Why Demolishing Slums in Indian Cities is Harmful to the Lives and Livelihoods of Impoverished Residents

Dinesh Kataria, Jawaharlal Nehru University

Every year municipal authorities in Delhi, the urban administrative capital of India, demolish thousands of illegal squatter settlements — urban spaces where civic amenities and basic hygienic conditions are absent. But half of the city's population of seven million lives in these places, and every demolition displaces roughly one hundred thousand urban poor, often rendering them jobless. In a city where land and rental prices have skyrocketed and the legacy of the caste system is not yet gone, illegal encroachment on public land is the only recourse for low-income groups. According to official figures, there are 6,343 illegal squatter settlements in Delhi, and 90 percent of them occupy public land.

Government statements often justify demolitions by suggesting that low-income people illegally chose to live in squatter settlements. But this is an oversimplification. State authorities must recognize the economic realities that drive people into slums as a last resort. Rather than demolitions, authorities should assess the livelihoods and residential needs of urban poor as they take steps to build a better city.

The Slum as a Unit of Production

For the urban poor, especially incoming rural migrants, the growth of illegal settlements is a product of their need for stable access to the labor market and cheaper housing options. Eighty percent of the urban labor force works in a largely unregulated and unstable job market. Despite two decades of reforms aimed at opening up a formerly closed economy and erasing the last traces of the caste system, the labor market remains patterned by old hierarchies. Especially for urban poor, occupational choices, opportunities, and wages are determined by memberships in specific kinship groups, castes, or regional networks. Crowded squatter settlements are the places where poor people use existing ties to build new community networks and pursue new economic opportunities.

Interestingly, people of other classes view illegal settlements as sites where they can find workers with specialized skills. People from higher classes often go to specific slums looking for workers — such as the Bengali Muslims who control garbage collection and trading in the city of Delhi or the workers from the province of Rajasthan who do construction jobs. Thus slums also function as homes to place-based, economic units. In Delhi and Bombay, some of the biggest slums actively participate in the handicraft industry, food-processing business, and the leather works business, generate a billion dollars in revenue. In Bombay's Dharavi — the biggest slum in Asia — there are approximately 20,000 mini-factories operating day and night.

Consequences of Displacement

Every cycle of eviction, demolition, and relocations from squatter slums renders thousands of people homeless and jobless. At the same time, these demolitions also break up neighborhood networks, particularly disrupting the lives of women and children who play important in roles forging of these networks.

- Relocation forces children to drop out of school or commute long distances. Children often find it difficult to adjust to new environments and the pressure of adjustment can affect their physical and mental health.

- Women's wages are critical to the survival of working-class families and forced evictions often leave them jobless. Further, women's participation in the labor market affects their influence in family decisions. When they lose a say at home, the trauma of physical and economic displacement is further exacerbated.

- Neighborhood-based social networks do not spring up overnight, but require time and difficult negotiations among the families living in the slums. Once established they tend to be relatively durable. In an unstable labor market, these networks often act as safety nets for fellow community members in time of temporary joblessness, health issues, and marital disputes. The disruption of neighborhood organizations is the most devastating aspect of slum demolition.

Beneficial Alternatives to Eviction

The Indian government's demolition of slums is self-defeating. Efforts to erasing these illegal homes are rarely entirely successful because those displaced often move to another stretch of public land or settle in another slum. What is more, because the government creates too few new jobs, the Indian working class struggles with unemployment. Demolitions make the situation worse by disrupting slum-based enterprises. A better approach would be for the government to develop new ways to address the housing needs of urban poor while keeping in mind the complex relationships between the labor market, social networks, and existing slums.

How might this be done? Rather than demolish slums, officials should recognize that the urban poor live in illegal slums out of necessity, grant them land rights, and encourage urban planners and real estate developers to build cheap affordable housing. To make such development less expensive for taxpayers, a portion of the land could be leased to real estate developers, who in turn would contribute to the rehabilitation program. Once granted a legal right to the land, banks must be given incentives to advance long-term home loans to these poor.

As new housing projects are designed, attention must also be paid to the needs of local production, the kinds of enterprises currently found in slums. No attempt should be made to artificially separate work and residences for the poor. Rather than simply sponsoring low-income housing projects, authorities also must envision job-generating projects and community development project. And as the process unfolds, the authorities should be sure to listen to the voices of the people most affected.