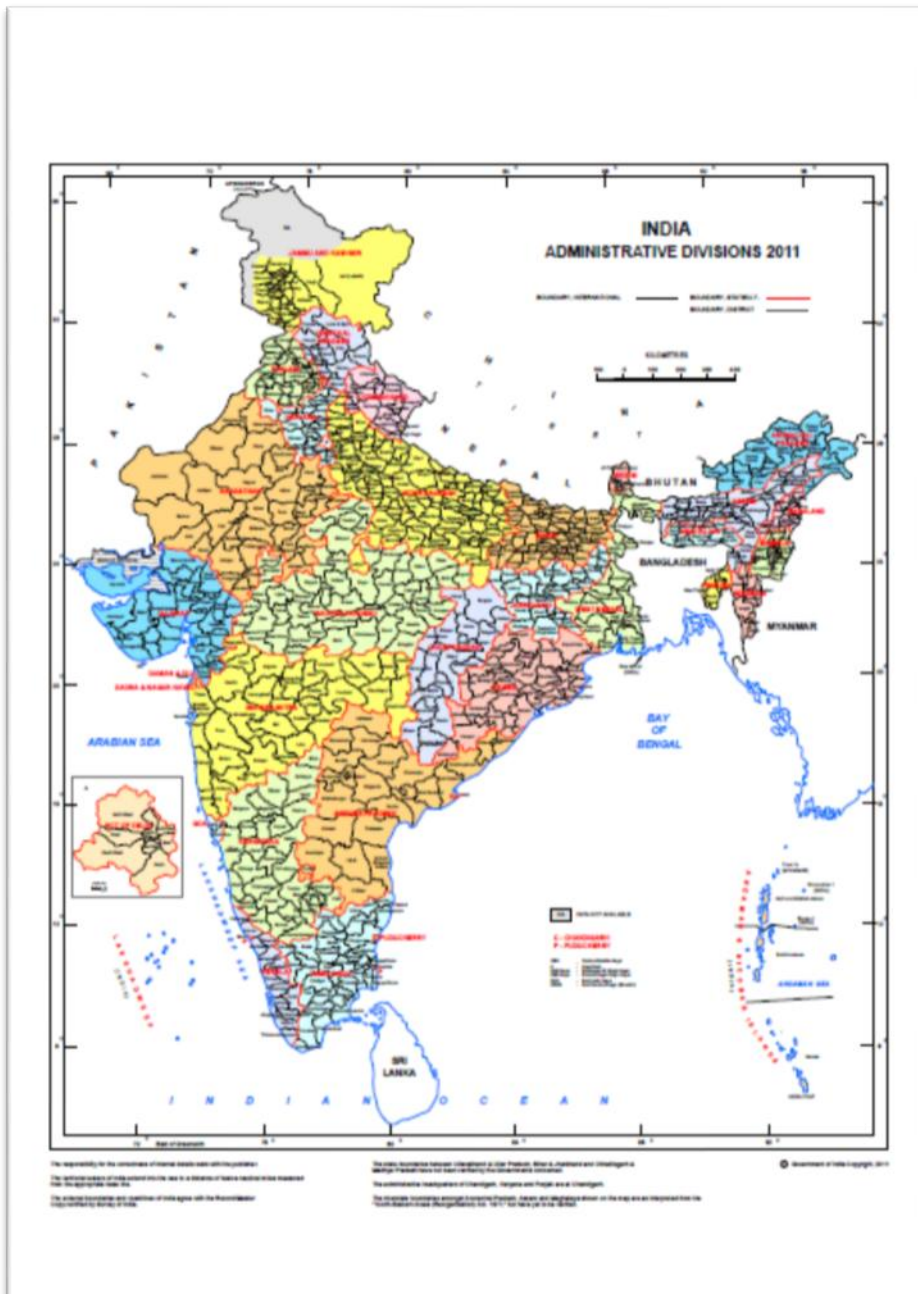
The 2001 Census did not fulfill such expectations. Neither the rate of urbanization nor the level of urbanization picked up, rather the number of 'de-classified' towns were on increase. Meanwhile, the growth rate of the Gross Domestic product increased rising on the expansion of the service sector and information technology. The composition of the service sector also changed in favour of the tertiary sector. The subsequent governments at the centre investment in infrastructure and social sector increased considerably. The programmes like 'employment guarantee schemes' in rural and urban areas and self-employment projects especially for women made considerable changes in the employment scenario. So, all these were conducive to urbanization till the global meltdown in 2008. The results of the 2011 Census was surely in favour of a big leap towards an 'urban' country rather than a 'country of villages'.

The rate of urbanization did pick up and for the first time after Independence, the decadal urban growth rate was higher than that of rural. The level of urbanization jumped from 28% to 31%. But the tilt toward urbanization was best manifested by the emergence of new towns in the country – the number was around 2774 of which only 242 are statutory towns. The importance of this number can be apprehended from the fact that the number of new towns in the previous century (1901-2001) was almost the same.

However, the 'urban' age in India was ushered with some reservation. Academic discussions centred on 'pressures from international organisations' and consequent hyper-activism of the Census authority. Without entering into that controversy, let us now move to the next section to decompose the urban scenario among the states.

3. Changes in 2011: The Regional Scenario

India, geographically, a large country with a vast land area. There are regional variations in terms regional variations in land forms, natural resources, climate, vegetation and everything. And all these variations are amply reflected in the pattern of urbanization. However, in this paper, we are going to look into the regional variation in terms of political units. India was divided into 35 political units at the time of 2011 Census. Of these, there are 20 large states and 15 smaller states and union territories. These units are further divided into smaller units called districts and our discussion would be up to that level. The following two tables will give an idea about the level of urbanisation in the states and the variation within them.



Map 1: Administrative Divisions of India 2011

Table 1: Level of Urbanisation and District-level Variation:

Large States (2011)									
Sl. No.	State	Level of Urbanisation	No. of Districts	Mean	Standard Deviation	Districts with LOU			
						<10%	10-20%	20-30%	>30%
1	Jammu & Kashmir	27.38	22	19.55	20.11	7	11	1	3
2	Himachal Pradesh	10.03	12	8.64	6.86	9	2	1	0
3	Punjab	37.48	20	33.44	12.84	1	8	7	4
4	Haryana	34.87	21	33.61	17.04	0	4	7	10
5	Uttaranchal	30.23	13	20.29	15.43	1	6	0	4
6	Rajasthan	24.87	33	21.87	11.66	5	12	11	5
7	Uttar Pradesh	22.26	71	20.52	15.07	19	24	15	13
8	Bihar	11.29	38	10.59	7.56	26	10	1	1
9	Assam	14.09	27	13.85	14.55	15	9	2	1
10	West Bengal	31.87	19	28.78	23.03	1	9	3	6
11	Orissa	16.69	30	14.84	10.04	13	11	3	3
12	Jharkhand	24.05	24	19.00	17.94	11	7	1	5
13	Chhattishgarh	23.24	18	23.03	19.04	1	12	2	4
14	Madhya Pradesh	27.63	50	24.14	15.19	4	21	18	7
15	Gujarat	42.60	26	32.88	19.87	2	5	5	14
16	Maharashtra	45.22	35	33.42	22.41	0	12	7	16
17	Andhra Pradesh	33.36	23	31.72	18.96	0	4	13	6
18	Karnataka	38.67	30	29.84	14.94	0	6	13	11
19	Kerala	47.70	14	41.11	23.33	2	1	2	9
20	Tamilnadu	48.40	32	43.18	31.37	0	5	4	23

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

The table gives a clear idea about the variation in urbanisation in the country. Tamilnadu, tops the list with more than 48% of the population living in urban areas, whereas the small hilly state of Himachal Pradesh having only 10% of its population there. Eastern states like Bihar, Orissa (and Assam) have lower level of urbanisation. But the more interesting is the variation within the states. For most of the states, the average level of urbanization is lower than the state level and the respective figures for standard deviation are also quite high. So, the level of urbanization is not uniform within the states also. This becomes more prominent if we look into the levels of urbanization of the constituent districts. Except Punjab and Tamilnadu, there are district(s) in all other eighteen states, where the level of urbanization is less than 10%. Of the 556 districts taken together, the number is 118. Most of the districts belong to the next level (10-20%). It is to be noted that on the other end, 47 of the 148 districts (having more than 30% level of urbanisation) boast of more than 50% of its population in urban areas. The three cities Kolkata, Mumbai and Chennai are 100 per cent urbanized as per definition. So, it is evident that the level of urbanization in India is not at all uniform and varied not only across the states but also across the districts. Usually, level of urbanization is found to have a positive correlation with level of economic development but as the definition of urbanization in the country includes demographic and occupational indicators, the converse is not always true.

Table 2: Level of Urbanisation and District-level Variation:

Small States and UTs (2011)									
Sl. No.	State	Level of Urbanisation	No. of Districts	Mean	Standard Deviation	Districts with LOU			
						<10%	10-20%	20-30%	>30%
1	Chandigarh	97.25	1						
2	Delhi	97.50	9	98.22	2.51	0	0	0	9
3	Sikkim	25.15	4	18.02	15.02	1	2	0	1
4	Arunachal Pradesh	22.94	16	20.72	11.63	2	6	7	1
5	Tripura	26.14	4	20.34	12.91	0	3	0	1
6	Meghalaya	20.17	7	25.11	19.6	2	3	0	4
7	Mizoram	52.11	8	43.03	20.00	0	2	0	6
8	Manipur	32.45	9	25.11	19.60	2	3	0	4
9	Nagaland	28.86	11	20.72	11.63	0	6	3	2
10	Pondicherry	68.33	4	79.54	25.03	0	0	0	4
11	Goa	62.17	2	62.43	3.95	0	0	0	2
12	Daman & Diu	75.17	2	64.58	26.18	0	0	0	2
13	Dadra & Nagar Haveli	46.72	1						
14	Lakhshadweep	78.13	1						
15	Andaman & Nicobar	37.70	3	20.57	33.40	2	0	0	1

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

In Table 2, one would find a different picture. The smaller north-eastern states have a lower level of urbanization, whereas city-states (topped by Delhi and Chandigarh) have a higher level of urbanization. In case of multiple districts, the inter-district variation is also less. North-eastern states (except Mizoram) have lower level of urbanization mostly due to their hilly land form. The two island states (Lakhshadweep and Andaman & Nicobar Islands) have concentration of population at habitable areas and that is the determinant of level of urbanization there. And it should be mentioned that of the 82 districts included in the table, about one quarter have more than half of their people living in urban areas.

The heterogeneity of the urban structure is more prominent if we consider the share of urban population by the states. Let us consider Table 4. The large 20 states contain 95% of total urban population. The maximum share is by Maharashtra, which is not the state with highest level of urbanization. Uttar Pradesh is a much lower level of urbanization is second in terms of population share.

Table 3: Share of Urban Population by States

Sl	Large States	Share of Urban Population	Sl	Smaller States and Union Territories	Share of Urban Population
1	Jammu & Kashmir	0.80	1	Chandigarh	0.25
2	Himachal Pradesh	0.16	2	NCT of Delhi	4.11
3	Punjab	2.42	3	Sikkim	0.04
4	Uttarakhand	0.74	4	Arunachal Pradesh	0.08
5	Haryana	1.68	5	Nagaland	0.14
6	Rajasthan	6.72	6	Manipur	0.18
7	Uttar Pradesh	10.92	7	Mizoram	0.14
8	Bihar	2.91	8	Tripura	0.24

9	Assam	1.04	9	Meghalaya	0.15
10	West Bengal	7.19	10	Goa	0.22
11	Jharkhand	1.95	11	Daman & Diu	0.04
12	Orissa	1.69	12	Dadra nagar Haveli	0.04
13	Chattishgarh	1.44	13	Lakshwadweep	0.01
14	Madhya Pradesh	4.93	14	Puduccherry	0.21
15	Gujarat	6.20	15	Andaman & Nicobar Islands	0.04
16	Maharashtra	17.54		Total Share	5.88
17	Andhra Pradesh	7.75			
18	Karnataka	5.88			
19	Kerala	3.85			
20	Tamil Nadu	8.31			
	Total Share	94.12			

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

In the discussion of India's urbanization, an important issue is its 'top-heaviness'. Most of the urbanised people here live in the large cities, compared to other urbanized countries. This is depicted in Table 5. One can understand the transformation in the city-size distribution and the division of resident population in it. At the turn of twentieth century, the Class IV towns had the highest share of urban population and their share in the number of towns was matching with that. The number of towns was the highest in Class V category. But over the years, especially in the post-independence years, the population share of the Class I cities increased at the cost of other size-classes. The smaller towns (the lowest four classes) lost their share, whereas the share of Class II towns remained almost the same with some ups and downs. But if we look at the share of the number of towns, it is not always positively correlated with change in share of population. The share of towns decreased drastically for the Class VI, which is commensurate with its share in decrease in population share. On the other hand, the increase share of Class I cities in the number is not matching with the increase in share of population. Strangely, for Class III and IV towns, their share in the number increased but their share in population decreased. So, it can be said that the large cities in the country are growing at the cost of the smallest class. But the change in the last row should be noticed. In 2011, the share of population and number is increasing for the last two classes, whereas both are decreasing for the highest class. So, it can be said slight departure has started from the top-heavy structure.

Table 4: Percentage Share of Population and Number of Towns across City-size (1901-2011)

Census Year	Percentage Share of Population across size-classes of urban areas						Percentage Distribution of Number of Towns across size-classes					
	I	II	III	IV	V	VI	I	II	III	IV	V	VI
1901	21.68	11.47	16.92	22.76	20.75	6.42	1.25	2.30	7.47	22.30	40.26	26.27
1911	23.38	9.63	18.92	20.97	20.21	6.88	1.34	2.04	8.42	20.82	39.91	27.31
1921	24.17	11.34	18.26	19.40	19.42	7.41	1.39	2.43	8.47	19.57	38.01	29.98
1931	24.12	12.54	19.83	19.75	18.12	5.65	1.37	2.70	9.92	21.80	38.67	25.41
1941	31.64	12.97	18.41	17.54	15.99	3.45	2.01	3.64	11.41	23.04	40.80	18.98
1951	37.88	12.18	17.93	15.05	13.65	3.30	2.47	3.62	12.32	22.14	39.14	20.30
1961	44.34	12.16	20.08	14.35	8.05	1.03	3.95	5.23	19.46	30.71	31.69	8.96
1971	48.78	13.59	18.35	12.87	5.62	0.79	4.84	7.11	21.06	31.97	26.06	8.96
1981	52.57	14.09	17.08	11.24	4.34	0.68	5.76	8.35	22.56	31.87	23.13	8.33
1991	56.68	13.33	16.35	9.77	3.43	0.45	6.98	9.12	25.16	31.44	21.04	6.26
2001	62.29	12.04	14.72	7.90	2.76	0.29	8.54	9.61	26.87	30.30	20.19	4.48

2011 60.79 10.15 14.12 10.47 3.97 0.50 6.43 7.61 24.03 28.00 27.58 6.35
 Source: Calculated from Census of different years. Downloaded from www. censusindia.gov.in

Now, the most visible impact of the emergence of about 2700 new towns is in the shift in the city-size distribution both in terms of number and population share. In terms of population share there is increase for the smaller towns (Class IV, V and VI) and decrease for Class I towns. On the hand as for the percentage share of number, there has been an increase for the last three classes and decrease for the upper three. So let us now look into the figures on emergence of new towns. Table 5 and Table 6 show the ranks of the states according to the number of new statutory towns and Census towns respectively.

Table 5: States Ranked According to the Number of New Statutory Towns

Sl	States	Number
1	Chhatishgarh	93
2	Gujarat	27
3	Arunachal Pradesh	26
4	Madhya Pradesh	25
5	Jammu & Kashmir	14
6	Bihar	14
7	Nagaland	11
8	Uttar Pradesh	10
9	Assam	8
10	Andhra Pradesh	8
11	West Bengal	6
12	Maharashtra	5
13	Punjab	4
14	Tripura	3
15	Rajasthan	1
16	Mizoram	1
17	Dadra, Nagar Haveli	1
18	Himachal Pradesh	0
19	Chandigarh	0
20	Uttarakhand	0
21	NCT of Delhi	0
22	Sikkim	0
23	Manipur	0
24	Meghalaya	0
25	Orissa	0
26	Daman & Diu	0
27	Goa	0
28	Lakhadweep	0
29	Tamilnadu	0
30	Puducherry	0
31	A& N Islands	0
32	Kerala	-1
33	Haryana	-4
34	Jharkhand	-4
35	Karnataka	-6

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

This table shows the list of towns that have been brought under some form of local governance. Here the new state (curved out of erstwhile Madhya Pradesh) is at the top of the

list. The poor second is Gujarat, where the number is one-third. Out of thirty-five states, in thirteen states, no new statutory town was created. And for four states, the number is negative implying that smaller towns were merged with their bigger counterpart to form municipal corporations. This huge disparity lies in the functioning of the states in terms of municipal affairs. We will discuss in details about this in the next section. At present, let us now concentrate on Table 7, in which the states are ranked according to the number of new Census towns. These towns are identified by the Census authority if they satisfy the following three criteria simultaneously:

- i) size criterion: the population of the area must be at least 5000.
- ii) density criterion: the density of population in the area should be at least 1000 persons per sq. kilometre.
- iii) occupation criterion: at least 75 percent of the male workforce should be engaged in the non-agricultural activities.

One can easily understand that as this definition includes both demographic and occupational criterion, the actual dynamic process of urbanisation is manifested in these towns.

Table 6: States ranked According to the Number of New Towns

Sl.	State	Number
1	West Bengal	528
2	Kerala	362
3	Tamilnadu	265
4	Uttar Pradesh	201
5	Maharashtra	152
6	Andhra Pradesh	135
7	Orissa	85
8	Karnataka	83
9	Assam	81
10	Jharkhand	80
11	Gujarat	79
12	Rajasthan	74
13	Madhya Pradesh	57
14	Punjab	56
15	Bihar	55
16	Haryana	52
17	NCT of Delhi	51
18	Jammu & Kashmir	33
19	Uttarakhand	30
20	Goa	26
21	Manipur	18
22	Tripura	16
23	Nagaland	6
24	Meghalaya	6
25	Daman & Diu	6
26	Chandigarh	5
27	Puducherry	4
28	Dadra, Nagar Haveli	3
29	Lakhadweep	3
30	Himachal Pradesh	2
31	A& N Islands	2

32	Sikkim	0
33	Mizoram	0
34	Chhattishgarh	-8
35	Arunachal Pradesh	-16

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

This table also shows considerable variation. West Bengal tops the list with 528 towns whereas the smaller north-eastern states like Sikkim and Mizoram has none. The negative numbers for Chhattishgarh and Arunachal Pradesh indicates the transformation of Census towns to statutory towns. This ranking is positively correlated with the level of urbanization and level of economic development. The discussion that follows will cover the first seventeen states where the number of new towns is more than fifty. All of these states except the NCT of Delhi are large states. Together, they contain more than 90% of total urban population of the country. And the selection of the states also represents regional variation. There are five from east, four from south, one from central, three from west and four from north.

As one can see from the table, West Bengal tops the list with more than 500 towns. There are some distinct reasons behind such a huge number and we cannot go into details here (Chatterjee 2013). Similarly, for Kerala, its topography and settlement pattern has made the urbanization pattern a bit unstable and the rate of urbanization and emergence and declassification of new towns are proven to be cyclic (Dasgupta, 2000). For all the other states, it is a result of the functioning of the economic and social process; we propose to discuss that in the next section. Here let us look at the number to understand the variation within the states.

Table 7: Number of New Towns (District Level)

Sl.	States	No. of Districts with New Towns						Total
		0	1-5	6-10	11-30	31-50	>50	
1	Punjab	7	9	3	1	0	0	20
2	Haryana	7	11	3	0	0	0	21
3	Rajasthan	8	21	4	0	0	0	33
4	Uttar Pradesh	14	47	8	2	0	0	71
5	Bihar	15	17	5	1	0	0	38
6	Assam	4	17	4	2	0	0	27
7	West Bengal	1	2	2	8	3	3	19
8	Jharkhand	6	11	5	2	0	0	24
9	Orissa	7	17	5	1	0	0	30
10	Madhya Pradesh	12	36	2	0	0	0	50
11	Gujarat	4	14	5	3	0	0	26
12	Maharashtra	9	15	8	3	0	0	35
13	Andhra Pradesh	1	9	8	5	0	0	23
14	Karnataka	9	16	2	3	0	0	13
15	Kerala	2	1	1	6	3	1	14
16	Tamil Nadu	5	12	6	8	0	0	31
17	NCT of Delhi	2	3	2	2	0	0	9
	Total	113	258	73	47	6	4	501

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

Table 7 shows the variation in the emergence of new towns among the districts within each state. Of the 501 districts in these states, there are no new towns in 113 districts. Of these 113, there are fully urbanized districts of the four mega-cities of Delhi (Delhi Municipal Corporation, New Delhi Municipal Corporation, BrihanMumbai Municipal Corporation, Kolkata Municipal Corporation and Chennai Municipal Corporation). The other three metropolitan cities of Hyderabad, Bengaluru and Visakhapatnam are also fully urbanised. But apart from that, there are more than 100 districts, where there are no new towns. In most of the districts (258), the number of new towns varies between one and five. The location of these towns is found to scattered without any defined pattern. But in 73 districts, where about ten new towns emerged, they are found be near the big cities (either within the district or in the surrounding districts). The spatial spread of districts with higher number of new towns (in 11-30 group) is mostly in eastern and southern parts of the country. But the last two categories (31to 50 and more than 50) are mostly concentrated in West Bengal and Kerala. All the four southern states are economically more developed and urbanized than the eastern states. But in terms of emergence of new towns, they are seemed to be competing with each other, whereas the contribution of more industrialized western and northern states are lagging behind. So here comes an important question that what is the driving force behind urbanization in India. Has industrialization taken a back seat?

Table 8: Number of Agglomerations per District

Sl.	States	Agglomerations per district				
		1	2	3	4	5
1	Punjab	6				
2	Haryana	7				
3	Rajasthan	11				
4	Uttar Pradesh	32	3			
5	Bihar	12				
6	Assam	7				
7	West Bengal	9	2	1	3	1
8	Jharkhand	9				
9	Orissa	7				
10	Madhya Pradesh	11		1		
11	Gujarat	17	2			
12	Maharashtra	13				
13	Andhra Pradesh	14	5	3		
14	Karnataka	9				
15	Kerala	5	5	1		
16	Tamil Nadu	17	3	1		
17	NCT of Delhi	1				
	Total	186	20	7	3	1

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

Another important issue is about the agglomeration effect of urbanization. Till now, we have urban agglomerations with population more than 100,000 and their components. For smaller towns, we have data on outgrowths associated with them, but not on their population distribution. Table 8 shows the number of agglomerations in districts. The NCT (National Capital Territory) of Delhi is one agglomeration with various urban components and few

villages. Of the other agglomerations, we do not have any information about their rural components. But it can be said conclusively that most of the new towns are not part of older agglomerations. About 34% of the new towns are part of any UA (urban agglomeration). In fact, some agglomerations are formed because of these new towns. In most of the states, to be precise in 185 districts, there is a single UA. The number of such districts is highest in Uttar Pradesh, the largest state in the country and the lowest in Kerala (the state having an unique, almost non-replicable type of urbanization). Of the sixteen large states we are considering here, seven states have more than one agglomeration in some of the districts. West Bengal tops the list with a maximum of 5 agglomerations in a single district, whereas Andhra Pradesh tops the list in case of number of UAs. The reason for the emergence of agglomeration is more spatial than economic as the census authority identifies agglomerations in terms of physical contiguity and it has a close correlation with the town density per thousand square kilometre (Table 9).

Table 9 : Town Density

Sl.	States	Towns per Thousand sq. km.
1	Punjab	4.31
2	Haryana	3.48
3	Rajasthan	0.87
4	Uttar Pradesh	3.80
5	Bihar	2.11
6	Assam	2.73
7	West Bengal	10.24
8	Jharkhand	2.86
9	Orissa	1.43
10	Madhya Pradesh	1.54
11	Gujarat	1.78
12	Maharashtra	1.74
13	Andhra Pradesh	1.28
14	Karnataka	1.81
15	Kerala	13.38
16	Tamil Nadu	8.43
17	NCT of Delhi	76.20
	India	2.41

Source: Calculated from Census 2011 (Primary Census Abstract) Electronic version

Excepting the NCT of Delhi, The town density is highest if Kerala followed by West Bengal. For the former, it was a historical fact but for West Bengal, it is a result of the emergence of 500+ new towns in a single decade. If we disaggregate them according to the regions, we will see that town density is higher in eastern states of Assam, Bihar and Jharkhand. For the northern states, it is higher for all the three (Punjab, Haryana and Uttar Pradesh). In southern area, Tamilnadu is the third after Kerala and West Bengal, but again it is well-documented historical phenomenon (Rukmani 1995). The lowest value is for the desert state of Rajasthan, where the adverse nature does not permit small towns.

So, we have shown that within the country, the urbanization pattern is varied in terms of all the indicators. The states differ in terms of level of urbanization and share of urban population. Even within the states, there is variation among the districts judged by any

indicator. And as we have shown that this variation is reflected in the emergence of new towns. In the next section, we will try to identify the reasons behind the emergence of so many new towns in a single decade – an unprecedented phenomenon in the history of urbanization of the country.

4. Regional Variation in Urbanisation: Explanations

Geographically, India is a vast country with variations in landform, climate, and vegetation and last but not the least ethnicity. All these are bound to have its impact on the urbanization pattern of the country. Large cities are usually in the plains and hilly regions have relatively smaller settlements in terms of physical size. Apart from this natural phenomenon of geography and related ecology, we would like to add few other some other dimensions to explain processes and pattern of urbanization within the country.

- 1) History: One cannot ignore the history behind urbanization. Ahistoric explanations can be misleading because of incompleteness. The long colonial history of two centuries has formed the basic pattern, which is very difficult to breakup.
- 2) The Initial Settlement Pattern: As density is an important indicator of settlement, the nature of the settlement pattern become very important in subsequent phases of urbanization. It is difficult to change this basis nature despite forced displacement of population. The European part of Russia is more densely settled than the Asian part.
- 3) Dominant Production System and Production Relations: The main three production process of agriculture, industry and service sometimes form the basis of urbanization. As in case of agriculture, the land tenure system has an important impact of urbanization pattern. Concentrated landownership leads to landless people to find jobs in industry or elsewhere. But diffused landownership leads to a pattern of urbanization based on trading of agricultural surplus and small agro-based manufacturing.
- 4) The Human Resource: The quality of the inhabitants not only in terms of their skill but their ethnic characteristics also matter.
- 5) Prevailing Political System: The administrators and their policies have impact on urbanization pattern.

Now, let us try to explain the variation in India in terms of these five conditions listed above.

History: The colonial regime lead to an urbanisation pattern concentrated around the four metropolitan towns (three port towns of Mumbai, Kolkata, Chennai and Delhi, the imperial capital from 1911). The other places of interest of the colonial power were the mineral-rich areas, hill areas for plantation and resorts. The transport system especially the railway network was also towards these urban centres. And cumulative causation effect led to increased urbanization in an around these four cities. The partition of the country in 1947 brought influx of people to West Bengal and Punjab which increased the level of urbanization in these two states in the decade 1941-51. Till 1911, Kolkata was the major port and capital of British India, and thus the major concentration of urbanization in the present state of West

Bengal was in the four districts around the city. Whereas the other places in the country, where the colonial power did not have direct interest, the urbanization and increase in the number of urban centres were quite compatible with their economic system. The Princely states had number of new towns compared to their size and economy, as towns were set up by the rulers' wish.

Ecology and Settlement Pattern: The settlement pattern of an area is usually determined by geographical factors. People generally like to lead comfortable life, so they avoid rugged terrain, harsh climate and difficult transport routes. So, the population density varies in India like any other country. The northern hills, the northeastern region with hills and rivers, the hilly barren areas of Deccan were sparsely populated and they still are. So, districts of Gujarat, Maharashtra, Andhra Pradesh, north-eastern states, hill-states (Himachal Pradesh, Uttaranchal) have very low density and low level of urbanization. The Malthusian pressure is increasing in the northern Indian plains and coastal areas resulting in increase in urbanization level and number of towns in these areas.

Mode of Production and its Changes: As we have already noted that India was basically a rural country with agriculture as the main occupation of the population. But even in agriculture, there were differences in land holding and tenure system. The eastern part of the country was under *zamindari* system since 1793. It implied land being concentrated in few hands. These people were absentee landlords, who migrated to cities and spent in conspicuous consumption. The surplus was not reinvested from where it originated. As all flows were towards the biggest city, an urbanization pattern with high degree of primacy emerged. On the other hand, the regions with *ryotwari* system of tenure, had a more equitable distribution of land and prosperity of agriculture led to a urban system with more towns of equal size. This colonial legacy is difficult to wipe off.

After independence, the country experienced four decades of planned growth. The industrialization was guided by the public sector and a number of new towns were created to accommodate heavy industries, capital towns and other government activities. Most of these towns had high backwash and low spread effect and they had little impact on the urbanisation process of the surrounding regions. On the other hand, the effort to increase yield in agriculture (a package with improved seeds, irrigation, chemical fertilizer resulting in multiple cropping) led to a more diffused urbanization pattern in the north-western states. There were many small towns based on trading and small industries. So, in these years also, the difference in production system was responsible for urban growth variation.

The country went for the structural adjustment programme in 1991 and the government modified its role. It was thought lesser restriction would boost up industrial activities and consequently urbanisation. However, the country experienced a growth led by the service sector, with shrinking of the agricultural sector and very little growth of the manufacturing sector. The impact of such a growth pattern was not very strong in the first decade after 1991. Neither did the rate of urbanization rise nor the number of new towns. It

took another decade to have the full impact on urbanization rate and emergence of new towns. The main cause behind this was the shrinkage in agriculture. All over the country, there is absolute decrease in the number of people engaged in agriculture mainly because of three reasons. Agriculture is becoming non-remunerative with the withdrawal of subsidy on fertilizer, power and irrigation. Secondly, small industries shifted to the villages because of environmental restrictions in municipal towns (Ghani 2012). Thirdly, the formal education system in India is biased towards the service sector. So, increasing levels of education are pushing the people towards the service sector. Now as the population and density both are quite high in this populous country, a slight shift in occupational structure, would change a rural settlement into urban. And that has exactly happened in most parts of the country.

Human Resource: The colonial regime led to extreme disparity in development of human resources in the country. It was manifested not only in terms of indicators like literacy rate and proportion of population in with different levels of education but also in distribution of institutions of learning. So, the willing people had to migrate and that led to a concentration of skilled manpower in and around big cities. Interventions in post-independence period have resulted in emergence of some other centres but have not been able to correct it. This had led to assigning different ethnic groups to different jobs, however irrational that may sound. The Bengalis prefer white-collar jobs, the Rajasthanis and Gujaratis have better business acumen, the Punjabis and Gorkhas are meant for army, the Haryanvi Jaths are agriculturists and so on. And in India, one cannot ignore the impact of this division on the nature of urbanization.

Political Atmosphere: The above discussion has taken into account effects of policy changes in the country for over six decades. But we have not talked of the most important one. Though local governance was introduced in the country in the last quarter of 19th century, it had not constitutional recognition in independent India. Only in 1992, the 73rd and 74th Amendments of the Constitution recognised the local governments and defined their roles and talked about their needs for finance and human resource. Peoples' representation was made mandatory with holding of elections regularly. A model act for the peri-urban areas was also promulgated. This gave a boost for the states to go for municipalisation. This explains the rising number of statutory towns at least in some states. In India, for administrative purpose, the 'rural' and 'urban' are vertically divided. As laid out by our Constitution, municipalisation is a state subject. And the rate of municipalisation depends on the prerogative of each state depending on the allocation of the central Government schemes. The 'urban' areas identified by the census authority (Census Towns) remains under rural authorities till they are municipalized. So, the reported level of urbanisation depends on the initiative of the state government.

We would conclude our discussion with a reference to the state of West Bengal. It is a state in the eastern part of the country. During the colonial rule, it was one of the premier states in terms of most of the indicators. It was partitioned at the end of colonial regime to create East Pakistan (Bangladesh since 1971). This was a blow to the economy of the state. The state agriculture was characterised by land holding concentrated in few hands. The urban pattern was also dominated by the city of Kolkata with high degree of primacy. In the post-

independence period, the state gradually lost in industrial prominence because of two main reasons. Firstly, it lost the jute-growing districts to East Pakistan and the jute mills were out of work as the supply of jute became uncertain and costly. Secondly, the Freight Equalisation Policy (1956) took away its comparative advantage in mining-based and engineering industry. After three decades of independence, a coalition led by the Communist Party of India (Marxist) came to power and they ruled for another three decades. One of the important achievements of this government was to go for land reform and recording the share-holders and actual tillers of land. This transfer of ownership rights had enormous impact on the agricultural productivity of the state. The government also strengthened both the urban and rural local bodies long before it was taken up by the Central government. Resources were transferred to smaller cities and towns to correct the Kolkata-bias. As early as in 1991, it was seen that the growth rate of the towns in the lowest tier had increased significantly leading to a more diffused pattern of urban growth. This tendency somehow faded during 1991-2001 period but there was a latent undercurrent which was manifested in the emergence of more than five hundred towns in 2011. They belong mostly to the Class IV and V category in terms of size and their spatial spread were throughout the state including the underdeveloped districts. The explanations offered are mainly in terms of release of manpower from agriculture and growth of non-farm activities in the villages, especially small-scale manufacturing. This is a unique example where political action resulted in directly influencing the nature and process of urbanization.

5. Conclusion

In this paper, we started to explore the change in the urban scenario of India as depicted from the results of 2011 Census. Two most important results of this Census were the enhanced rate of urbanisation and the emergence of more than 2500 new towns. We tried to find out the reasons behind these two looking up to the district level. We found that no remarkable change has taken place in Indian urban scenario. The increase in urban population is purely Malthusian, and the average population density of the country is higher than the level fixed in the definition of 'urban'. And the change in occupation is due to a general shift from agriculture. Withdrawal of government support has made agriculture more risky. There is a noticeable shift towards non-farm activities, especially small-scale manufacturing. The spread of literacy has inflated the size of the formal service sector. Informal low-skill service activities have also drawn a sizeable portion of population. So, it remains a major task of the administrators and policy-makers to manage urbanisation by emphasizing settlement planning, improving rural-urban linkage through the provision of better infrastructure and good governance.

References:

- Chatterjee Mahalaya (2011); *Preliminary Discussion on the Census 2011 results*, Urban India, Vol 33 (1), January-June, pp 154-191.
- Dasgupta Biplab (2000); **Contrasting Urban patterns: West Bengal, Punjab and Kerala**, Discussion Paper 1/2000, (May 2000) Centre for Urban Economic Studies, Department of Economics, University of Calcutta;

Ghani Ejaz, Goswami Arti Grover and Kerr William (2012); *Is India's Manufacturing Sector Moving Away from Cities*, NBER Working paper17992, NBER Inc.

Office of the Registrar-General and Census Commissioner of India, Census of India for various years. The last three Census (1991, 2001, 2011) were accessed from the official website www.censusindia.gov.in;

Rukmani R (1994); *Urbanisation and Socio-Economic Change in Tamil Nadu 1901-1991*, Economic and Political Weekly, Vol. XXIX, No. 51-52, December 17;