Reinventing Dharavi

Shirish Patel

I would like to begin by describing the genesis of the International Ideas Competition for Reinventing Dharavi. It all starts with the trust that people have in their Government. In the early years soon after Independence, it was the certainly Government’s intention to act in the best interest of the majority of its citizens. If the political leadership entertained thoughts of going astray we could count on a vigilant bureaucracy to bring it back on the right track. That has now changed completely. Bureaucrats are no longer as independent in their thinking as they used to be. They are now more readily compliant. And we find that a Government, in its actions, is aligned with particular interest groups.

In some cases, these interest groups are focused on making money, in other cases they want to freeze minds, especially young minds, into a particular mould of values and beliefs. Either way, citizens are now wary of the Government and its intentions.

In urban planning work, we recognize that urban land has two kinds of value: we call these use value and exchange value. Those who occupy land, whether for home or for work, are primarily interested in its use value. This use value may go up or down depending on what new infrastructure is provided, or what old infrastructure is taken away. If piped water supply into my house is provided when there was none before then the use value of the house for me goes up. If a nearby park where we used to walk regularly is closed, or taken over by builders, then the use value of our home for us goes down.

Normally, exchange value will catch up with use value as it goes up and own, but there will be a time lead or a time lag. In
anticipation of a Metro station for example, exchange value will go up, although the use value has not yet changed. But when a park is obliterated, the exchange value will probably not change immediately, even though the use value has gone down. This is because, for existing residents, relocation is hard and the options available are too few.

For those who use land in their daily lives, its exchange value is only remotely relevant, coming into play only when they decide to move out. But there is another group of people whose only interest in urban land is its exchange value. This is their life’s business. They are among the wealthiest persons in the country, and they may not even be resident here. As long as they can realise the exchange value of the land in which they are dealing, it’s use value is of absolutely zero concern to them. If the quality of the living environment in a locality degrades as a result of their activities, this cannot matter to them, because they have realised their exchange value and moved on.

For those who live and work in Dharavi, the places they occupy primarily have use value. Of course there is an exchange value if someone wants to move out and someone else wants to move in and take her or his place. But what if you could magically sweep the current occupants away? The cleared land would then have a quite different and a quite enormous exchange value, because of its proximity to the airport and the Bandra-Kurla complex and its excellent railway and highway connections.

Removing Dharavi’s residents is politically impossible. So the Government’s brilliant alternative solution is to move the existing residents and their occupations into 43% of the land they currently live on and monetize the balance 57%. The financial numbers are mesmerizing. The Government sees massive profits and naturally, wants a share in these.
Meanwhile the existing population is promised absolutely free housing in _pucca_ buildings, with future maintenance costs also taken care of by setting up a fund to generate the necessary annual amount. It is shown off as a win-win situation for everyone. All sides are bug-eyed at the unbelievable splendour of the result: local residents with their grand flats in tall buildings; the carpetbagger merchants trading in exchange value; and the Government. Everyone is delighted.

What no one is looking at, is future use value. The residents of Dharavi already live at a density of persons per hectare that is among the highest in the world. Redevelopment, as proposed, will amplify this to an intensity of crowding beyond anything anyone has ever seen anywhere. Do we really want to actually physically experience this before we conclude that it will not work?

Alternatively, can we put aside for a moment, our drooling over massive monetisation of land value? And instead of looking at the money, start looking at the people? Maybe we should begin by recognising that Dharavi is a wonderfully vital, self-contained community, a microcosm of the city as a whole, which interfaces and interacts with the rest of the city in a variety of useful and productive ways. Is it possible to reimagine Dharavi as continuing to perform its current functions but with a much improved water supply and sanitation and much better accommodation for its residents and workers?

So just under four years ago, the thought of an International Ideas Competition for Reinventing Dharavi was first discussed. A Steering Committee was formed, chaired by Prof. Akhtar Chouhan. A multi-disciplinary jury judged the entries—the multiplicity of disciplines among jury members was important because this was not a design competition, it was a competition to generate ideas as to how best to go about the physical reconstruction of a settlement while preserving its social interactions and the productivity of its workers.

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The winning entry was submitted by PLURAL, a collaborate enterprise led by five professionals representing different disciplines. Let me conclude by summarising their central idea.

This is an idea that originated in the United States over 40 years ago. It has been implemented in about 250 places in the US and in some other countries as well. It consists in setting up in each place what is called a Community Land Trust (CLT), an entity that owns and hold lands with the objective of providing in perpetuity affordable housing to the lower income groups. It does this by never parting with title to the land. Land is parceled out to individual home owners under a clear contract that provides that on resale the individual will recover his investment in the construction, but will not realise any capital gains on account of appreciation in value of the underlying land, which always belongs to the CLT. What happens in effect is that the CLT’s land is permanently taken off the market. Its exchange value is obliterated. New incoming residents are selected by a transparent process, and because land price is not something to be recovered from them, they can afford to move in.

In India, Trusts have a particular format of governance, under the Charities Commissioner, so instead of using the US terminology of Community Land Trust I would prefer to call it a Community Land Reserve (CLR). Like a Forest Reserve dedicated to the preservation of the forest, or a Wild Life Reserve dedicated to the preservation of wild life, a Community Land Reserve would be dedicated to preserving its parcel of urban land for all time for low income housing.

So that is the central idea. Hand over the land in Dharavi to either one or to a multiplicity of CLRs. Let the residents, through their CLRs, choose how to refashion their communities. There is no need to provide free construction. If the cost of land is taken out of the equation, residents will manage their own housing
finance, particularly if you take into account the various subsidies being offered by the Central Government.

And here is the nub of the problem. The State is a Trustee that is expected to act in the best interest of its constituents, that is, civic society. Civic society consists of a variety of actors, whose interests are not always similarly aligned. In this particular case there is a direct conflict between the users of a piece of land, and those who are interested only in its exchange value. The State has plumped for extraction of exchange value, never mind that it will result in serious degradation of use value. This is still an ongoing battle, now between use value beneficiaries and the State. What this competition achieved was to assemble a series of possibilities, alternatives to the single option being offered by the State. Local residents, in particular, need to know that there are many ways of redeveloping Dharavi other than the single Government diktat that is on offer.