State-Led Neoliberalism?
Exploring the Politics of Urban Land Development in India

by

Arpana Chakravarty

A Thesis
presented to
The University of Guelph

In partial fulfilment of requirements
for the degree of
Master of Arts
in
Political Science

Guelph, Ontario, Canada

© Arpana Chakravarty, January 2013
ABSTRACT

STATE-LED NEOLIBERALISM?
EXPLORING THE POLITICS OF URBAN LAND DEVELOPMENT IN INDIA

Arpana Chakravarty
University of Guelph, 2013

Advisor:
Craig Johnson

This research explores the role of the state in facilitating the conditions for neoliberal development. Neoliberal policies continue as the dominant globalized political/economic ideological mode despite reservations from development scholars. This development dilemma is a continuing thread in the debates over the role of the state in land acquisition, a measure often required for large-scale development projects in India. New Town, Rajarhat, is a recent case where land was forcibly acquired to create a massive futuristic suburb for the state capital of Kolkata.

This paper will argue that the New Town project was highly neoliberal in conception and execution, and also refutes claims that the government managed to avoid costs scholars have come to associate with neoliberalism and the displacement resulting from large-scale development projects. In this case the events that disadvantage the displaced are not the drawn-out processes of market liberalization, but government attempts to create conditions favourable to market-led development. These conclusions are informed by over 300 elite interviews with primary actors including government officials, corporate heads, and leaders of NGOs, as well as minimal interviews from those more directly impacted.
ACKNOWLEDGEMENTS

I am deeply grateful for the support provided to me over the course of writing this thesis. First and foremost, my gratitude is extended to my advisor Craig Johnson for his unwavering guidance throughout the course of this project. His patient and insightful involvement was available from the start. Thanks to the faculty and staff at the University of Guelph, with special acknowledgment of Adam Sneyd, Byron Sheldrick, O.P Dwivedi, and Melissa Gabler.

My mother Kumkum Chakravarty offered her vast historical and experiential knowledge to inform my writing. My father, the late Ranjit Chakravarty, did not see me complete this work, but the virtues he instilled in me remain the best qualities of my character. To my parents I owe everything.

Appreciation is extended to my friends and family for their care and understanding. Mark Brister and Saptarshi Ray spent a significant amount of time helping me further develop my final research. I could not ask for more from my close friends Roisin Bovell and Candice Shaw. My family was patient and supportive, especially: Rajat Chakravarty, Krishna Grewal, Sandhya Ghosh, Kalyani Saha, Ruma Chakravarty, Arnab Chakravarty and Antara Chakravarty. An extended appreciation goes out to other family/friends who have put up with my attachment to this thesis. The support of so many for so long during this process was a rarified gift.

The aid of the University of Guelph, Centre for Studies in Social Sciences, and the Indian Statistical Institution was appreciated. A special note of appreciation to Nilotpal Dutta, an activist who provided me with many useful documents and leads. Unfortunately, many anonymous interviewees and informants, whose testimony is the backbone of this research, cannot be explicitly acknowledged here.

I would like to thank SHHRC for their assistance through Grant 410-2009-1033, the Ministry of Training, Colleges and Universities for granting me an Ontario Graduate Scholarship and Craig Johnson for his generosity.

Thanks to all who assisted me with this project, even in the most minor ways. It has been a privilege and a pleasure.
# Table of Contents

ACKNOWLEDGEMENTS .................................................................................................................. iii

List of Tables, Figures and Photos .................................................................................................. Error! Bookmark not defined.

List of Keywords and Abbreviations ................................................................................................. vi

CHAPTER ONE: Introduction .............................................................................................................. 1

I. i) Introduction: Thesis Concepts, Questions, Assumptions and Objectives .................................. 1

CHAPTER TWO: Key Theoretical Concepts: Approach and Theory .................................................. 5

II. i) Justifying and Defining Neoliberalism as a Lens ...................................................................... 5

II. ii) Performativity ......................................................................................................................... 9

II. iii) Rural/Urban and Urbanization .............................................................................................. 9

II. iv) Peri-Urban ............................................................................................................................ 13

CHAPTER THREE: Methods ............................................................................................................... 15

III. i) Origins of Thesis Research .................................................................................................... 15

III. ii) Site Selection ........................................................................................................................ 17

III. iii) Justification of Case ............................................................................................................ 18

III. iv) Research Methodology and Data Collection ......................................................................... 21

CHAPTER FOUR: The Past as Prologue ............................................................................................ 25

IV. i) Representation and Political Parties ....................................................................................... 25

IV. ii) The Rise and Demise of the Left Front .................................................................................. 27

CHAPTER FIVE: Rajarhat’s Objectives and Internal Contradictions .................................................. 32

V. i) Rajarat .................................................................................................................................... 32

V. iii) Objectives of New Town ....................................................................................................... 35

CHAPTER SIX: Application of Neoliberal Critique ............................................................................ 39

VI. i) Who is New Town Built For? ................................................................................................ 39

VI. ii) Crisis or Problem Management and Financialization ............................................................ 44

VI. iii) State (Re)Distributions ......................................................................................................... 49
VI. iv) Privatization, Acquisition, and PPPs ................................................................. 53

CHAPTER SEVEN: Neoliberalism Takes Priority ............................................................... 55

VI. i) Environmental Concerns Sidelined ................................................................. 55

VI. ii) Opportunities for Participation and Dissent .............................................. 61

VI. iii) Lack of Alternatives ....................................................................................... 71

CHAPTER EIGHT: Concluding Thoughts ...................................................................... 75

VIII. i) Rehabilitation and Resettlement ............................................................... 75

VIII. ii) Obstacles to Further Development .......................................................... 76

VIII. iii) Neoliberalism in a New Context ............................................................... 84

VIII. iv) Conclusion ................................................................................................ 88

Bibliography ............................................................................................................. 92
List of Keywords and Abbreviations

AA – Action Area
CIDCO – City and Industrial Development Corporation
CMA – Calcutta Municipal Authority
CPIM – Communist Party of India Marxist
FDI – Foreign Direct Investment
HIDCO – Housing Infrastructure and Development Corporation
IAS – Indian Administrative Service
KMDA – Kolkata Metropolitan Development Authority (formally the CMDA – Calcutta Metropolitan Development Authority)
NTP – New Town Project
NTRP – New Tow Rajarhat Project
PPP – Public-sector Private-sector Partnerships
SEZ – Special Economic Zones
PIL – Public Interest Litigation
RJBC – Rajarhat Jomi Bachow Committee
WBHIDCO – West Bengal Housing Infrastructure and Development Corporation
Paddy fields with residential high-rises in the background in New Town, Rajarhat.
CHAPTER ONE: Introduction

I. i) Introduction: Thesis Concepts, Questions, Assumptions and Objectives

In the last few decades India has experienced sweeping economic growth.¹ Yet in contrast to China, the much-celebrated boom has been confined primarily to the service sector and a turnaround in industrial productivity, while the vast majority of the Indian population still labours in agriculture. This dynamic has resulted in those formerly residing on the countryside flocking to sprawling “mega-cities” whose peri-urban fringes have served as the site of tensions between the beneficiaries of this growth and the structurally unemployed and marginalized.

Tensions have been acutely felt in the traditional economic powerhouse of India, the city of Kolkata, located in the state of West Bengal. Formerly the jewel of British India, the city has declined in relative importance, particularly since independence, dealing with a number of ongoing problems including overcrowding, high refugee inflow, lack of economic diversity, and fiscal mismanagement.² The state government of West Bengal has instituted a number of controversial land acquisition policies with the aim of improving economic performance and the competitiveness of the state particularly among its neighbors. These policies have exposed a fundamental divergence between groups over what vision of development is appropriate for West Bengal, or India more broadly. Farmers and sharecroppers, who occupy the majority of the landmass in the state and whose lands are required for industrial expansion, have generally opposed attempts to acquire their land for economic restructuring, while industrial and commercial interests

¹ Very recently India’s growth has shrunk in tandem with the global slowdown. See The Times of India. “Indian economy to grow 6.9% in 2012-2013: World Bank,” Business Section. June 12, 2012.
tend to favour direct government intervention to put the land on the market, since purchasing parcels piece by piece is both expensive and unreliable.³

Regional arguments over land mirror larger debates surrounding the role of neoliberalism in India. Broadly speaking, neoliberalism is a theory of political/economic practices that looks to maximize entrepreneurial freedoms and minimize the role of the state the long term (Harvey, 2006, 145). The concept of neoliberalism is discussed in greater detail in Chapter 2. While the term “neoliberal” is usually used pejoratively, neoliberal policies themselves continue as the dominant globalized political/economic ideological mode, partially due to a lack of alternatives (Hursh & Henderson, 2011). This development dilemma is a continuing thread in the debates over the role of the state in land acquisition, a measure often required for large-scale development projects (Prohibiting the use, 2007).⁴ New Town, Rajarhat, is a recent case where land was forcibly acquired (primarily from farmers and sharecroppers) using the Land Acquisition Act of 1894 to create a massive futuristic suburb for the city Kolkata. Running parallel to the Eastern Bypass, the town is projected to have a population of 1 million residents, and a proposed floating population of 0.5 million people.⁵ As of May 2012, the West Bengal Housing and Infrastructure Corporation (HIDCO) documents 12,000 dwelling units have been constructed and 16,000 more are currently under construction. In this case the state government of West Bengal claims to have struck a widely accepted compromise, and

---

³ There has been a consistent consensus among farmers and industry regarding the role of the state in protecting land in my interviews.
has received the backing of several notable academics, averting the social and environmental consequences usually associated with neoliberal policy.

The research presented here will not only shows that the New Town project was highly neoliberal in conception and execution, but also refutes the claims by Sanjay Mitra and others that the government managed to avoid the costs scholars have come to associate with neoliberalism and the displacement resulting from large-scale development projects (Mitra, 2002). However, it is important to note that in this case the events that disadvantage the displaced are not processes of market liberalization, but government attempts to create conditions favourable to market-led development. While the long-term outcomes of this government-led neoliberalism are still ultimately uncertain, it is clear that the acquisition and construction of New Town can be convincingly described, for better or worse, as neoliberal, sacrificing some development goals (such as democratic participation and environmental preservation) for others (economic growth). This kind of development, at least initially, favours major residential developers, land speculators, commercial interests, and the light industrial and service sectors at the expense of displaced farmers and sharecroppers. This research explores the role of the state in facilitating the conditions for neo-liberal development. Specifically, it uses a case study of a planned township in Rajarhat to examine the state’s role in acquiring land for commercial and industrial development. Therefore this paper will argue that the New Town Project was fundamentally neoliberal but also aggressively state-led.

The central aims of this research are two-fold. First, it explores the role of the state in creating the conditions for neo-liberal development. This first aim is contributing to and engaging with debates surrounding the changing and declining importance of the
state, particularly in the Indian/West Bengal context. Second, it explores specifically the role of the state in governing land for industrial and commercial development. This second aim shows how land is one of the few factors of production over which the state can still exercise control.

An answer to the question of whether the New Town project was truly a neoliberal endeavor, regardless of the answer, is instructive. It improves our understanding of the relationship between neoliberalism, development, and land acquisition, in both West Bengal and India more broadly. Sub-questions include: Who are the actors or policy communities? What are their interests in land? And, through what institutions are they articulating their interests? If it is true that this project was essentially neoliberal, “In whose particular interests is it that the state takes a neoliberal stance and in what ways have these particular interests used neoliberalism to benefit themselves rather than, as is claimed, everyone, everywhere?” (Harvey, 2006, 146).

This examination will begin by outlining the major theoretical considerations including the central concept of this work -- neoliberalism. Following the theoretical section is a chapter on practical methods, including the justification of my case selection. Chapter Four introduces key contextual information necessary to understand West Bengal’s recent political history, emphasizing how important land acquisition is in the politics of the region. Chapter Five gives more detailed information on Rajarhat and the objectives of the project, focusing on the project’s conception. The next two chapters carry the majority of the argument burden. Chapter Six is organized by different elements of neoliberal critique, following each of Harvey’s four pillars for understanding processes of neoliberalism (Crisis Management, Financialization, State (Re)Distributions, and
Privatization) and adapting a critical question from his 2006 article, asking “Who is New Town Built For?” Chapter Seven looks at how other development objectives, such as environmental protection and democratic participation, were subverted for the purpose of neoliberal advance. Importantly, this chapter shows how this is not a case of “Planned Urbanization through Public Participation,” as Mitra (2002) claims. It is important to recognize that these sections overlap, and the connections will be noted throughout. The concluding chapter offers insights into the obstacles this project will continue to face, and explains how neoliberalism in West Bengal has taken on a unique form - both aggressively state-led and tailored to contextual political realities. Each major contention is juxtaposed with my observations from media, government documents, and over 300 interviews with actors sharing some degree of involvement or observation of the acquisition or its impact.

CHAPTER TWO: Key Theoretical Concepts: Approach and Theory

II. i) Justifying and Defining Neoliberalism as a Lens

In 1991 India faced both a massive federal deficit and a severe current account deficit, and few would dispute that economic crisis was immanent. Prior to this point the Indian economy had been relatively state-led, with numerous government agencies weighing in on even small-scale production decisions (the ‘License Raj’ system). In response to this emergency, the federal government of the time sought assistance from the World Bank and International Monetary Fund, who offered assistance conditional on typical Washington Consensus style controls, including the elimination of the License Raj and reduced state intervention in the economy (Walker, 2008). It is extremely important to note how the role of the state has changed in the post liberalization period.
The role of the state today is significantly different than it was just twenty years ago, when the government operated on a largely state-based model. In the South Asian context, the growth of cities is inextricably linked to this context of liberalization. One of the major reasons for the selection of neoliberalism as a theoretical perspective in this piece is because so much of the political debate over land acquisition in India is directly related to neoliberalism and development.

Neoliberalism has been described in many ways, and this of course presents dangers in using the term from one context to the next. This could lead to confusion, or it may lead the term to become conflated and all encompassing, essentially rendering it meaningless. Thus, it is important to describe this polyvalent term, to make use of thinking of it in relation to the specific context in which it is used (Ferguson, 2009). First, it is important to distinguish neoliberalism from liberalism. According to Ferguson (2009, 172), liberalism seeks to balance two related but distinct spheres and some examples he provides are: “the state and market,” “public and private,” “the realm of the king and the proper domain of the merchant.” Essentially, with liberalism, there is a shifting line between the role of state versus the role of the market. In contrast, the line between the public and private sector becomes blurred when we talk about neoliberalism. Rather than developing a stark line of who has what responsibility, the two works together in many respects. Neoliberalism allows for the government to develop practices in the private sector through subcontracting, or bringing similar practices in the public sphere itself. Often the state’s core functions are carried out by private contractors or the state operates by adopting core principles used by the private sector, such as a bottom line mentality where the government is “run like a business” (Ferguson, 2009, 172).
Neoliberalism in the strictest sense refers to a macroeconomic doctrine and usually includes the following key elements: a valorization of private enterprise and suspicion of the state, along with what is sometimes called “free-market fetishism” and advocacy of tariff elimination, currency deregulation, and the deployment of “enterprise modes” that would allow the state itself to be “run like a business” (Ferguson, 2009, 170).

The policy implications are broad. They include attempts to secure the macroeconomic doctrine through other means. Harvey (2006) argues that neoliberalism as a policy regime is different from the economic doctrine, which if applied in its purest sense, would ultimately lead to a utopian world that of course, could never exist. Neoliberalism has been utilized worldwide as a way to maintain class struggle between the rich and poor through establishing public policies that favour capital holders. Ultimately the poor and working classes have suffered through increasing inequality, insecurity and a loss of public services (Ferguson 2009).

Harvey isolates four main elements of neoliberalism: privatization, financialization, the management and manipulation of crises, and state redistributions. First, a salient feature of neoliberalism is what he terms “the corporatization, commodification and privatization of previously public assets” (Harvey, 200, 153). The purpose of privatization is to allow capital accumulation in fields that previously were run by the government alone and thus were off-limits as a mode of securing profits by the private and class-privileged domains (Harvey, 2006). In India, this entails transferring productive public assets to private firms, and favouring the urban economy. A second feature of neoliberalism includes the post-1980 wave of financialization marked by speculation, predation, fraud, and white-collar financial crime, all marked by deregulation.
of the financial system. Third, the management and manipulation of crises entails the “springing of the ‘debt trap’ as a primary means of accumulation by dispossession” (Harvey, 2006, 154). Here Harvey addresses the deliberative redistribution of wealth from underdeveloped countries to developed ones. And finally, once the state transformed into a set of neoliberal institutions, it becomes a prime agent of redistributive policies, once again sustaining the flow of capital from poor to rich and thus reversing what had occurred in the era of social democratic hegemony. This strikes at the core of this investigation. Roy points out “India’s rural economy which supports seven hundred million people, is being garroted. Farmers who produce too much are in distress, farmers who produce too little are in distress, and landless agricultural laborers are out of work as big estates and farms lay off their workers. They’re all flocking to the cities in search of employment” (Quoted in Harvey, 153-54).

These four pillars will be used to organize the data presented below, though other elements of this section will be applied where appropriate. To summarize, contemporary neoliberalism, according to Harvey, asserts that

“human well being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices…It holds that the social good will be maximized by maximizing the reach and frequency of market transactions, and it seeks to bring all human action into the domain of the market” (quoted in Sharma 2008, 18).

The implication of neoliberalism-as-development is that government focus is diverted from promoting democratic participation, income equality, environmental preservation, and other development goals, to creating a foundation where the creation and distribution of goods and services can be determined by mediated market forces. In other words, it
favours the pursuit of an unbalanced development. This investigation will focus on concerns surrounding the environment and democracy (Singh & Murari 2011). The counter-movements Polanyi (1944, 218-228) would have predicted have been, at least to this point, effectively managed using legal and informal tools. 

**II. ii) Performativity**

This investigation is more nuanced than simply offering an explanation for the vernacularization of neoliberalism in the Indian context. Instead, it aims to gauge and juxtapose neoliberal visions of development with traditional notions of Bengali life. State identity must be understood both within and as a part of this exchange. To a large extent, this study will rely on the stated positions of actors to determine their ideological leanings. This follows in the tradition of Judith Butler, who employs the concept of “performativity” to describe discourses that produce what they describe. "Within a speech act theory, a performative is that discursive practice that enacts or produces that which it names" (Butler 1993, 13). In this case, we are looking for the stated ideological leanings of actors related to the acquisition and construction of New Town. The methodological question then, is not "What type of development do we want?" but rather "How is development understood by different actors and how is this embedded in action?"

**II. iii) Rural/Urban and Urbanization**

Social science literature has commonly relied upon a rural/urban geographical demarcation as a principle filter for analysis. Yet even this basic distinction is

---

contentious. In 2004, the United Nations Economic and Social Affairs Population Division released a report titled *World Urbanization Prospects: the 2003 Revision*. In an attempt to tease out trends in the level of global urbanization, the authors surveyed every national statistical agency in the world asking them what operational distinction they made between rural and urban (111-152). Broadly speaking, the response to this question can be placed in to four categories:

**Administrative:** 109 (89 exclusively)

**Population size/density:** 98 (46 exclusively)

**Economic:** 27

**Infrastructure:** 24

A plurality of countries used the administrative criteria exclusively to demarcate urban/rural areas, but presumably other factors went into determining the administrative outcome. However, some clues may be derived from the breakdown above. Clearly population size and density are common ways of making the distinction. The economic criterion is often merely constituted by the percentage of the labour force engaged in agricultural activities. The infrastructure criterion often refers to whether certain major structures are in place, such as paved streets, water supply, or electricity. Hürriyet G. Öğdül’s recent literature review points out that the diversity of definitions, both practical and academic, makes it impossible to set a universally acceptable bounds for each category, and that definitions are typically adapted for the purposes of policy and academic study (Öğdül, 2010). He cites an early article by L. Wirth who sets three

---

criteria for an urban area: size, density, and economic heterogeneity. This is an intuitive
definition that has use even today: rural areas tend to be larger with low population
density and are primarily agricultural in nature. The distinction between Kolkata and
Rajarhat is well served by this definition, so for sake of simplicity this early (but vague)
definition will suffice. Other scholars have recently adopted a similarly simplistic
definition for purpose of clarity (See Maiti and Agrawal, 2005).

Current trends indicate fifty-percent of the world’s population live in urban
centres, whereas less than fifteen percent lived in urban areas in 1900 (Nair, 2009). Most
of this growth has occurred in low- to middle- income countries, constituting the vast
majority of the world population (Nair, 2009). While urbanization is seen across the
world, it has particular importance in the Indian context. This is especially the case in
post-independence period (Maiti & Agrawal, 2005). Since India’s independence, more
people have migrated from rural to urban areas to pursue better opportunities. Although a
greater proportion of the population still resides in rural areas, its urban population in
absolute terms is high (Bhagat & Mohanty, 2011; Maiti & Agrawal, 2005). The urban
population in Indian cities is projected to grow to 500 million over the next 50 years
(Revi, 2008). The explanation for these migratory patterns is rooted in several factors.
Among them is the rapid transformation of India’s economic growth strategy, which now
embraces the transformation from being a producer of farm based exports and domestic
supply to an economy that emphasizes knowledge based prosperity and the production of
tertiary and secondary goods. This entails a macro-structural transfiguration of land-use
patterns favouring commercial and industrial over agricultural utilization (Murty 1996,
As we will see in the case of Rajarhat, the government vision for development also entails a shift from “dirty” industries to “clean” ones.

Megacities such as Kolkata often play a significant role in the economic development of a country, with natural opportunities for employment and investment, and other inherent advantages of being resource and information hubs. Kolkata, and as this paper will show, Rajarhat, is increasingly becoming an employment hub for the very richest of people, particularly those in the IT sector. Indicators show that populations in megacities are generally better educated and have higher incomes when compared to the rest of the country, though these centres may also suffer volatile fortunes (Chatterjee, 2010). However, urbanization also creates problems with unmanageable complexity. The urbanization literature highlights the resulting unemployment, crowding, congestion, pollution and social stresses less evident in rural areas (Jones, 1991). The harsh reality of the city of Kolkata includes high rates of poverty, high population density, shortage of resources, and infrastructure shortfalls among other challenges (Roy, 2011). This paper will draw particular importance to what is becoming a worldwide difficulty for large cities: to fill the housing shortage resulting from overcrowding and dealing with problems of maintaining the farmlands as well as rural livelihoods and agriculture. The rise in population has increased demands on municipal authorities for adequate service delivery. India’s dramatic urban growth makes future planning difficult, but there are other factors causing planning problems. Ananya Roy points out that increasingly the private sector is taking responsibility for building the infrastructure it needs to be successful. This has resulted in a “splintering of cities” with disorganized, slow planning (Roy, 2009). In Rajarhat, Public-Private-Partnerships (PPPs) (also known as joint ventures) have
established a prominence especially in the real-estate market. This shared venture is the dominant means of financing the delivery of infrastructure and the development of commercial/residential real estate.

**II. iv) Peri-Urban**

While these problems hinder growth, immediate solutions are not forthcoming. The true constraints to continuous growth lie in the enclave developments of Kolkata’s rural edges (Roy, 2011). Recent scholarship has noted the existence of a new spatial category for the purposes of analytical exploration: the peri-urban area. These peri-urban regions are generally informal areas that remain undeveloped (beyond for agricultural purposes) and lie on the perimeter of big cities, immediately adjoining the urban area. They usually constitute areas that were previously designated for activities such as agriculture/fishing, and often are still driven by industries more commonly found in primarily rural than urban areas. Peri-urban lands remain predominately rural but are increasingly subject to industrialization as they are generally re-designated for new purposes. What is particularly unique is the ways in which the Indian state has used the informality of peri-urban land tenure as a means of facilitating neo-liberal development around large cities like Kolkata. This paper will examine this by looking at the previously “peri-urban” area of Rajarhat, and how it was re-designated to become a new township.

Although vast quantities of land have been acquired for industrial/commercial purposes, Rajarhat remains highly peri-urban because the local people are still farming much of the area. Thus, given the increasing growth and development that has taken place, evolving relations of power in these peri-urban fringes are worthy of study. What is critically important is to understand how land acquisition/compensation politics plays out in these
areas. An examination of conflict over land use would be of specific importance in these particular areas.

*Prima facie,* the New Town in Rajarhat does not seem like a peri-urban area. There is no universal consensus on the definition of “peri-urban.” However this paper sees the *ad hoc* nature of development on the fringes of metropolitan areas as a defining element of these areas. As a planned city, this would appear to disqualify Rajarhat from the definition, though as some scholars have pointed out terms such as “peri-urban” or “suburban” tend to be contextually sensitive (Leaf, 2011). The usefulness of applying this category can be found in its principal temporal mode, its transitory focus. In the case of Rajarhat, much of the planning from the Master Plan has yet to be implemented and as will be shown, what was once assumed to be inevitable in the region is now being questioned.

Importantly, it is in these peri-urban fringes that the state often uses its sovereign power to arbitrarily alter use and acquire land for self-interested purposes. For example, often the state will convert agricultural land for urban development, violating its own bans against such land use conversion (Roy, 2011). Integrated into a system of global capitalism, through the ‘reform’ of liberalization, the urban crisis in Kolkata is produced and managed by the logic of planning and governance. Both the elite and the poor use informal means to exert influence on land use policy. However, a double standard is applied: informal channels used by elites are subject to government legitimization, whereas similar tactics used by the disadvantaged are cast as illegitimate (Roy, 2011). The neo-liberal ‘reform’ of Kolkata, which purports to establish formalized urban development, has instead facilitated deep informality with arbitrary rules used by urban.
planners. What this means is the state’s use of informality is often legalized, while other actors are criminalized for utilizing similar methods. For example, the state has violated its own bans on conversion of agricultural lands for urban uses but used territorial flexibility to legitimize its actions (Roy, 2011). Thus, the logic behind Kolkata’s growth strategy continues to marginalize the poor who have little choice but to live in the fringes of urban areas and perform casual labour, such as construction work or domestic service to survive (Roy, 2011). This marginalization continues to exacerbate the potential for growing income disparity, fostering class-based cleavages.

CHAPTER THREE: Methods

III. i) Origins of Thesis Research
The origins of this thesis come from two distinct and complimentary components. First, this thesis is a contribution to a larger project headed by Dr. Craig Johnson with a grant from the Social Sciences and Humanities Research Council. In its early stages, the research explored the politics of migration, sovereignty and citizenship in the context of forced displacement and climate change. In this first component, my initial contribution was to uncover literature in relation to the topic area. Later, my thesis would aid his project in a more meaningful way through the exploration of a specific case study. This will serve as a starting point for Dr. Johnson’s larger project. Second, this dissertation is to complete my Master’s Thesis specifically in the area of urban development in West Bengal, India at the University of Guelph, in the Department of Political Science. It has received funding through an Ontario Graduate Scholarship.

My research case study called for a more independent development of a related topic that would fit within the larger project at hand. For this component, I chose a focus on
issues related to development of peri-urban agricultural land for residential, commercial or industrial purposes. In particular, I wanted to focus on policy communities and the conception and execution of development induced displacement. The initial purpose of my independent study was to document how and if governance structures accommodate the views of the landless marginalized communities, with a particular focus on the vulnerability of small-scale farmers. This would align with a broader research agenda self-consciously providing practical and theoretical insight into the democratic potentialities for large-scale land conversion. As will be discussed later, my focus changed slightly once entering the field.

There were two potential ways to bring my study on land acquisition and urbanization forward. One would be to do a local community based study, surveying and interviewing those directly impacted. The second would be to do a more macro-level study looking at the policy actors involved in the decision making process and whether or not there has been inclusion of the poor. I decided to focus my attention on the latter to better understand how the government of West Bengal was able to successfully initiate a specific model of development. I chose this course partially because of the contacts I developed at some of the highest levels of the current ruling Trinamool Congress of West Bengal and my access to other elite interviewees. I obtained privileged access to certain government documents, and this allowed me to form insight on the logistics of the planning process that went beyond my original intent. Farmers were still interviewed, but so were many other actors in the policy development process, including high-ranking politicians, bureaucrats, judges, and academics. This allowed for a more comprehensive preliminary exploration.
**III. ii) Site Selection**

The topics I wanted to study were prevalent in many countries, but given constraints on time (since this is part of a two-year MA thesis) and resources (limited funding) I decided it was necessary to focus on a particular country. India is soaring in terms of economic growth and geopolitical importance, but also faces regionalism, class warfare, and other daunting development challenges. Liberalization has led to processes (inflation, displacement etc.) that have created new forms of vulnerability for the poor. My case study attempts to unpack some of the political conflicts that have transpired in response to neoliberal reforms.

West Bengal was an obvious choice to focus my attention. The region has experienced significant and visible conflicts since the Communist Party of India (Marxist) reversed its ideological leanings and gradually shifted its focus from agriculture to market liberalization in the mid-1990s. Concentration on this region would help contribute to the larger study whose principle focus was the Ganges Brahmaputra basin, which lies in West Bengal. The state has recently undergone dramatic electoral changes, and state level politicians had particularly vocal positions against the federal government. These changes renewed hope for a change in the style of development West Bengal should pursue. In addition to this, my native-East-Indian heritage is Bengali. Thus, I speak the language fluently, and as a result of my upbringing, have an experiential knowledge of the culture. I realized early on that the advantage of being from the region would help my research through an intuitive understanding of societal norms, my familiar appearance, and my personal family network.
Finally, because I wanted to focus on urban development and poverty, I thought Kolkata would be an ideal location within the region, given it is among the four largest mega-cities in India and the biggest city within West Bengal. The latest version of the United Nations’ World Urbanization Prospects report lists Kolkata as home to a population of approximately 15.5 million people. The anticipated growth of the city has created peri-urban zones of displacement, but there is an acknowledgement that this ad hoc expansion is not a sustainable path, politically or economically. Furthermore, because I wanted to focus on the policy process, I realized I would have best access to different stakeholders involved in the process by being based out of Kolkata.

**III. iii) Justification of Case**

My academic justification for Rajarhat was multi-fold. First, Rajarhat is a case of planned land acquisition and urban development. This is in contrast to most urban expansion in India to date (Bahn, 2009). Since the concept and practice of planned townships are still in infancy, it is important to examine how such development has played out. Furthermore, it is important to evaluate the role planning plays in land acquisition. While initially land acquisition in Rajarhat was a planned development for residential purposes, the nature of its planning has changed over time. The original purpose of developing Rajarhat was to mitigate overcrowding in Kolkata. Later, planning was diverted to meet the needs of the IT, software and other parts of the private sector. In this case, the planning process became an important instrument of a neo-liberal development strategy aimed at reorienting West Bengal’s agricultural economy. As such,

---

it provides an important means of investigating the ways in which urban land planning and governance have changed in the era of neo-liberalism. The conflict with agriculture and rural livelihoods should also be emphasized. While there is a significant amount of literature on other land-dispute cases in West Bengal, such as in Singur and Nandigram, Rajarhat’s coverage in relative terms is miniscule and there is need for further research on the area. Furthermore, while there is a significant amount of literature on unsuccessful/pending land-acquisition cases (such as Singur and Nandigram) in West Bengal, there appears to be little research where the government was able to achieve large-scale land conversion without serious violent conflict. Both internationally and within India, there is a growing tendency to move from using land for agriculture to non-agricultural purposes. This creates problems for those who depend on farming for their livelihood. Though it is worth examining how these individuals are being affected at the household level, there is also a larger policy conflict at play. Rajarhat presents a case where there is an agrarian struggle over the way land gets used and the changing nature of land use as it is increasingly converted for non-agricultural purposes and to support particular interests at the expense of others. In Rajarhat, we see the pressure to support the liberalization of the regional economy through government forced acquisition of lands among government supported development projects in the area, rather than the need to recognize and support the traditional support base in agriculture.

Third, Rajarhat is an archetypical example of how cities are increasingly embracing liberalization. Rajarhat was allegedly planned and designed to meet the housing, industrial and employment needs of Kolkata’s changing economy (Roy, 2011). Governments are feeling increasingly forced to liberalize to compete with other states and
serve a growing middle class, however, this comes at a serious cost. For the CPI(M), supporting liberalization meant conceding their traditional support base in the Bengali hinterland. This created space for the success of a new state power – the Trinamool Congress party.

Fourth, Rajarhat is a test of political accountability on the part of the current government. The TMC had promised they would help the farmers in Rajarhat by pursuing a populist agenda given the failures of the previous regime in that region. Here, I will be able to document the political access of the marginalized farmers and whether there has been a change in access to political advantage, as the Rajarhat project is still developing.

Fifth, given the current political climate, it is a very timely case, offering the opportunity for researchers to contribute to an ongoing policy debate. The use of land acquisition had been discussed in the most recent election with both major parties disputing what Rajarhat represents, and the conflict is currently playing out in both the legislative and judicial process. Land acquisition legislation is currently being revised in West Bengal among other parts of India in light of land conversion conflicts in Singur and Nandigram. Additionally, the current government is caught in middle of a desire to follow through on promises to rural poor while at same time must recognize that it is in a long-term relationship with capital/corporate interests driving Rajarhat and other industrial land developments in West Bengal.

Finally, the limited English-language written work currently available on Rajarhat is just enough to allow me to expand knowledge on the area and verify/falsify the
findings/written works of other writers on the topic. Unfortunately the Bengali literature has been confined mainly independent smaller-scale media sources. Though little academic material has been written on Rajarhat, it is a well-known case among scholars, professionals and the common local people in West Bengal, and likely the only case where I would have access to enough materials and resources to conduct my study without a team of researchers. Therefore, Rajarhat is an example of groundbreaking neo-liberal-themed planned development, large-scale conversion of land, a test of political accountability, a timely case with the opportunity for contribution to an ongoing policy debate, and in need of more English-language academic attention. It serves most of the main propositions of my thesis proposal, making it the most suitable case study for this project.

**III. iv) Research Methodology and Data Collection**

I decided not to finalize the location of my specific case study in advance so I could engage with a number of local scholars and key informants who might help me identify an area I might not otherwise know about from abroad. This strategy worked to my advantage as I was presented with a greater selection of cases that was not necessarily mentioned in the literature to date. Some cases directly related to my selection criteria included Howrah, Nonadanga, East Kolkata Wetlands, North 24 Parganas, South 24 Parganas, and some other remote areas in the North of Kolkata. While a number of the cases presented potential for a viable study, I had decided that focusing on Rajarhat would be the best way to utilize my limited time and resources while fulfilling my research objectives. Based on my case study I decided interviews with key actors would be the best way to move this study forward.
The bulk of my research comes from four basic forms of qualitative data. First, I conducted semi-structured interviews in order to collect data that documents the perceptions of the policy formulators with respect to responsibilities. I documented the ways in which policy-makers perceive their role in the stewardship of peri-urban areas, feelings about rights and compensation requirements for the evicted, how indebtedness to electoral constituencies factors, and where priority should be placed when balancing interests, including those of corporations and NGOs. Elite interviews are an important way I investigated critical arenas to observe the direct processes of policy formulation and dispute resolution. This helped identify what roles and responsibilities the government accepts. The number of interviews was determined by the success in garnering information that relates to the aforementioned research question/sub-questions. The prospective interviewees included key stakeholders found in the literature that may affect the decision-making process. The focus was on conducting elite interviews with key members (such as officials or representatives) of the ruling government, opposition party, private sector and civil society- documenting common themes and sources of disjuncture. Specific emphasis was put on interviewing politicians – including the MLAs in West Bengal, bureaucrats at the state and municipal levels (including Kolkata Metropolitan Development Authority (KMDA); Kolkata Metropolitan Corporation; environment, urban and rural ministries), members of the main provincial political parties (CPI(M) and Trinamool Congress), private companies that may want access to the land (including developers, MNCs or industrial/commercial parties that may be interested), NGO’s along with many other members of civil society (such as political activists). Often, those who are at the lowest level of government can be the most important after a
regime change and will have the best insight on the story of exclusion. Thus, I include interviews of officials at the local level. Though it was difficult to achieve, I also interviewed central bureaucratic figures, all of which remain anonymous in accordance with my research ethics programme. The main purpose of talking to government officials, elite interviews, such as with civil society activists is to develop a better idea of what different claims and rights exist as well as to better identify what the normative role of the government.

Additionally, I interviewed persons who represent the interests of the displaced. This set of interviewees came from a variety of cleavages in the society. For example, I consulted prominent members of civil society organizations, research institutions, and local academics. Essentially, I approached critical actors in the current urban development policy planning process. I also included those actors who have been involved in the past, whose work may have potential impacts even today. Finally, I also interviewed the vulnerable poor who have been marginalized and excluded from this process of urbanization and the development of peri-urban lands (i.e. populations facing eviction as a result of land acquisition processes in Rajarhat). The purpose of the interviews was to identify the role and perceptions and opinions of government, the private sector and civil society. The interviews incorporate questions that will allow us to see whether the concerns of the poor and marginalized are being addressed in terms of land use and industrial/commercial pressure. While this could not be done in a statistically representative way, in combination with other inferential reports I was able to identify the mood and character of the displaced in a rough sense. A full survey of the displaced would serve the literature well.
I had encountered a great deal difficulty in obtaining access to my interviewees because Land Acquisition is a very sensitive topic given the current political climate in the region. It is only because of my personal connections to people in authority (through family and friends), persistence, and the way I conducted research that I was able to interview such a great range of actors and access direct stakeholders involved in the policy process both at the ground level and higher up in the hierarchy. Below is a chart generalizing the types of interviewees and numbers of each type of elite respondent. In addition to the chart below, I have also conducted a total of 30 interviews with vulnerable groups including the displaced and farmers.

<table>
<thead>
<tr>
<th>TYPES OF INTERVIEWS</th>
<th>NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academics (mostly located in West Bengal)</td>
<td>71</td>
</tr>
<tr>
<td>Government Officials (politicians and bureaucrats)</td>
<td>87</td>
</tr>
<tr>
<td>NGOs/Political Activists</td>
<td>36</td>
</tr>
<tr>
<td>Private Sector (representatives of firms, executives)</td>
<td>25</td>
</tr>
<tr>
<td>Legal Workers (lawyers and judges)</td>
<td>31</td>
</tr>
<tr>
<td>Independent Media</td>
<td>20</td>
</tr>
<tr>
<td>Local Writers (located mostly in Kolkata)</td>
<td>31</td>
</tr>
<tr>
<td>Mainstream Press (major journalists)</td>
<td>15</td>
</tr>
</tbody>
</table>
An analysis of public sphere activities is vital to any of the aforementioned research objectives, since media helps define norms that direct individual and institutional activity. For this reason, interview data is supplemented with grey media analysis where appropriate. This research helped identify instances of protest and public posturing of political parties and actors. Fourth, I examine government publications including planning documents, official advertisements, public proclamations etc. (both confidential and public information) that I had obtained through researching and networking in the field. These different methods of data collection are qualitatively different and important to answering my basic research question that addresses the conversion of rural/agricultural land for development purposes. The research design proposes a case study of the Kolkata peri-urban fringe that deals with conflict in land-use. However, it is important to note that the most visible conflicts may also be those from which the most vulnerable are systematically excluded. It must be acknowledged that the specific dynamics of power at the micro-level may be overlooked in some cases for the same reasons that marginalized groups fail to exert influence in the first place.

CHAPTER FOUR: The Past as Prologue

IV. i) Representation and Political Parties

In Kolkata, low-income populations are typically ill equipped to influence policies that might improve their condition because they remain both economically and politically marginal. Instead they must rely on other methods to get their voices heard.
One possible vehicle of representation is through political parties. However, Pal (2008) argues that in the Kolkata context, political parties are not always effective for this purpose. This is because in Kolkata the process of metropolitan planning and decision making has been dominated by one political party – the Communist Party of India (Marxist), or CPI(M). In the party’s early days, the CPI(M) won rural support based on a land redistribution policy that, at least initially, made a serious attempt to recognize farmers as active legal stakeholders. However, the CPI(M) has not always used fair means to consolidate the centralized power base it developed (Pal, 2008). As pointed out by Sanjeeb Mukherjee, the CPI(M) was able to get away patronage appointments and underground violence to exterminate opponents. Mukherjee explains how a journalist describes the former Chief Minister (CM), Buddhadev Bhattacharyya as having a “Teflon coat”, where nothing negative would stick (Mukherjee, 2011). Irregularities in municipal and state elections have been documented both by local and national media reports. The CPI(M) has used informal means and economic stagnation to enhance its powers. Fragmentation and disorganization has marked parties that have tried to run in opposition to the Left Front (Pal, 2008).

The CPI(M) has operated on a largely top-down hierarchical structure and thus has thwarted the scope for effective bottom-up pressures on the system. While the CPI(M) government vocally advocates and has adopted policies for greater decentralization, it remains that grassroots concerns have been limited in the urban planning and land acquisition process. This could be because the orientation and activities of the state are controlled by interests that are opposed to serious decentralization and popular representation (Pal, 2008). Local governments have the
ability to influence the environment under which local civil society action can take place
(Reid et al., 2010). While Pal (2006) agrees civil society can constructively engage in
development challenges facing the state, she argues that the Left Front has restricted this
from happening in Kolkata. She argues that civil society organizations can only be
effective when the political arena allows for this to happen, which has not been the case
in West Bengal. As an example, Pal compares Kolkata to a metropolitan region similar in
some respects, Mumbai, arguing that both have had equally active NGO and voluntarism.
While such civic activism has been apparent in the urban planning regime of Mumbai,
the same cannot be said for the case in Kolkata. Here, the author concludes that citizen
voice can only affect urban decision-making when initiatives from the bottom are given
political space from above. While in Mumbai existing power structures have allowed this
to happen, the dominance of a single party is what made non-partisan civic activism less
possible in Kolkata (Pal, 2008).

IV. ii) The Rise and Demise of the Left Front

The Left Front, with the CPI(M) as their leading partner, came into power in 1977
primarily as a result of an agenda aimed at redistributing land to the rural poor
(Bhattacharyya, 2010). Responding to its primary base, the Left Front initially
implemented many policies favourable to marginal sections of the population
(Chakrabarty, 2011). This included land redistribution policies, offering official status to
sharecroppers and creating a system of electoral local governance to reduce rural
dependence on the local elite and to the rudimentary levels of the bureaucracy. While
early signs of disturbance within the party were visible, in West Bengal the CPI(M)
remained unassailably in power for more than three decades. This was mainly because of
factions in the opposition and public memory of their dealings with the exploitative landlord classes (Bhattacharyya, 2010). Though, the support base of the Left Front remained the landless and marginal sections of society, this support gradually consolidated with the institutionalization of rural grassroots governance through the *panchayati raj* (Chakrabarty, 2011).

However, over the last decade, it had become clear that the Left Front is no longer unassailable in West Bengal. The CPI(M) traditionally trumped the virtues of agricultural development, but later on, the party got caught in a dichotomy of trying to stay true to its traditional communist ideology support base and the contrasting imperatives of a liberalizing India (Chakrabarty, 2011). The Left Front initially staked its legitimacy on protecting the rights of the landless poor, but due to the increasing pressures of urbanization and liberalization, it made critical concessions that undermined traditional bases of support. The pressure to industrialize came as a result of the rapid economic globalization and India’s ever-increasing role as a strong player in the industrial service-sector globalization and the limited growth of the agricultural industry. States like Karnataka (especially the city of Bangalore) and Tamil Nadu (especially the city of Chennai) rapidly became mega-industrialized centres and reaped phenomenal visible benefits as a result. The race to rapidly create industrial infrastructure left West Bengal far behind its competition. Ranjit Sau (2007) argues the difficulty factories are facing in trying to obtain land to set up their factories in India and inevitably feels the need to draw upon farmland. One important note is that the land holdings in West Bengal are among the smallest in India, making it difficult to acquire lands through direct land deals. The CPI(M) government felt pressured to replicate the industrial and associated economic
benefits and successes of other states and ultimately felt it was necessary to stay competitive. It was caught in the dilemma of either strengthening efforts to appease agricultural interests using the redistributive and legal tools of government, or embracing industrial expansion at the cost of its political base.

The Left Front was perceived as abandoning its original progressive agenda aimed at supporting the poor and instead became a vehicle for supporting global and regional capital (Bhattacharyya, 2010). The case that galvanized opposition, serving as a dramatic reversal of CPI(M)’s fortunes, centred around the West Bengal government’s efforts in supporting the Tata group in creating a factory in the peri-urban area of Singur. While the Singur Tata project would bring much needed industrialization to a stagnating West Bengal economy, the selection of this particular site created a deep rift among core CPI(M) supporters. Loud protests in opposition to the redevelopment of Singur’s fertile land became Mamata Banerjee’s vehicle for political resurgence. The predominantly agricultural population of Singur recognized the agenda shift of the CPI(M) ideology and felt suddenly abandoned by a party that they supported for over four decades. The Trinamool Congress (TMC) headed by Mamata Banerjee capitalized on that sentiment and managed to draw support from the rural voter base by promising to compensate returning land to the farmers in the Singur area. The CPI(M) shifted focus to industrialization, urban infrastructure and the urban middle class. The CPI(M) treated its 2004 Lok Sabha and 2006 state assembly victories as a mandate for continued industrialization. While this may have initially paid dividends by garnering new support from urban areas in the 2006 state assembly election, the mass resentment against the CPI(M)’s policies became apparent during their defeat in the 2009 Lok Sabha elections.
In just one election cycle, the CPI(M) went from 26 seats to only 9 seats (Chakrabarty, 2011).

It became clear that West Bengal voters were not completely accepting of the Left Front’s zeal for quick industrialization. Yet the Left Front ignored the growing resentment found largely in the rural agrarian sector. Factions within the party began to emerge as they were trying to redefine the party’s ideological stance within a changing globalized environment (Chakrabarty, 2011). What was particularly consequential was the Left Front’s gravitation towards industrialization and modern development/urbanization. When the Left Front lost most of its support at the rural, municipal and finally state level, the overwhelming popular resentment could no longer be denied. To the party’s surprise, there was a lateral shift in the electoral base, especially in the rural areas of the state. Mamata Banerjee used an agenda based on populism and support for the poor to steal the support usually devoted to the Communist Party. It is worth noting that, similar to the case of Singur, she specifically sided with protesters in Rajarhat, calling for an inquiry by the Central Bureau of Investigation, and six months later won by a landslide in the 2011 election. This historic election marked the defeat of the world’s longest surviving elected leftist government (Bhattacharyya, 2010).

This historical overview of the political turnover from the CPI(M) to the TMC otherwise referred to as the “changing of the guard” help to understand the context and resentment of neoliberalism in the West Bengal agrarian society. It very clearly displays the favouritism towards the agricultural sector. This has significant implications for the Rajarhat case, given that it was originally a zone dedicated to rural peri-urban agriculture.
It is particularly important given the conversion of other agricultural based lands (namely Singur and Nandigram) to non-agricultural purposes in West Bengal were so strongly linked to the political outcomes including party transition. Rajarhat was less visible during the election, but protests with Trinamool involvement were being organized even before the election. The site is an important party symbol, with one local English daily (The Statesman) referred to the township in the run-up to the 2011 election as “the CPI(M)’s showpiece urban achievement during its 34-year long tenure” (“Trinamul lays siege to Rajarhat,” The Statesman. December 9th, 2010. A. 1.).

**Tbl. 1: 2011 Election Results by Party**

<table>
<thead>
<tr>
<th>PARTIES</th>
<th>RESULTS</th>
<th>GAIN/LOSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TMC</td>
<td>164</td>
<td>+155</td>
</tr>
<tr>
<td>CONG</td>
<td>42</td>
<td>+21</td>
</tr>
<tr>
<td>CPM</td>
<td>40</td>
<td>-136</td>
</tr>
<tr>
<td>CPI</td>
<td>2</td>
<td>-6</td>
</tr>
<tr>
<td>NCP</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>FB</td>
<td>11</td>
<td>-12</td>
</tr>
<tr>
<td>BJP</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>RSP</td>
<td>7</td>
<td>-13</td>
</tr>
<tr>
<td>JMM</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SP</td>
<td>1</td>
<td>+1</td>
</tr>
<tr>
<td>RJD</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>JKP(N)</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>OTHERS</td>
<td>7</td>
<td>-1</td>
</tr>
</tbody>
</table>

---

CHAPTER FIVE: Rajarhat’s Objectives and Internal Contradictions

V. i) Rajarhat

Located in North 24 Parganas district of West Bengal, Rajarhat is a peri-urban area that lies between the province’s capital city of Kolkata (about 10 km from the town’s central business district according to Gangopadhyay and Gupta, 2008; 48) and is close to Netaji Shubash Chandra Bose International Airport. Rajarhat is known to be composed of 55 Mouzas (administrative districts), 24 of which have been acquired by the government for the development of a municipality more commonly referred to as “New Town, Rajarhat” and colloquially referred to as “New Town” or simply “Rajarhat”. Rajarhat is actually the name of the greater undeveloped peri-urban area that consists of huge acres of agricultural lands and water bodies, while the New Town Rajarhat project (NTRP) is the area that has formally been acquired and is in the development process. This paper will use the colloquial names of the New Town.

This development of the NTP began in the 1990’s under the leadership of previous Chief minister Buddhadeb Bhattacharya and was the brainchild and carried out by then Housing Minister Guatum Deb. The government has acquired this land for the purpose of developing a satellite city on the Northeastern outskirts of the city. Rajarhat is a continuing extension of the Eastern corner of Salt Lake (Bandyopadhyay, Narayanan & Ramanathan, 3). Adjacent to Salt Lake and separated by the Kestopur canal, the map below (Fig. 1) shows the geographic boundary of the New Town (taken from Gangopadhyay & Gupta, 2008; 48).

---

11Major Rajarhat Activist.
According to HIDCO, the stated purpose of developing this township has been to relieve the population pressure and congestion of the main city, and to provide residential dwelling units for people of every income category. Aside from this stated purpose of residential development, projections for land use also include “a new business district and industrial areas, open spaces, recreational areas, institutional areas and landscaping,” (Gangopadhyay & Gupta 2008; 48).

**V. ii) HIDCO**
HIDCO, is a state-run corporation of the West Bengal Government and the development authority of the New Town Project (NTP).\textsuperscript{12} Originally, the planning was supposed to be done by the KMDA, but due to internal political tensions involving power struggles that are not entirely clear, it was moved into the Department of Housing.\textsuperscript{13} Gautum Deb (a former politician), the previous Minister of the Housing Department was the Chairman of HIDCO. With the changing of the guard, the position of HIDCO Chairman would be occupied by the permanent secretary of the Housing Department.\textsuperscript{14} HIDCO is an autonomous planning and development government body that has been created specifically to administer the development in the NTP. It gave the government significant power over the planning and development process, while keeping an arm’s length distance from the process. This body also legally controls most of the land in the Rajarhat Township.

The planned township is currently divided into four planning units: Action Area (AA) I, II, III and IV. AAI and AAII have been undergoing significant visible development, whereas physical development is yet to be seen in the other areas. HIDCO is authorized to oversee the development of all infrastructures within these jurisdictions such as roads, drains, sewerage lines, water supply lines, major beautification works and other related major works according to a master plan.\textsuperscript{15} This master plan includes developing six-lane highways, sewer systems, water and electric supply systems, planting trees, preserving lakes, building parks, bus stations, gas stations, markets and more.\textsuperscript{16}

\textsuperscript{12} Rosedale Website http://www.rosedalenri.com/FAQs_Property.htm
\textsuperscript{13} Government Official
\textsuperscript{14} Government Official
\textsuperscript{15} NKDA website http://www.nkdamar.org/Pages/FAQ.aspx . Last accessed May 2012.
\textsuperscript{16} Rosedale Website
HIDCO is tightly controlled by a twelve-member Board of Directors. Given the board is composed of high-level government officials this demonstrates that the state is actively governing the acquisition of land for a neo-liberal style of development.

**V. iii) Objectives of New Town**

According to insiders, the vision of the New Township started with then Housing Minister Gautum Deb, who carried significant sway with the CPI(M) government and had an openly close relationship to then Chief Minister Jyoti Basu. Deb felt that the population density across India, and particularly in Kolkata was creating serious issues related to housing. While Kolkata was getting congested, as an attempt to decongest, he had helped set up the peripheral township of Salt Lake. But, even so, he found that even Salt Lake was becoming increasingly congested. Therefore, he felt there was a need for a new township located in close proximity of the main city, preferably on the satellite. Deb felt this vision could help relieve the congestion the main city of Kolkata was facing. He also knew there was no easily acquirable land available to make this township, thus he circled the entire Rajarhat-area by bike and observed that it was completely undeveloped and approximately 10 km from Kolkata. He found the area was a deserted land, and it was very difficult for people to get to the area. He took satellite pictures of the area and found it was basin low-lying land. According to a census report, the area was a low-yielding area, with little visible water, and thus few paddy crops.

---

17 Rosedale Website
18 Basu was “once considered Deb’s mentor” and Deb initially attempted to name New Town after the former CM. *The Telegraph*. “Slap in Deb’s face as Manab returns plot,” Aug. 27th, 2010. A1.
19 Senior Retired Hidco Official
20 Senior Retired Government Bureaucrat 4
21 Senior Retired Hidco Official 2
22 Senior Retired Government Bureaucrat 4
23 Senior Retired Hidco Official 6
The reasons for Deb’s site selection of the Rajarhat Township were basically twofold. First, he felt there was no other area large enough for the township he envisioned to be made given the projected population of the area would be so large.24 With the current pattern of urban sprawl, South Kolkata was becoming totally chocked, and there were few places left for development to expand. It was clear that people had to move into another area, and given the Salt Lake was becoming increasingly congested25, it did not come as much of a surprise that the adjacent area of Rajarhat would be an ideal place for further expansion.26 Second, (and as mentioned in the previous section) the township would be in close proximity to the main city (10-12 km from Kolkata) and (4 km from) Salt Lake while still remaining relatively close to the airport.27 Kolkata is the only airport in India where there is land to expand the main city.28 Therefore, this area had a locational advantage.29 These factors would allow support for the projected population of the area, residential features, commercial facilities, infrastructural facilities, important financial facilities, IT complexes and medical facilities all unique and in many cases superior to those found in the rest of West Bengal. However, subsequent questions were raised about the criteria being used to select the site. For instance, one government official working as a town planner for the KMDA commented specifically on Deb’s selection process for the New Township. He mentioned that generally there is a large set of criteria that should go into deciding where to build a township. This included a comprehensive environmental assessment, with weight given to the area’s ecological role

---

24 Senior Retired Hidco Official  
25 Most interviewees had mentioned the successful expansion and development in Salt Lake, and I had personally seen this with my own eyes when I was in the area as well.  
26 A Person Who is Authorized to Speak on Behalf of the Vedic Village  
27 Senior Retired Hidco Official 5  
28 A Person Who is Authorized to Speak on Behalf of the Vedic Village  
29 Senior Retired Hidco Official
in the region, the availability of resources, and the degree of cooperation expressed by the indigenous population. He felt that Deb had completely ignored those set of factors, and basically made a decision based on the proximity to the airport and the main city. Commercials funded by HIDCO advertising for the New Township substantiate this claim by highlighting these facts as reasons to move to the area in regular advertisements in English dailies.

The objectives outlined in the initial Master Plan of 1995 go into further detail.

The following is taken from the “Executive Summary” of the development objectives of New Town as written in the hard copy of the original the Project Report by HIDCO:

i. To generate new areas for absorbing future metropolitan growth by creating a New Town providing residential facilities for a population of about 7,500,000.

ii. To establish a New Business District for complementing and implementing the metropolitan level functions of the Central Business district of Calcutta.

iii. To provide land for setting up of non-polluting, inoffensive and non-hazardous industries in the area.

iv. To control and protect the new grown unplanned existing settlement areas from flooding and drainage congestion by creating new drainage channels, large water reservoirs/lakes and water bodies within the Project Area.

v. To prevent unplanned growth of settlement in presently vacant areas by providing planned infrastructure facilities for sustaining the residential and business activity.

vi. To provide new areas for setting up regional level centres of community facilities.

---

30 Senior Town Planner KMDA
vii. To provide an environment friendly and aesthetically attractive new urban settlement functionally integrated with the future metropolitan structure

Already from these objectives we can see how the project had explicitly neoliberal leanings - particularly the replacement of formerly agrarian land with another business district. The second stated objective “To establish a New Business District for complementing and implementing the metropolitan level functions of the Central Business district of Calcutta,” is a clear example of a commitment to financialization as Harvey put it. At this point it is also worth taking note of the first objective, which is “To absorb future population growth.”

It would appear that there has been a gradual shift in the purpose of the project from the first objective to the latter objectives. A more recent justification of the New Town project (NPT) issued from the government is succinctly expressed in an advertisement aimed to attract high-income groups to the region. The introduction begins:

“the 300 year old city is bursting at its seams. Congestion. Overused infrastructure. And a burgeoning human population./It was thus felt that an area should be earmarked that could evolve into a city of the future. A place close enough to Kolkata to take away some of its load, and yet that would be self-sustaining, planned, eco-friendly and complete./Thus was born New Town. The future of all cities” (New Town, 2010).\textsuperscript{31}

This shift in vision is reflected in the planning documents used by HIDCO. The HIDCO Master Plan of 1999 and 2006 shows differences in zoning intention. First, recall that Rajarhat was initially intended as a population release pressure valve for Kolkata. For this reason, 50.6% of the total area of New Town was allocated for residential purposes in

\textsuperscript{31}HIDCO. Pamphlet distribution. “New Town: What Every City Aspires to be!” No date is on the document. Given the level of project progress the pamphlet indicates, we may guess circa 2002.
1999. However, by 2006, this decreased to 38%. The other major differences occurred in
the information technology, commercial and institutional zones which were initially
allotted 0%, 4.6% and 0.7% respectively. The total allotment to these zones increased to
22% in 2006 (FICCI, 2005, 4). There may be a number of explanations for this change. In
a recent interview with the Economic Times, HIDCO Principle Secretary Debashish Sen
identified unplanned investment as a major impediment to efficient planning of the
township. It may be safely assumed that unplanned investment means investment by
private entities to develop land on the fringes of government owned land, on enclaves of
land that the government does not control, or illegal development in contravention of
planned zones. However, these specific sectors (IT, commercial and institutional) do not
particularly lend themselves to unplanned investment, suggesting that the true reason for
this change in trajectory was a change in the vision of the project. Increasingly, Rajarhat
bears more than the burden of potentially releasing Kolkata’s population pressures, and is
also raising hopes for a new era of economic revival in West Bengal. New Town was a
flagship development for the CPI(M), used in many of their promotional materials. It
served a political purpose as a symbol of the party’s success at fostering economic
growth.

CHAPTER SIX: Application of Neoliberal Critique

VI. i) Who is New Town Built For?

Though Rajarhat was intended to have a large resident population from all classes,
residential development to date has focused on providing accommodation for the upper
classes.\textsuperscript{32} This may indicate that the interests and desires of the elite may in fact

\textsuperscript{32} Senior IAS officer 3
supersede the farming communities who originally occupied such lands (Bose, 2007). HIDCO has taken pains to promote the multi-class nature of New Town.\textsuperscript{33} Significant areas have been sectioned off for lower income groups, land-losers, ex-servicemen or widows, serving defense personnel, members of para-military forces, physically handicapped persons and minorities. However, the level of inclusiveness may be less in reality when considering the process through which this disadvantaged classes must apply.

For lower income groups, a New Town pamphlet released by HIDCO relatively recently in 2011 states that an applicant’s household income must be below 4,500 rupees per month in the case of Type A and Type B dwelling units and 5,500 rupees per month in the case of Type C dwelling units. However, showing proof of income is a significant hurdle for many of those working in the informal sector, which constitutes a large portion of the laboring classes in West Bengal. For example, one developer told me she knew a man who fell in the lowest income bracket who had applied to her directly for a property, but was denied because he did not have the proper documentation to prove his status.\textsuperscript{34} In this case, the developer mentioned how she was forced to sell that same particular property to a person who actually fell into a higher income category, but was able to provide the necessary documentation to prove that he was in a lower income category. This displays the limited ability of the poor to engage in certain formalized policy communities.

In order to carry out development of the township, the government had linked itself with private sector partnerships. These came to be known as Public-sector Private-sector partnerships.

\textsuperscript{33} Very Senior official at HIDCO.
\textsuperscript{34} Subsidized residential developer
Partnerships (PPPs) where public infrastructures and services would be partially financed with private capital. In these situations, the government would sell the land for development purposes to the private sector, and they would jointly carry out the development process. The profit between these partnerships would be split 49% for government and 51% for the private sector. For the purpose of providing housing to all income brackets, the Left Government tied up with 5 private developers. Each one of these developers were named “Bengal + name of the private organization”. Each organization was given a Western name. Every PPP is obligated to have all three-income groups, because they bought the land at a subsidized rate. Fifty-percent of the housing in these complexes were reserved for High Income Groups (HIG) while the remaining fifty-percent was divided between Middle Income Groups (MIG) and Low Income Groups (LIG). Even when taken at face value, these quotas cater to the economic elite, and this is especially true when we look at the KMDA’s own figures illustrating Kolkata’s income stratification shown in the chart below (Tbl.3). It is hard to understand how the government of West Bengal expects to alleviate congestion in Kolkata by allocating 50% of the available housing in Rajarhat to 2.9% of the problem.

**Tbl. 3: Income Division in the City of Kolkata**

<table>
<thead>
<tr>
<th>Economic group</th>
<th>KMDA classification</th>
<th>Monthly household income (Rupees)</th>
<th>% of households in CMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economically weaker section (EWS)</td>
<td>Up to INR1999 (US$44)</td>
<td>27.4</td>
<td></td>
</tr>
<tr>
<td>Low-income group (LIG)</td>
<td>INR2000–4999 (US$44–US$110)</td>
<td>53.3</td>
<td></td>
</tr>
<tr>
<td>Middle-income group (MIG)</td>
<td>INR5000–9999 (US$110–US$220)</td>
<td>16.4</td>
<td></td>
</tr>
<tr>
<td>High-income group (HIG)</td>
<td>Above INR10,000 (US$220)</td>
<td>2.9</td>
<td></td>
</tr>
</tbody>
</table>

---

35 IAS officer who worked on issues related to Rajarhat
These PPP housing developments would have a cross-subsidy element so that prices for the lower and middle class would be regulated by setting a bidding limit that no bidder can go beyond. Those who fell into a lower income bracket would be subsidized and those who fell into the higher economic brackets would be charged market rate. The LIG was fully subsidized, the MIG was fully subsidized and the HIG had no subsidies.\(^{37}\) The breakdown of the income groups is based on the amount of money an individual makes per month as follows: LIG below 10 thousand rupees, MIG between 15-25 thousand rupees and HIG is above 25 thousand rupees.\(^{38}\) The real profit would come from HIGs, since LIG and MIG housing was subsidized.

In order to qualify for a LIG or MIG residence, you would have to have a certain annual income and prove it through specific criteria. The criteria involved proof of address and a bank statement. The problem with this system is that many people who are from the lowest economic reigns of society do not have either a formal address or bank account. This made the preconditions for LIG housing severely flawed. One developer mentioned she handled 10 projects for MIGs and LIGs. Out of the people who lived in housing classified for MIGs and LIGs, only 10% are actually in those groups. For example, she mentioned one of her LIG clients driving around in a Scorpio – a typical middle-income car that a typical LIG person would not be able to afford. She did not terminate his contract due to the red tape involved with legal hazards, as is the case with many other people living in LIG housing, but actually belonging to a higher economic

---

\(^{37}\) Official Related to a Government Housing Development in Rajarhat

\(^{38}\) Official Related to a Government Housing Development in Rajarhat
class of people.\textsuperscript{39} The HIG complexes were sold within 3 months of being put on the market (before construction even began). When private companies not in joint ventures bought the land out straight from the government, they bought the land at market value (two of the largest companies include DLF and Unitech). Because these private companies bought the lands directly from HIDCO, there were no preconditions on who they must sell to, and thus they mainly sold to those who were in the HIG.\textsuperscript{40}

In the New Town area of Rajarhat in particular, sharecroppers who lost their livelihood likely would not have a formal means of proving their income status to apply for lower income group housing. (That being said, they may still be eligible for resettlement and rehabilitation). The pamphlet also explicitly recognizes the role of nepotism in allotment with a special note under the eligibility criteria stating, “preference in allotment shall be given to applicants who are employees/beneficiaries of State/Central Govt., PSUs, local bodies and other State-aided institutions, PSUs, local bodies and other State aided bodies may also apply on behalf of their employees/beneficiaries.” The pamphlet also specifies that approximately 5% of land allotted was given through the chairman’s quota which had no transparent selection criteria except at the discretion of the Chairman and Board of Directors.

Originally, Rajarhat did not have any problem of dispensing land. However, at one point in time, there has become a pent up demand for land. The desire for land in the area became so desirable that the township was getting more demand than it could actually give.\textsuperscript{41} The people who are currently buying residential properties in Rajarhat typically own at least one, and in many cases several other residential plots already. Some potential

\begin{itemize}
\item \textsuperscript{39} Promoter from one of Five PPP Organizations
\item \textsuperscript{40} Ibid.
\item \textsuperscript{41} Retired Senior Official KMDA
\end{itemize}
uses of the property include weekend vacation house, marriage gift for children, or long-
term investment with the plan of selling the property in the future. Many people who own
properties in Rajarhat are confident that the New Township will be economically and
socially better allowing for a better standard of living.42 While currently people still do
not want to live in their Rajarhat properties, down the road, people will likely not want to
live in anywhere but Rajarhat.43 Given this is a common attitude of those who currently
own property in Rajarhat, the displacement of farmers in Rajarhat to build a township
does not fit under the right to shelter act, nor does it serve the purpose of providing
residential property to those who otherwise do not have it. Instead, in both conception
and execution, it seems to be further servicing the demands of the growing middle to
upper echelons in West Bengal.44

**VI. ii) Crisis or Problem Management and Financialization**

The financialization aspect of New Town is perhaps the most obvious, given explicit statements from HIDCO promoting the township as India’s second financial hub (see Ph. 1 below). However, the financialization in this project does not stop there. The transfer of ownership from farmers and the anticipation of a large modern city has created a booming market for land in the Rajarhat area, even though many plots to date have been awarded by lottery. In particular, applications for high-income housing have far outpaced available openings. Prices have gone up hundreds of percent since the acquisition began. In an interview with Rishi Jain, director of the investment company Jain Group, had this to say about the real estate market in the area today:

---

42 Former Journalist and Government Bureaucrat in Utilities  
43 Senior Official at the Bengal Chamber of Commerce  
44 Environmental and Legal Activist
“The present day scenario of Kolkata is very clear; Rajarhat continues to be among the hottest real estate markets of the country. Rajarhat definitely is one of the most prominent areas as most of the real estate developers are investing in Rajarhat even today. In fact, going by recent auction prices announced in the media about Rajarhat, we can safely deduce that a lot of multinationals and individuals see huge potential waiting to be unlocked in the area. We can safely assume property returns, well above the 35-40 percent bracket in Rajarhat over the next couple of years.” (Laha Roy, 2012)

The inauguration of New town as an “International Financial Hub,” as of this date featured on the front page of HIDCO’s official website.  

If New Town has not been planned to logistically satisfy the first objective of its creation, to serve as a population release valve for the vast majority of those dwelling in Kolkata, than why was it built? Interestingly enough, Harvey may have an explanation for that as well. Recall that he advances “the management and manipulation of crises” as a pillar of neoliberalism (Harvey, 2006, 154-155). Here he is referring to the capacity of governments or international agencies to seize upon crisis as a time for neoliberal expansion. While not a crisis, Kolkata has been struggling with overpopulation since the  

45 This picture was taken from the HIDCO official website: www.wbhidcolt.com/image/FH_1.jpg. Last accessed December 23rd, 2012.
pre-independence period, resulting in visible problems such as choking air pollution (Dandyopadhyay, 2012). It would appear that the government of West Bengal is “managing” this problem to achieve predetermined goals. This would also explain why so many officials I spoke with informed me that nothing short of a direct court order would have stopped the acquisition after it suddenly began in 1999.

The previous sections highlight conflict within the bureaucracy. Generally speaking, some formal planners were in opposition to the project for technical reasons. The first group promoting the selection of Rajarhat based their decision on a “shallow” selection criterion that violated all sorts of formal planning principles. The brief history explained (from the first documented though of development in Rajarhat) above exposes a dialogue going on between different actors. More importantly, it highlights the fact that the area was selected on the basis of false and misleading information. The first policy group is represented by the Chairman and related interested parties. The actual selection of Rajarhat was based more on its proximity to the airport and city of Kolkata than any other factors. This advantageous location is often highlighted in newspapers and television as a way to entice residential, commercial and industrial activity into the New Town. On the other hand, this has led to criticism from professional planners who do not see the logic in the selection of the Rajarhat location. One senior urban planner from the KMDA explains how the selection of this site defied proper planning principles. He argues how if there is a substantial decision of a logical way to select a site for development, it was definitely downplayed or ignored during the development of Rajarhat. This planner argued that of the approximately twenty plus potential criteria that professional planners use to determine where to develop a township, Rajarhat fulfilled
perhaps a couple. Some examples of proper planning principles include proper township planning, economic and social development goals, construction of infrastructure, water distribution, providing security services including policing and fire personnel, protection for the most vulnerable groups (including economically, socially and physically), prevention of environmental degradation, prevention of poverty providing proper health care facilities among many others. The senior planner argued while HIDCO argued they were fulfilling some of these criteria, they did not appear onto the radar until much later on and they have yet to do it adequately.

Later on this paper will present additional evidence of historical and interview data of a conflict between those who have responsibilities about the environment, and the way in which Rajarhat was developed in void of such concerns. This is apparent in the documents and information given above outlining the distaste for the Rajarhat development based on environmental grounds such as letters from the Department of Fisheries, the fact that the state knew it was filling in water bodies, yet was misleading the process by suggesting the land was vacant. It was very clear from the data presented that HIDCO was coming up with creative ways of dodging major arguments against the township.

Support for the development comes from specific groups or individuals that recognize that the posh features the new township will feature represents a western form of development that otherwise does not exist in Kolkata. Athique and Hill (2010) explain how increasingly the expansion of luxury residential units essentially serves the upper classes in India. Therefore, these affluent groups essentially become the beneficiaries of policies and planning put forth by the new city. This can be better understood by looking
at multiplex developments taking place, including the expansion of luxury shopping
malls and retail chains only affordable to particular classes (Hill, 2010, 2) as well as
industries that mainly employ individuals with a very particular educational background
(again not affordable to the average Indian parents). Thus, in many ways it is a
modernization that caters to specific privileged groups, such as rich Bengali elites or
NRIs. For example, in Kolkata, the city does not allow for high-rise condominium
developments without very specific conditions such as requiring certain ventilation
standards. However, in Rajarhat, the wide roads and open spaces allow for this modern
form of development to take place without such standards.46

HIDCO and the West Bengal Housing Board have released a number of
commercials promoting the Township. An examination of these commercials, on
television and in print, gives insight into the vision behind the project and also the publics
it intends to attract. This is yet another role which HIDCO is trying to play, by
promoting and marketing the township for commercial development. It is not difficult to
find commercials where the only language spoken is English. These commercials tend to
emphasize the luxurious Western/globalized nature of life in the township through
marketing of things such as large condos, accessibility to amenities, cultural hubs,
educational and technological facilities etc.47 Such new luxury projects are often
marketed with a global aesthetic, and are typically promoted to local elites, and overseas
Indian communities, both of whom are often looking for an international identity. A
recent foldout advertisement in Calcutta Times exclaims the allure of high-rise living:
“Modernist, posh, edgy and geared with every letter of technology. It’s like living in a

46 Builder in Rajarhat
47 FICCI Challenges of Urbanisation: Role of New Town Kolkata
cushy condominium in New York.” Such international development projects help Kolkata to regain its glory as a “world city” (Bose, 2007). A survey from “Challenges of Urbanisation: Role of New Town, Kolkata,” indicates there has been an increase in the population of languages other than their mother tongues in Kolkata. Between 2003 and 2005, the increase in the English speaking population in Kolkata was by far the highest at 150% (FICCI, 2005, 36). It is not necessary to assume that economic liberalization and westernization are inseparable. However, it appears that development as envisaged by the government of West Bengal and HIDCO necessarily involves an incorporation of a style of liberalization that is in some ways inherently Western. Increasingly it appears the “new” Kolkata, being expanded into the eastern fringes of the city is being built with high-tech industries, foreign investment and conspicuous consumption (Hill, 2010, 12), all in favour of trying to live a Western lifestyle without having to go abroad. This so-called “Western design” also emulates the architecture, aesthetics and urban design principles of Western suburban development. Hill argues while this may make this space more desirable to the upper and rising middle classes, such modern developments actual increase the socio-spatial segregation among the cleavages that exist in the larger Indian society (Hill, 2010, 12).

**VI. iii) State (Re)Distributions**

One of the pillars Harvey analyzes is the tendency of the neoliberal state to embark on redistributive policies: “The state, once transformed into a neoliberal set of institutions, becomes a prime agent of redistributive policies, reversing the flow from the upper to the lower classes that had occurred during the era of social democratic

---

hegemony” (Harvey, 2006, 155). While state redistribution was a key feature of the New Town project, it arose in a fashion typical of old-style Bengali politics. Often those wanting to further neoliberalism in West Bengal were themselves elites and thus held a significant amount of power and thus were able to use the power of political parties and corruption to successfully further their agenda. Dwaipayan Bhattacharrya refers to this concept as “party society.” On the broader ideological level, the two major political parties are in agreement. Here there is a conflict between formal plans (the idea that Rajarhat should be developed in a rational manner) vs. using informal ways to get the job done. Those in favour of neoliberalism were able to use the Chairman’s Quota and syndicates to usher in their idea of development.

There were two major ways for a prospective buyer to acquire land in Rajarhat. One was to approach HIDCO to get the land, and the second was through the Chairman’s Quota. The first way of getting land could be through a developer, as an individual who approaches HIDCO, or through a cooperative (where approximately 5 friends come together and approach HIDCO to get a piece of land). There were advertisements put out in various newspapers for those interested in purchasing land from HIDCO. Due to the overwhelming demand coming from purchasers, plots were sold through a lottery system. For example, a group of eight people would come together to put in a bid to build a cooperative, and depending on their luck in the lottery system they were allotted the land. There was no way to directly purchase the lands from HIDCO.

As explained above, there has been significant development taking place in the first two action areas. Currently plots are no longer available in AAI or AAII of the New Town.

---

49 Former Journalist and Government Bureaucrat in Utilities
Township. After the area becomes slightly more developed, they will begin to sell more land for cooperatives and individual plots in AA3. As a policy position taken by the previous government, they had instituted a quota system, where a selective few (for example the Chief Minister and Housing Minister) had quotas of land that they could distribute themselves. When the development was first taking place, the Housing Minister, by virtue of his chair became the minister of HIDCO and therefore had the ability to favour certain people with his quota. This became known as the Chairman’s Quota and it was public information that he may distribute this land within certain guidelines. Essentially the quota was to be distributed with specific proportions given to notable people such as sports members, artistic (film stars) individuals, intellectuals, and professionals among many other categories. This would draw people from certain distinct fields and circles into the New Town while rewarding them for excellence in their respective fields. This quota system suggests another interesting role of the state: that it was actively trying to cultivate “cultural capital” of the area. Richard Florida (2002, 55) examines the relationship between bohemia and economic geography. Florida explains how bohemian areas can attract “talented or high human capital individuals,” and in turn these individuals “attract and generate innovative, technology-based industries”. The correlation is strong according to Florida’s research, and may explain the behavior of trying to attract particular types of individuals to Rajarhat through a set quota. However, many newspaper articles have made allegations that the Chairman’s Quota was used as a vehicle to achieve the political support that was necessary for the development work in Rajarhat to take place. There were a number of allegations that judges responsible for

---

50 Former Journalist and Government Bureaucrat in Utilities
51 Senior retired Government Bureaucrat 4
52 Senior Retired Government Bureaucrat 4
adjudicating cases related to Rajarhat had received land through this quota system, thus ruling in favour of bringing development plans forward. However, upon the fall of the CPI(M), and success of the TMC, the current government has withdrawn this quota system, as they have publicly stated that no minister should have the right to favourably distribute land.\(^5\)

The Chairman’s Quota, a phenomenon that has not been entirely uncommon in India, is an interesting finding. It is well known that the Chairman’s Quota gives the Chairman special privileges to distribute land - essentially used as a tool by those in favour of neoliberalism to make sure they had the support necessary to bring forth their vision of development. It was used as a currency or means of power to gain support from the most influential people in society, including academics, the press, and people from the judicial, legislative and executive branches of government. One of the main effects of the Chairman’s quota was to placate the interests of the party machine.

The role of syndicates relates to aforementioned “party-society” rules. Like the Chairman’s Quota, becoming involved with a syndicate was another way that different party members could get a kickback. The syndicates were one of the many ways the system was set up so that critical actors within that party society were able to get pay-offs for furthering the development process. The cooperation of syndicates in providing building materials was an essential part of the project. Initially, syndicates were intended to provide limited source of income and employment for local party members, however while in the field, I personally encountered evidence of syndicates importing labour from other states. Syndicate organizations were able to provide patronage money while

\(^5\) Former Journalist and Government Bureaucrat in Utilities
supplying building materials at inflated prices. However, their operation has recently become a source of conflict and delay for the project. Governance at this level remains elusive for the Trinamool Congress, whose roots are not as well established in West Bengal as the CPI(M). Their function is contingent on the continuation of the New Town project. The division of syndicates along party lines has resulted in numerous instances of violence, a major problem in a region lacking the law enforcement resources of its nearby metropolitan (see Mandal “Professionals gunned down TMC man: Cops,” *Times of India*. November 30th, 2011, A. 1.).

**VI. iv) Privatization, Acquisition, and PPPs**

One relatively unique aspect about Rajarhat, once again signifying the changing role of the state, is that it was a completely self-financed project. Unlike other planned townships, for example, Salt Lake, New Town was financed through selling of plots. There was little financial support from the government, except in cases where officials chose to sell at artificially low rates to attract IT companies. Instead, the government chose to engage in PPP’s to help finance the project. This includes semi-public and public infrastructure, such as housing and park space. Here the government would give the private sector lands often at subsidized rates to develop and sell. The proceeds generated from the sale of land were used as income for further development.\(^{54}\) Salt Lake took many years to develop and approximately 25 years for it to be moderately occupied. Although it was expected to be fully occupied by 1981, today it is still not fully developed. However, it is not a failure either. In some ways, Rajarhat is an expansion of Salt Lake, since even Sector 5 was becoming too full, and further expansion of light

\(^{54}\) Senior Retired Hidco Official
industries was not possible.\textsuperscript{55} Thus Rajarhat would be developed into an IT and hardware hub as an expansion of Salt Lake.\textsuperscript{56} The case of Salt Lake is very similar in some respects to that of Rajarhat, except the latter is much larger in scope and size.\textsuperscript{57} While Salt Lake is only a part of the Kolkata city, Rajarhat is projected to be a city in itself.\textsuperscript{58} Rajarhat is approximately three times the area of Salt Lake.\textsuperscript{59} In Salt Lake, all the lands were given on lease, whereas in Rajarhat everyone purchased their land on a freehold basis (meaning a buyer is free to sell his land at any time).\textsuperscript{60} The latter can encourage speculation, since private landholders can buy and sell freely to anyone in accordance with the ebb and flow of the market. This means that those who were awarded parcels of land would have a direct interest in the completion and success of the New Town project.

Today, the acquisition of Action Area I is nearing completion. The result of this has been a transfer of ownership from farmers, many granted rights to their land under the same CPI(M) government in the ‘70s, to a small group of large corporations. To date, most of the construction has been for housing complexes. This process broadly follows what Harvey describes as “privatization” (Harvey, 2006, 153). While the land was transferred from one private landholder to another, the capital was purposefully acquired and accumulated into packages to be sold to a smaller number of larger actors. The aim was to use the land to improve economic productivity, and in doing so, corporations granted plots could extract rents. This is analogous to the privatization Harvey describes. The next section goes into detail about the environmental concerns associated with this

\textsuperscript{55} Retired Senior Official KMDA
\textsuperscript{56} Senior Official at the Bengal Chamber of Commerce
\textsuperscript{57} Retired Senior Official KMDA
\textsuperscript{58} Promoter from one of Five PPP Organizations
\textsuperscript{59} Official Related to a Government Housing Development in Rajarhat
\textsuperscript{60} Senior Retired Government Bureaucrat
project. This is another important element of privatization: the transfer of publicly owned natural resources to private entities to make the land more economically productive. The following section titled “Opportunities for Participation and Dissent” will discuss the how the prerequisites for privatization were achieved.

**CHAPTER SEVEN: Neoliberalism Takes Priority**

**VI. i) Environmental Concerns Sidelined**

Given the political history of West Bengal it is understandable that not all government officials were glove-in-hand with the New Town project. The proposition of developing Rajarhat into a modern township goes back to the times of British India. The British were the first to announce that no development should be made in the Rajarhat area due to its function as a natural drainage system for Kolkata.6162 However, in 1964, The Calcutta Gazette announced the land in Rajarhat along with neighboring areas might be needed for the public purpose of building a Satellite Township Project at the public expense (*The Calcutta Gazette*, page unknown, Jan 23, 1964). On September 7, 1972, the people of Rajarhat and its surrounding areas came together through Sri Rabindra Nath Mandal and filed a petition against the government acquisition of their lands to expand the airport. The people living on the lands argued they would be losing their houses, gardens and farmlands for this development project. In response, the government had asked them to give their lands generously for the public cause, with no reference to compensation, rehabilitation or resettlement.63 In 1972 when the Congress Party first came into power, the government was considering building a township using the lands of

---

61 Letter from British India
62 A number of academic interviewees from a variety of local universities and research institutions confirm this point
63 Letter to Office of The Gopalpur-Arjunpur Anchal Panchayat
both Dumdum and Rajarhat. This is the origin of the VIP road in Kolkata, which still exists today. During this same time period CPI(M) Member of Legislative Assembly Rabin Mandal wrote a letter to Congress DM (United District) requesting that they leave the Mouzas for the sake of the farmers. In contrast to the position they would assume after they came to power in 1977, the CPI(M) initially fought against the idea of this proposed development, arguing in a letter to the opposition party at the time that people will have to be evacuated and crops will be damaged.

When the CPI(M) party first came into power in 1977, they had done much for the agrarian class, allowing them to develop strong ties with the rural poor, and establishing the party based on these relationships. Some major contributions include giving sharecroppers rights to the land, distribution of surplus land to the landless/poor peasants, and implementation of a minimum wage for agricultural labourers (Bhattacharyya, 2008, 65; Bardhan & Mookeherje, 2003, 2). However, after being in power for several decades, the CPI(M) changed its tone. Economic growth in West Bengal lagged compared to other Indian states, and the economy remained primarily agrarian (Basu, 1987). Even today, the Economist (2012) refers to Kolkata as “the city that got left behind” due to its prolonged period of industrial stagnation. In the early 90’s, once again development plans for the Rajarhat Township came to the forefront.

The earliest detailed plan came in the form of a 1995 Draft Report of New Town Kolkata, detailing the stages of development much as they would be presented in the 1999 Master Planning document. While it was clear that by 1995 the Government of West Bengal intended to develop an area of Rajarhat to create a modern residential suburb, there is no indication of any prior environmental assessment report. There are

64 Letter from Rabin Mandal to CPI(M) obtained from a RJBC activist
other peculiarities about the document. It mentions that the New Town project lies outside of the Kolkata Metropolitan Authority (KMA), when parts of Rajarhat (all the way up to Noyhati) actually fall within the township. The document states, “The Project Area covers 2,750 hectares (ha) of vacant low yield agricultural land.” It is unclear how the government could reach the conclusion that the land was vacant, given that any cursory glance at the area would show that for agricultural land it was densely populated. The letter from Rabin Mandal to the central government from years before explicitly states there are both people living and working on farmlands in the area. Pictures have been taken to try to document the crops including stocks of paddy, jute, wheat and vegetables. Paul and Chatterjee in their 2012 article which looks at urbanisation of the North 24 Parganas explain how Rajarhat began urbanization in 1971 and how the urban population in the area had increased sharply after that year. They further explain a positive population density growth from 1981-2001. Finally, the document states, “there is no existing fishery or ‘Bery’ or permanent wetland in the Project Area. The claim was that the project area fell outside the ‘Calcutta Wetland and Waste Recycling Region’. Yet the project area as outlined on Page 12 of the report clearly includes several large bodies of water and fisheries. It would seem clear that certain conclusions reached by this document were foregone. Interviews with current and past senior bureaucrats indicated to me that many in the party either stood to benefit from the Rajarhat project or couldn’t be bothered either way, and any dissent would mean going up against the powerful Gautem Deb and Chief Minister Jyoti Basu.

---

65 New Town Rajarhat Planning Report page 2
66 New Town Rajarhat Planning Report page 5
67 Letter from Rabin Mandal to CPI(M)
68 Photo of agricultural stock in Rajarhat given by a RJBC activist during an interview
In a rare instance of formal opposition, in 1999, Madhumita Mukherjee, Deputy Director of the Department of Fisheries, wrote a letter to HIDCO authorities on behalf of her department stating development should not take place in specific “wetland areas in Rajarhat,” presumably referring to the ecologically rich DhupirBil and Ghuri Jatragachhi Baghjda Basin, given it would adversely affect livelihoods and ecosystems. Interestingly, later in the same document, the 1995 report expresses the need to fill land, implying the destruction of water bodies in the area. On November 25, 2004, an article released in TNN by Saugata Roy explains how the earth that will be dug up from the Bhery’s to fill and elevate the land in Rajarhat. This will make it difficult for the comparatively low-lying Salt Lake to flush out its sewerage and rainwater. Such filling of land inevitably disrupts the city’s natural slope from west to east.

On March 24, 1999, Mukherjee formally recommended the setting up two “Wetland-Wonderland” museums (one in Rajarhat and the other in Salt Lake). In this recommendation letter, she suggests the multifarious utility of the wetlands in the eastern outskirts of Kolkata and how its environmental importance in consuming city wastes should not be underestimated. Additionally she mentions how the region provides various crucial commodities such as fish and vegetables. She brings to light how, “the increased population pressure of the city has threatened the existence of the wetlands”. She explains how both the judiciary and the administration have expressed concern of new up-and-coming residential areas proposed to be developed and writes that the “ecology should not be disturbed and further encroachment of the wetland should be discouraged as much as far as practical”. Here she brings to the forefront that the upcoming megacity is coming up in almost the same zone as the Wetlands, and such urbanization will further

69 This is detailed in a letter from Madhumita Mukherjee.
ecological problems. In retaliation to such a phenomenon, she suggests the creation of two museums to protect and bring public attention to potential eminent danger of the wetlands. Enclosed in her letter are a project proposal, a site plan for Salt Lake, and a site plan for the Rajarhat Megacity project.\textsuperscript{70}

There were also voices of dissent from within the Department of Environment. On May 18, 1999, the West Bengal Pollution Control Board (PBC) had created a brief application for consent of commissioning work on the New Township in October-November of 1999 for approximately 3,075 ha of land. In this standard form the PBC had not ticked off any of the following boxes under “present nature of the land”: fallow, agriculture, forest, residential or coastal.\textsuperscript{71} In fact, the Special Secretary of Housing had added a section into the form that did not otherwise exist stating the present nature of the land was “vacant”.\textsuperscript{72} The document also marks the land is situated within both the municipality within the CMA area and the Municipality outside the CMA area which lies in direct contradiction to the planning documents mentioned above. And under the “process” section of the document, the PBC only filled in 2 of the potential 6 lines for writing the name of main production in the area. In the first line the PBC wrote “developing land dwelling units” while in the second line “etc.” was written.\textsuperscript{73} On November 10, 1999, the Department of Environment wrote a letter to the Housing Department allowing them to develop 622 ha of land given particular conditions was met. Some conditions include conservation of wetlands, water bodies and notification in case there is need to fill any bodies filled larger than 3,600 sq ft; planting of trees, maintaining

\textsuperscript{70} Letter Office of the Deputy Director of Fisheries
\textsuperscript{71} West Bengal Pollution Control Board Application for Consent to Establish NOC
\textsuperscript{72} Ibid.
\textsuperscript{73} Ibid.
water treatment; and updated of any rehabilitation and resettlement. Ultimately the interventions from the Department of Environment and the Department of Fisheries failed. One high ranking government official informed me that although the choice of Rajarhat was poor because it was a low-land and the environmental damage it was to cause was a big issue, at the time it was decided that the government was not concerned with the environment.74

Upon talking to a very senior official working for HIDCO, he mentioned because Rajarhat is a low-land, it would always get submerged during the rain which is the reason why nobody wanted to build houses in the area. Nonetheless, there was sporadic urbanization creeping in like a parasite during the 50’s. By the 1990’s, the low-lying area was being encroached in an unplanned manner. Meanwhile, the nearby fisheries and wetlands became filled from siltation. Thus, to deal with both these problems, planners decided to take the silt out of the Wetlands, and move it into Rajarhat to fill the low lying land. Thus, the entire land of Rajarhat was raised by roughly a metre.75 Many HIDCO officials and some planners argue this has solved the environmental issues related to building in the Rajarhat area. They argue that Rajarhat posed as a natural drainage system for the area, not the entire Kolkata city (and surrounding area), and thus, along with a system of canals, this will take care of any issues related environmental disruption in the area. On the other hand, farmers and people on the ground argue that this has actually caused greater problems, and Rajarhat is becoming inundated to an extent it has never been in the past. Planners who also believe this plan to fill the land is indeed damaging to

74 Current Minister in Government 10
75 Very senior official at HIDCO
the environment argue that Rajarhat was a basin to the larger Kolkata area and this will have dire consequences moving forward.

**VI. ii) Opportunities for Participation and Dissent**

Though his article is titled “Planned Urbanisation through Public Participation: Case of the New Town, Kolkata,” the section of Mitra’s 2002 article titled “People’s Participation,” does not actually detail any way that residents participated or influenced the trajectory of the project in a bottom-up fashion. Instead, it argues that the process was “participatory” based on the following points:

- “The purchase committee recommended that the project boundary be re-drawn to minimize physical displacement from ancestral dwelling units.”
- “A large number of families were saved the trauma of physical displacement.”
- A committee recommendation accepted by the government that “no project affected person should be left with a standard of living lower than his/her pre-project status.”

He concludes the critical section of this article by stating that “All told, direct [resettlement and rehabilitation] measures could entail a total cost of about Rs 5-6 crore, money well-spent, since it was and could continue to be instrumental in garnering substantial public support (for the project) in and around the project area” (Mitra 2002, 1052). It should be noted that while this article that while this is not the only example of a public defense of the project as “democratic,” it was published in a well-read peer-reviewed journal and written by a respected bureaucrat. It was clear that the question on the minds of policy-makers was not “How can the public participate in this process?” but rather “How can we ensure minimal resistance?” There is a significant difference
between these two questions and the policy path they engender. One may quickly identify the priorities with which these questions are associated. Walter Fernandez has a more earnest understanding of what public participation means in the context of development induced displacement. He writes:

“Studies and field experience point to the basic principle that the involvement of the poor in decisions that affect their life and livelihood, is an essential step in building up their self-confidence, and in their empowerment. Such participation is not to be limited to planning rehabilitation as most projects do, but should begin at the stage of the decision concerning the project. It has to continue in the task of identifying [displaced peoples and project affected peoples] assets to be taken over and criteria for their compensation. Only such involvement can function as a healthy transition to a new lifestyle… prior informed consent is essential for a people displacing project.”

However, the government did not give the people living in what became New Town the opportunity to decide collectively whether they would agree to the massive transformation of what was once their land. While resistance seems the natural consequence of this method of acquisition, interviews with local grassroots leaders indicate that locals against the acquisition felt they did not have a legal land-rights basis to assert non-eviction, even though there was no prior public consultation, no indication the site would be chosen before 1995, and no formal consultation with those living in the impacted area. Perhaps one of the most remarkable facets of the planned city is its scope at over 3,000 hectares. In West Bengal, given the high population density, land holdings are quite small. Therefore, the number of people affected by such a big land grab is far greater than those in other parts of the country, other developing nations, and huge by contrast of those in developed nations where each farmer typically holds several acres,

76 This comment is written in an excellent unpublished paper by Walter Fernandes, an international expert on development induced displacement. The title of the paper is “Development Induced Displacement: Sharing in the Project Benefits.” It is available online at http://www.creighton.edu/CollaborativeMinistry/NESRC/Walter/BENEFIT.doc. Last accessed Dec. 5th, 2012.
and in some cases hectares of land. In Rajarhat, the average farmer would be lucky to have even one acre of land. As an example for comparison, within the state of West Bengal, in Singur, TATA was only able to acquire 997 acres of farmland to build a factory and that lead to an uproar of public outcry and international media attention.

At the outset of the Rajarhat project, it was evident that hundreds of thousands of people would be displaced primarily through the loss of their livelihood and some through the loss of their homes. And yet, the land acquisition and repurposing, while it did not go on without protest; it also did not face the sort of resistance as in the more popular cases of Nandigram or Singur. Additionally, on the whole, violent resistance was quite low. What can explain this paradoxical complacency on behalf of residents of New Town? Some insight into how WBHIDCO was able to achieve such grand scale land acquisition may come from a record of discussions held in the chamber of the Chairman. WBHIDCO and MIC Housing Department regarding New Town activities recorded on June 8th, 2001, the minutes signed by then Chairmen Gautum Deb clarify how the agency intended to evacuate land required for an extensive drainage system. In a sort of preamble the MIC clarified, “The New Town has been planned to deliberately exclude the existing formal settlements (except stray dwelling units) so as to [minimize] project impact. This procedure had been successfully followed in Mahisbahan, Mashisgot, Chandiberia and Tania mauzas.” A special committee formed to investigate recommendations on mitigating impact recommended that a certain amount of space along the periphery be dedicated to “social infrastructure” such as “roads, canals, drainage systems, rehabilitation schemes etc.” Providing additional open spaces at “regular intervals for

77 Record of Discussions held in the chamber of the Chairman WBHIDCO and MIC Housing Department regarding New Town activities June 8th, 2001
community spaces like schools and playgrounds . . . avoiding existing locations of longstanding social/religious significance such as cremation/burial grounds etc. 

However, during field-visits in the villages of Rajarhat, many farmers and families living in the area explained that development of the New Township actually took place on-top of areas of sentimental value, such as (Muslim) burial grounds. The overall tone of the document suggests that by following these basic principles while maintaining open dialogue with residents, displacement can occur without significant resistance. Some of the committee members consisted of “important local representatives” and was set up under Shri DN Dasgupta, former director of Kolkata Metropolitan Development and Sanitation authority.

Whether by design or by the need of circumstance, the government decided to acquire land in sections, which made it very difficult for farmers against the acquisition to unite. At this time, a handful of NGOs had formed to try to oppose the movement. One of the most prominent NGOs included the RJBC. The RJBC went into the mouzas under acquisition and appealed to them, asking them to mobilize to resist the acquisition if they were not in favour of the development project. Although RJBC were able to arrange smaller protests in different mouzas, the police started arresting them for dissent against the government. The next step the RJBC took was taking their issue to the high court. Despite a court ruling that the government was entitled to take no more than 622 hectares, the NGO argued that the CPI(M) using political goons with arms, and ill-using the extended government machinery such as the police created panic and fear among framers, arresting them, and forcing them to give up their lands.

78 Ibid.
79 Interviews with farmers and those living/working in Rajarhat
80 Interview and photographs of protests given by a RJBC Activist
The standing committee on housing and public works issued a report on the progress of the NTP on June 12, 2002. It notes that, “land has been obtained through acquisition (2,802 acres) and purchased (223 acres); there were problems in getting land and some resistance from local people which is being slowly sorted out. The progress of the work is more or less satisfactory.” At least a half a decade before the Rajarhat acquisition became newsworthy, this committee identifies resistance, and even offers strategies to appease the displaced. The committee discussions indicate that the difference between acquisition and land purchased in this context is the degree of participation of the original titleholder. In the case of acquisition, the government sets a price that they determine reasonable. At minimum an average of a market price over the past three years as dictated by the Land Acquisition Act of 1894. With land that is purchased, price is determined through negotiation between the titleholder and the government. Later reports indicate that the ratio of land acquired to the land purchased by mutually negotiated contract remained roughly the same since 2002. This essentially meant that most of the land taken by the government had been acquired through land acquisition. 81 According to an official authorized to speak on behalf of the Ministry of Urban Affairs: “In Rajarhat the land acquisition process had once been described as an effective process; however, in retrospect, with all the issues regarding land, it is equally prudent to say it was too expeditiously done”. 82 This clearly acknowledges some of the consequences of mass-scale acquisition. However, it is also important to note that the speed of the early acquisition may also have been crucial to its success. A longer acquisition period may have resulted in a strengthening of the farmer resistance. If there was a longer acquisition

---

82 A Person Authorized to Speak on Behalf of the Ministry of Urban Affairs
period, then farmers would potentially have more time to interact with one-another to oppose the process and strengthen their resistance by uniting. Also, this would have given them more time to try to oppose the development process and have their voices heard. Land-owners resisting the acquisition may also have been hobbled by past legislation putting a ceiling on land ownership. Rather than being represented by a handful of powerful land-owning elites, farmers were divided, posing logistical and organizational hurdles.

The Land Acquisition Act of 1894, which allows large-scale government land acquisition under certain conditions, could have been met with a constitutional challenge through Public Interest Litigation (PIL) earlier in the 20th century. Given that India operates on a common law system, any important decisions made in court are likely to set precedent for future cases. This is especially pertinent given the Indian court system has become more vocal and interventionist over time. When civil society groups take cases to court, they must go through the hierarchy of the court system. The highest court of appeal in India is the Supreme Court, a body vested with the power to utilize constitutional provisions to strike down legislation passed by democratically elected officials, or to condemn practices that otherwise contravene founding axioms of the state.

The court steadily gained a reputation in the 1970s and ‘80s for defending the interests of the marginalized, and in a precedent-setting case in 1985 Justice P. N. Bhagwati altered the requirements of *locus standi* (who could appear before the court), even issuing a call to all Indian citizens to bring to his notice violations of basic human rights by any means at their disposal. One of the key justifications was that legal process is “substantially impaired” if “no one can have standing to maintain an action for judicial
redress in a case of public wrong or, public injury” (Quoted in Upendra, 1985, 119, footnote 62). This was the dawn of public interest litigation (PIL), a form of constitutional creep allowing the judicial branch to intrude into matters traditionally held to be within the purview of legislative and executive prerogative. Subsequently the Supreme Court made a series of rulings throughout the ‘80s and ‘90s that aided slum dwellers with no formal entitlements, most notably Olga Tellis vs. Bombay Municipal Corporation (1985) where the court ruled that “pavement dwellers” would be deprived of “the right to livelihood” (violating the constitutional right to “life and personal liberty under Section 21 of the constitution) if forcibly evicted, and K Chandru vs. State of Tamil Nadu (1985) where the court suggested the accommodations for the evicted be provided in advance of demolition (Quoted in Bahn, 2009; 134-5). In 2000 the court became less sympathetic to slum dwellers attacking them as “unscrupulous,” and failing to uphold earlier rulings justified by the ambiguous Section 21 stipulations. India’s history has shown that PIL cases are heard at the level of the Supreme Court can be very empowering for the marginalized poor on some occasions, and on others simply serve to reinforce status quo hegemonies. Thus, I focused on identifying Supreme Court decisions in relation to land rights and areas that surround urban centers, particularly as an arena of conflict resolution and marginal empowerment.

That “No person shall be deprived of his property save by authority of the law” was once enshrined in the Indian constitution as a fundamental right under Article 19 (1)(f). Article 31 guaranteed that the state could only acquire land for public purpose through a law specifying compensation. Since 1949, Article 31 has been amended six times, but property stood as a fundamental right in Article 19 for twenty-nine years until 1978,
when the 44th Amendment repealed section (1)(f). This diminished the right to property from a fundamental right to a legal one, still protecting property owners from arbitrary executive action, but opening the door for legislative bodies at the federal and state levels to pass laws altering personal property claims. Organizers were forced to base legal challenges to the acquisition in other rights and legislation.

After notice was given through a newspaper advert that a small part of AA I would be acquired by West Bengal, a local resistance group filed a PIL in 1999 against the government on environmental grounds. On May 21, 2001 in response to “WRIT Petition No 7516 (W) of 1999” state-level courts had entitled the government to 622 hectares of land based on an EIA done specifically for that area of land. In response to this petition the court ordered, “the respondents should be prohibited from setting up the new township as the proper steps for the Environment Impact Assessment study has not been taken into consideration”. 83 The court had ordered that no development beyond the original 622 ha sanctioned by the Department of Environment would be permitted without a proper EIA.

On November 11, 1999, the Managing Director of HIDCO had written a letter indicating the development of a New Town of 3,075 ha in Rajarhat and Bhangar comprising 25 Mouzas to the Fisheries Department. It specifically states that “AA I- includes some water areas/depressed land holdings which requires filling” for implementation and development of the township and specifically for uses other than fishery. 84 The letter mentions an application for filling this water body has been made for the Township Project, and kindly requests relaxation of the West Bengal Inland Fisheries

83 WRIT Petition No 7516 (W) of 1999 (Supreme Court Document)
84 HIDCO document requesting the filling of water bodies
Act of 1993. The letter also mentions that 70 ha of land will be kept reserved for water bodies elsewhere in AA-I. On December 21, 1999, the Joint Secretary to the Government of West Bengal D.P. Banerjee had written a letter to the Department of Fisheries for permission to fill up water bodies in the NTP being headed by HIDCO.

Despite the fact that fisheries director Madhumita Mukherjee had said in writing that the filling of water bodies larger than 3,600 sq ft was not authorized, a map of Duphree Bill which is a government document clearly shows that the water body had been filled up. There are also photographs taken by villagers showing small wetlands and water bodies being filled. The same petitioners had filed a second PIL, bringing forth evidence to suggest that development beyond the previous court ruling was taking place, and many other illegal activities were taking place. The petitioners brought forward all the documents mentioned, including photographic evidence, yet the court had seemed to neglect these documents and dismissed the PIL remarking, “this development is necessary unless you want us to go back to the Stone Age.”

While HIDCO apparently did make significant efforts to avoid displacing people from their dwellings, a significant population was displaced. PILs could have been filed under the “right to shelter,” but villagers would have faced an uphill battle. Those most affected have little ability to defend any damage against them. One of their only defences is taking legal action. Unfortunately few have the time, resources or understanding to

---

85 Government document that shows the filling of Duphree Bill map
86 Photographs provided by a RJBC activist during an interview
87 Statement from high court judge
88 The Justices who heard the case were Pinaki Jhosh and Biswanath Samaddar. One of these Justices (Jhosh) received allotments of land in Rajarhat through the Chairmen's Quota prior to the ruling.
make use of those resources properly. While legal aid societies and services exist for the needy and poor, it still requires further simplification in order to be effective.

There is a legal aid division in the government that renders all purposes to the poor through court processes. The poor may approach the legal aid department, which is associated with all the courts and funding is provided by the government. This service provides counseling, guidance, papers to access the court etc. However, there still is a cost for the poor, as accessing the system would still take time away from one’s ability to earn his/her livelihood. Critics argue however, that not everyone is aware of this system, and many of those who have accessed it did not find justice. Additionally, the high population of people, with few available judges presents practical difficulties with serving justice. Critics argue the reasoning for this is because the government uses this legal missionary to provide justice to the poor they subsidize lawyers who could be earning a much higher wage from private clients and thus the lawyers tend to work less when hired into these situations. According to one High Court Lawyer, legal aid lawyers end up winning no more than 50% of cases. For reasons like this, one political advocate interested in helping the poor in Rajarhat argues there were very limited resources available for the poor and the resources that are available are not necessarily efficient.

Here we see the weakness of the poor in opposing the development process in Rajarhat. Also, some, but not all of those affected were offered compensation for their land. While not all farmers were in opposition to the project, interviews with local

89 High Court Lawyer 1
90 High Court Judge 1
91 High Court Judge 3
92 High Court Lawyer 1
93 High Court Lawyer 3
94 High Court Lawyer 1
95 Environmental and Legal Activist
leaders, government officials, and some farmers themselves, attest to the claim that a
sizable group of landowners and land-tillers were against the development. Yet not only
did they not have the means, often times, they were unaware of the potential ways to get
their land. Additionally, the services available for them are few, and for many of them out
of reach. Thus, the group most directly impacted by the development was also one of the
weakest groups in the decision making process.

**VI. iii) Lack of Alternatives**

We must assume then that the true “democratic participation” element that Mitra
writes about is tautological: the project must be democratic because elected officials
devised it. Recently there has been stiff resistance to land acquisition throughout India.
The Naxalites had agitated this issue in particular in Rajarhat as well as throughout the
country. However, in comparison to other cases, such as the acquisition in Singur or
Nandigram, there was far less human cry in Rajarhat. According to one high court
lawyer familiar with the legal issues surrounding land acquisition, between 1992-2008
there was almost no major discord in the public domain in Rajarhat. The acquisition
scenario was very silent – though this does not necessarily imply people were silent.
There is photographic evidence of protests held in Rajarhat, though locals give
conflicting accounts of their size and vehemence. This is partially due to the time
during which the acquisition took place. At the time that acquisition began, the Left Front
government was still very strong, and opposition parties did not have the opportunity to
voice their protests. On the other hand, Singur and Nandigram occurred from 2006-2007

---

96 High Court Lawyer 1
97 A Person Authorized to Speak on Behalf of the Ministry of Urban Affairs
98 Photographs were shown to me by a RJBC activist during an interview – this was triangulated with
interviews with farmers who report their involvement in large protests.
onwards where the main opposition party (the Trinamool Congress) surfaced vigorously. Additionally, Singur and Nandigram came at a time when land acquisition was meeting stiff resistance across India and the world, making it more difficult to do, and even if acquired, carrying forth development projects became much more difficult than was the case in the past. In the present day it is very difficult to acquire land. One prominent activist involved with the Singur/Nandigram demonstrations argues that by the time her organization became involved with land issues, they felt it was too late to help the displaced in Rajarhat. She claims that the major boost in the Tata Motors case came from the TMC, which is also the major contention of Bo Neilsen in his recent article on the subject (Bo Nielsen, 2010).

Importantly, Bo Neilsen goes on to argue that the two major political parties in the state of West Bengal do not offer a substantive choice between visions of development in any case. He claims that in the case of the aforementioned Singur controversy, “neither party voiced any particular objection to the policy of industrialization by way of private sector investments, nor have they dismissed the idea that the state should play an active role as a facilitator of private capital. Here, they have received the backing of several prominent development economists [including Amartya Sen]” (Bo Nielsen, 2010, 165). For the most part, this appears to be consistent with the case of New Town Rajarhat. Tanmoy Mandol served as TMC MLA for the region of Rajarhat when the project was first proposed, and while he does not claim to speak for the entire party, he did ostensibly represent the official opposition voice within the region of Rajarhat. Initially, he was an ardent opponent joining the Rajarhat Jomi Bachow

---

99 High Court Lawyer 1
100 Deputy Minister 5
101 Prominent activist
Committee (RJBC), however, he left this committee for government sanctioned Advisory Facilitation Committee (Jawed & Roy, 2009). The Advisory Facilitation Committee became a conduit through which land acquisition was facilitated, not a means of contesting the basic premises on which HIDCOs plans were pillared.

In September 20, 2005 Mamata Banerjee in the Hindustan Times reported that on her visit to in Baligari village in Rajarhat she pledged to “assess the plight of the displaced farmers for the sake of housing”.102 After coming into power, she asked Madhumita Mukherjee (previous Director of Fisheries) to resign.103 On the campaign trail, the TMC promised a full inquiry. In 2011, Banerjee announced a judicial inquiry into “irregularities” in the land acquisition process conducted by HIDCO (Rajarhat ‘irregularities’, 2012). Initially, high court justice Ranajit Mitra was given the job of leading the probe. He would resign the position less than a year later, when it became public knowledge that he had accepted allotments of land in the project area at the discretion of the Housing Minister. The TMC has declared that it will not support the further creation of SEZs or any additional land acquisition under the Land Acquisition Act of 1894. However, to date, no land has been returned.

According to one high-ranking bureaucrat familiar with the situation, the real problems came when land was being acquired at later stages of the acquisition process when price for the land had increased. Naturally, as the land had become developed in an area, the price of surrounding land increases. When farmers who sold their land, found out how much their lands could have been sold for at a later date, they felt betrayed.104

---

102 Hindustan Times 2005 article  
103 Quote taken from unpublished documentary film “Whose land is it anyway?” shot by an amateur filmmaker.  
104 Deputy Minister 5
Additionally, they started realizing how little they got in compensation and as offers compared to how much the government was actually selling the lands for. Finally, when other land acquisition cases became sensationalized in the news, the farmers in Rajarhat became more aware of how they were also exploited.

The grievances of farmers must always be placed in the context of the overall benefit of the land transformation to the economy of greater Kolkata as a whole. In Rajarhat, the government claimed they had acquired the land for a public purpose; however, to what extent has never been clarified in any written format. Many argue that the development of the township can be classified as public purpose because the facilities that belong there are enjoyed by many people. Even private facilities, such as a hospital, although it makes a profit, also serve a particular population. However, there is plenty of dissent about the use of definition of “public purpose.” In Rajarhat, land is being acquired for commercial development, which the government constitutes as a form of “public purpose” however this is highly contentious, raising questions about how this policy has been framed and legitimated in relation to this specific case. Often, land has been acquired for a project that starts out as a public purpose, but then later, the extension of land often can serve a clearly non-public purpose.\textsuperscript{105} One prominent writer argues the following:

\begin{quote}
“Land Acquisition was originally an act set up so that the government can set up state-owned industries/enterprises for example to set up roads, dams and provide other public goods and services. However, after 1991 (a period marking liberalization and globalization in the country) privatization was introduced and everything changed. Land Acquisition had become a coercive power used by the government so they can do as they please. The entire market had been opened up and the government used the Acquisition Act to aid industries and private enterprises. This cannot be defined as development for a public purpose because it was clearly for a private interest! The New Town development is a perfect example claimed to be a ’public
\end{quote}

\textsuperscript{105} Retired High Court Judge and Current Bureaucrat
purpose’ when really it was actually for private interests. This shows that the Land Acquisition Act has become nothing more than a subsidy to the private sector.”

As mentioned previously, this “subsidy” is another example of state redistribution in line with Harvey’s critique.

**CHAPTER EIGHT: Concluding Thoughts**

**VIII. i) Rehabilitation and Resettlement**

The initial estimation of the total number of displaced was about 200 households comprising 1000 persons and did not include those who had lost their livelihoods. Estimates from local historians place the number displaced at anywhere from 50,000 to 200,000 (though most would have received monetary compensation). As a result of the outcry of several land-acquisition cases, the government of West Bengal has produced a New Land Act, which states that a rehabilitation package must be presented before land is acquired. However, this was not in place at the time when the majority of the Rajarhat acquisition took place. It appears that the rehabilitation and resettlement plan implemented by HIDCO as of very recently was of ad hoc and failed to live up to the corporation’s own promises. According to the report of the National Comptroller and Auditor General of India, “the company identified only 555 owners, out of which 56 families were offered dwelling units and 40 families were offered 1.25 kata of land each at the rate of RS 15 thousand per kata.” It is important to note however, that many of those affected lost livelihoods and not dwellings. This crucial fact highlights the precarious informality of their existence. This is why legislative committee reports have

---

106 Little Magazine Writer 4
107 Executive Summary page 8
108 Senior Bureaucrat Department of Land
109 Auditor General’s Report 26
identified re-training for the new job environment in Rajarhat will be necessary, though these discussions also speculated, given the low yield of land in Rajarhat they asserted that many farmers must have had other occupations anyway. However, this is based on a report by Gosh and Bosh Associates that makes assumptions about land yield and pricing, and does not conduct any survey into the lives of those actually residing in Rajarhat. The audit reveals that HIDCO as of June 2007 has only trained 2691 individuals as well as forming 47 cooperative societies and 56 self-help groups comprised of 3073 landowners in the hopes that they would generate self-employment. “Thus, even after a lapse of eight years, the company had rehabilitated only 17% of identified PAFs [project affected families] with dwelling units and failed to identify the remaining erstwhile land owners in NTP and extend financial assistance to them as per national policy.”

**VIII. ii) Obstacles to Further Development**

It may also be prudent to evaluate the New Town project according to its own neoliberal merit. For example: Is it creating conditions for improved growth? While it is too early to answer this question, there are a few developments that should not be ignored, particularly because they will be instructive for future development efforts. The concept of New Town in Rajarhat follows a similar pattern to other housing corporations in India. For example, in Maharashtra, Navi-Mumbai is a planned satellite city which emerged as the city of Bombay expanded. However, Navi-Mumbai was about three-to-four times larger, and emerged prior to the development of Rajarhat’s New Town. One of the largest planned cities in the world; it was developed as a twin city to Mumbai in the early 70’s. In 1971, the City Industrial Development Corporation (CIDCO) was formed.

---

110 Auditor General’s Report 27
and became responsible for the development of approximately 344 square kilometers of marshland. The Rajarhat Township was a planned satellite city, and developed through a similar body: HIDCO. Part of the mentality in building the city was “if they can do it, and they are in the same country then why can’t we?” The administrative authorities of HIDCO and CIDCO are both government companies, run with government employers, thus ultimately the government controls the development of the New Township. HIDCOO was formed in 1998 and administered everything. One of the major differences between Rajarhat and other similar developments such as Gourgown or Gujrat is the pace of development is much faster in the latter examples. Due to political tensions, the project development is taking far longer than it should. Many feared that Rajarhat would suffer the same fate, that political tensions would stifle the project.

Despite more than a decade of work, and many more years of planning, New Town has not yet been completed and thus we have yet to see its full form. There is a lot of hope for the New Township, however the projected growth is moving at a slow pace. While the master plan looks dreamy because of excellent planning, the execution remains unfulfilled. One developer argues, ‘even if 60% of the town was followed according to plan, it would be a beautiful city able to meet the dreams of many, but we have yet to see it happen”. A private sector CEO explains the major problems in the developing township. He mentions that the infrastructure is not developing at a fast enough pace or necessarily in a logical order. For example, there may be a gas station built without proper roads allowing cars to drive to it. Electricity and water related issues

---

111 Senior Retired Hidco Official
112 CEO of Private Sector Company 6
113 A official authorized to speak on behalf of the Vedic Village
114 Promoter from one of Five PPP Organizations
are major concerns of the area.\textsuperscript{115} There are many current problems that exist including lack of transportation, communication and water systems. While some parts of Rajarhat are smoothly under construction, it will still take quite some time for some of these other elements to even start developing.\textsuperscript{116}

There are further delays that result from resistance from those who previously occupied the land (seen in the image below).

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{resistance.png}
\caption{One of the major obstacles to construction in the New Town was the resistance of the farmers. This photos shows construction workers developing underground electrical lines}
\end{figure}

\textsuperscript{115} Person Who is Authorized to Speak on Behalf of the Vedic Village
\textsuperscript{116} Former Journalist and Government Bureaucrat in Utilities
are a matter of necessity as well as convenience: above ground electrical lines are often subject to sabotage by farmers unwilling to accept the development in Rajarhat.

As of 2011, most of AA II and all of AA III still have no electricity – remarkable considering that land was first acquired in these areas a decade ago. Additionally, because few people who own properties actually live in their Rajarhat residences, this causes problems for city development. The city is hesitating to develop further, because they do not have a population already living in the area to support. A large number of flats in many buildings remain empty and future growth is anticipated, but uncertain. This is why many wealthy individuals risk investing in residential properties in New Town, yet hesitation remains given the economic recession of 2008 which hit the real-estate market harder than any other part of the economy world-wide.\textsuperscript{117}

The implementation of neoliberalization has resulted in a drastic change from India’s “old”, to “new” economy (Hill, 2010, 1). India’s old economy based on industry gave it great importance, especially in West Bengal during both the colonial and post-colonial times. However, the onslaught of a neoliberal style of development led to a decline in Bengal’s manufacturing and industrial economy. Neoliberalism opened the doors to India’s new economy fueled by the development and expansion of the IT/ITES sectors and modern luxury residential properties (Hill, 2010). Rajarhat has followed this new economy development path being witnessed in India today. The original concept of the style of development in Rajarhat was modern, not just in terms of the involvement of the private sector, but also in the intended structure of the economy. HIDCO restricted development to ‘green industries’ which included IT, hospitality and light industry such

\textsuperscript{117} Retired Senior Official KMDA
as plastics (FICCI 2005, 32) At the same time, the corporation also excluded the sectors that have attracted the most investment in West Bengal in particular, steel products and chemical industries. The chart below depicts the total level of industry investment in West Bengal by sector in the decade 1991-2000. Those highlighted were selected as industries that would be permitted in Rajarhat (FICCI 2005, 32).

**Tbl. 4: Total Industry Investment in West Bengal by Sector, 1991-2000**

<table>
<thead>
<tr>
<th>Product Group</th>
<th>Investment (Rs. Crore ~215k USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement, Glass, Ceramics, Fly Ash Bricks</td>
<td>676.93</td>
</tr>
<tr>
<td>Chemicals, Petrochemicals, Industrial Gases, Paints,</td>
<td></td>
</tr>
<tr>
<td>Pigments, Fertiliser</td>
<td>8,240.41</td>
</tr>
<tr>
<td>Drugs, Pharmaceuticals and Toilet Goods</td>
<td>53.35</td>
</tr>
<tr>
<td><strong>Electrical and Electricals</strong></td>
<td><strong>38.02</strong></td>
</tr>
<tr>
<td>Engineering</td>
<td>213.47</td>
</tr>
<tr>
<td><strong>Food Products</strong></td>
<td><strong>471.66</strong></td>
</tr>
<tr>
<td>Hotel, Hospitals, Service Sector, Printing and Multi</td>
<td></td>
</tr>
<tr>
<td>Media</td>
<td>179.24</td>
</tr>
<tr>
<td>Leather and Rubber</td>
<td>101.45</td>
</tr>
<tr>
<td>Metallurgical products other than steel</td>
<td>247.55</td>
</tr>
<tr>
<td>Miscellaneous Projects not otherwise classified</td>
<td>1,337.13</td>
</tr>
<tr>
<td><strong>Paper, Wood, Plywood and Board</strong></td>
<td><strong>57.06</strong></td>
</tr>
<tr>
<td>Plastic goods</td>
<td>342.07</td>
</tr>
<tr>
<td>Software and Telecommunication</td>
<td>295.92</td>
</tr>
<tr>
<td>Steel Ingots, Alloys, Sponge Iron, Pig Iron, Mini Steel Plant</td>
<td>6,411.24</td>
</tr>
<tr>
<td>Steel Bars</td>
<td></td>
</tr>
<tr>
<td>Textile (Wool, Silk Knitted Goods, Juts, Readymade</td>
<td>1,109.71</td>
</tr>
<tr>
<td>Garments and Yarn</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>19,775.20</strong></td>
</tr>
</tbody>
</table>

It is worth noting that the total amount of investment in the six sectors serving as the base of Rajarhat’s economy show several times less investment during the measured period than either the chemical or steel industries. Essentially, what we see here is that HIDCO is trying to focus on attracting industries that historically West Bengal has not placed its focus. While there is no publically available list of smaller companies/cooperatives
awarded plots, there are some major residential, IT and commercial actors that frequent the grey literature headlines. These include Infosys, Wipro, Ambuja, DLF, Rosedale, GM Group, NK Realtors, the Bengal Shrachi groups among various (international and national) big box stores. One of the greatest issues Rajarhat currently faces in terms of its investment is that both Infosys and Wipro are threatening to withdraw from the area if they do not get special status designations. The vast majority of the State’s investment has been in ‘dirty’ as opposed to ‘green’ sectors. This leaves little inherent advantage for a company working in a green sector to set up shop in the New Township. This illustrates the dilemma faced by any city undergoing planned modernization. Politicians and civil administrators must convince industries that have not previously existed in the area to come in and invest.

In instances such as this, it is no surprise that a city would try to entice clients by offering special provisions or statuses such as special economic zones (SEZ).\textsuperscript{118} Dan, Guathakurta & Gupta (2008, 43) define SEZs as “specific geographical regions that have economic laws different from and more liberal than a country’s typical economic law”. Basically, if a particular area is zoned as SEZ, then companies operating in the area are offered lucrative incentives/benefits otherwise not permitted (Khan, 2008). Some benefits of SEZ status include less stringent laws, low rent, tax relief benefits, potential for foreign direct investment (FDI), global exposure and transfer of technological advancement/skills, employment generation, economic growth and foreign income (Dan

\textsuperscript{118} Currently Infosys, a major investor (allotted 50 acres from HIDCO) in the Rajarhat area has been demanding SEZ status for their ongoing development project. However, the Chief Minister has taken a strong stance against granting SEZs in the province. Banerjee has put a freeze on any new SEZs. However, she has recently been criticized for extending tenures of already existing SEZs. See “Mamata govt’s double standard on SEZs in West Bengal?” Times of India. Feb 24th, 2012. Online edition. http://articles.timesofindia.indiatimes.com/2012-02-24/kolkata/31094459_1_sez-status-sez-approval-formal-approval . Last accessed November 13th, 2012.
et al, 2008; Khan, 2008). Khan (2008, 3) argues that the establishment of SEZs can be used as a mechanism to expedite the industrialization process. He argues that SEZs “attempt to deal with infrastructural deficiencies, procedural complexities, bureaucratic hassles and barriers raised by monetary, trade, fiscal, taxation and labour policies”.

Therefore, many developing countries, including India are embracing development fostered by SEZs with the hope of growth for their local economies through both domestic and foreign investment. India had introduced a new SEZ scheme in early-to-mid 2000, and in 2006 it had received formal approval with particular rules set in place. Yet, states that have embraced SEZs have been challenged with protests, particularly among farmers who feel the government is forcing acquisition of their lands (at unfair prices) for commercial and industrial development purposes (Dan et al, 2008). In Kolkata this is especially problematic given the long history of an anti-industry stance West Bengal has taken over the years. Furthermore, siding with industrial interests has in the eyes of many been the reason for the demise of the CPI(M) in the state (as mentioned earlier). Additionally, Mamata Banerjee was elected on a party platform that included not allowing industrial development to take place at the expense of farmers and specifying that her party would not support SEZs. However, she is being placed under severe pressure of industrializing in order to keep the economy growing on the one hand, and not allowing pro-industry practices such as allowing SEZs in order to satisfy her electoral base (many of whom are farmers) on the other (Mamata Banerjee govt, 2012; Mamata govt’s, 2012).

Rajarhat, in particular, displays the difficulties a new town may encounter in attracting new investors to the financial sector. Recently, the government of West Bengal
determined that Rajarhat could become India’s second major international financial hub (the other being in Mumbai). The project was implemented by HIDCO who issued major statements and even had a sensationalized “Foundation Stone Laying Ceremony”\textsuperscript{119} raising expectations that major financial firms would migrate to a newly crafted financial district. A 25-acre plot was identified for taking up the first phase of the hub, with room to extend up to 100 acres in additional phases (Gupta, 2012). (Please refer to the “Schedule of WBHIDCO Plots of Land at Financial Hub in New Town” to see the plots being offered, and for a map of exactly where in the new town this will be located.)\textsuperscript{120}

However, to date (at the time of this writing), despite a year-and-a-half of efforts on the part of HIDCO only one large financial company has expressed interest in setting up shop in the Rajarhat Township. And without further tax breaks and subsidies IT firms such as Infosys have threatened to withdraw their development commitment (see also Paul and Chatterjee, 2012).

Even now the Chief Minister facing the reality of a competitive market is reconsidering the extent of her stringent policies. While she may not be offering SEZ status, she is offering unspecified help in other ways (Infosys and Wipro, 2012). This dilemma speaks to the political economy of deindustrialization in West Bengal. It characterizes the conflict that has now emerged between those pushing for liberalization of the Bengali economy on the one hand and those seeking to maintain or restore the traditional support base within agriculture, and to some extent, manufacturing and industry. This may help to explain why the city of Rajarhat has taken so long to take form – because instead of building on the strengths of the West Bengal economy, it has

\textsuperscript{119}For more information visit the HIDCO website: http://www.wbhidcoltd.com/image/FH_1.jpg
\textsuperscript{120}Hidco’s document for “Expression of Interest for Financial Hub in New Town”
forayed into completely virgin territory, casting the “city of the future” even further into the future.

**VIII. iii) Neoliberalism in a New Context**

Development induced displacement often affects a larger number of people than can be casually visualized. For example, in Rajarhat, the majority of farmers had been displaced from their livelihoods, but not from their homes. In these cases, they are still living in the service villages, where their homes are preserved, and thus are not physically displaced (refer to Photo below).

*Photo of a service village in Rajarhat.*
However, this does not mean farmers who still have their homes have not been severely affected by the development. This is especially the case in farming communities when it is not necessarily a single person who plows/cultivates the land. Often throughout the year there is a rotation of people, making a number of people dependent on the land. Additionally, there are people who do not necessarily go to the field, but who are still dependent on the earnings.\textsuperscript{121} One of the biggest problems is the issue of compensation. The state seems to have a lack of training and responsibility to compensate those displaced by commercialization and urbanization of land. When the government compensates farmers, it is often given all in one large lump sum. Given farmers live fairly meager lives they are not used to having so much disposable income. In situations like this, although the money is not a lot, because they have never held so much money at one time, and are often under pressure as well, they accept it. Unfortunately, given the lack of experience in managing such large amounts of money, they lack the financial foresight of how to use it most wisely. Instead of finding ways to save it or build on it over the long term, they tend to use it on pressing burdens they are more currently faced with, such as wedding dowries for their daughters or debts that they have long been avoiding. As a result, they spend their entire compensation package all at once with nothing or little left for future expenses and no alternate source of income. This is why it is necessary to change the method of compensation. For example, a better form of compensation would be to train the displaced in some other industry/work where the development is being built.\textsuperscript{122} There has been some interesting discussion about the merits of adopting different Land Acquisition Compensation models. Maitreesh and

\textsuperscript{121} High Court Lawyer 1
\textsuperscript{122} High Court Lawyer 1
Ghosh (2011; 65) is one of many authors talking about alternatives and even if it seems somewhat idealistic. There would be serious advantages to his line of thinking. Maitreesh and Ghosh explains there are serious flaws with the 2011 Land Acquisition and Rehabilitation Bill with regards to ways of determining compensation amounts. Instead, he proposes an approach that would allow farmers to choose their compensation as either land or cash. Instead of having a hierarchical top-down way of determining land compensation and distribution, farmers would determine the price of their compensation and relocate remaining farmland in the manner that is most efficient through land auction. The farmers would be integral in the decision making of the acquisition land itself as well as the surrounding areas.

It is important to keep in mind the intended uses of any research trajectory. Ferguson, in his article “The Uses of Neoliberalism” argues how most papers talking about neoliberalism all conclude arguing it is not good for the working class or the poor and thus should be opposed (Ferguson, 166). He argues how “the Left” has brought forth a paradigm against globalization, neoliberalism, privatization, imperialism, Bush and perhaps even capitalism. He otherwise terms this “the antis” which is always just that, “anti”, but not “pro”. This antis has led to an unsurprising, predictable conclusion, one in which the rich benefit, and the poor suffer. The alternative suggested in Chapter Seven is that land acquisition must not only be guided by constant and earnest negotiation with project affected peoples, but must not go ahead without their consent. This is not only an ethical imperative, it also ensures the success of the project. In Singur and Nandigram, the government was forced to forfeit its plans entirely, while in Rajarhat construction continues to suffer from sabotage, and festering resentment toward the government may
still result in problems if the TMC is unable to deliver for farmers who believe they were promised something by the party.

In the end, neoliberalism has won the day, and brought with it many of the problems that we are by now well accustomed. My research refutes the claims by Sanjay Mitra and others writing in *Economic and Political Weekly* that the process of acquisition and development of New Town managed to avoid the class bIndian Administrative Service, environmental costs, and displacement we have come to associate with neoliberal policy. However, it is important to note that in this case the processes that disadvantaged the poor were not the traditional processes of liberalizing markets, but government attempts to create conditions favourable to traditional neoliberal development. This has resulted in a bizarre government-led neoliberalism whose success is still uncertain.

In the theoretical section of this paper, it was noted that individual rights are typically considered an important ingredient in the neoliberal stew. In this case, the government used powerful legal tools to *transfer* land rights from farmers to residential, commercial, and industrial developers. Partha Chatterjee sheds some light on this situation:

"Most of the inhabitants of India are only tenuously, and even then ambiguously and contextually, rights-bearing citizens in the sense imagined by the constitution. They are not, therefore, proper members of civil society and are not regarded as such by the institutions of the satiate" (Chatterjee, 2004, 38).

Finally, Roy notes that India’s infrastructural development is increasingly reliant upon the private sector. This is also true in the case of Rajarhat, where the government
envisioned its role as one of mediator – allowing a high degree of macro planning while not taking initiative to ensure that buildings and amenities where constructed. The drawback to this strategy is that many private companies have sat on their hands since the land was transferred to them. This has delayed construction and resulted in vast spaces in all Action Areas where no farming or construction is taking place.

**VIII. iv) Conclusion**

In conclusion, this thesis has examined the changing role of the state by examining how it has embraced neoliberalism. While some of this analysis can be broadly extrapolated to the changing role of other states in India or even in developing countries worldwide, this thesis has focused on a particular case study in West Bengal, with a particular focus on the state’s role in urban development of New Town Rajarhat. In this particular Rajarhat case, it is clear the government has embraced neoliberalism as the way forward in urban development. The justification for using a neoliberal theoretical lens is because liberalization marks a critical juncture that can help explain the changing role of the state in the South Asian context.

The empirical sections are inextricably intertwined and overlap with one another in their implications. As explained in the theoretical segment of this thesis, Harvey asks a key question: “In whose particular interests is it that the state take a neoliberal stance and in what ways have these particular interests used neoliberalism to benefit themselves rather than, as is claimed, everyone, everywhere?” Directly mirroring this question, I ask, “Who is New Town built for?” I organize my data along the lines of the four main elements of neoliberalism Harvey identifies: privatization, financialization, the management and manipulation of crises, and state redistributions, all of which can be
applied in some form to the Rajarhat development project. Financialization is evident in a number of features in this project, most notably the planned financial hub, but also through the commodification of land its subjection to speculation and rapid inflation. While the state has not been actively engaged in what we would traditionally call “crisis management”, it has used a serious population problem as the impetus for the project. But it is obvious that the design of the township is not well tailored to solve the stated problem. Instead, much like a state or international organization taking advantage of a natural catastrophe to further ideological aims, the government has used this problem to advance a project they were interested in anyway. However, the state was not interested in creating crisis either. Instead, it actively subverted potential for dissent through the limited role of PILs, NGOs and political parties in the development process. “State redistributions” include taking land and redistributing it for particular economic groups, providing opportunities for syndicates (who had access to productive resources from land acquisition), offering land at reduced rates to major corporations and finally the chairman’s ability to favour distribution of (inflated price) land through a quota system. The state has also played a key role in the privatizing and classifying land through land acquisition and consolidation in the hands of rent seeking corporations, the non-preservation of wetlands described in VII. i), taking land for different income levels, and the controversy surrounding the development of special economic zones.

The state has not only played a key role in facilitating acquisition, classification, privatization, and financialization, but has ignored other important development goals in the process, including sustainable development and democratic participation. The role of the state has clearly changed under liberalization. In West Bengal, this was limited by
political contradictions of ignoring/displacing agricultural classes. The state has also played a limited role in providing a forum for contestation. This was best demonstrated in through the limited role of PILs, NGOs and political parties (although this situation may in fact be more specific to West Bengal). It also highlighted the inherently local nature of land politics and governance.

This neoliberal approach theorized by Harvey and others and applied to this particular context helped us to explore the role of the state in creating urban land markets. In particular, it has helped us to contribute to/engage with the key debates about the changing/declining importance of the state, especially in this particular context. Additionally, this approach has helped us to explore the specific role of the state in governing land for new industrial and commercial development. While state capacity has been affected by liberalization in theory, arguably, land has remained one of the few factors of production over which the state can still exercise control for reasons of political economy.

Overall this study had a number of strengths and of course, limitations that should be highlighted for future research. Perhaps its greatest strength was its research methodology and field data. Despite the fact that land acquisition is a very sensitive topic at this time, the data includes insights from full face-to-face interviews from over 300 individuals. These interviews come from a wide range of people in the public, private and civil sectors of society, all of whom were related to the Rajarhat township development project. Additionally, there were many interviews conducted with major stakeholders in the decision making process which were vitally fruitful in leading to important documents and information related to the case study.
The methodological choice to use a case study has both its advantages and disadvantages. While this study has allowed for full breadth and depth in this particular Rajarhat topic, it is not as strictly generalizable to the other cases. Therefore, much of the findings from this study may be more specific and useful in the West Bengal context. For example, Bhattacharrya, Chatterjee and Pal all explain the unique and particular situation where for the past 30 years the CPI(M) party really dominated the political arena. This can limit the extent to which the findings from this case study may apply to other cases, and instead speaks more to the specific case of West Bengal. Also, while this case study can be replicated, it would be extremely difficult to get in touch with the number and types of informants that were accessed through this particular study. As mentioned before, it was particularly difficult to get in touch with, let alone interview, many of the participants. It is especially difficult to find informants who had been involved prior to the change in political turmoil. The data is particularly useful at this time, given the recent changing of the guard and re-conducting this study may not be as useful during a different time period.
Bibliography


Bahn, Gautam. "This is no longer the city I once knew: Evictions, the urban poor and the right to the city in millennial Delhi," *Environment and Urbanization*. Vol. 21 No. 1 (April 2009) 127-142.


Bhan, Gautam. "“This is no longer the city I once knew”. Evictions, the urban poor and the right to the city in millennial Delhi." *Environment and Urbanization* 21.1 (2009): 127-142.


HIDCO. Pamphlet distribution. “New Town: What Every City Aspires to be!” No date given, assumed to be Circa 2002


“Mamata govt’s double standard on SEZs in West Bengal?” *Times of India*. Feb 24th, 2012.


Raychaudhuri, Ajitava, and Gautam Kumar Basu. "The Decline and Recent Resurgence of the Manufacturing Sector of West Bengal: Implications for Pro-Poor Growth from an


