

Public-Private or a Private Public?

Promised Partnership of the Bangalore Agenda Task Force

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Local governments in Indian cities face mounting pressure to meet the needs of the growing urban corporate sector and of the emerging "middle class", with demands for greater visible involvement in urban governance. In an innovation justified to fill this void, the Bangalore Agenda Task Force introduced its version of the Public-Private-Partnership as one such model for private sector participation in urban governance. However, PPPs must be evaluated in the broader context of urban politics and planning. And as this case study shows, it is critical to follow the trajectory of private sector involvement into the broader arenas of policy-making. Although the BATF did not include interventions for the majority of the population – the poor – its activities have played a critical role in developing the urban reform programmes at the state and national levels. The policies proposed by the BATF members based on their experiences in Bangalore require much greater analysis and debate, rather than simply riding on the merits of their alleged success.

The media, private corporations, international funding agencies, and governments of Karnataka and of India contribute to widely circulated images representing Bangalore as the "Silicon Valley of India". Internationally the press recycles the iconic photographs of manicured lawns ornamenting the stiff glass sheets of the corporate offices at Electronics City, while a state government document boasts illusions of a futuristic city that may one day be Bangalore. Business periodicals marvel at the growth of the information technology (IT) economy in Bangalore, exemplifying a model of success for the new Indian city. This marketing of Bangalore has not only fuelled assumptions about the city, but has placed Bangalore on a pedestal, for cities across India to study and emulate.

Ideas about Bangalore's economy being based predominantly on the IT sector and the imagery of a "world class city" are disengaged from the reality of the city's economic structure and physical form.¹ However, under this aegis private developers, financiers, and corporations employ the unsubstantiated rhetoric of "world class" to justify and further bias the expansion of the city for their particular interests, providing an opportunity for a convergence of interests with high level urban, state and national governments. The outcomes echo what has long been criticised regarding relationships between business elites and government, that when government pursues a pro-growth agenda the use value of land is often compromised in lieu of exchange values, and the government becomes beholden to a private market driven development agenda [Logan and Molotch 1987]. It is not this remaking of private sector pressure that requires close examination, but rather how private sector participants use the current discourse to enable their entry into higher levels of policy-making. A confluence of interest groups translate the popular images into a reality, although not by matching the imagined landscapes in physical form, but rather in guiding urban planning, development and reform measures at local, state and national levels in India today.

The entry of the private sector into policy arenas in India aligns with the central government's ongoing urban reform programme, promoted along with national economic reforms of the early 1990s. Now in a second generation of policy and programme initiatives, the ministry for urban development claims, "For Indian cities to become growth-oriented and productive, it is essential to achieve a world class urban system. This in turn depends on attaining efficiency and equity in the delivery and financing of urban infrastructure."² These policies encourage the state and local government regimes to focus on financial efficiency and reducing subsidies while supporting infrastructure development for the controlled growth of urban areas. Consequently privately promoted projects deemed self-financing receive fast-track approvals and government support.

The wave of reforms has manifested in the restructuring of local development and service provision, as well as of public participation and politics in urban arenas. A large part of this effort has been attributed to demands of the emerging middle class, however often leaving behind the poor. As Leela Fernandes describes it, the growing visibility of the Indian middle class has engendered a national political culture that actively seeks to exclude the poor, and "in which dominant social groups and political actors attempt to naturalise these processes of

exclusion by producing a middle-class based definition of citizenship” [Fernandes 2004: 2416]. This “exclusive” citizenry requires appropriate forums for public representation. One mechanism that the government exploits to justify and achieve reform measures while portraying intentions of public involvement is the “public-private-partnership” (PPP).

International Financial Institutions (IFIs), including the World Bank, Asian Development Bank, United Nations Development Programme, and USAID,³ present the PPP as a panacea to overcome the failures in urban development and governance in developing countries. And, the government of India has adopted PPPs as a critical element of urban reform policy. This rather vaguely defined concept describes a range of institutional structures and partnerships from subcontracting or outsourcing to joint financing and finally to policy formulation. Despite their proliferation, there are few analytical assessments of the gamut of initiatives that may be described as public-private-partnerships, their effectiveness within the different contexts in which they operate, and most importantly, mechanisms for accountability in their roles vis-a-vis influencing government. This is critical because such extra-governmental initiatives shift access to policy-making and project development while special provisions and acts that legitimise their role.

It is in this context that the Bangalore Agenda Task Force (BATF) secured a position as a “partner” to the local and state governments. With a platform of addressing the concerns of the citizens of Bangalore, the BATF projected itself as the emissary of the “city’s aspirations” to the “key” civic organisations.⁴ While the BATF engaged in a range of activities towards urban aesthetics, planning, and service provision, ultimately the critical issue that remained was how they were able to take advantage of this opportunity to gain an entry into the political and administrative machinery at local, state and national levels. Over the past five years, this particularly promising public-private-partnership received visitors eager and curious to understand the elements of this organisation that allowed it to flourish in the most hyped-up city in India today. While this paper will not evaluate the “effectiveness” of the initiatives undertaken by the BATF, it will consider the role of the BATF as an instrument of urban reform and examine the implications of such a model for urban governance.

‘City in Sync’

The August 17, 2003, cover of *Business Today* portrayed a photograph of the erstwhile chief minister of Karnataka, S M Krishna, alongside the then commissioner of the Bangalore Development Authority, Jayaker Jerome, and the CEO of Infosys Corporation, Nandan Nilekani, splashed with the caption “City in Sync”. The three protagonists represented the elements of synergy essential for effective implementation of public policy – a high level political figure, a senior bureaucrat, and a successful corporate leader. The feature article of the issue praised the accomplishments of the BATF as a model of public-private-partnership, and declared, “The renaissance of Indian cities begins here” [Sukumar 2003].

The presumed success of the BATF largely lies in the outcome that they managed to implement their programmes in a government infamous for corruption and lack of efficiency. Nationally and internationally, financial institutions, corporations, the press, and the public are betting on the future of Indian metropolises as they seem to teeter between immense potential and inevitable destruction. These audiences, particularly interested in realising the potential of the Indian city, desperately seek forward-looking governance initiatives that enable “development” and modernisation. Yet, developers and corporations initiating projects in India continue to point out the obstacles of corruption at every stage of the government approval process and the inevitable delays, if not complete failure of their initiatives. As Nandan Nilekani, chairman of the BATF, pointed out, “I can write a brilliant thesis on how to do things right – but it is difficult to actually get things done” [Nilekani 2003]. As a result, international funding agencies, corporations, and public and private interest groups are increasingly seeking models of intervention that “work” over policy initiatives that meet democratic, social, or environmental goals.

Though the BATF now lies dormant under the current political regime in Karnataka, advocates espouse the merits of private sector involvement in governance, and endorse replicating this model elsewhere. It is imperative to evaluate the issues of accountability and the role of the private sector in municipal governance. In 2003, the World Bank advocated the BATF not only as a model to be followed in other Indian cities, but presented the concept to their other donor countries. On a visit to Bangalore to study the BATF for source material for a conference on poverty reduction to be held in May 2004 in Shanghai, a World Bank senior advisor observed, “The story of growth in Bangalore is unique because it is being led by private entrepreneurs from the IT industry. The BATF model of civil society being involved in all aspects of city planning can be a model to other cities in other countries” [*The Hindu* 2004]. The Global Corporate Citizenship Initiative (GCCCI) of the World Economic Forum notes, “Business leaders share a growing interest both in terms of risk management and

harnessing new opportunities to get engaged [in international development]... Some of the world's most successful companies are recognising the potential to turn innovative solutions to development challenges into profit-making ventures and new forms of social investment" [GCCCI 2005]. GCCCI recognises the BATF as one of the innovative solutions.

In 2004, a dissatisfied urban constituency and neglected rural voters ousted the Congress and chief minister S M Krishna in the Karnataka state election. The new chief minister, Dharam Singh expressed a neutral attitude towards the BATF while the members attempted negotiations to continue its activities. When BATF eventually closed their office, Ravichandar of the BATF asserted that any political leadership has under its purview the authority to seek consultation through task forces. He maintains that with every change of government, the leadership should establish task forces that focus on issues of their primary concern and drive their agenda and vision forward. Reflecting on the success of the BATF, he concluded, "Without political leadership, the task force is a non-starter. The political support must back up the task force in visible ways and the administration must fall in line with the signals of the political leadership."⁵

In the context of Indian urban governance, the impact of high level task forces have the potential to extend beyond an advisory capacity on policy initiatives while there are no regulatory or accountability systems in place to evaluate and advise the public and the government on the merits of their far-reaching efforts. Politically mandated "extra-governmental" organisations, such as the BATF, potentially shift the power relationships and access to urban government in initially imperceptible ways.

Constituting the Bangalore Agenda Task Force

Chief minister S M Krishna constituted the BATF as one of 13 task forces⁶ in November 1999. The government asserted that establishing the BATF would take advantage of the expertise of "knowledge institutions" based in Bangalore to reverse the trends of deterioration caused by rapid growth in the city. The government order (GO) constituting the BATF stated that, "The Vision of the government is to make Bangalore the best city in India within the next five years."⁷ The GO established a loose mandate for the BATF to "consider the ways and means to upgrade Bangalore's infrastructure and systems, raise resources for its development and secure greater involvement of citizens, corporations, industry and institutions in the orderly development of the city with enhanced quality of life of its residents."⁸ The GO nominated 10 members to the BATF, including five top corporate leaders, one NGO leader, one retired academic, two bureaucrats, and one Member of Parliament.⁹

Although the GO authorised the BATF to provide recommendations with a report to be submitted within three months, the members of BATF took it upon themselves to set out their objectives differently at the outset and to continue their activities for a period of four years. According to members of the BATF, they decided that they would not write any "more" reports, and would rather focus on implementation of projects, since this is where the gap seemed to appear in government initiatives, and set four primary objectives:

- to increase revenue to the Bangalore Mahanagara Palike (BMP),¹⁰
- to improve the management of funds within the BMP,
- to incorporate the opinions of the public in their initiatives,
- and to initiate a technology initiative in planning through the use of a Geographic Information System (GIS).

Within this framework, the members defined a few long-term and few short-term and visible projects.

According to BATF member V Ravichandar, the BATF leadership was clear that the organisation was not a non-government organisation (NGO). While recognising that plenty of good NGOs were doing good work, he noted, "BATF is a totally different institution of engaging civic society. NGOs do not have government orders to exist, they are doing good work outside of the government."¹¹ Since the BATF was established under a government order, S M Krishna created a new model of engagement with the government, and the BATF considered itself an extra-constitutional body, working *with* the government.

In this model of engaging with the government, the BATF considered its role one of improving supply-side service provision by working with urban service providers, while civil society groups, such as Janaagraha, generated demand-side pressure. BATF identified the following seven "stake-holders" in the city government to partner with:

(1) Bangalore Development Authority (BDA), (2) Bangalore Water Supply and Sanitation Board (BWSSB), (3) Bangalore Electricity Supply Company (BESCOM), (4) Bharati Sanchar Nigam (BSNL) – telecommunications provider, (5) Bangalore Metropolitan Transport Corporation (BMTCL), (6) Bangalore City Police, and (7) Bangalore Mahanagara Palike (BMP).

The BATF members, primarily successful corporate leaders, noticeably chose to work with the municipal agencies that provide the core infrastructure for the city, and the services that most impact their businesses and private lives. The agencies selected represented land development and planning; water, power and telecommunication services, public transportation and enforcement of traffic management; enforcement of law and order; and last but not least municipal budgeting. Meanwhile, this clear bias towards urban infrastructure providers exhibited a glaring absence of representation on the part of social welfare departments, including department of education and department of health, as well as institutions meeting the needs of the poor, such as the Karnataka Slum Clearance Board (KSCB). According to a BATF member, the KSCB was left out because it is considered a “political cesspool” and they did not want to “open that can of worms.”¹² Instead, the language, activities, and partner service providers of the BATF alongside the initiatives of the Krishna-led government promoted an overall urban development agenda centred on the provision and management of physical infrastructure without comparable emphasis on social and economic requirements of the city and without analysis of the implications of such an expenditure policy on the poor. Towards the end of the BATF tenure, Nilekani reflected, that one regret in his experiment with the BATF was that they did not actively include any pro-poor programmes.¹³

One may argue that the BATF limited the number of agencies to include so that they would not end up with the most frustrating issue plaguing urban governance in India today – a plethora of agencies with overlapping authorities unable or unwilling to stand together behind any one development initiative. Yet, with such a high-profile role and close working relationship with the municipal government, the BATF’s choice of agencies and initiatives inevitably created biases in the activities, priorities, and expenditures of the local government. A thorough analysis of the shift in municipal and state budget allocations must be undertaken to pursue this point. However, one conspicuous example of the impact of BATF appears in a recent municipal budget that allocates Rs 750 lakh to the redevelopment of the defunct jail into a park – a scheme generated by the BATF, and Rs 700 lakh towards slum redevelopment [D’ Rozario 2005]. Whether or not the BATF members directly advocated this allocation, the point remains that their ideas significantly impacted the local government budget.

Pardon the Jargon

The BATF activities broadly followed their stated objectives as described above. In order to raise city revenue, they set up a self assessment scheme (SAS) for property tax collection. To manage revenues, they instituted a fund-based accounting system (FBAS) at the BMP. They created forums for citizen input with the summit and opinion polls. And finally, to implement a technology initiative for planning, BATF encouraged the BDA to hire a French Consortium¹⁴ to revise the comprehensive development plan (CDP).¹⁵ Short-term, visible projects included construction of bus shelters and public toilets and redevelopment of the defunct jail, among others, while the longer-term projects included implementation of the SAS and FBAS, and the revision of the CDP.

The BATF hired a staff of 20 young planners, engineers, and architects at their peak and funded the office through the Nandan and Rohini Nilekani’s Trust, the Adhaar Trust to which they personally endowed over Rs 5 crore of their personal wealth. Corporate and private sponsorships funded the projects initiated by the BATF. Sudha Murthy, wife of Narayan Murthy (founder and chief mentor of Infosys), funded the construction of 23 public toilets with a Rs 8 crore philanthropic donation.

The press initially covered the activities of the BATF largely as techno-managerial initiatives that aimed to improve the efficiency of the municipal government. However, while urban planning and development initiatives often require technical expertise, there is inherently a political terrain involved as well, which may be far more critical. Unfortunately, the “technical” nature of urban administration and development projects often discourages public comment and obscures social and political consequences. Through urban planning and project development, the government allocates resources, land, and infrastructure, which, in turn enable economic development. In a developing country, with a largely poor population, access to basic resources and land are essential for survival and for livelihood. This complicates the “management” of services, as service providers must allocate scarce resources among extremely disparate groups. Therefore, efforts to improve service provision of selected agencies reinforces the priorities of particular interest groups in the city, inevitably at the expense of others. In addition, the rich and poor access resources in the city through different mechanisms. The elites take advantage of institutional mechanisms and large project development, such as property markets and township development. Meanwhile, the poor generally rely on pressuring local elected officials and using informal routes, such as squatting on land.

The FBAS project, financed and implemented by BATF, provides an example of a technical process that received no critical analysis in terms of political implications. For this activity, Ramesh Ramanathan enlisted a

team of 22 commerce graduates and in over 34 months (from January 2000), modified the accounting system within the BMP. Ravikant Joshi, an ex-government official and expert in municipal finance, noted that with Rs 1.5 crore spent on the project, the process is not replicable in other Indian cities. Of greater concern, the FBAS system creates an opportunity to centralise management of municipal funds and allows entry to new political pressures on budgetary allocations. This takes place as increased transparency in the municipal budget opens opportunities for interest groups to access the information and pressure the BMP on budgetary allocations. Carole Rakodi emphasises, "As democratisation proceeds, the scope for group lobbying increases and groups may be able to extract benefits in return for their explicit policy support, as in Bangalore..." [Carole Rakodi 2002]. Since this is an expected outcome of a seemingly necessary improvement in urban administration, the urban administration must ensure widespread understanding of these changes, especially among the elected officials and public. However, in this case, two groups, Public Record of Operations and Finance (PROOF) and Janaagraha, emerged to take forward the upshots of the new system and neither proactively included the local councillors. This is problematic because, as described by Benjamin and Bhuvanewari in a study on chronic poverty in Bangalore, local councillors play an essential role in the allocation of funds and implementation of ward works, upgrades to basic infrastructure, in the city. The councillors provide the central link between the poor and municipal services [Solomon Benjamin and R Bhuvanewari 2001].

A collaboration of four NGOs (including the Ramanathans' NGO – Janaagraha and the Nilekanis' Akshara Foundation)¹⁶ launched PROOF. PROOF established a forum demanding the BMP publicise quarterly performance data and participate in sessions for discussion and debate with citizens. PROOF claims to "... provide the opportunity to bring financial accountability and performance measurement into the public space and act as catalysts in the larger process of bringing the government and the public closer together".¹⁷ In a study of PROOF, V Vijayalakshmi found that a majority of the councillors were not included and often not aware of PROOF and concluded that, "It was taken for granted that elected representatives would fall in line, and even if they did not do so the participation or cooperation of the elected representatives with the campaign was less relevant. Citizens' participation is seen as an end in itself and not as a means to achieve effective governance, which also requires that corporators participate or are responsive to the campaign" [V Vijayalakshmi 2004].

Meanwhile, Ramanathan structured ward works as a core initiative of Janaagraha. Through this programme resident welfare associations evaluate requirements for local development projects and demand funds from the BMP. According to Ramanathan, approximately 5,000 residents participated "and brought the citizens' voice into the selection, prioritisation and implementation of various local area works...[with the result that] 22 per cent of city's ward works budget (Rs 11 crore out of Rs 50 crore) was jointly decided by citizens and their corporators and administration officials. Since then, 10 of crores of ward works budgets are being prepared every year, in consultation between corporators, administration and grassroot communities and discussed in Monthly Ward Sabhas" [Ramesh Ramanathan undated]. A more detailed analysis of the impact of this select civic participation on the ward works budget must be undertaken and of the actual scope of involvement of the corporators, many of whom came out against Janaagraha's model of "parallel governance".¹⁸

While middle and upper class groups gain access to new opportunities for civic activism, the poor do not gain any new avenues to access the government and in fact, may find themselves further marginalised. In the *Citizen's Handbook* prepared by Janaagraha, among a number of civic interests, residents are alerted about how to contest encroachments on land, including non-notified slum areas and how to register complaints against "visual pollution" such as "unsightly hoardings" and political posters. In a chapter entitled 'Law, Order and Safety', one section addresses street vendors and how to monitor that vendors do not re-emerge after removal. Janaagraha explains, "The solution to this problem lies in continuous monitoring by the citizens after they have been evicted, to ensure that these vendors do not re-emerge. Filing complaints repeatedly with the BMP against these vendors and ensuring their removal should also help" [Janaagraha 2003]. Janaagraha organised one session on the ward works campaign for the urban poor of Bangalore and has engaged NGOs interested in the rights of the poor, however many of their activities directly impact livelihood and shelter options of the poor.

While the outcome of greater clarity on the municipal budget included opening new avenues for pressure groups, this does not argue against the improved accounting systems in concept. It implies that along with such projects the impacts on the poor must be considered and political representation must not be compromised. Technical solutions do not resolve complex political issues. For example, even after the 74th Amendment, the Bangalore budget is largely controlled by the state since decisions taken by the elected council may be referred to the state government at the discretion of the BMP commissioner, who is an officer of the state civil service [V Vijayalakshmi 2004]. The FBAS may improve transparency of expenditure in the municipal corporation, but in parallel, the strength of the democratic system (and whom it serves) must also be addressed. Unfortunately, no

significant debate emerged on the merits of the BATF activities, partly due to the lack of understanding of the consequences of their initiatives further clouded by “technical jargon”.

Mastering Urban Planning

The efforts of the BATF were not limited to administrative changes in Bangalore. In fact, they fit within a larger context of urban reform and the impacts of the projects remain far-reaching. For example, for the technology enabled component of their objectives the BATF facilitated a contract between the BDA and the SCE Crecean led consortium (SCE) to revise the CDP.¹⁹ At a meeting with the chief minister, Nilekani maintained that if the CM provided support over the coming year, then they would be able to coordinate a revision of the CDP through SCE, but would require complete coordination with all the government agencies.²⁰ Neither the CM nor BDA or BATF involved the public in a debate on the merits of spending five million euros in public funds for this project with no competitive bidding process. Under the Indo-French Protocol, the BDA commissioned the revision of the CDP to SCE with a loan granted by government of France to government of Karnataka. Eventually, repayment of the loan will impact the Bangalore public through an increase in property taxes. Only now, as SCE completes the revision of the CDP, the public has begun to question the origins and justifications for such a project.²¹

SCE quickly excluded any BATF involvement in the CDP revision process, claiming that BATF represented the interests of the IT business elites.²² SCE revised the CDP using GIS, a computerised geo-referenced map of land use within which far more accurate land use details may be maintained than previous CDPs, drafted by hand. However, this sophisticated technology does not take into account issues regarding the variety of forms of land tenure that currently exist in the city and links to small-scale economic activities. As Carole Rakodi elucidates, “The potential uses of GIS in urban management, however, must be considered in the light of political and administrative realities... the collection, processing and dissemination of data reflect social relations and are not politically neutral. The selectivity of data generated and inequitable access to it may cause problems in democratic contexts” [Carole Rakodi 2002].

The approach of master planning is dramatically regressive against the poor. Allocation of land inherently begins with great disparities in landownership patterns – and in Indian cities where land disputes are ubiquitous, it serves the interests of the elites to create a “clean slate” and reallocate property ownership through regulation. In other words, this system enables government and private developers to identify land areas for redevelopment more quickly and exercise land acquisition laws to secure the rights to the land. This is justified through earmarking areas of the city for redevelopment zones and legitimising large development projects that benefit the elites and corporate sector. The plan provides justification for “administrative territories” with para-statal agencies controlling vast areas including the Bangalore-Mysore Infrastructure Corridor (29,000 acres), International Airport Area (4,300 acres) and IT Corridor (19,000-28,000 acres).²³ The government may modify the plan to suit its requirements and justify it on the basis of “technical analysis”.

A large part of the public continues to treat master plans as technically derived legal documents without considering who set the agenda and the debates and who has the authority to make exemptions on land use and regulation. Again, the BATF initiated a technical solution that did not address systemic issues. In this case, land use planning procedures suffer from severe biases in development, lack of public input and a myopic view of land use, disconnected from local economies. While the new CDP serves real estate interests in the city, it fails to address structural issues in urban planning and in fact provides a tool for increasing centralisation of control over land – likely to be manipulated in the interest of large corporations and elites.

While some of these issues may have been addressed through amendments to existing legislation, for example the outdated Karnataka Town and Country Planning Act, BATF members felt that there were too many vested interests in this and claimed their involvement would pose a conflict of interest, since a member of BATF worked closely with large developers. Instead, the BATF maintained an implementation mindset, and, as Ravichandar noted, as legislation was required, they asked for it. In this vein, an agreement between the BMP and state government established a framework for financial and performance parameters of the BMP to be linked to government financial assistance and facilitation. “Said to be the first such effort in the country... A joint initiative of the Departments of Finance, Urban Development and BMP and Bangalore Agenda Task Force, the Memorandum of Understanding represents a step in the direction of fiscal discipline, legal and administrative reforms, holistic development and a milestone in sustainable urban governance” [*Business Line* 2001]. Likewise, in order to facilitate construction of major roads and flyovers, Nilekani stated, “BATF has partnered with Jerome [Commissioner of BDA] and had a government order issued that authorised BDA to build infrastructure” [Nandan Nilekani 2003]. This approach to public-private-participation reached a pinnacle – with policy-making provided on an on-demand basis.

Establishing Credibility

The government did not create any institutional structure for accountability and to understand the implications of the schemes BATF generated. However, according to Ravichandar, the BATF members realised that they were yet to establish credibility with the public and that they needed to generate cooperation from the government agencies, who could otherwise “skirt” the government order.²⁴ In response, the BATF created an “accountability” platform – the BATF Summit. The BATF invited the seven stakeholders to the biannual summits to present their goals for service provision and their achievements to date to the general public. The presence of the chief minister at the summit ensured that the city stakeholders would attend. BATF provided a framework that allowed them to gain credibility with some parts of the public and coopted the bureaucratic “stakeholders”. In addition, BATF enlisted a private market research firm to conduct opinion polls regarding pressing concerns and perceptions of government performance and hosted a website that provided information on the activities of the task force. However, they also made it clear that the BATF was not a “complaint cell” for the government. When a representative of a resident’s association pointed out, “The common man still has no voice... and the BATF is a closed structure – where the citizens have no access. Can’t there be a way to write to BATF, to communicate with BATF?” Nilekani responded, “What is the role of BATF? It is not to receive citizen grievances. It is to create an accountability platform with the goals of stakeholders and to create projects. But at the end of the day it is not possible to take up specific cases – this is all pro-bono work” [Nandan Nilekani 2003].

On the basis of volunteerism and because they mobilised private funds, the BATF evaded any mechanism for accountability with the public and believed that this sanctioned them to selectively address urban issues with regards to their agenda. Ravichandar puts it bluntly, “The BATF is not accountable to anyone, only to Infosys. If we took public money then it would be a problem.”²⁵ Nandan Nilekani noted the two success factors behind the BATF, the chief minister’s political support and the freedom from accountability due to the use of private funds. “This could not have been done without the CM”, he stated, “he gave a free hand to BATF and he gave political leadership and support” [Nandan Nilekani 2003]. The CM created the BATF as an advisory instrument for urban services and the BATF used this legitimacy to operate far outside their mandate, thus only the CM could hold BATF accountable.

In essence, the framework that established the BATF as a “partner” to the city government both provided legitimacy to and gained legitimacy from state-level political leadership. “In the city management the interventions in development were determined by who had access to policy networks, and the ‘voice’ of the elite of the new economy took precedence... A large section of the politicians at the state level and the BMP who were opposed to the formation of the BATF could not challenge it, as the chief minister was instrumental in its formation” [V Vijayalakshmi 2004]. As Narendar Pani points out, the Krishna regime used the BATF to ward off criticism for projects and policies by leveraging the intellectual reputations of the members. “Apart from the government representatives, it [BATF] had representatives from the IT industry, capital markets, financial experts, architects and even a nuclear scientist. But it could not find place for a single urban planner. Clearly the members were chosen not for their expertise in urban affairs but for a cumulative reputation that was expected to be so overwhelming that their choices would not be challenged” [Narendar Pani forthcoming]. BATF pursued its agenda with broad support and approval of the CM and in return, the state government gained the vehicle through which to justify various initiatives that then spurred the momentum for projects along similar lines, from widening of roads in the central city market area and redevelopment of lakes, under the aegis of urban design, but with little consideration of implications on employment and land use.

The press raised minor criticisms against the BATF with a recurring theme of lack of accountability. Allegations against the effectiveness of the BATF included slow progress of the government service providers in achieving the goals declared at the summits, the need to update the BATF website, the lack of public participation in BATF activities, and the lack of access to the BATF to resolve neighbourhood concerns. Neither the press nor the public raised the fundamental question: why wasn’t accountability structured into the mandate of the BATF? In a whimsical piece published in a local paper, a journalist constructed a scenario where a citizen awakes to find that there is no water supply to his home. His wife suggests, “Ring up Infosys...If Karnataka government can seek their help for all and sundry matters, even for cleaning up Bangalore city, why can’t a private citizen request their help”. The author raised the question in this satirical editorial, “The government always calls upon the IT companies to solve the civic problems. Can the common man too seek their help in times of need?” [K Balakrishna 2003].

On August 9, 2003, at the annual lecture of the Public Affairs Centre (PAC),²⁶ Nandan Nilekani presented the experience of the BATF in a presentation he titled ‘BATF: Partnership with Promise’. Throughout the presentation Nilekani emphasised that the success of the BATF model depended on the “partnership” role it

took. At the end of the presentation, the former principal secretary to the chief minister, K Jairaj, whom Nilekani credited with the idea of the BATF, asserted that a major shortcoming of the BATF was that they did not take a pro-poor approach in its efforts. The press covered this event and noted the comment by Jairaj, but continued to avoid an analysis of the structural accountability of the BATF and who the task force was mandated to represent.

PPPs Land

In Karnataka, a range of private developers now present their projects as public private partnerships. The public contribution comes mainly in the form of land acquisition and subsidy. Land titling and centralisation of land records allow large developers to gain access to land via higher level government institutions that notify and assemble large parcels of land. Donor-funded projects increasingly require “rationalisation” or documentations of land use and tenure as cornerstones of providing funding. The upcoming World Bank-funded Karnataka Municipal Reforms Project (KMRP) requires implementation of a package of urban reforms as a criterion for providing loans for infrastructure and development projects. The government of Karnataka and World Bank have included land titling and digitised mapping as a significant component of the KMRP. The Nirmala Nagara scheme, conceptualised by the BATF based on their initiatives in Bangalore, is a key component of the KMRP. The scheme includes projects to improve management of services at the municipal level and the creation of Geographic Information System (GIS) maps to enable property tax reforms.²⁷

During the Krishna regime, the state government established institutions and policies that serve the needs of large corporations and elite residents and enable them to overcome the complexities of urban land acquisition and plan approval processes. With the turn of the century, the state passed a number of policies, including a Millennium IT Policy, Millennium Biotech Policy and a Millennium BPO Policy. These policies, among others, ensure government support in the acquisition of land through eminent domain and development of infrastructure to support the particular economic sectors.²⁸ In order to translate these policies into realities, the state government has created a number of new institutions ranging from parastatal institutions, to special planning authorities, to public-private partnerships.

One parastatal, the Karnataka Industrial Areas Development Board (KIADB), announced on its website that it “...has been entrusted with the responsibility of acquiring 26,392 acres for the most prestigious Bangalore-Mysore express highway project”, and that “KIADB issued notifications in respect of 2,449 acres of private lands...” for the International Airport.²⁹ In addition, the BDA notified 1,522 acres for the construction of Hi-Tech City and a 25 km road linking the International Technology Park and Electronics City with the objective of establishing an 18,000-acre IT corridor. The Karnataka Udyog Mitra, a single-window agency established to assist corporations seeking land, infrastructure and clearances, states in its website, “The Karnataka Udyog Mitra, Bangalore will provide escort service for identification of land, for getting government clearances, approval and licences, etc, by charging nominal fee.”³⁰

The context for these new paradigms of urban development stems from the early 1990s, when the government, partly under pressure from IFIs, began pursuing a range of urban reform measures. To persuade states and ULBs to consent, the central government positions infrastructure funds as incentives to the states to adopt the reforms. According to the press, “The ministry of urban development and poverty alleviation has proposed to offer incentives worth Rs 500 crore annually under Urban Reforms Incentive Fund (URIF) to states for introducing second-generation urban reforms. The ministry has also reportedly asked the finance ministry to increase allocation under the scheme to push urban reforms” [Kumar 2004].

The confluence of interests supporting urban reforms plays a significant role in influencing urban developmental activities and financing in Indian cities today. And urban development increasingly implies infrastructure development and centralisation of land records. IFIs largely support this approach and the central government follows suit with plans to consolidate the URIF and city challenge fund (CCF) schemes into the urban infrastructure development fund (UIDF).³¹ According to Subhash Chandra Garg, joint secretary, ministry of finance, “Public sector would not be able to meet the cities infrastructure investment requirement and it need not be the best way always...[thus,] Strong system of concessions to private sector and public-private sector partnerships would need to be created” [Garg undated]. Urban reform initiatives increasingly require or encourage PPPs as vehicles for urban development. The BATF was neither the first nor the last PPP, but as a model evaluated as a success, provides further justification for the concept of private players as legitimate partners to the public sector. Regulation and accountability of PPPs remain to be derived, but they remain unqualified participants in the future of urban planning in Indian cities.

A Private Public Evolves

Ultimately, the foresight of the corporate leaders yielded significant results. Alongside establishing the BATF, the members set up related organisations including Janaagraha, PROOF, and e-Governments Foundation. Upon the demise of the BATF, the members had already developed inroads into the government machinery to continue to institutionalise a set of urban reforms now at state and national levels. Although the BATF at its pinnacle held a foremost position as the confidante of the Krishna government, finally the constellation of collaborators remained to take forward the objectives of urban reform, and the existence of the BATF became immaterial. Thus the central government is currently framing national policies based on the experiences of the BATF and related groups, without sufficient evaluation of their shortcomings in terms of governance.

As described above, Ramanathan³² established Janaagraha in 2001, asserting that the BATF did not provide sufficient avenues for citizen participation. Ramanathan designed Janaagraha as a “citizen’s platform” to cultivate the “demand-side” for municipal services and a major activity of Janaagraha has been to work with resident welfare associations to develop infrastructure wish lists to pressure the city corporation for services. While the city councillors raised objections to Janaagraha’s model of “parallel governance” and lack of respect for the existing political system, the residents and media have largely praised the establishment of a venue for middle class activism.

Ramanathan’s entry into the political and administrative circuit has allowed him to pursue a concept for increasing urban representation, under the proposed Community Participation Bill. This bill would propose a framework for institutionalising ward committees as a form of democratic representation in the urban setting. While it pursues the goals of the 74th Constitutional Amendment Act, a close reading reveals that up to 50 per cent of the members may be nominated from institutions and companies in the area, depending on the proportion of properties owned, as opposed to number persons living in the area, many of whom may not own property. The committees would be responsible for preparing ward plans and budgets, mapping the area profile and requirements, and maintaining government beneficiary lists and schemes [Ramanathan and Rudrappa 2004]. In other words, the bill requires much greater debate rather than the unqualified recommendations of a select group.

A collaboration of NGOs, including Janaagraha, established PROOF as a public campaign on July 4, 2002. Although PROOF promotes financial accountability, “The campaign marginalised elected representatives and gave more prominence to the bureaucracy, thereby disrupting accountability...Disclosure and financial performance assessment are tools for enhancing accountability. However, accountability requires the participation of the elected representatives and citizens in the campaign activities” [Vijayalakshmi 2004]. Nonetheless, based on the experience of PROOF, BATF members drafted a municipal disclosure law, the Nagaraj Palika Act, which may be passed by states at their discretion. The act would require city corporations to disclose finances and activities every three months as a requirement, not upon request. As Ravichandar points out, “But disclosure not in all spheres of government, just in the Urban Local Body. This is not about disclosure of ration shops, or disclosure of how BDA runs, in the context of the ULB, it discloses” [Ravichandar 2005]. Again, there has been little deliberation and no public opinion regarding this legislation and whether the priorities address the essential needs in of the majority of the population or whether it is one more instrument that centralises control over spending patterns of the municipal corporation.

Meanwhile, Nilekani mobilised resources and established another non-profit in February 2003, the e-Governments Foundation, placing at the helm a successful IT professional recently returned from the US. The e-Governments Foundation develops open source software for municipal administration ranging from birth and death certificates, to licences, to mapping land use with GIS. As Rakodi observes, “GIS are only tools – their value depends on high level managerial and political support and institutional capacity to define information needs, set priorities and then make appropriate use of the information generated” [Rakodi 2002]. Currently working in over 50 municipalities across Karnataka, the e-Governments Foundation has taken up the Nirmala Nagara Programme of the BATF for statewide implementation, and is closely involved in the World Bank funded Karnataka Municipal Reforms Programme (KMRP), as described above. They are also involved in high-level policy-making on e-Governance strategies for the country.

By extending BATF into a collaborative framework, the core members enabled key activities initiated by the task force to continue. More importantly, they attained their entry from the state to the national political and administrative realm. Seizing this opportunity, the core members have gained audiences with the prime minister, Planning Commission, and urban development ministry to propose institutionalising the objectives under a national policy. One of the leaders noted, “The combined experience of e-Governments, BATF and Janaagraha is being unified into a national level programme, the National Urban Renewal Mission (NURM). Our meeting with the prime minister, Planning Commission and the urban development department went off very well and it is likely that this mission will take-off shortly. We also met the major multilateral funding agencies – World Bank,

ADB, DFID and USAID they are all quite excited about our approach and mission.”³³

The central government established the NURM as one track of a two track strategy in urban reforms and e-governance, for “a reforms-driven, fast track, planned development of identified cities...” [Planning Commission 2005]. The implications of setting up the mission and creating requirements for urban development projects must be further understood. Under NURM 60 cities in India are eligible to develop city “perspective plans” followed by specific development project plans. Upon meeting the established conditionalities, the central government will provide mega-cities with 35 per cent of the funding requirements, while state and ULB contributions comprise 15 per cent, and government will mobilise the remaining 50 per cent from IFIs and private banks. The ratio is adjusted with greater central government funding for smaller cities [Planning Commission 2005]. The reform process embodied in NURM ties funding for infrastructure projects to a tripartite agreement between the state, ULB, and the centre, with reform measures that include adoption of double-entry accounting systems, passage of the municipal disclosure law, introduction of e-governance initiatives, and reforms of land use laws [Mukherjee 2005]. According to Ravichandar, “The other 10 conditions that are coming which are not our conditions relate to abolition of rent control, abolition of urban land ceiling, reduction of stamp duty, mandatory rainwater harvesting... What they have done is that they have looked at all current schemes across URIF I and URIF II, CCF, and said all those would come under this” [Ravichandar 2005]. Despite the compromise, the BATF partnership succeeded in setting up a model for urban reform, taking the “Bangalore agenda” to the national level. In a presentation on NURM, Ravichandar explained that, “Our belief theory is, we said, we believe in this whole three-tier – however broken the third-tier of government is – the corporation, the corporators, the mayor...we have to work to strengthen them...So we believe that is the road ahead. And that route has to come with reform” [Ravichandar 2005].

Conclusion

The BATF members seized a series of opportunities that allowed them to gain entry into high-level policy-making and urban governance. The state and national governments largely supported the BATF as a form of legitimacy for their urban reforms agenda. The current urban development paradigms promote modes of citizen participation ranging from public-private-partnerships to resident welfare associations, that largely provide support for a much broader shift in priorities and ownership of resources in the urban setting. A snowball effect has evolved with mounting pressure for urban reform that serve a middle and upper class population, while equivalent promotion of resources for basic services, including health, education, and infrastructure remains lacking.

International financial institutions continue to pressure developing country governments to increase regulation, improve credit-worthiness, facilitate development projects, and engage with the private sector for municipal efficiency and management. Land titling for efficient property markets, credit ratings of municipal bodies, and increased regulation on land and infrastructure may make sense in a more egalitarian society, but in a country where the majority of the population has become marginalised in terms of access to resources, employment, and basic rights, the reforms further weaken their bargaining position. Therefore, policies that may seem technically sound, efficient, or promote “good governance” require much deeper evaluation in terms of repercussions.

In a world obsessed with outcomes, the imagined images of Bangalore, which are widely circulated, have a remarkable impact on development policy and projects. The implications of maintaining an imagery of Bangalore as an “IT city” includes furthering an urban reform agenda and has largely directed government initiatives away from the provision of basic infrastructure on a citywide scale. The urban reformers utilise not a singular rhetoric or entry point, but multiple entries towards the clean and efficient city they imagine. While the World Bank promotes “cities without slums” and the Bangalore CDP envisions a highly organised urban territory, the majority of the population carries on its activities in a struggle for survival. Perhaps, rather than chasing visions and imagined futures, it is time to turn our attention back to strengthening democratic processes.

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Notes

1 While the IT sector has experienced a high growth rate in Bangalore, it does not provide a majority of jobs in the city. A study conducted by Solomon Benjamin and Delphi Research Services in 2003 for the revision of the Comprehensive Development Plan of Bangalore reveals that the IT sector accesses a disproportionate investment in land and infrastructure and that data is severely lacking regarding the contribution of other industries in the city.

2 Ministry of urban development website, <http://urbanindia.nic.in/mud-final-site/urbscene/urbanreform.htm>

3 Presentations, papers, and the official websites of these IFIs advocate various forms and strategies to engage public-private-partnerships in urban development.

4 Refer to the Official Announcement of BATF ‘The Bangalore Agenda’ in The Times of India, January 25, 2000, p 9.

5 V Ravichandar, interview by author, November 29, 2004, Bangalore.

6 Task forces included IT, infrastructure, health, education, biotech and others.

7 See Government of Karnataka: Note CM/2989/DEP/99 dated November 16, 1999 from deputy secretary II to CM.
8 See Government of Karnataka: Government Order No UDD 400 MNY 99 dated November 26, 1999.
9 Three further nominations were later added to the BATF.
10 The Bangalore City Municipal Corporation.
11 V Ravichandar, interview by author, November 29, 2004, Bangalore.
12 BATF member, interview by author, February 2003, Bangalore.
13 Nandan Nilekani, interview by author, October 2003, Bangalore.
14 The French Consortium includes four public and semi-public French survey societies and one university. The team is led by SCE Creocan (a GIS project group that had worked with the BWSSB on a pilot project), and also includes APUR (town planning agency for Paris), IAURIF (a team that created the first master plan for the region of Paris), Groupe Huit (a multidisciplinary master planning group), and University of Paris Sorbonne (the Institute of Geography).
15 The Bangalore Development Authority (BDA) is responsible for updating the Comprehensive Development Plan (CDP) every 10 years according to the Karnataka Town and Country Planning Act requirements. The CDP determines land use allocation and zoning within the BDA limits.
16 The four partners of the PROOF campaign are VOICES, Public Affairs Centre, Akshara Foundation and Janaagraha.
17 According to PROOF website: <http://www.voicesforall.org/proof/>.
18 V Vijayalakshmi (2004) as well as a number of articles in the press covered the concerns of the elected councillors in terms of Janaagraha's activities and the creation of a "parallel governance" structure.
19 The BATF initially conceived of a Digital Urban Management Programme (DIMAP), and submitted a proposal to the BMP to complete the project at a cost of Rs 12 crore (approximately \$2.8 million) according to BATF proposed implementation plan for DIMAP.
20 June 10, 2003 at a meeting attended by CM and deputy chief minister government agencies involved with BATF and SCE.
21 A number of formal and informal citizen forums have been questioning the achievements of the CDP revision process and have registered exhaustive complaints regarding the plan, the press has covered many of the issues raised.
22 SCE representative, interview with author, September 2003.
23 The Draft Master Plan 2005-2015 prepared by SCE for BDA has been approved by the government of Karnataka and was on display for public comments (July-September 2005). Upon consideration of suggestions made by the public, the government will provide a final approval to the master plan.
24 V Ravichandar, interview by author, November 29, 2004, Bangalore.
25 V Ravichandar, interview by author, June 4, 2003, Bangalore.
26 PAC is a Bangalore-based NGO that monitors public services in the city, the founder of PAC is a member of BATF.
27 According to the department of municipal administration (DMA) website (<http://municipaladmn.kar.nic.in/NNe.htm>), the Nirmala Nagara scheme includes: (1) Urban Stree-Shakti for poverty alleviation (microcredit), (2) Urban cleanliness (Solid Waste management), (3) Access to toilets for urban poor, (4) Promotion of rain water harvesting, (5) Property taxes reforms and property-related GIS, (6) Computerisation of selected municipal records and (7) Implementation of Fund-based Accounting Services (FBAS).
28 The Millennium Biotech Policy states, "In Bangalore 30 acres of land to be handed over to IT Dept for establishment of a Biotech park, run on commercial lines and establishment of Biotech Corridor". The Millennium IT Policy states, "Government will set up "Electronics Cities" – these will be supplied with adequate infrastructure and residential facilities." These policies and others are available online.
29 As stated on the KIADB website, <http://kiadb.kar.nic.in/myhome.htm>
30 As stated on the Karnataka Udyog Mitra website, <http://www.kumbangalore.com>
31 URIF and CCF are financing programmes of the ministry of urban development and poverty alleviation, government of India.
32 Ramanathan was "Member of the BATF, leading the implementation of FBAS in BMP. He wrote the White Paper on BMP Finances, helped draft the MoU between the BMP and GoK, was an advisor to the Finance Department, GoK in its interactions with the 12th Finance Commission, provided inputs for the drafting of the LFFRA, and advised the Urban Development Department on scaling up FBAS to 57 municipalities in Karnataka under the Nirmala Nagara programme," as stated in *General Observations about BMP Finances* (Janaagraha).
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