



# Growing city, shrinking hinterland: land acquisition, transition and conflict in peri-urban Gurgaon, India

VISHAL NARAIN

Vishal Narain is associate professor at the School of Public Policy and Governance, Management Development Institute, Gurgaon, India. His research interests are in the field of water policy and institutions, the management of peri-urban settlements and the analysis of public policy processes.

Address: School of Public Policy and Governance, Management Development Institute, M.G. Road, Gurgaon, India; e-mail: vishalnarain@mdi.ac.in

**ABSTRACT** This paper describes the implications of the land acquisition process in a village in the Gurgaon district of Haryana state in northwestern India. Gurgaon city, the district capital, is emerging as a major industrial hub, its growth made possible by the large-scale acquisition of agricultural lands by the government. The expansion of the city has altered patterns of rural natural resource use, created social, cultural and economic changes, and bred resentment among many peri-urban residents against urban authorities. The current top-down policies for land acquisition need to be revisited and replaced by more participative processes in which landowners and peri-urban residents themselves are involved. The speedy disbursement of reimbursements for lands acquired, and the spread of livelihood generation activities, can make processes of urbanization more inclusive and participatory. Improving transportation and connectivity to the city will be essential for sustaining new peri-urban livelihoods.

**KEYWORDS** India / land acquisition / livelihoods / peri-urban / urbanization

## I. INTRODUCTION

This paper examines the emergence of the peri-urban interface in a village called Basai, which is located in the Gurgaon district of Haryana state in northwestern India. It begins with a brief description of Gurgaon city, which has witnessed phenomenal growth over the last two decades, and provides a context for the discussion of Basai village. The methodology adopted for the study and the data sources used are then presented. This is followed by a profile of the village, and the implications of the land acquisition process are highlighted. The changes in the village as a result of urbanization are then elaborated, and the village's linkages with the city are described along with the various means of transportation. Some characteristics of peri-urban transport are discussed, with a particular focus on the diversity of kinds of transportation suited to the different needs of peri-urban residents and the factors that influence their choice of mode of transportation. The paper concludes with key messages and implications for peri-urban governance and public policy, particularly regarding policies for land acquisition that fuel urban expansion.

It is understood that there is no single satisfactory definition of the word "peri-urban", and different definitions are known to apply in different circumstances.<sup>(1)</sup> Peri-urban is often referred to as being the rural fringe areas that surround cities and that bear the brunt of urban expansion.

1. Brook, Robert, Sangetha Purushothoman and Chandrashekhar Hunshal (editors) (2003), *Changing Frontiers: The Peri-urban Interface Hubli-Dharwad, India*, Books for Change, Bangalore, 146 pages.

Iaquinta and Drescher, however, question the tendency to define peri-urban in terms of geographical location of a place vis à vis urban centres, but rather, underpin the importance of the underlying institutional contexts.<sup>(2)</sup> Proximity to towns in itself does not define peri-urban – rather, it is the existence of both rural and urban characteristics and the linkages and flows of goods and services between rural areas and urban centres. Some scholars argue that peri-urban is better understood as a process, rather than a place.<sup>(3)</sup> It could perhaps be understood as a concept or analytic construct that allows us to look at the relationships between rural and urban activities and institutions as well as the relationships between urban centres and villages. Overall, however, the word “peri-urban” is used in these three different ways, that is, to denote a place, a concept or a process.<sup>(4)</sup> The peri-urban interface (PUI) could be understood as a social, economic and environmental space where three systems are in constant interaction: the agricultural system, the urban system and the natural resource system.<sup>(5)</sup>

## II. GURGAON CITY

Gurgaon city is the largest city in the Gurgaon district of Haryana state in northwestern India, traditionally one of India’s major food baskets. It is the sixth largest city in the state and is urbanizing rapidly. Table 1 shows the steady growth of Gurgaon’s urban population since 2001.

According to the 2001 census, the male population of Gurgaon district made up 54 per cent of the total and the female population 46 per cent. Gurgaon has an average literacy rate of 77 per cent, higher than the national average of 59.5 per cent: male literacy is 81 per cent, while female literacy is 73 per cent. Thirteen per cent of the population is under the age of six. More recent estimates of Gurgaon’s population (2008) put it at about 400,000.<sup>(6)</sup>

The growth potential of Gurgaon has been harnessed by the state government of Haryana, particularly since the 1990s and the onset of the current phase of globalization and liberalization of the Indian economy.

**TABLE 1**  
**Urbanization trends in Gurgaon 1901–2001**

Year	Urban population
1901	4,765
1911	5,461
1921	5,107
1931	7,208
1941	9,935
1951	18,613
1961	37,868
1971	57,151
1981	89,115
1991	121,486
2001	173,542

SOURCE: Census of India 2001, Economic Division, Government of India, New Delhi.

2. Iaquinta, David L and Axel W Drescher (2000), “Defining peri-urban: understanding rural–urban linkages and their connection to institutional contexts”, Paper presented at the Tenth World Congress of the International Rural Sociology Association, Rio de Janeiro, 1 August.

3. See reference 1.

4. Narain, Vishal and Shilpa Nischal (2007), “The peri-urban interface in Shahpur Khurd and Karnera, India,” *Environment and Urbanization* Vol 19, No 1, April, pages 261–273.

5. Allen, Adriana (2003), “Environmental planning and management of the peri-urban interface”, *Environment and Urbanization* Vol 15, No 1, April, pages 135–147.

6. [http://en.wikipedia.org/wiki/Gurgaon#Geography\\_and\\_Climate](http://en.wikipedia.org/wiki/Gurgaon#Geography_and_Climate), accessed 12 May 2009.

Gurgaon's growth has been facilitated by several factors. First, it is located very close to Delhi, the national capital (about 32 kilometres away), and Delhi's international airport (about 12 kilometres away). Second, following the beginning of the economic reforms in 1991, the state government of Haryana undertook various policy initiatives to invite industries to Gurgaon. The most recent such initiative, which has spawned considerable debate in the media as well as within academic and policy circles about its implications for land acquisition, has been the setting up of special economic zones. Third, Gurgaon's growth has been fuelled by a real estate boom. Since the 1990s, Gurgaon city has expanded primarily through a process of land acquisition from the adjoining villages. Land has been acquired for modern residential buildings as well as for corporate houses and shopping malls, and an important characteristic of this process is a visual landscape where modern high-rise buildings co-exist with village settlement areas. The acquisition of agricultural lands has brought large transformations to the peripheral villages and has created widespread dissatisfaction with the manner in which policies for land acquisition have been implemented. Basai, where this research is located, is one such village.

### III. METHODOLOGY

The study is based on a qualitative research design, relying on an ethnographic approach, and includes a mix of semi-structured interviews with peri-urban residents, meetings with key informants, direct observation and focus group discussions.

Peri-urban residents were interviewed in order to ascertain the impacts of the land acquisition process on their livelihoods and to assess their awareness of land acquisition laws and processes. They were interviewed regarding their cropping and livestock rearing practices, linkages with the neighbouring towns and villages, means of commuting to the urban centres and any problems encountered therein. The landless and sharecroppers were interviewed separately in order to assess their perspectives, as were the village youth, and interviews with women were held in smaller groups.

In all, about 60 peri-urban residents were interviewed. Besides these, four groups of village youth comprising six to eight men were interviewed for about an hour each; two groups of landless comprising six to eight members each were also interviewed, as were three groups of women comprising six to eight members each; and 10 landless labourers were interviewed individually.

Key informants were interviewed in order to gauge information on crucial aspects of the village profile and transition. For instance, the village *patwari* (village level record keeper) was the source of information on land ownership in the village and land acquisition activity. Likewise, a local village vegetable vendor was the source of much information on land transactions and the nature of land tenure arrangements.

Members of the village *panchayat*, the unit of local governance at the village level, were interviewed to obtain a perspective on matters of village governance. Interviews with *panchayat* members started like the other semi-structured interviews, and sought to explore their cropping and livestock practices, their interface with the towns and adjoining villages, and the impacts of the land acquisition process on their lifestyles

and livelihoods. The interviews then went on to examine their perspective on crucial matters concerning village governance, their relationship with the Haryana Urban Development Authority (HUDA) and their association with the *panchayat*.

The final set of interviews was with the property dealers in the region. They were interviewed regarding land prices in and around Gurgaon, the process of land acquisition, the underlying commissions and brokerages and the discrepancy between the market prices for land and the prices that were offered to the peri-urban residents for lands acquired.

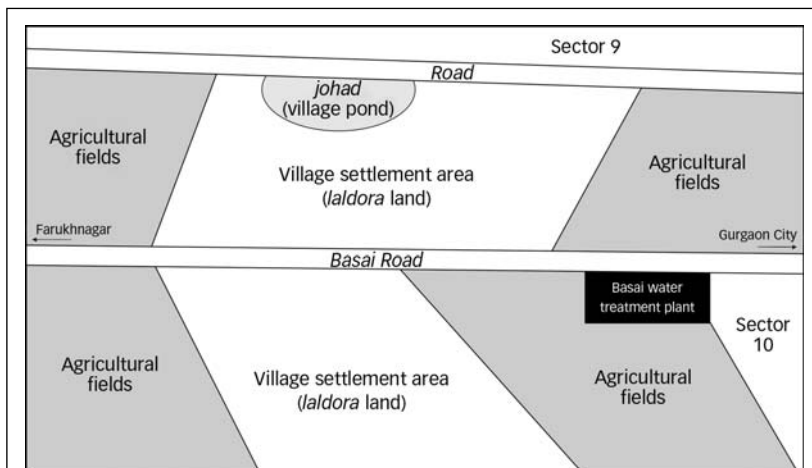
**IV. BASAI VILLAGE**

Basai lies in the Gurgaon block of the Gurgaon district of Haryana. It is located about three kilometres from Gurgaon city on the road to Farukhnagar, headquarters of the Farukhnagar block. Basai road, which passes through the heart of the village, connects Basai with Gurgaon city (Figure 1). The village is located adjacent to sectors 9 and 10 of Gurgaon, two of the city’s major residential areas that were developed by acquiring agricultural lands from the village. A road bisects sector 9 and Basai, separating the *johad* (village pond) from the newly developed residential area, and this provides a good example of the visual landscape of the peri-urban interface. Basai has also provided land for the construction of the HUDA water treatment plant, which supplies drinking water to most of the modern city.

**a. Social composition**

The peri-urban interface is known to be dynamic from a social perspective, as social groups are heterogeneous and in constant transition.<sup>(7)</sup> Small

7. See reference 5.



**FIGURE 1**  
**Map of Basai village**

SOURCE: Author (2009).

8. See reference 2.

farmers, informal settlers, industrial entrepreneurs and urban middle-class commuters are all known to co-exist in the same territory, with different and competing interests, practices and perceptions. Social forms are constantly created, modified and discarded,<sup>(8)</sup> and the density of social forms, types and meanings is understood to be increasing, fomenting conflict and resolution.

Basai has a mix of both resident population and migrants, the latter having increased in number in recent years. The native population is dominated by the *jaats* (agriculturists) and there are predominantly two groups of migrant labour. First, there is labour from the state of Rajasthan in western India, who work as construction labourers in a temple and as agricultural labourers. They had migrated about two months before this research was initiated. The motive behind their migration was chiefly to supplement their agricultural incomes.

The village also has migrants from the state of Bihar in eastern India, who work as agricultural labourers. They have inhabited the village for about a decade and live on the outskirts. They are employed during the harvest (paddy or wheat) and engage in agricultural activities such as cleaning the watercourses and irrigating the fields. They work on both a daily wage and a contractual basis. They maintain strong ties with their families through periodic visits and by sending remittances,<sup>(9)</sup> and as will be discussed later in this paper, this creates demand for a specific form of peri-urban transport in terms of connecting the migrant population to their families.

9. One observation that is well established in the peri-urban literature is that rural out-migrants do not generally go directly to large cities. Instead, a series of moves is involved, called step migration, wherein rural migrants move first to villages or small towns and then successively to more urban environments. See reference 2.

10. *Jai* is a fodder crop.

## b. Agriculture and irrigation

There are two main cropping seasons: *rabi* is the winter cropping season, while *kharif* is the monsoon or rainy season. Wheat, mustard and *jai*<sup>(10)</sup> are the important *rabi* crops, while pearl millet and sorghum are the chief *kharif* crops.

In the absence of an irrigation canal, most farmers irrigate using private tubewells. Apart from these, there are two other sources of water. First, there is an underground pipe that was built to bring water from the HUDA water treatment plant to a temple in the village; farmers whose fields lie along this pipe irrigate by cutting through the pipe and diverting water to their fields. Second, farmers whose fields lie along a sewage canal emanating from Gurgaon city can irrigate from that source and undertake paddy cultivation, which would otherwise not have been possible.

## c. The peri-urban process: land acquisition and land use change

Peri-urban settlements tend to be at the receiving end of urban development. As noted earlier, over the years, Basai has lost a large proportion of its agricultural land to Gurgaon city for residential development. Private agricultural lands in the village were acquired for the development of residential sectors 9, 9A and 10 as well as for the development of the HUDA water treatment plant. Besides, the village's grazing lands, formerly under the jurisdiction of the *panchayat*, were acquired for the development of residential areas.

Of a total of 700 acres of net cultivated land, about 500 have been acquired by agencies of the state and 100 acres voluntarily sold by farmers

to private builders and property dealers. Of the 500 acres acquired by the state, 100 were for the construction of the HUDA water treatment plant in 1988, 300 for the construction of residential sectors 9 and 9A in 1990 and 100 for the development of residential sector 10A in 1991.

The legal basis of the acquisition of these lands lies in the Land Acquisition Act of 1894, which allows governments, both at the central and state level, to acquire land for "public purpose". It appeared from discussions with the villagers and from interviews with several of the village residents that land was acquired forcefully for HUDA requirements, especially for the construction of the water treatment plant. As one villager said: "*We would never sell our lands if the government did not (forcefully) acquire them!*"

Over the last two decades, the boundaries of Gurgaon city have expanded and have encroached upon the village. New residential areas have emerged alongside Basai village, namely the Basai and Bhavani enclaves. As the villagers said: "*...the laldora (settlement area) of the city is expanding continually.. but the laldora of the village has not been reconstituted in many years.*" This process of expansion of the city has had important consequences for the village and its inhabitants, especially for agriculture and the occupational structure.

**Occupational changes: from commercial cultivation to subsistence farming.** The emergence of new urban centres that provide markets for rural produce is known often to cause a switch from subsistence to commercial cultivation in peri-urban areas.<sup>(11)</sup> In Basai, however, most farmers are left with progressively smaller parcels of land and have switched from commercial to subsistence farming.

The land acquisition process has proceeded gradually, steadily diminishing the landholdings of individual farmers. For instance, one of the farmers interviewed had been left with just two acres of land from his initial 22 acres about two decades ago. Another farmer initially had three acres of land, and progressively lost an acre in each of three different stages of acquisition – one to the HUDA water treatment plant, one to residential sector 9 and one to a private builder.

Having lost their land, these peri-urban residents have moved into new activities such as brick making in the neighbouring villages; some have opened shops in the village, or have taken to operating travel and taxi services. It is important to note that although factories have been built in the vicinity, they do not employ the local population; instead, they show a preference for migrant labour, which is cheaper. There is also a fear among employers of union-based (collective) activity among the local labourers. One consequence of this inflow of migrant labour has been an increase in the demand for rented accommodation, which has emerged as a new and important economic activity.

**The rise of consumerism and alcoholism.** The process of land acquisition and the conversion of land from agricultural to non-agricultural purposes have spawned a consumerist culture. The fresh inflows of cash from land sales have been used to buy durable consumer goods such as television sets and cars and to finance house repairs.

On the one hand, there has been an increase in cash inflows as a result of the sale of agricultural land; on the other hand, the destruction of agriculture is reported by many to have resulted in increased idleness and alcoholism. This emerged particularly strongly in several interviews with women. When asked what their husbands did once their lands had been acquired, they said: "*What is there to do now? They sit at the alcohol shop*

11. In the Hubli-Dharwad region in India, for instance, the creation of urban markets combined with the availability of irrigation created an opportunity for farmers to raise cash crops. Dairying turned out to be an important livelihood for peri-urban landless near the city; buffalo numbers increased over the previous decade, particularly in the landless households. See reference 1.

and throw around the (newly acquired) money!" A common sight throughout different areas of Gurgaon is the springing up of beer and alcohol shops.

**Impacts on natural resources.** The emergence of the peri-urban interface has led to the erosion of the village's natural resource base, as grazing lands and *johads* have been acquired to meet the city's requirements.

The development of the city has meant the takeover of village common property resources such as grazing lands. As described above, HUDA acquired the grazing lands for the development of residential sectors 9 and 9A. Villagers responded by switching from open grazing to stall-feeding, or by reducing the size of the livestock population.

In all, there were six *johads* in the village, three of which were on land acquired by HUDA for the development of sectors 9 and 9A and one was acquired for the development of the school. The fifth one, located near the fields, is polluted with wastewater as a result of discharges from a nearby factory and is no longer considered fit for use by livestock. Only one *johad*, about 40 feet deep, is now used for purposes of livestock.

An important group of affected people is the potters, who depended on the *johads* for de-silting and on the livestock for carrying the clay to their places of work. With the takeover of the grazing lands and the *johads*, the bases for their traditional livelihoods have been eroded and they have been forced to move into alternative occupations.

Furthermore, some of the village's agricultural land – about 100 acres – was rendered unproductive, as it had remained submerged by sewage water being discharged from the city. However, the situation was remedied by lining the sewerage canal, converting it into a *pukka* (lined) canal and evolving an irrigation system for the farmers. This improved control over the discharge of sewage water and made it useful for paddy cultivation.

**Equity implications.** The peri-urban process tends to distribute benefits and opportunities unequally. In Basai, those farmers whose fields were geographically scattered were less vulnerable to the land acquisition process than farmers whose fields were concentrated in one place. They are also best placed from an irrigation perspective as they can benefit from different sources of irrigation. Furthermore, while landowners have been compensated for the lands acquired, the current compensation policies omit the landless, who work as tenants or labourers. This has been a major cause of discontent among the landless who have, in the process, lost livelihood opportunities. Minority groups such as potters, as noted above, have been adversely hit. Many of the landless residents expressed anxiety and envy at the sight of the prosperity and wealth in the village that was the result of land sales, while they were deprived of their livelihood opportunities.

#### d. Rural-urban linkages and transportation

Peri-urban livelihoods are constructed across rural and urban spaces.<sup>(12)</sup> Households in the village secure livelihoods through a mix of agricultural and non-agricultural activities – trade, small shops, transportation services, employment in factories in Gurgaon city and in services. These livelihoods materialize through the two-way flow of goods and services between the village and the city.

This flow of goods and services also happens between villages. For instance, inhabitants of Basai often obtain fodder from the interior villages

12. Baker, Jonathan and Hege Wallevik (2003), "Poverty and wealth at the rural-urban interface: an actor-centred perspective from northern Tanzania", *Environment and Urbanization* Vol 15, No 2, October, pages 229–248.

such as Dhankot, where it is cheaper. Likewise, children from one village often commute to a neighbouring village for their education.

One advantage of proximity to the city is the availability of fruit and vegetables; vendors from the Gurgaon *mandi* (wholesale market) travel from the city to sell them in Basai. The villagers either buy them directly from the *mandi* or from local retailers who, in turn, procure them from the Gurgaon *mandi*. This is in contrast to observations in other studies of the peri-urban interface, such as those of the Hubli–Dharwad region mentioned earlier in this paper, wherein the proximity to markets and the presence of assured sources of irrigation enable farmers to tap into the city market by switching to crops that give a higher return. With the large-scale acquisition of agricultural land and relatively poor sources of irrigation, however, Basai has not had these opportunities.

**Transportation needs and practices.** The transportation needs of peri-urban residents are essentially for access to markets, health and education and, in particular, for the kinds of changes in livelihoods that result from changes in the use of agricultural land. They could be classified into two categories: first, the transportation needs of the resident population; and second, the transportation needs specific to migrants and the new settlers occupying the residential areas surrounding the village. A common practice among both groups is to combine visits to the city for the payment of bills with important purchases. While most items of daily consumption are available within the village, for purchases for special occasions such as marriages, the practice is to commute to Gurgaon. There is a wide variety of means of transport – bicycles, tractors, auto-rickshaws, public and private buses, school buses and a train.<sup>13</sup> Each of these is used for specific purposes, and some are combined.

Since the public bus service is unreliable and infrequent, the villagers rely much more on their own private or semi-private modes of transport. The emergence of the peri-urban interface has given rise to auto-rickshaw operators, who provide semi-public transport from the village to the town, as well as between the peri-urban villages. People prefer auto-rickshaws to public buses because they are more reliable, more frequent and take people deep into the market area of Gurgaon, whereas public buses take them only as far as the Gurgaon bus stand. The fares are comparable, however auto-rickshaws can be overcrowded and cramped.

Tractors are the preferred mode of transport for agricultural produce. Farmers who do not own tractors hire them. Bicycles are popular among those who commute to Gurgaon for work on a daily basis – the ride takes about 15–20 minutes.

It is common for people to switch between different modes of transport – commuting to the city on a bicycle and then returning in an auto-rickshaw, for example, as in the case of a person commuting to the city to procure fruit and vegetables for sale in Basai.

The migrant population needs transport to go further afield twice a year, at the end of each cropping season. The village is served by a railway station, and many migrants commute by train from Basai to the old Delhi railway station from where they take a connecting train to go to their hometowns.

Peri-urban areas provide a transit point for connecting the cities to the rural hinterland. On account of the location of the railway station, Basai provides a transit point for inhabitants of other villages who need to commute to Gurgaon city. It is common, for instance, for milk sellers

13. This is indeed an important feature of peri-urban transport. See, for instance, reference 4.



from rural Rewari, an adjoining district, to travel by train to Basai and then go onto Gurgaon to sell milk on their bicycles or motorbikes, which they park near the railway station.

While infrastructure – mainly in the form of highways – is being developed in Gurgaon city, and many of the existing highways are being widened, the infrastructure problems of the villages around the city are not being addressed. These include the unmetalled roads that become blocked during the rains as well as the clogged up sewers, which are the responsibility of HUDA. Many interviewees expressed the view that if the road connecting the village to Gurgaon city were replaced by a metalled road, it would reduce considerably the time spent travelling to the city.<sup>(14)</sup>

14. This observation is also made in other peri-urban studies. See, for instance, reference 4.

## V. ISSUES OF GOVERNANCE AND PUBLIC POLICY: OPPORTUNITIES FOR CONFLICT AND COLLABORATION

Peri-urban governance poses certain unique challenges, since peri-urban areas may lie outside the legal jurisdiction of the cities and sometimes even outside the legal jurisdiction of municipal boundaries, making it difficult to enforce certain policies. At the same time, peri-urban governance may require collaboration between urban and rural authorities. For instance, in a participatory action planning project in the Hubli–Dharwad region in India, the idea for a sewage treatment plant had to be dropped because it was not clear whether it was the urban or the rural government who would pay for it.<sup>(15)</sup> The shifting boundaries and transitory interests within a peri-urban context further add to these challenges.

15. Halkatti, Meera, Sangeetha Purushothaman and Robert Brook (2003), "Participatory action planning in the peri-urban interface; the twin city experience: Hubli–Dharwad, India", *Environment and Urbanization* Vol 15, No 1, April, pages 149–158.

In Basai, too, both urban and rural authorities have a role in governance processes. HUDA is responsible for the maintenance of the road that cuts through the village, with settlements on both sides, and that connects the village to the city. The village *panchayat*, on the other hand, is responsible for the roads within the village. Likewise, HUDA provided a single water point from the Basai water treatment plant, while the village *panchayat* developed the internal distribution network.

The conflict between rural and urban authorities is an important issue in peri-urban governance. HUDA acquired Basai's grazing lands from the village *panchayat* but has not paid the agreed compensation. The *panchayat* filed a case in the state's High Court, as did individual farmers who had not received compensation for their lands acquired for the water treatment plant, which came into operation in 1992. People who gave away their lands had been promised employment in the HUDA treatment plant, but the promise was not honoured. Furthermore, compensation has been paid in instalments, and often the small amounts released are not sufficient to allow for larger investments or acquisitions, for instance, for purchasing land elsewhere. When HUDA failed to pay the third instalment, a case against HUDA in the state's High Court was resolved in favour of the original landowners. However, compensation had still not been received at the time this research was carried out, and this has heightened the peri-urban residents' resentment against HUDA.

Another challenge concerns the maintenance of the village sewers. HUDA hired a contractor to build the sewers, who disengaged from the scene soon after their construction. Now, the sewers need to be rebuilt. The solution, as perceived by the villagers, is for the *panchayat* to put pressure

on HUDA to do the necessary work; but this is not happening because, by retaining the task, the *panchayat* sees an opportunity to (mis)appropriate the allocated funds. Basai has now been classified as an “urban village”, implying that the sewers, lights and other basic infrastructure are under the jurisdiction of HUDA. However, the *panchayat* claims that it would do the work and as a result of this tug of war between HUDA and the village *panchayat*, the repairs to the sewers remain undone.

The presence of the water treatment plant in the vicinity of the village has been a mixed blessing. It has made clean drinking water available and has provided irrigation to some farmers, but it has also created various problems. Broken pipes and leaks from the plant have led to an increase in the mosquito population, with adverse health implications. Furthermore, the broken pipes and the irrigation have caused a rise in the water table, resulting in seepage in some houses and a loss of productivity in agricultural fields around the water treatment plant. Farmers who were interviewed said that they were unable to grow wheat on this patch of land, and many expressed concern that in the years to come they would be unable to grow any crop at all. “HUDA has given water, but has not paid attention to other problems”, was a perspective often expressed in field interviews.

## VI. TOWARDS ALTERNATIVE APPROACHES TO LAND ACQUISITION

The peri-urban interface has been described as a “space crying out for attention”,<sup>(16)</sup> however, given its unique characteristics, developing policy options for sustainable peri-urban settlements poses several challenges. Policy prescriptions typically focus on improving the access of peri-urban dwellers to a wide range of assets, improving transportation and connectivity, involving both rural and urban governments at the local level and, most importantly, overcoming the rural-urban dichotomy in planning for development.<sup>(17)</sup> Given the huge diversity in peri-urban settings, a strong case is made for a decentralized approach that is driven by local demands and priorities in which both urban and rural specialists need to work together. It is argued that this requires the straddling of the rural-urban divide, which has normally been ignored by policy makers.<sup>(18)</sup>

The case of Basai describes the transition process in peri-urban Gurgaon. The village has undergone rapid transformation through changes in land use and the acquisition of land for urban and residential purposes. However, there is a growing resentment towards forced land acquisitions and the inability of peri-urban residents to participate in the process of formulation and implementation of policies that affect them deeply. These processes, along with the delayed payments for the lands acquired, have led to increasing resentment towards urban authorities.

The peri-urban residents who were interviewed had strong opinions about how they could be compensated for the land that had been acquired – for example, by being employed in factories that were being built, by being offered higher rates for their land and by being allotted land elsewhere. One alternative they voiced was that they should be allowed to enter into direct negotiations with the buyers rather than go through the government, which might allow them to sell their land at

16. See reference 1, page 134.

17. Narain, Vishal (2007), “Between rural and urban: policy in practice for the peri-urban interface”, Paper presented at the Second Annual Conference on Public Policy and Management, Indian Institute of Management, Bangalore, 12–14 April, 24 pages.

18. Tacoli, Cecilia, (2003), “The links between urban and rural development”, *Environment and Urbanization* Vol 15, No 1, April, pages 3–12.

higher rates. A common feeling among the farmers is that the compensation they receive should be high enough to allow them to acquire land elsewhere, and that they should be exempt from any registry fees on the land they buy in lieu of the land foregone. Needless to say, they consider it necessary that any compensation should be honoured in good time.

There are several crucial areas for intervention in the realm of public policy. First, peri-urban dwellers need to be made part of the policy formulation process for urban development in order to reduce the chances of any rural-urban conflict. This can be accomplished through the creation of some kinds of multiple stakeholder platforms that bring peri-urban residents face to face with planning authorities and that allow for some form of dialogue on the urbanization and land acquisition process. This would build in some element of preparedness among peri-urban residents and make policies for land acquisition less top-down and more transparent. As developing countries such as India urbanize, and the ecological footprint<sup>(19)</sup> of cities such as Gurgaon grows, there is a need to evolve a platform where urban and rural authorities can interact with peri-urban dwellers on a regular basis, so that the process of urban development is made more transparent and issues needing collaborative effort can be addressed jointly.

At the same time, policies for land acquisition need to be matched by new programmes for livelihood generation and for the absorption of labour that is displaced by the land acquisition process. There is a need to evolve a system for speedy reimbursements from urban authorities or governments for land acquisitions, and to honour compensation commitments in good time. These payments, when made in small instalments, are rendered much less useful; delayed payments and unfulfilled promises by urban authorities create an environment of distrust and dissent.

There is a need for a comprehensive rehabilitation policy that compensates landowners at market rates, that waives registration fees for new land acquired by those whose land is taken over, and that provides compensation to tenants and sharecroppers. A mechanism that compensates not only the landowners but also the landless who work as tenants and sharecroppers, in particular, needs to be evolved. At a more fundamental level, there is a need to revisit the Land Acquisition Act of 1894, which allows land to be acquired "for public purpose". This Act is mobilized by governments to acquire land in a somewhat mechanical and ad hoc fashion, which seems excessively prescriptive and top-down and which points to social exclusion and non-participation, fuelling social discontent.

Other approaches to land acquisition merit consideration. One approach could be to give the village *panchayats* a say in the matter and to allow them to decide on issues of land acquisition. Better still might be a mechanism whereby the affected landholders themselves decide on this through a collective voting system. This approach would focus on the specific landowners who are affected. These alternatives would represent a move away from the current practice of forced land acquisitions and make the process more consultative and participatory. Other approaches could be to make farmers stakeholders of industry, or to allow them to lease out their land to industry. In essence, we need to move away from the current, top-down, prescriptive approach to urban and industrial development, to one wherein peri-urban residents – important stakeholders

19. William E Rees developed the concept of "ecological footprint", which is a measure of human demand on the Earth's ecosystem. It compares human demand with planet Earth's ecological capacity to regenerate. See Rees, William E (1992), "Ecological footprints and appropriated carrying capacity: what urban economics leaves out", *Environment and Urbanization* Vol 4, No 2, October, pages 121-130.

in the process of urbanization – are active participants rather than mere recipients of a policy that affects them deeply.

Finally, the case of Basai village suggests that understanding the transportation and mobility needs of the peri-urban residents requires an appreciation of the wide diversity in the means of transportation they resort to; in particular, the role of semi-public transportation. Simultaneously, a more reliable public transport system that connects major cities can relieve the stress on semi-public forms of transportation, such as the auto-rickshaws, that connect peri-urban residents to these cities. An improvement in the public transportation system that links major cities is likely to provide benefits to the peri-urban dwellers of villages along the routes, by improving connectivity and their access to markets, as well as facilitating access to health and education needs.

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