
Research Paper

Decentralisation and devolution in growing megacities

Case of Bangalore, India

Author 1 Ananya RAMESH, India

Author 2 Nirupama M VIDYARTHI, India

Abstract

Through the 73rd and 74th Amendment Act of 1992, India sought to empower urban and rural local bodies. On the contrary, parallel modes of governance have undermined them. In the case of megacity Bangalore, two such modes i.e Electronic City and Smart City are studied to unpack the status of decentralisation. Key person interviews serve as primary data. Following the enquiry of decentralisation and devolution, elements of disconnectedness emerge. Disconnectedness can be seen between parts-affecting the whole, embodied as intents as well as outcomes through tools of planning, administrative, legal, political and economic choices. This leads us to enquire how we can retain decision-making power within the democratic realm and strengthen the role of local bodies in megacities. Unpacking the dynamics of decentralized governance is critical across megacities globally, as cities continue to seek autonomy not just in functioning but identity and influence, in the network of global flows.

Key words

Democratic decentralization, Electronic City, Smart City, Disconnect

Introduction

The United Nations (UN) define megacities as those with a population mark of over 10 million, where Bangalore features in the top five megacities in India with a population of 10.5million (United Nations, 2018). The Census of India, 2011 refers to Bangalore as an Urban Agglomeration under the million plus category, governed by a Municipal Corporation. In India, megacities are categorised based on their contribution to the Gross Domestic Product (GDP) and their role as central to the 'economic future' of the country (McKinsey Global Institute, 2010). Cities in this framework are viewed as concentrations of investment, labour and infrastructural provisions. This makes them vital tools in the 'growth' narrative calling on governments to 'remove barriers in product, land and labour markets' (McKinsey Global Institute, 2001).

Megacities as a process

Harvey deconstructs these 'utopian' (Harvey, 1996) ideas of growth in cities and argues that they are not entities, but processes of 'accumulation of capital across time and space' (Harvey, 1996) especially the big agglomerations which act as the primary centres of 'capitalist creative destruction' (Brenner, 2013, p. 108). In cities like Bangalore this is especially marked in the processes of creating a 'world class city' (Ong, 2011) more pronounced since the mid-1990s (Goldman, 2011a). Michael Goldman discerns the flow of capital and its effect on the transformation of Bangalore from a quiet pensioners town to a

'third world Megacity' (Goldman, 2011a) catalysed by the growth of the IT industry. This makes Bangalore a frontier of "speculative urbanism" (Goldman, 2011b) with the transnational agencies aiming it to connect to a global network of flows while undermining the local bodies. Urban as a 'process of transformation unfolding in diverse sites, territories and landscapes' as proposed by Brenner helps visualise the case of Bangalore with urbanisation bleeding into the "non-urban" and helps ascertain the capture (Brenner, 2013) and its facilitation, at the expense of the local government. When regional competitiveness (Kennedy, 2017) is at odds with local political competence, capital finds non-capitalist spaces and strata ((Luxemburg, 1951) as cited in (Idiculla, 2015, p. 5)) to engage with; to ease the process. Yet for the very same reason, states invite capital in the very same flagship cities, willing to give up some level of control. This can be viewed as a reason for regional imbalances and certain cities growing into megacities and city regions.

In megacities and urban agglomerations, the local governments most often are limited by administrative jurisdictions that do not match the extents of urbanisation (Baud and Wit, 2008, p. 8). Viewing megacities as processes, urges us to look beyond the logics of administrative and jurisdictional boundaries, observing the dynamic nature of part to whole relationships. Spatial, regulatory and financial provisions within these processes define parts, as a dynamic identity and its relationship with the megacity; owing to the multiple processes within megacities.

Decentralisation in India: the institutional framework

The 73rd and 74th Constitutional Amendment Act (CAA) introduced in 1992 can be viewed as a milestone in the attempt to decentralize and strengthen rural and urban local governments as the third tier within the federal structure. The 11th and 12th Schedules added through these CAAs give a detailed list of functions to be carried out at this level of government. The 73rd CAA has better implementation since it actively regulates decentralisation in rural areas through clear demarcation between state and panchayat raj; devolving financial and administrative power proportionately to function autonomously (Baud and Wit, 2008, p. 24). The 65th CAA 1990, a precursor to the 74th CAA failed to be implemented since it sought an unprecedented move within the federal structure, empowering the urban local bodies i.e. municipalities as the third tier of government. Opposed on the grounds of 'bypassing' the state government which are the building blocks of the nation i.e. 'India as a Union of states', the 74th AA toned down this proposition, offering state governments discretionary powers (Baud and Wit, 2008, p. 54). In Karnataka, Karnataka Municipalities Act and Karnataka Panchayat Raj Act provide the framework and institutional structures.

In the case of Bangalore creation of parallel modes of governance through parastatals and taskforces, citing technical expertise as the reason laterally shifts the decision-making power away from the ULBs which has been discussed widely discussed by scholars under the Collaborative for Advancement of Studies on Urbanism through Multi-Media (CASUMM). These studies also establish the undermined power of municipalities due to lack of devolution of power to the Ward Committees, capture of fiscal control and decision-making through creation of financial intermediaries and pre-conditioned loans from international financial institutions. It is in this context, Leo-Saldanha from Environment Support Group rightly points out that "we are ritually decentralised, but effectively centralised".

Studying the complexity of “market-based practices” in Bangalore, Benjamin (Benjamin, 2010) articulates that the impact of neoliberal forces when “policy and programmes favour the big interests over these everyday-practices” poses a threat to the essence of democratic processes and decentralisation. The current approach to democratic decentralisation coupled with regional competition (Kennedy, 2017) and corresponding policy incentives by the state government, are “removing the remaining obstacles to the global presence of capitalism” (Schuurman, 1997) which is discussed through the two cases.

More than two and a half decades after the CAAs, democratically elected urban local bodies remain disempowered. New forms of governance such as Special Economic Zones, Infrastructure Corridors, Industrial Townships, Smart City etc. can be seen as countering this intent, through creation of “enclaves of exception” (Idiculla, 2015, p. 20). We hypothesise that “exception” ((Schmitt, 1985; Agamben, 2005) as cited in (Idiculla, 2015)) as a key intent in these new forms of governance, is leading to various degrees and forms of ‘disconnect’. Not only has this shifted decision-making outside the democratic realm and altered the dynamics of local governments, but the disconnects are posing challenges to dynamics within a megacity’s parts as well as the regional dynamics. Viewing these disconnects as outcomes, this paper aims to unpack two instances (i.e. Electronics City Industrial Township Authority (ELCITA) and Smart Cities program) of such exception initiated through programmatic and financial exception respectively; implemented through alternate modes of governance. The authors unpack the resultant disconnects as outcomes of processes that contest, claim and retain decision making within the democratic realm and the dynamics of impairment and systematic shift in power away from local bodies aimed at serving other interests.

Case 1: Smart City

Megacity fueled by visions of a World Class city

According to Harvey long-term investments in built environment, infrastructure of communication, production to name a few, facilitate the ‘circulation of capital’ across time. (Harvey, 2000). Apart from utilizing land to accelerate peri-urban transformations, there is a rising interest in ‘Urban Renewal’ programs seeking to uplift the core city areas. It is through a combination of ‘underestimated costs and overestimated revenues’ that projects get approved and bring in funds (Flyvbjerg, 2005, p. 1) They project visions and rendered images of the the city on completion of the project. One of the recent proponent of this ‘Urban Fantasy’ (Watson, 2014, p. 215) in India has been the Smart City Mission. Often referred to as the ‘pet project’ of the Prime Minister, it is highly centralised in its conception of development, favouring a certain model of ‘futuristic’ development, often overlooking the actual needs of the cities or areas where the mission is implemented.

Basic Infrastructure vs ‘World-Class Infrastructure’

Carrying forth the JNNURM model, the Smart City Mission seeks to bring in large amount of investment into cities. But just as JNNURM the Smart Cities Mission seeks to restructure the functioning of municipalities. This is usually at the cost of provision of basic services (Baindur and Kamath, 2009). In the mission mode, the State and ULB seek to create and demonstrate ‘convergence’ with larger national goals and other schemes. The cities conceptualise

projects to fit the requirements of the Central Scheme, the predominant incentive being access to the grants. In this process the convergent goals overlook the city's requirements.

Brigade Road, one of the 7km of roads in the core city of Bangalore selected for the 'Smart SURE' roads which will feature IoT (Internet of Things) based interventions. 'These roads will have 50 smart card-enabled public bicycle sharing points, 30 e-rickshaw stands, 35 e-toilets, water ATMs, 420 sensor-based smart dustbins and 50 designated vending kiosks -all of which will be connected to 1,250 smart telecom towers that will double as street light poles. Not to mention, these roads will also have wi-fi connectivity.' (Ministry of Urban Development, 2016). The disconnect between such proposals and the reality of the various parts of the city faces inadequate water supply, sewerage management and lack of basic services especially for the urban poor is evident.

A large part of the Pan City Proposal for Bangalore focuses on 'Smart' technocratic interventions such as e-governance, B-TRIPS etc. (Ministry of Urban Development, 2016). The call for an overhaul in governance with an intensive use of technology causes a disconnect in the system and induces a demand for 'expertise' which is to be fulfilled by a number of Private players offering allied products and services (Ong, 2011).

Focus on Area Based Development

Though ABD is intended to streamline the goals into smaller spatial entities to be tackled as a project, the Bangalore Smart City proposal is far from execution with very less transparency on the progress of the Mission. Officials claim that the DPRs (Detailed Project Reports) are being prepared at this stage.

The mission talks of concepts like 'Retrofitting' and 'Redevelopment' of existing areas; 'Redevelopment envisages an area of more than 50 acres, identified by Urban Local Bodies (ULBs) in consultation with citizen', this raises questions of equity and inclusiveness as various identities manifest spatially in cities. A look at the Smart City proposals of Bangalore shows trends that ABDs concentrate too much on spatial interventions alone, which view retrofitting and redevelopment as an exercise in aesthetics; modernisation, place-making, material changes etc. It is however a manifestation of 'splintered urbanisms' (Graham and Marvin, 2001) with resources being directed to select areas in the city. 2,090 crores are the current estimates for the projects under Bangalore Smart City with Rs 1,666 crores with over 80% just for the ABD projects (Ministry of Urban Development, 2016). The larger budget for the ABD projects will run the risk of creating 'islands of excellence' (Idiculla, 2015) creating a spatial disconnect between the selected areas in the core and other parts of the city.

Since a large portion of the financing of these projects relies on investments from the private sector and Public Private Partnerships, they depend on the market mechanisms for their completion. These Market forces will play out differently in different cities depending on various factors; highlighting existing patterns of boosterism and inter-region competition. The actual spatial forms that these economic forces would take in a city like Bangalore is to be seen. How they are linked with existing economic nodes would decide their feasibility and working.

Governance in an SPV model

The Smart City Mission aims to tap into the 'spirit of competitive and cooperative federalism' (Ministry of Urban Development, 2015) creating competition in the process of selecting the cities and in the delivery of the pre-defined projects. This would depend on the ambition,

ability to repay and the 'comfort' provided to the lenders. Apart from the influencing reforms and policies, certain financial tools like Special Purpose Vehicles are employed to create a financial island disconnected from the liabilities of the constituent partners. Special Purpose Vehicles have become increasingly popular in delivering and operating projects often compromising on transparency. They allow for securitization of assets, distribution of risks, and the goal-oriented approach seeks to instil confidence and minimise risks for the investors.

The Smart City SPV is to implement, plan, appraise, approve and release funds, manage, operate, monitor and evaluate the various projects. This is overseen by the State level 'High Powered Steering Committee'. An 'Apex Committee' at the central level would monitor the entire mission. This in a sense created parallel structure of entities disconnected from the democratic realm, with State and ULBs asked to delegate their powers to the respective mission counterparts.

A large aspect of creating an SPV allows operational autonomy and acts as a means to bypass the local elected representatives and the democratic accountability. Fiscal decentralisation not the same as decentralisation as per the 74th CAA; 'withdrawal' of the Central and to an extent the State governments in the financing of the projects does not lead to autonomy for the ULBs functioning. The decision making in the case of the SCM is largely concentrated with parastatal intermediaries like KUIDFC, the 'High Powered Steering Committee' at the State Level, the monitoring and evaluation of the projects also rests with the SPV and not with the ULB.

There is no mention of the role of the Ward Committees or the elected corporator in the SCM document especially when it mentions the city level governance with the Smart City Advisory Forum. According to the document the forum will include the District Collector, MP, MLA, Mayor, CEO of SPV, local youths, technical experts, and at least one member from the area (Ministry of Urban Development, 2015). This further distances and takes away from the existing role and powers of the local representatives. The Ward Committees have started functioning now and it's largely the civil society pressure that has strengthened its position in the City. Though there are several shortcomings in its current functioning, State and Central policies are actively undermining its position and powers as laid out in the 12th Schedule.

Cities are not products but multiple processes that require constant dialogue with its citizens. The Mission document calls for the delegation of the powers and responsibilities that rests with the State/ ULB to the SPV. This erodes the current threads of accountability and limits the interaction of the citizens to a grievance interface. Its parallel mode of working creates disconnects in the larger system undermining the already disempowered local units of governance.

Case 2: Electronics City Industrial Township Authority (ELCITA)

With economic liberalisation in the 90s, Bangalore opened its markets to foreign investment and launched the Karnataka Information Technology (IT) Policy in 1997. Electronic city (e-City) which was set up as a hub for electronics industries in the 70s, underwent a paradigm shift from electronics to IT with the setting up of Software Technology Parks of India (STPI), (an autonomous society under the Ministry of Communication and Information Technology,

Government of India) in 1991 (ELCITA, 2017). Today e-City is known as the 'Silicon Valley of India', employs over 1.5million people and is spread across 903 acres. Entry of IT into the Indian market can be seen as the moving of capital, seeking new avenues and territories as discussed by (Harvey, 2003) outside of saturated capitalist economies, to gain from reinvestment. Spatially, this phenomenon is concentrated in the peripheries of cities not only because of land availability but the presence of non-capitalist strata ((Luxemburg, 1951) as cited in (Idiculla, 2015, p. 5)).

Creating the enclave of exception

At inception, in the 70s, the Government of Karnataka (GoK) along with Karnataka State Electronics Development Corporation Limited (KEONICS) developed e-City as a single land use estate reserved for electronics industries, imagining it as the future of the state. This defined the island of exception spatially and based on land use. After the entry of IT industry, the island was also defined institutionally in 1992 with creation of Electronics City Industries Association (ELCIA) and handed over maintenance in 1997; to cater to 'special needs' of industries within e-City (ELCIA, 2014; ELCITA, 2017). In 2012, BBMP passed a resolution (The Hindu, 2012) to include e-City under its jurisdiction viewing it as a revenue source in terms of tax, magnet to attract investment into the city, attract educated migrants and in turn boost the state economy. But ELCIA opposed this in order to avoid paying higher taxes to BBMP which is an Urban Local Body (ULB) versus the lower tax they were paying to the panchayats which are rural local bodies. Given these considerations by the GoK, ELCIA lobbied for the Industrial Township status (ELCIA, 2014) to secure the state of exception and operate autonomously, which was granted in 2013. e-City was managed by parastatals Karnataka Industrial Area Development Board (KIADB) and Karnataka State Small Industries Development Corporation Limited (KSSIDC) and KEONICS (ELCITA, 2017), violating the 73rd and 74th Constitutional Amendment Act (CAA) and with the Industrial township status, the village panchayats are facing a loss of revenue in addition to loss of power (since taxes are now collected by ELCITA and not the village panchayats), failing the intent of the 73rd and 74th CAA.

Governing council of ELCITA has elected and State Government nominated members (ELCITA, 2017). The system of nomination in every council allows the State to retain control and limit autonomy. The chairperson selected from the five elected members doesn't have any executive powers, while these powers are vested in the Chief Executive Officer (CEO) who is appointed by ELCITA, sometimes under political pressures from the state government (Aworti, 2003), challenging the exercise of autonomy. This reflects the nature of ELCITA as a local body which is not headed by a democratically elected representative but by an autonomous Authority which is under state control to an extent.

Enclave of exception; relationship between the megacity and its parts

"...Bangalore city has 45% leakage whereas 5% leakage with ELCITA distribution...everyday meter reading is noted and problems are resolved immediately... unlike BBMP, property tax collection is 95% this year and was 97% last year and we have a paperless office and all the work is online for transparent functioning...". During the interview, the CEO of ELCITA talks about the efficiency in governance and quality of service delivery within the e-City jurisdiction with a sense of accomplishment. It is the ring-fenced spending of revenues within the e-City jurisdiction that offers ELCITA the opportunity to provide, monitor and maintain services better. This has led to a stark contrast in quality of infrastructure and

service delivery which can be observed during surveys. This resultant disconnect is a function of the status of “exception”, bureaucratic reach as well as the delimited technical expertise and financial power. Another outcome is compromised service delivery to other parts of the city owing to disproportionate distribution of resources and regional disparities (Tantri, 2014, p. 13). Examples in this case include limited fleet of air-conditioned buses on other routes in Bangalore as there is an oversupply on the e-City route, congestion enroute since elevated expressway to e-City is tolled etc.

Status of decentralisation in the case of ELCITA

The altered modes of governance lay out the spatial, legal and economic models for the development of enclaves. Institutional design, municipal autonomy, control over land and revenues of ELCITA within the e-City jurisdiction, has dictated the terms of development and undermined the local governments as discussed in this section.

Provisions to bypass the local body and reroute decision-making

Policy provisions to enable the state of “Exception”: To attract IT companies to Bangalore and e-City, the GoK presented several subsidies and simplified the process. With the first Karnataka IT Policy released in 1997 (Government of Karnataka, 2011) it offered several tax subsidies (on computer hardware and peripherals, 50% subsidy on stamp duty and registration charges), exemptions (work contract tax, entry tax for five years, sales tax for ten years, electricity tax for captive power generation without limit, sales tax on fuel without limit) and land cost subsidy based on employment generated. Even with the electricity tariff slabs, software companies are considered industrial and not commercial thereby offering a subsidy on this front as well.

The Karnataka IT policy recommends the creation of a single window agency to administer the concessions and incentives which will be headed by the Principle Secretary Department of Commerce and Industries, retaining power at the state government level. The Industrial Policy has proposed raising bonds to raise funds for IT infrastructure and education. But the revenues from these bonds will be under the control of CM’s task force, with no representation from the respective local bodies. The State Policy for Special Economic Zones (SEZ) (Government of Karnataka, 2009) recommends the declaration of SEZs as Industrial Townships under the 2002 Amendment to the Karnataka Municipalities Act. Even the choice of locating these large estates on the periphery of the city can be explained as “untrammelled accumulation” of capital to engage with non-capitalist space and strata to gain influence and initiate transformation ((Luxemburg, 1951) as cited in (Idiculla, 2015, p. 5)). GoK has plans of setting up several SEZs, industrial centers and the IT corridor in the future (Government of Karnataka, 2011) and these will occupy large footprints within the city limits or within village jurisdictions. In this context, the current policy provisions retract power from the local bodies on accounts of revenue streams, decision making as well as infrastructural capacity. In these systematic ways, by carving out enclaves from within the jurisdiction of the local bodies, granting clearances at the state government level and allowing a bigger stake for private actors, leaves the third tier of government as ceremonial, failing the intent of the 74th constitutional Amendment.

Planning exemptions and spatial implications: Creation of e-City as a single use land parcel and IT and Industrial Policy provisions were the first steps towards building-up the state of exception easing the regulatory requirements and process for industries. In case of IT and

industrial developments, the ULB is disempowered through certain planning exemptions as discussed below. Any IT development with less than 5kVA power consumption has no locational restriction, and the Karnataka Industrial Policy (Government of Karnataka, 2016) has recommended an amendment to the Karnataka Municipalities Act to give powers to KIADB and KSSIDC to approve building construction plan of industrial units notified as industrial areas/estates/townships. Not only does this violate the master plan provisions prepared by Bangalore Development Authority (BDA) (which is already illegal since BDA is a parastatal) but also takes away the ULB's role of building plan sanction and reroutes it through state level agencies such as KIADB and KSSIDC.

Growth of e-city involved physical expansion and acquisition of a larger land parcel. The state, in favour of a "business-friendly rather than market-friendly" approach ((Rodrik *et al.*, 2004; Kohli, 2006a, 2006b) as cited in (Idiculla, 2015)) acted as an agent to acquire land, and handed it over to private developers, aiding the corporate-led economic growth as well as the ensuing gentrification (Smith, 2002; Sampat, 2010) as cited in (Idiculla, 2015)).

All these provisions, have supported and strengthened the state of exception, providing the IT houses in the ELCITA jurisdiction more than the elbow room they were lobbying for through ELCIA.

Ambiguity, contradictions and violations

Ambiguity in provisions of the Amendment Act and implementation: Another instance that raises questions regarding the process, is monolithic industrial land use in e-City that afforded it the industrial township status. While the zonal regulations permit residential use and the Chapter XVI-A 364 (B) of the Karnataka Municipalities Act (Government of Karnataka, 1964, p. 869) on Industrial Township recommends a resident member in the council of the Industrial Township Authority, ELCITA was sanctioned since it did not involve any residential areas. It is for the same reason, Whitefield, another IT hub in Bangalore has not been granted this status as it is a mixed-use development.

Conversing with the CEO of ELCITA, we gathered that in the manner of consolidation of territory and granting the industrial township status to e-City, residential land use was consciously excluded while demarcating jurisdiction, resulting in a monolithic single-use fabric. This has led to a ripple effect on the housing real estate outside of its boundary which can be seen as "traces of planning" (Bhan, 2012) beyond the jurisdiction. Though these are pockets of reterritorialized power, their impacts are much beyond its jurisdictions, across sectors of infrastructure, real estate, economy etc.

Access to the township is thoroughfare but controlled. What this means is for those that are permitted it is free access, while hawkers and street vendors are restricted. This approach to decentralisation creates sterile spaces that are heavily controlled, and every enterprise measured and regulated resulting in a private enclave accessible only to its members. Unlike a public authority that provide services to all legal citizens, such enclaves operate on customer basis, including only those who pay for services (Baud and Wit, 2008, p. 19). Not only is this approach exclusive, but contradictory to public nature of the authority, constituted through the Karnataka Municipalities Act.

Violating the 73rd and 74th Constitutional Amendment Act (CAA): While the 12th schedule added under the 74th CAA mentions provision of public amenities as a function of the local body, the civic amenities sites are under the control of the development authority which is a

parastatal. In the case of ELCITA, after KIADB acquired the land and before handing over to ELCIA, the civic amenities sites were sold out. This not only deprived e-City the opportunity to develop public amenities but is illegal for the state controlled KIADB which acquired the land, to dispose it off without consulting the panchayat or municipality under whose jurisdiction the land parcel was located.

Planning carried out by BDA, a parastatal is against the 74th Amendment as the 12th Schedule mentions urban planning and planning of land use as the responsibility of the ULB. Land and development being controlled by a parastatal is also a key reason for no progress in implementing the Metropolitan Planning Committee (MPC) also recommended by the CAA.

Contradictions within constitutional provisions: Article 243Q of the Indian Constitution which mandates the constitution of a municipality in every state, makes the exception for areas notified to be an Industrial Township. The contradiction between Article 243Q and the 74th Constitutional Amendment Act (CAA), exempts areas declared as Industrial Townships from creating a municipal body. Utilising this contradiction within the constitution, in 2003, GoK introduced an Amendment to Karnataka Municipalities Act 1964 (Chapter XVI-A, 364(A) to 364(Q)) which includes the provisions to carve out Industrial Townships as autonomous municipal jurisdictions, governed by an Industrial Township Authority. Under the same provision, e-City jurisdiction was declared as an Industrial Township in 2013 and Electronics City Industrial Township Authority (ELCITA) was created.

Disconnects as outcomes

Disconnects as contradictions against the local setting: Large portion of ELCITA's revenue is property tax, Central Industrial Security Force (CISF) Security fee and water charges. This can be compared to the largest expenses on estate maintenance, municipal functions and security services (ELCITA, 2017). This one-to-one reconciliation of income and expenditure which is ring-fenced within the e-City jurisdiction affords high quality infrastructure and service delivery. Unlike a municipality or panchayat which collects tax under different slabs and redistributes it across the jurisdiction. This limits the financial ability to improve quality of infrastructure and service delivery. ELCITA on the other hand, with its niche industry members is able to shift to digital systems, improving tax collection etc. In addition to the resulting contrast in service delivery and infrastructure quality due to the ring-fenced spending, ELCITA's approach to administration accentuates this contrast, causing a physical disconnect as well as a systemic one. ELCITA promotes "transparency" in its functioning through its "paperless office" and "digital" platform (ELCITA, 2017). Considering majority of its adjacent areas are under rural jurisdiction, for these authorities to interact, this technocratic approach makes it inaccessible and exclusive. The state of exception and notion of an island is strengthened through exclusivity in process, deepening the disconnect.

Functional disconnect: ELCITA through its constitutional provision and legal mandate, is immune to local governance and has no obligation to the civil society. The functions of the Industrial Township Authority of "social development" and "safeguarding interest of weaker sections and improvement of slums" (ELCITA, 2017) do not come into the picture since the e-City jurisdiction is only industrial land use. In order to fulfil its municipal responsibility, it operates under "Corporate Social Responsibility (CSR)" initiatives through ELCIA but not through its own funds. CSR activities include initiatives in healthcare, education, capacity building, sewage treatment etc. in the neighbouring villages (ELCITA, 2014, 2015). These are project-based initiatives as good-will gestures of corporates and not in the true spirit of a

public body. This redefines the accountability an ULB holds towards its citizens since there are no individuals involved but institutions as corporate bodies to negotiate with. Increasing urban character within the majority rural surroundings, shift from agriculture to informal economy (such as drivers, housekeeping staff etc.), change in land use, are some of the changes that can be seen during surveys, as an outcome of such an approach. This has led to disconnects within the adjacent areas, where physical changes are not in complete sync with the demographics and governance, rural by jurisdiction while competing on urban terms.

During the same process, consolidation of territory and devolution of power to build competence through mechanisms such as industrial townships, infrastructure corridors, SEZs, smart city programs etc. "... underscores the importance of political leadership, of the state and other organized actors, both local and supra-local" (Kennedy, 2007). In the ELCITA case, since the autonomous municipal jurisdiction was carved out of two villages, the village panchayats lost control over these areas as well as revenue. In this manner, the power held by the panchayats prior to reconfiguration of jurisdiction was then re-routed through an additional Industrial Township Authority whose purview and interests are bound by the limits of the township. As a result, the neighbouring areas within the megacity are subject to spatial and functional disconnects. Can megacities afford these disconnects and imbalances as a cost to the current approach of decentralisation, given their primacy and growing needs?

(Keil, 1998) suggests viewing the globalised state as altered socio-spatial scales rather than as being replaced by market forces and the local state with perforations, negotiating alternatives to the hegemonic globalisation. In the case of e-City, ELCITA, the local authority is itself a product of hegemonic globalisation, the capitalist forces of the IT industry. Within enclaves such as ELCITA, how can we then perceive the local state as a space empowered for resistance and negotiation?

Discussion

Post economic reforms, role of the state is seen as transformed from a provider to a facilitator and enabler, with increased participation of private actors in service provision (Batley, 1996). (Swyngedouw, 2005) refers to the new modes of governance where administration and implementation is increasingly handed over to private economic actors as well as parts of the civil society, as "Governance-beyond-the-State". Though this arrangement is intended to empower grassroots and democracy, on the contrary, it has created new institutions, empowering new actors while disempowering others. The two cases of ELCITA and Smart City can be viewed through this lens, where these new institutions have been given municipal and financial powers respectively, disempowering the local government and altering the dynamic of the megacity Bangalore and its parts.

(Idiculla, 2015) argues that the state cannot be seen as withdrawn from its role as a provider, rather be viewed as in an "alliance" with influential private players. The terms of this alliance between the state and the private players are crucial to understand the impact on decentralised governance and extent to which the ULB is undermined or empowered. Looking at this flow of private capital as "neoliberalism as exception" (Ong, 2006), shows how the economic liberalisation has been more business friendly than market friendly ((Rodrik *et al.*, 2004; Kohli, 2006a, 2006b) cited in (Idiculla, 2015)), illustrating the nature of

this alliance and changing dynamic of the local governments. The state and its agencies have worked towards creating a business-conducive climate, through spatial, legal and infrastructure provisions; to attract capital in the form of IT companies, industries, infrastructure projects, state and central programs etc. These shifts and instances demonstrate how the state itself, has structurally and systematically, dismantled and limited the power of local governments.

The current approach to decentralisation shows devolution of responsibilities and liabilities while the power and funds are still held by the State. This demonstrates forms of “delegation” (Baud and Wit, 2008, p. 9) to parastatals such as the Bangalore Development Authority, semi-autonomous agencies such as ELCITA and SPVs such as the Smart City Mission, which are instances of “Governance-beyond-the-State” (Swyngedouw, 2005). Tasks and funds are power (Eaton, 2001) and to unpack why the current approach of decentralisation has not really devolved power, the “movers and blockers” (Baud and Wit, 2008, p. 10) of the process are critical to the conversation about decentralisation. In the competitive dynamic (Kennedy, 2017) state governments seem to be willingly or unwillingly handing-over reigns to private players and capital; through different policy, financial and legal provisions. The state government through these provisions and new governance models is enabling “enclaves of exception”, thereby taking on the role of “movers” of the process. On the other hand, these enclaves of empowered private actors, utilise this state of exception and adopt exclusive approaches, leading to disconnects and eventually limiting and in some instances blocking the process of democratic decentralisation.

In the current governance model of Bangalore, engaging with the question raised by (Schuurman, 1997) where decentralisation could be viewed either as a progressive political stance for people’s benefit or a mechanism to ease the presence of capitalism; perforations for resistance (Keil, 1998, p. 617) in the local state (urban and rural local bodies in this case) are important. This will allow people to negotiate and resist the forms and boundaries of these enclaves so that democratic process precedes/guides private interests and flow of capital. As a result, we can view the “local state as linked to the nature of uneven social development” ((Duncan and Goodwin, 1987) as cited in (Keil, 1998)) working towards the benefit of people.

Conclusion

On the institutional front, Ward Committees must be empowered to act the basic units of city planning and administration; with the power to handle local politics. Instituting Metropolitan Planning Committee (MPC) as the clearance authority will help position these enclaves as part of the megacity system to develop a comprehensive vision and plan for the megacity and its parts. Parastatals who are currently involved even developing and delivering service, must limit their activity to developing infrastructure by putting to use their technical expertise and further engage in regular monitoring, evaluation and betterment and advising the local governments. This would not only result in compliance with the provisions of the 12th Schedule under the 74th Constitutional Amendment Act (CAA) but afford ULBs the opportunity to coordinate the city systems considering the growing and changing needs of a megacity.

The 73rd and 74th CAA proposed institutional frameworks such as Ward Committees (WC), Gram Sabhas (GS), District Planning Committee (DPC) and Metropolitan Planning Committee (MPC) along with setting up of Finance Commissions, to ensure integrated-contextual planning and accounting for financial requirements of the municipalities and panchayats. These provisions primarily seek to empower democratically elected local institutions who represent the people and the current approach has resulted in several disconnects. To fulfil the intent of democratic decentralisation and address the disconnects, instituting democratic process for people's engagement, is equally crucial. This requires "enabling conditions" where participation becomes "a means to hold the state accountable through new forms of governance that involve a more direct state-civil society relation" (Cornwall and Gaventa, 2001). While the disconnects as discussed earlier, are detrimental to this process, participation is pivotal in bringing power back into the democratic realm. This will facilitate shifting people's agency from being "users and choosers of services to makers and shapers of policy" (Cornwall and Gaventa, 2001). People can then enter the realm of "public service decision making" through active involvement but this also brings to the fore tension between "disputed identities of consumer, citizen" (Barnes, 1999) as cited in (Cornwall and Gaventa, 2001). (Barnes, 1999) highlights the possibility of participation itself reinforcing exclusion and co-option by the powerful. In this scenario, it becomes important to discuss the "infrastructure of participation" as articulated by (Shah, 2013) to be able to leverage participation as integral to democratic process. Referring to participation as an opaque word which can be misunderstood as the same and every context, he urges us to understand the forms and mechanisms people have used to mobilise and negotiate power constellations. This also includes recognising and acknowledging the ownership, passages and regulators of access by ways of which participation is legitimised. Therefore, "infrastructure of participation" in addition to empowering local institutions is important to negotiate the shift from "consumers" to active "user involvement" (Barnes, 1999) and bring decision-making back into the public realm thereby paving the way for democratic decentralised governance.

References

- Agamben, G. (2005) *State of Exception*. University of Chicago Press.
- Aworti, N. (2003) *Getting fundamentals wrong : governance of multiple modalities of basic services delivery in three Ghanaian cities*.
- Baindur, V. and Kamath, L. (2009) *Reengineering Urban Infrastructure: How the World Bank and Asian Development Bank Shape Urban infrastructure Finance and Governance in India Note about the authors*. Available at: www.bicusa.org.
- Barnes, M. (1999) 'Users as citizens: Collective action and the local governance of welfare', *Social Policy and Administration*, 33(1), pp. 73–90.
- Batley, R. (1996) 'Public-private relationships and performance in service provision', *Urban Studies*, 33(4–5), pp. 723–751. doi: 10.1080/00420989650011807.
- Baud, I. S. A. and Wit, J. W. de (Joop W. (2008) *New forms of urban governance in India : shifts, models, networks and contestations*. SAGE Publications.
- Benjamin, S. (2010) 'Manufacturing Neoliberalism : Lifestyling Indian Urbanity', in Banerjee-Guha, S. (ed.) *Accumulation by Dispossession-Transformative Cities in the New Global Order*. SAGE

Publications India Pvt Ltd, pp. 92–124. doi: 10.4135/9788132105923.n6.

Bhan, G. (2012) *In the Public's Interest: Evictions, Citizenship and Inequality in Contemporary Delhi*. University of California, Berkeley.

Brenner, N. (2013) 'Theses on Urbanization', *Public Culture*. Duke University Press, 25(1), pp. 85–114. doi: 10.1215/08992363-1890477.

Cornwall, A. and Gaventa, J. (2001) *From users and choosers to makers and shapers: repositioning participation in social policy*. No. 127. Brighton.

Duncan, S. and Goodwin, M. (1987) *The local state and uneven development : Behind the local government crisis*. New York: St. Martin's Press.

Eaton, K. (2001) 'Political obstacles to decentralization: Evidence from Argentina and the Philippines', *Development and Change*, 32(1), pp. 101–127. doi: 10.1111/1467-7660.00198.

ELCIA (2014) *Annual Report 2013-2014*. Bangalore.

ELCIA (2015) *Annual Report 2014-2015*. Bangalore.

ELCITA (2017) *The Making of Electronics City Industrial Township*. Bangalore.

Flyvbjerg, B. (2005) 'Machiavellian Megaprojects', *Antipode*, 37(1), pp. 18–22.

Goldman, M. (2011a) 'Speculating on the Next World City', in Roy, A. and Ong, A. (eds) *Worlding Cities: Asian Experiments and the Art of Being Global*. 1st edn. Blackwell Publishing, pp. 229–258.

Goldman, M. (2011b) 'Speculative Urbanism and the Making of the Next World City', *International Journal of Urban and Regional Research*, 35(3), pp. 555–581.

Government of Karnataka (1964) *The Karnataka Municipalities Act*.

Government of Karnataka (2009) *State Policy for Special Economic Zones*.

Government of Karnataka (2011) *Information and Communications Technology Policy*. Available at: <https://www.investkarnataka.co.in/policies>.

Government of Karnataka (2016) *Karnataka Industrial Policy (With Amendments) 2014-2019*.

Graham, S. and Marvin, S. (2001) *Splintering Urbanism*. Routledge.

Harvey, D. (1996) 'Cities or urbanization?', *City*, 1(1–2), pp. 38–61. doi: 10.1080/13604819608900022.

Harvey, D. (2000) 'MEGACITIES LECTURE 4: Possible Urban Worlds'. Amersfoort: Twynstra Gudde Management Consultants, p. 124. Available at: https://www.kas.de/c/document_library/get_file?uuid=1463ff93-1eab-8877-edfc-ccef8540c262&groupId=252038.

Harvey, D. (2003) *The New Imperialism*. Oxford: Oxford University Press.

Idiculla, M. (2015) 'Crafting City Spaces: New Spatial-Legal Regimes in India', in *RC21 International Conference on "The Ideal City: between myth and reality"*. Urbino, Italy.

Keil, R. (1998) 'Globalization makes states : perspectives of local governance in the age of the world city', *Review of International Political Economy*, 5(4), pp. 616–646.

Kennedy, L. (2007) 'Regional industrial policies driving peri-urban dynamics in Hyderabad , India', 24(2), pp. 95–109.

Kennedy, L. (2017) 'State restructuring and emerging patterns of subnational policy-making and governance in China and India', *Environment and Planning C: Politics and Space*, 35(1), pp. 6–24.

Kohli, A. (2006a) 'Politics of Economic Growth in India, 1980-2005, Part I: The 1980s', *Economic and Political Weekly Political Weekly*, 41(13), pp. 1251–1259.

-
- Kohli, A. (2006b) 'Politics of Economic Growth in India, 1980-2005, Part II: The 1990s and Beyond', *Economic and Political Weekly*, 41(14), pp. 1361–1370.
- Luxemburg, R. (1951) *The Accumulation of Capital*. London: Routledge & Kegan Paul.
- McKinsey Global Institute (2001) *India: The Growth Imperative*.
- McKinsey Global Institute (2010) *India's urban awakening: Building inclusive cities, sustaining economic growth*.
- Ministry of Urban Development (2015) *Smart City Mission Statement & Guidelines*. Available at: [http://smartcities.gov.in/upload/uploadfiles/files/SmartCityGuidelines\(1\).pdf](http://smartcities.gov.in/upload/uploadfiles/files/SmartCityGuidelines(1).pdf).
- Ministry of Urban Development (2016) *The Smart City Proposal*.
- Ong, A. (2006) *Neoliberalism as exception: mutations in citizenship and sovereignty*. Duke University Press.
- Ong, A. (2011) 'Introduction: Worlding Cities, or the Art of being Global', in Roy, A. and Ong, A. (eds) *Worlding Cities: Asian Experiments and the Art of being Global*. 1st edn. Blackwell Publishing, pp. 1–26.
- Rodrik, D. et al. (2004) *From Hindu Growth to Productivity Surge: The Mystery of the Indian Growth Transition; Dani Rodrik and Arvind Subramanian; IMF Working Paper 04/77; May 1, 2004*.
- Sampat, P. (2010) 'Special Economic Zones in India: Reconfiguring Displacement in a Neoliberal Order?', *City & Society*, 22(2), pp. 166–182. doi: 10.1111/j.1548-744X.2010.01037.x.
- Schmitt, C. (1985) *Political theology: Four chapters on the concept of sovereignty*. University of Chicago Press.
- Schuurman, F. J. (1997) 'The Decentralisation Discourse: Post-Fordist Paradigm or Neo-liberal Cul-de-Sac?', in Kay, C. (ed.) *Globalisation, Competitiveness and Human Security*. London: Frank Cass, pp. 150–167.
- Shah, N. (2013) 'Do we overestimate the potential of the Internet for participation and democracy?' Available at: <https://www.youtube.com/watch?v=YD8BV84y30E>.
- Smith, N. (2002) 'New Globalism, New Urbanism: Gentrification as Global Urban Strategy', *Antipode*. John Wiley & Sons, Ltd (10.1111), 34(3), pp. 427–450. doi: 10.1111/1467-8330.00249.
- Swyngedouw, E. (2005) 'Governance innovation and the citizen: The Janus face of governance-beyond-the-state', *Urban Studies*, 42(11), pp. 1991–2006. doi: 10.1080/00420980500279869.
- Tantri, M. L. (2014) *Promises and Paradoxes of SEZs Expansion in India*. 331. Bangalore.
- The Hindu (2012) 'ELCIA to resist move to bring Electronics City under BBMP'. Available at: <https://www.thehindu.com/news/cities/bangalore/elcia-to-resist-move-to-bring-electronics-city-under-bbmp/article3713830.ece>.
- United Nations (2018) *The World's Cities in 2018*. doi: 10.18356/c93f4dc6-en.
- Watson, V. (2014) 'African urban fantasies: Dreams or nightmares?', *Environment and Urbanization*. SAGE Publications Ltd, 26(1), pp. 215–231.