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## GLOBAL NEOLIBERAL POLICIES AND LOCAL CONTEXTUALIZATION: A STUDY OF GURUGRAM CITY GOVERNANCE

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### Abstract

The growth rate of Gurugram has been tremendous in the last three decades and the city has been built on the agricultural land of the nearby villages through the landuse landcover transformation that happened within the flux of socio-economic transformations modulated by private capital. The local government provides the contextualization and path dependencies for the foundational outcomes of neoliberal policies. The regulatory function of the local government is still not less important as it regulates the private capital and restricts its reckless flourishing, modulate its momentum, guides its growth, demonstrate its own dominance, and supports its subordination but legalizes neoliberal logic. The implications of neoliberalism would have been more disastrous for the marginal section of the urban people with intra-city disparity and inequality if the policies of the local government fall under the trap of neoliberal philosophy.

### Keywords

Neoliberalism; Governance; Welfare; LULC; Private Capital

## 1.1 Introduction

The Gurugram emerged as a millennium city which was earlier a satellite town just 30 kms outside Delhi on the NH-8 highway. The Gurugram City has been an IT sector as well as the hub of fortune for 500 Multinational Companies (MNC) Headquarters (Narain and Kumar, 2019). The present study uses both names viz. Gurgaon and Gurugram in order to make it more acceptable to the popular culture and the official obligations. Historically, the city of Gurgaon is connected with Mahabharata as the village of Guru Dronachariya and the village is known as “Gaon” in the Haryanvi dialect, hence it is named as Gurgaon.

However, recently the official name has been changed to “Gurugram”, as ‘Gram’ is a Sanskrit word and not in the popular culture of Haryana, hence in the popular culture it is still known as Gurgaon. So, to make the study more acceptable to the popular cultural element i.e. people at large, and to suit the official obligations, both Gurugram and Gurgaon are used in the study. The location of the emerging Gurugram city on NH8 which connects Delhi and Jaipur has an awe-inspiring infrastructure, and one of the oldest among them is the ‘Delhi Land and Finance (DLF) tower, which is the center of attraction for travelers and commuters on the national highway (Goldstein, 2015).

The emerging cyber city, one of the biggest cyber cities in India, the luxury apartments, cyber hub, all give a sense of a different world. This shows the shininess of the private investors’ interests and fortunes (Singh et al., 2020). The rise of Gurugram as the epitome of neoliberal policies speaks a lot about the Indian government and local State governments and their favor for neoliberal investments, support to the private sector, private mediated urban growth, and the quest to become a hub for multinational investments (Vij et al., 2018). The favor of the government is returned by the city system in terms of its financial contributions and multiplier effects. It is not surprising that Gurugram contributes more than half of the Haryana State Gross Domestic Product (GDP) with a rising curve since the 1980s. It also has a magnetic effect on the investments in the State attracting more than two-thirds of total investments (Kumar, 2015).

Gurugram has been presented as a cityscape with its high-rise glittering office infrastructure, modern residential housing, hyper-technocratic IT sector, and artificial recreational space underlying the private-led growth model of urban development (Kulkarni et al., 2010). The city emerges out of the well-fabricated government policy of

the State to open the satellite town of Delhi for neoliberal investments and its infrastructure provisioning, not to mention the additional impact of locational proximity to Delhi and IGI Airport (Narain and Kumar, 2019).

The process of urbanization in gurugram typically shows the phenomenon of dispossession in the hinterland through land acquisition and subsequent capital accumulation. The emergence of formality in the legal sense is typically applied in the spatial context. However, it has been critically argued that the emergence of new spatiality is the work of negotiations of two primary stakeholders in the process i.e. private capital and traditional villagers (Singh et al., 2020). This process led to the emergence of hyper-modern technocratic urban enclaves, where the mere sight of the place enlighten a layman of its foundation based on the globalized capital and the superstructure that emerged in these enclaves speaks the stories of exclusion and dispossession of traditional resources. In the critical lens, it tells the stories of collusion between private capital's power and non-literate villagers (Singh et al., 2020; Narain and Kumar, 2019; Vij et al., 2018; Kumar, 2015).

Gurugram has emerged as the epitome of urbanization based on neoliberal philosophy. It is a patchwork of openness, competition, no regulation, privatization, and the power of capital. It has emerged as a negotiated space for the global-local, rural-urban, formal-informal, modern-traditional dynamics and establishes itself on the equilibrium of this negotiated space within these dynamics (Singh et al., 2020). The spatiality that has emerged from these negotiated dynamics, speaks a lot about the emerging network of politics, local political forces, and the emergence of local capital within the overall global capital flow, under the frame of the principle of negotiability and reciprocity (Singh et al., 2020).

The governance of the city is dominated by the State commissioner, Haryana Urban Development Authority (HUDA), and Zila panchayats at least before the coming up of the Municipal Corporation of Gurgaon in 2008. Before this, there was no democratic tradition in the city government and the State commissioner appointed the council, to collude with the private sector in planning, implementation, and management (Narain and Kumar, 2019; Gururani, 2013). This sets the space for its development under multiple stakeholders and multiple regulations, ultimately leading to the mosaic of "re-territorialized" space (Brenner, 1999).

In this "re-territorialized" space, each unit in the mosaic has its characteristics, regulations, and specific inclinations to achieve its inherent objectives of space regulation, through the idea of Gatedness, exclusivity,

space-specific laws, by-laws, and above all multiple regulating authorities. The various governing agencies such as private players for privately developed urban space, Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) for industrial space, Haryana Urban Development Authority (HUDA) for its colonies, Municipal Corporation of Gurugram (MCG) after 2008, and recently Gurugram Metropolitan Development Authority (GMDA) after 2017, set the rules of this “re-territorialized space” and govern the dynamics of this mosaic of engendered inequity (Narain and Kumar, 2019).

The emergence of this mosaic and the gradual but continuous expansion of the city-region in the contiguous adjacent villages have been studied by the emerging spatial mapping technique using GIS software and remote sensing, which speaks a lot about the engulfed villages, space conversion, redefining of territoriality, and the emergence of ‘rurban’ in the city proximity (Yadav and Punia, 2014; Pramanik et al. 2021). This phenomenon of urban development in the post-liberal era with the use of the hinterland to create a ‘space of flows’ for Information Technology, Business Process Outsourcing (BPO) led growth, and emerging middle class with wider aspirations is epitomized in the urban hinterland of old Gurgaon city. The glimpses of this can be seen in different post-liberal urban growth of Indian cities speaking of which reminds the glittering space of the ‘White field of Bengaluru’; ‘Dholera’ of Ahmedabad’ (Singh et al., 2020; Yadav and Punia, 2014).

## 1.2 URBAN GROWTH PROCESSES

Gurugram city has been going through densification and outward growth since the Liberalization, Privatization, and Globalization (LPG) policies of the union government and there has also been an increase in the urban built-up area by around 30% in the last three decades (Pramanik et al. 2021). However, there is an intra-city differentiation in this process of growth as the first two decades since 1990 has been a “suburbanization phase” where city outgrowth happened at the cost of agricultural land in the proximity villages.

However, since 2009 there has been densification in the urban built-up environment within the city built-up area. The intra-city densification and growth rate of build-up within the city is twice the growth rate of suburban built-up primarily through extension (after 2009). However, the city undergoes a contiguous outward growth rather than the leapfrogging phenomenon, which can be seen in the western post-liberal city structure (Pramanik et al. 2021). This rate of change in landuse landcover (LULC) cast a shadow on the sustainability and resource

availability, particularly the declining water-table and negative externality of the urban built-up if seen through the lens of ecology and resilience (Singh, 2015; Pramanik et al. 2021; Singh et al., 2020). The compacted urban growth particularly since 2009 is guided by the philosophy of securitization, gated enclaves, exclusion, and dominance (Singh, 2015).

It has been argued in the literature, particularly through the critical eyes of 'Harvey' and 'Lefebvre' where they argued the inseparability of capitalism and urbanization and the irreversible linkage between them (Lefebvre, 1991; Harvey, 2003, and Banerjee- Guha 2010). The circulation of capital in stages from primary to tertiary and its manifestations in the urban space has been studied intensely by scholars and the emerging dynamics of post-liberal capital order have their imprints on the urban landscape of Gurugram which can be seen in various dynamics from social, political, economic and structural transformations. The predictability of urban dynamics is immensely difficult and assumptions in the quantitative studies and their consistency are doomed to fail as the urban system is guided by the principle of flexibility (Gururani, 2013), dynamicity, and variability.

However, within this constant change, there are signs of commonality in the urban systems which signifies the impacts of neoliberal policies on the urban systems and emerging metropolitan cities have similarity in the developmental aspects depicting the hangover of neoliberal toxicity if seen through the critical sphere, while a boon for the private-led growth in the liberalized logic. Harvey (2008) argued that the question now is not the diversity and differences in different cities the World over but the emerging commonalities and homogeneity which is the emerging interest for the researchers in urban dynamics (Singh, 2015).

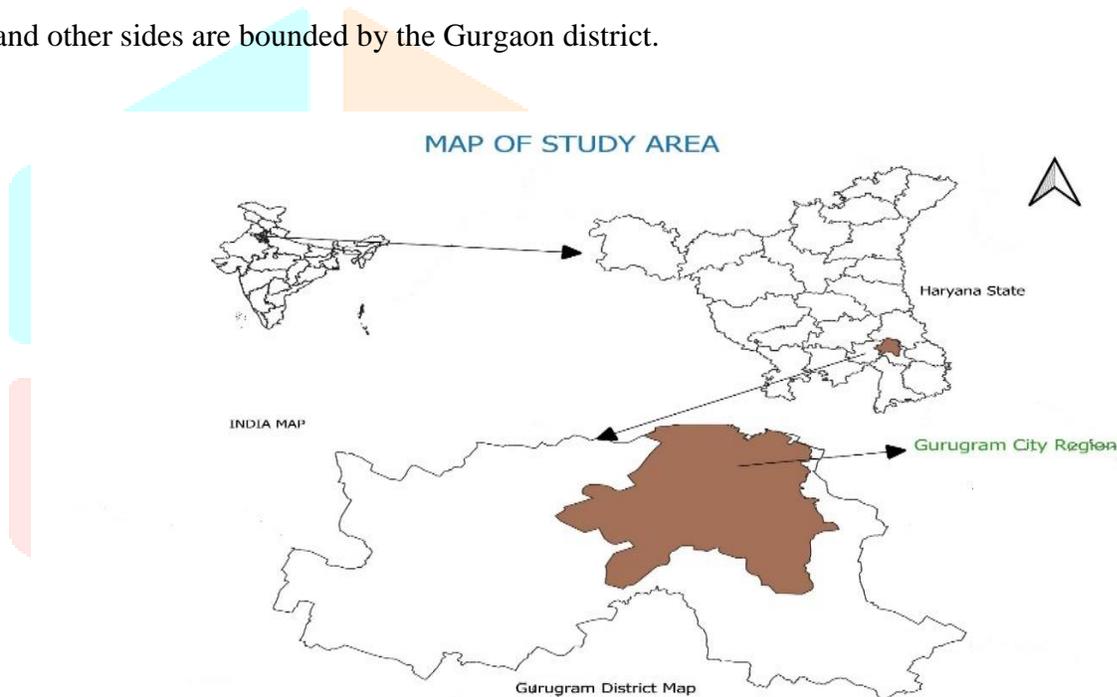
The prime example of these commonalities and homogeneities which is emerging in the different metropolitans of the World is Gated community development projects which not only provide a sense of security whether real or perceived but a host of basic amenities from assured water supply and electricity to human not to mention the panopticonic surveillance through Closed Circuit Television (CCTV) along with the prominent feature of 'Gatedness' which ensure exclusion, segregation, isolation, intra-enclave homogeneity, class culture and shows the affluent status of residents (Singh, 2015).

What has made this phenomenon a success, especially in the developing world points toward the emerging private players in real estate and the growth of these private players is the story of urban growth in the developing world

of the post-liberal era. The private capital not only ensured better service provisioning, security, and latest trends in the residential sectors to the affluent few, but also share the crime of being uniform, same, monotonous, killing uniqueness, diversity, and heterogeneity not to mention the segregation and exclusionary aspect of city development (Singh et al., 2020; Singh, 2015).

### 1.3 STUDY AREA

The study area is situated in the northwestern region of the Gurugram district as shown in below Figure 1.1. The geographical extent of the study area is as 28.32 N- 28.53N latitude and 76.89E-77.13E longitude. The Study area is bounded on the northwest by the Jhajjar district, Haryana, whereas on the north-east by the Union Territory of Delhi, and other sides are bounded by the Gurgaon district.



*Figure 0.1: location Map of Gurugram city*

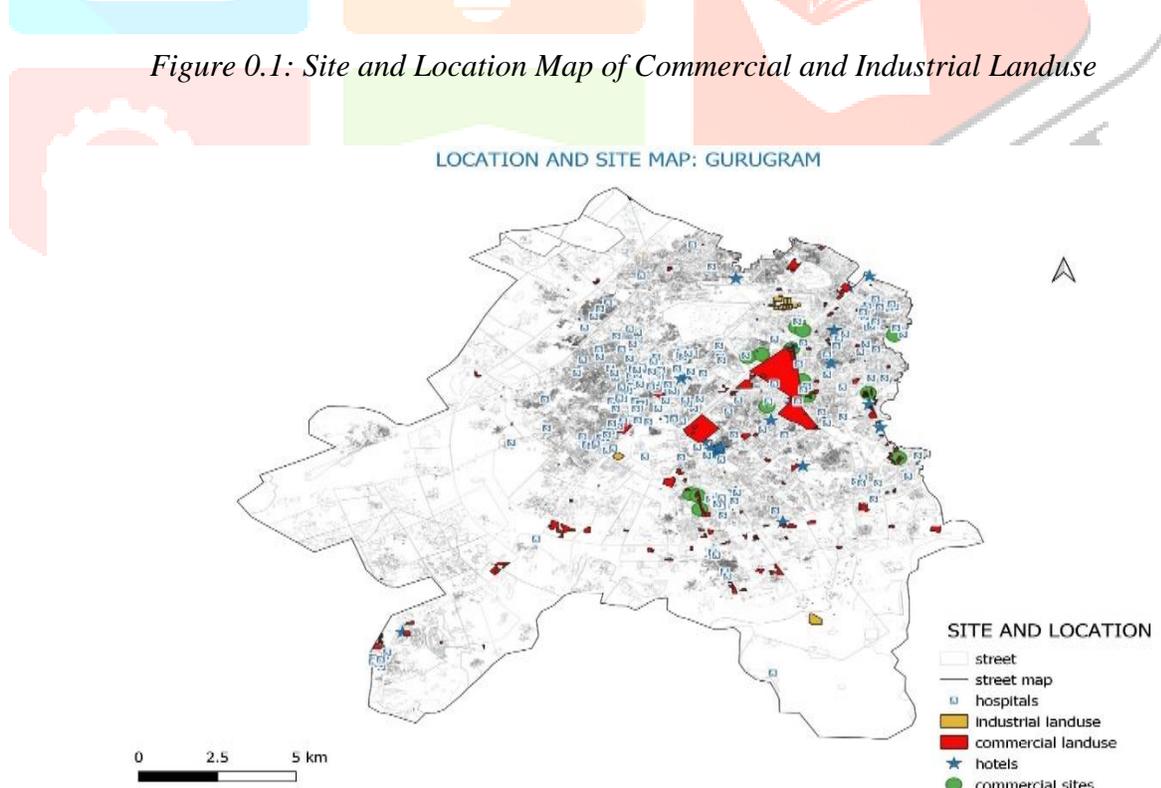
#### 1.3.1 Physiography

The physiography of the city region has rolling plains with small outcrops of Aravalis in the eastern margin of the study area. The plain area of the city spreads over the Gurugram tehsil region. Some of the areas of the Manesar region have also been included in the study area due to the emergence of the Gurgaon- Manesar urban complex. As the area falls under the semi-arid region, the agricultural economy has been developed following the climatic limitations and the cropping pattern follows the dictates of semi-arid region limitations (Goldstein, 2015).

### 1.3.2 Commercial and Industrial sites

The location and site map of various uses have been prepared to show the commercial and industrial establishment of the city. The map shows the commercial area along NH8 and the southern peripheral road which was also planned in the master plan 2021 prepared in 2007. The industrial sites are more scattered along the eastern side of NH8 and the southern region of the city which have come up after 2000. While hotels are scattered more in the southern region, the hospitals have more sites in the northern region of NH8 in the old city region and other areas. The spatial distribution of the various activities as planned in the master plan follows the land zoning scheme of the plan. The major infrastructure projects, transport network, high-class residential space, and hotels have spatial proximity in the southern part of the study area which was developed as green field investments by private developers. The southern region of the city depicts the spatial proximity phenomenon of various land uses in its building and investment plans. Different landuse in this part of the city has a multiplier impact on each other and the requirement of one creates the requirement for other landuse (Master plan: Gurgaon Manesar Urban Complex, 2031).

*Figure 0.1: Site and Location Map of Commercial and Industrial Landuse*



### 1.3.3 Build-up landuse

The last three decades witnessed a massive build-up phenomenon in the study region. The city region have been transformed in its landuse from agriculture to various types of build-up structures, such as residential buildings, multistory apartments, commercial structures, industrial space, transport and communication lines in the form of roads. Concretization and asphaltization is the major change happened in Gurugram City in the last three decades.

Figure 0.2: Built-up Land Use of Gurugram City, 2021



## 1.4 Methodology

### 1.4.1 Qualitative techniques:

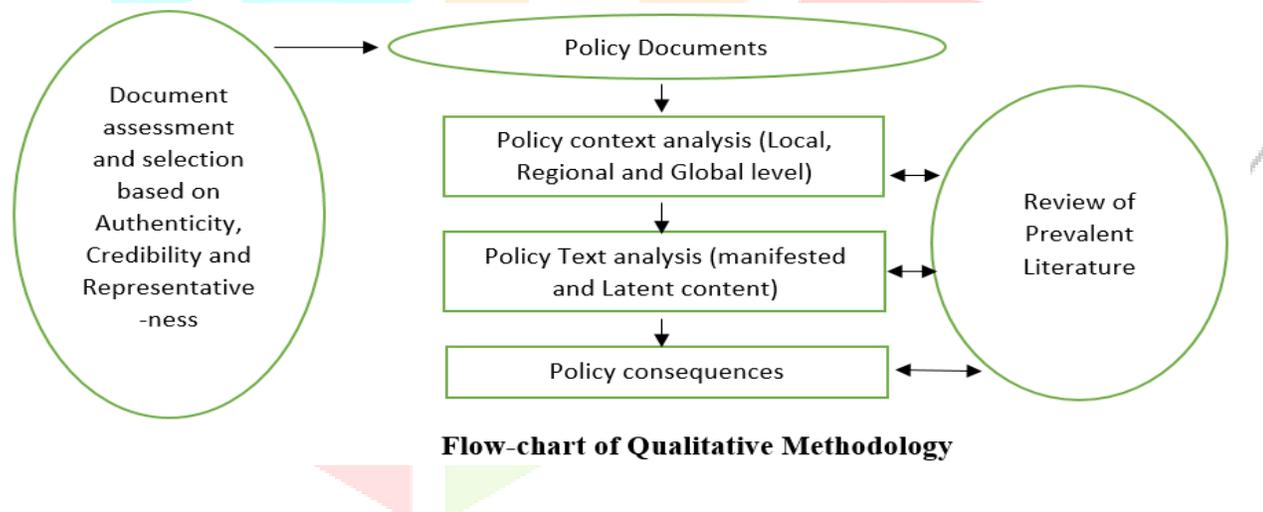
To understand the policy documents with respect to the city, document analysis of the official and private policy documents is done using the ‘content analysis technique’ with the non- frequency approach in the analysis of the document data. The content analysis of the policy documents related to the city focused on the ‘Policy text’, ‘Policy context’, and ‘Policy consequences’. This technique of document analysis is qualitative in approach and focuses on the non-frequency, non-quantitative and non-statistical methods of analyzing the policy documents (Bryman, 2012).

**Policy context:** The policy documents are analyzed in terms of policy context at the local, regional and global levels and a literature review has been employed to understand the dynamics of policy formulation and implementation. The context within which policies are formulated speaks volumes about the underlying philosophy, morals, ethos, and values that guide the policy documents.

**Policy Text:** The text related to policy documents is analyzed both in relation to the manifested text and the latent content which is hidden in the texts of the documents. Policy texts and themes related to neoliberal policies are categorized to analyze the textual data.

**Policy Consequences:** The actual implications of the policy documents is their manifestation on the ground level. This has been analyzed through LULC change maps.

### Flowchart of Qualitative Methodology



### 1.5 Gurugram Transformation under Neoliberalism

The hues of neoliberal policies can be seen at the intra-city level and Gurugram depicts these in the most contrasting ways where old city located in old Gurugram has poor infrastructure, abysmal civic amenities vis-à-vis the emerging private-led new Gurugram highlighting the accumulation by dispossession, tertiary circulation of capital, private enclaves with gates, more flexible planning and spatial transformation from a rural ecology to a hyper-urban city environment (Singh, 2015). This new city has a vertical growth with high-rise residential space and after 2009 has a double rate of growth in the urban build-up area as compared to the suburban build-up with the extension of outward growth rather than leapfrogging (Singh, 2015; Pramanik et al. 2021; Singh et al., 2020).

This city environment with the exclusionary features sets the stage for circulation of capital, and global spatial fix, as the new city of Gurugram houses more than 200 fortune 500 companies' regional headquarters and IT service centers, not to mention the Business Process Outsourcing (BPO) and Knowledge Process Outsourcing (KPO) facilitated by the cheap skilled migrated labor force to bypass the high operating cost of the developed world although at the cost of burning the midnight oil in the Indian context.

Singh et al., (2020) argued by citing a view of the scholars Anthony King that Gurgaon, the old name for Gurugram has been undergoing a process of "Globurb" formation. In this context, it is argued that the forces of neoliberalism and global order is determining the contours of the social, economic, cultural, and architectural phenomenon of the city within the suburb of major metropolitan Delhi. In the present scenario, global capital and neoliberal forces modulate the urbanity of Gurugram and determine the logic of the sudden unprecedented hyper-glazed modern urban landscape.

However, the story of this transformation from being a satellite town and suburb of Delhi to the present 'Globurb' started in a major way after the introduction of Liberalization, Privatization, and Globalization (LPG) policies and the welcoming of global capital into the liberalized sphere of policy-making after 1991. But it doesn't mean that its emergence was out of the blue, Gurgaon had been in the policy framework of Delhi and its future development had been highlighted in the Master Plan of Delhi 1962 along with four other satellite towns around Delhi. However, it was considered the least developed satellite town of Delhi until the mid-1970s (Singh et al., 2020).

The water scarcity in the region was a hindrance in the mind of policymakers whenever they thought of planning Gurgaon limiting the possibilities of Industrial development as the service sector was still not a dominant aspect for the circulation of capital. This changed after the establishment of the Maruti factory and Gurgaon took a serious first step toward industrial development in 1982 (Narain and Kumar, 2019). This was augmented by the liberal policies of the Haryana government, cheap land prices due to poor agricultural prospects, low penetrations of green revolution technologies, liberal licensing policies and push factors from Delhi. Private-led development in Delhi was a nightmare due to high regulatory aspects and low prospects of profits and stringent laws. This

pushed the private players out of Delhi, especially the Delhi Land and Finance (DLF) and Ansals API real estate developers (Singh et al., 2020).

The liberal policies of Haryana include the favored status and government support for the setting up of cyber-parks, cyber-city, and integrated commercial complexes, this led to the emergence of private colonizers and developers, as the various acts provided a space for liberal licensing and even space was provided for exemption from obtaining a license in certain conditions if the developer follows a certain plan of development. Bar of jurisdiction of the civil court in matters related to the development and regulation of the urban areas (The Haryana Development and Regulation of Urban Areas Act 1975 and its subsequent amendments in 1996 and 2003). This act provided the policy accommodation space for the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963.

The impact of neoliberal policies and associated globalization has its impact on the local governance aspects which ultimately affects the prior practices, imaginations, and social forms being produced in the context specificities (Borchert, 2008). Gurugram's prior governance practices have undergone a paradigm shift in the globalized and liberalized currents of global capital flow which have a different impact on the different aspects of governance, from being a model of flexibility in planning and development (Gururani, 2013) to the emergence of a new form of collusion of local people and private players in the process of dispossession of villagers of their traditional rights with the emergence of their negotiating power (Singh et al., 2020).

The story does not end here as the transformation of the city is the product of the outward growth by moving into the traditional agricultural lands of the nearby villages undergoing land-use transformations and the role of the private sector in these acquisitions and development (Yadav and Punia, 2014). The glittering space of DLF and the cyber city with vertical growth of residential space does speak a lot about the flexibility in planning, densification of the core due to high land price, residential-commercial spatial proximity, and private-led growth in the interstitial spaces (Singh et al., 2020; Narain and Kumar, 2019).

The reverberations of exceptions in the contextualization of neoliberalism in the Gurugram city-space underlying the flexibility in planning (Gururani, 2013), leading to intra-city enclave development with private players' capital. This is contiguous with the poorly developed city region (old Gurgaon) highlighting the aspects of

“Neoliberalism as Exception” (Borchert, 2008). The playing out of neoliberalism philosophy does not always lead to the minimizing of State interference and its homogenizing trend but provides the space to establish exceptions as in the Gurugram case. This leads to the emergence of privately developed enclaves that have different governance mechanism along with the city space of poorly developed regions. These intra-city differentials highlight the governmentality of the State in the intra-city region and the differential implementation of neoliberal policies.

## 1.6 EVALUATION OF DEVELOPMENT PLANS AND POLICIES

The story of urban development in Gurugram especially in the policy sphere emerged in the political vacuum of local governance as it did not have a municipal act till 2008 and had its first mayor only at the beginning of the last decade i.e. 2011. Gurugram emerged in this context by importing humans, capital, imaginaries, and the philosophy of neoliberalism, leading scholars to call it the ‘millennium city’. However, this process led to the intra-city differentials of highly developed enclaves with different policy implications and less-developed spaces highlighting typically the urban spaces in the Third World.

This process of dispossession of traditional space by engulfing the village agricultural area by private players and associated land-use change led to the emergence of privately governed urban enclaves highlighting the “Neoliberalism as Exception” phenomena in Ong’s terminology while speaking the logic of private capital-village people collusion and negotiation in land price leading to speculations and emergence of ‘Colonists’ in government terminology (Singh et al., 2020; Goldstein, 2015). This process gave birth to the single largest megaproject led by the real-estate actors, highlighting policymakers’ faith in market-driven growth by shedding the logic of State-led megaprojects of urbanization in post-colonial India.

The emergence of Gurugram as a financial hub can be attributed to the fact that it contributed 45 % of the total property-related tax of Haryana (Goldstein, 2015). This process of liberalization in Gurugram cannot be divorced from the economics and politics of the late 1980s particularly the debt restructuring of India using the International Monetary Fund (IMF) system and associated conditionality with this process. This led to the emergence of the private sector, the beginning of Foreign Direct Investment (FDI) in India, the emergence of the real estate market,

and the deregulation of the land market which opened the urban and suburban land market to private players (Goldstein, 2015).

The emergence of 2<sup>nd</sup> half of the first decade of the 21<sup>st</sup> Century put a regulatory lens on the activities of the private-led growth model in Gurugram by the emergence of the Gurgaon Municipal Corporation Act 2008, the Gurgaon- Manesar Urban Complex 2021 published in 2007 by the Department of Town and Country Planning, Haryana with subsequent revisions in 2011 and 2012 for developing a master plan of 2025 and 2031, respectively. The emergence of a specialized statutory authority under the Gurgaon Metropolitan Development Authority (GMDA) act., 2017 provides the beginning of a new institution with a special focus on Gurugram planning and development to provide a continued, sustained, and balanced growth of the ‘Gurugram Metropolitan Area’ and refocusing to provide “urban amenities, mobility management, sustainable management of the urban environment and social, economic and industrial development, to redefine the urban governance and delivery structure in coordination with local authorities in the context of the emergence of Gurugram as a rapidly expanding urban agglomeration”(GMDA Act, 2017).

The Gurugram Metropolitan Development Authority (GMDA) has the provision of top-down and bottom-up planning amalgamation with the Chief Minister of Haryana as the chairman while at the same time also having the Residency Advisory Council to guide the authority in its functions and regulatory mechanism. However, the Residency Advisory Council does not have the representation of people who are dispossessed of their agricultural land in the process of development, especially the people of nearby villages.

### 1.6.1 **BYLAWS OF URBAN DEVELOPMENT**

The three-act governs the urban growth and development, regulate the haphazard growth, and provide a framework for planning in Haryana, which is mentioned below:

- The Punjab New (Capital) Periphery Control Act, 1952 (applicable to Panchkula only).
- The Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963. (under this act Master plans are prepared by the Town and country planning Department of the Haryana government)

- The Haryana Development and Regulation of Urban Areas Act, 1975. (under this act licenses of development are given to private colonizers)

The bifurcation of Punjab State in 1966 gave birth to Haryana based on culture and language. The most important act regarding the growth prospects of towns in Haryana in general and Gurgaon, in particular, is the enactment of “The Haryana Development and Regulation of Urban Areas Act, 1975” which provides the space for private sectors in the process of urban development. The department of Town and Country Planning, Haryana provides the license to the private colonizers and developers to develop Residential, Commercial, Industrial, and IT Park/Cyber Park Colonies (Department of Town and Country Planning, Haryana).

The private colonizers are involved to develop urban areas of Gurgaon either through a “company” owning land, individual landowners, or through the land pooling process. These private players are granted licenses under the 1975 act. However, to control the town’s haphazard growth, the licensees are bound by the land zoning regulations and land-use plans developed under the “The Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963”.

### 1.6.2 HUDA PLANS AND POLICIES

Haryana Urban Development Authority (HUDA) is the key functionary in the urban planning and regulation of urban space in Haryana and along with the private players, it is a key player in the development of Gurugram. Established under the HUDA act of 1977, it succeeded the Urban Estate Department which was established in 1962 and worked under the Punjab Urban Estates Development and Regulations Act, 1964. The HUDA takes up the developmental works and provides the integration of functions hitherto provided by the various government departments. This integration of functions under the umbrella of HUDA led to the development of land planning along with the definite goals of government and it also lead to land valuation and speculation. Like the private players it employed the policies of agricultural land acquisition (although acquired by the State govt. and subsequent transfer to HUDA) and its subsequent development by HUDA with the right of selling and dispose of property with systematic planning and use of the urban land for the development of residential, industrial, recreational, and commercial purposes.

However, it has a welfare function of providing land to the Haryana Housing Board to develop housing projects for economically weaker sections of urban dwellers. HUDA works on the principle of “Transfer- Development- Transfer” where the State government acquires land under the Land Acquisition Act, 1894 (Amended in 2013). After taking possession of land, it transfers it to the Authority on payment. The overall cost of acquisition and enhanced compensation if ordered by the competent court is paid by HUDA out of its funds.

The Haryana government scheme of 1987 to monetize the surplus land under various government departments of Haryana in various towns helped in the monetization of land, revenue realization, and commercial and industrial space development along with the residential requirements of the emerging town. Under this scheme of land monetization, three projects had been taken by the government through HUDA’s modus Operandi of “Transfer- Development-Transfer” in Gurgaon which led to the development of commercial and residential space (Council of Ministers policy approval in the meeting held on 14.12.1987).

Now the present study focuses on the Urban Estate of Gurgaon in the Gurgaon district (as HUDA divided the Gurgaon district into 5 urban estates i.e. Gurgaon, Rewari, Dharuhera, Narnaul, and Pataudi). The various policies of HUDA for the commercial development of the towns have been employed and this influences the urban structure and land use of different towns of which Gurgaon is not an exception. The clubbing of commercial land (Guidelines regarding clubbing of commercial sites, dated: 17.06.2009, HUDA website) to achieve the economics of scale, commercial requirements, and neoliberal environment for commercialization is an example in the host of other policies to set the urban space for commercial flourishing and Gurgaon used these policy relaxations to emerge as the hub of commercial space in Haryana.

This neoliberal and relaxation measure in the urban towns of Haryana put them in an adventitious position vis-à-vis other States’ towns especially Delhi, along with the host of other contextual advantages in Gurgaon cited by different scholars (Singh et al., 2020; Narain and Kumar, 2019; Vij et al., 2018; Kumar, 2015), the commercial space development require a host of other infrastructure and a place like Gurgaon which host the 200+ fortune 500 companies’ regional head offices (Narain and Kumar, 2019) require urban hotel and hospitality sector for international travelers and HUDA policy of “light-touch regulation” speaks volume about the emerging burgeoning sector and one such policy which relaxes the regulatory norm to achieve the competitive city model

standards provided by the policy space (Relaxation in height norms and exemption of service floor from Floor Area Ratio (FAR) for Haryana Urban Development Authority (HUDA) allotted hotel sites above 1.0 acres in size. Dated: 02.07.2010, HUDA website).

The Communication and Connectivity Infrastructure policy (2013) of the Haryana Government highlighted the importance of Gurgaon in the communication infrastructure development sector and Town and Country Planning, Haryana kept the Gurgaon-Manesar complex into a “Hyper potential zone” highlighting the importance of Gurgaon in the mindset of policymakers. With the introduction of this policy, Haryana became one of the front runners in facilitating the E-enablement of life and work, also it laid the foundation for infrastructure sharing by the private service providers in the form of Optic Fiber Cable (OFC), Fiber To Home, and innovative scheme of using the existing infrastructure through the business model of Open Access Network (OAN).

All these infrastructure and policy facilitation helped the emergence of regional head offices of Multinational Companies (MNC), the emergence of Business Process Outsourcing (BPO) and Knowledge Process Outsourcing (KPO), and the service-sector economy in Gurgaon which led to the multiplier effect on other aspects of the economy, especially the infrastructure and residential sector growth and as argued by (Pramanik et al. 2021) this process is more concentrated in the core area of Gurgaon with double growth rate than the suburban marginal area after 2008.

### 1.7 Neoliberal Approaches to Urban Development

Due to the rise of population and its pressure on the urban infrastructure and services, the planning and development have been transformed and restructured by using the services of private firms in plan development and its implementation. Due to the implications of urban growth and exponential rise in population, the planned colonies developed by the private players have been under stress and it is because of this the Municipal Corporation of Gurugram (MCG) has taken these privately developed colonies under their jurisdiction and is been undertaking work with a capital investment involving the aim of improving the urban services in these privately developed urban space. The major focus of this restructuring and retrofitting work concerned the Road, Water Supply, Sewerage, Storm water drainage, recycling, solid waste management, and street lights.

However, it should be emphasized here that in this process of development, redevelopment, and retrofitting, the private planning firms have been involved to develop the plans (outsourcing by the Municipal Corporation of Gurugram) signifying the importance of the Public-Private Partnership (PPP) mode of development in the neoliberal era. There is a phenomenon of outsourcing the traditional work performed by the State agencies to the private sector to drive the benefits of their expertise in their particular field.

*Table 2: Details of Urban Developers of Gurugram City.*

<b>Private Colony</b>	<b>Planning firms hired by MCG to develop Detailed Project Report</b>
DLF phase 1	Ky Consultants Pvt Ltd
DLF phase 2	Ky Consultants Pvt Ltd
DLF phase 3	Ky Consultants Pvt Ltd
Sushant Lok 1	Manav Consultants and Constructions
South City 1	Ky Consultants Pvt Ltd
South City 2 Phase 1	Ky Consultants Pvt Ltd
South city 2 Phase 2	Ky Consultants Pvt Ltd
Palam Vihar	Ky Consultants Pvt Ltd
Suncity	Malla Consulting

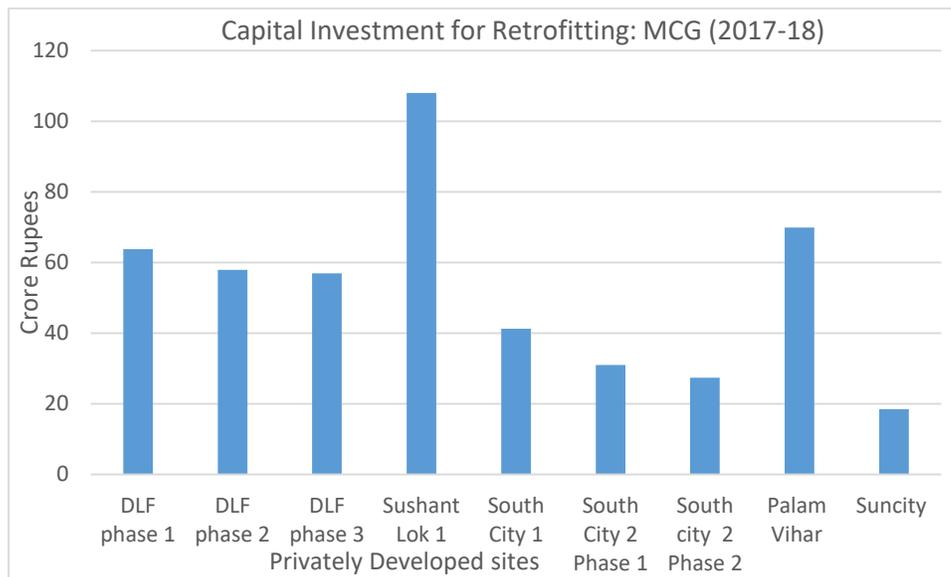
Source: Detailed Project Reports, Municipal Corporation of Gurugram

The above table shows the outsourcing of planning of the city to private firms by the Municipal Corporation of Gurugram. This is the emerging feature in the city and its governance as private firms are actively involved in the planning and regulation functions of the Government. The trend is seen in different aspects of city governance.

The involvement of private firms shows the restructuring of planning as a process in the urban space, where traditionally planning had been considered a major work of the State and its agencies which is being outsourced now to the private firms.

The emergence of neoliberal policies forces the government to develop the infrastructure facilities in the city regions both for attracting global capital and to provide enough opportunities for the local capital to circulate in the process of neoliberal competition as propounded by the competitive city model.

Graph 3: Capital Investment by the MCG in Various Privately Build-Up Areas



Source: Municipal Corporation of Gurugram Budget

The above graph shows the proposed investment by the MCG in developing and retrofitting the various basic amenities in the privately developed colonies and residential spaces of Gurugram focusing on providing the civic amenities in these spaces of the city due to the increase in population pressure in the rapid urbanization after the 1990s. The focus of this investment will be on the basic amenities in the urban space but it also speaks a lot about the neoliberal forcing which requires continuous investment in the basic infrastructure to attract private capital for investment.

### 1.8 Welfare Schemes for Marginalized Society

As the prevalent literature shows the emergence of neoliberal policies in the urban process of growth and transformation, cities are employing various strategies to attract global capital. The urban system is guided by the philosophy of the neoliberal system where the market and privatization of services are the defining logic of economic circulation and production functions. But do the three pillars of privatization (1) ownership measures, (2) organizational measures, and (3) operational measures (Kim and Panchanatham, 2019) free the government of its welfare functions and provide space for private players to determine the principle of the urban system and

its functioning? The answer to this lies in the grey area as privatization and neoliberal philosophy do not let the government wholly shed its basic function, i.e. welfare and social inclusion.

Neoliberal growth provides space for market philosophy but it does not let the government recede from its basic function of the welfare of the marginal sections in Gurgaon. The three pillars of privatization do provide space for the neoliberal philosophy to flourish and have implications for the efficiency of firms, deregulation, low government intervention in operational and organizational aspects, and also revenue realization for the State which can be invested further to create capital assets and fuel the cycle of the multiplier effect (Estrin and Pelletier, 2018; Vickers and Yarrow, 1998). But all these hues of privatization and neoliberalism do not bleach the government's involvement in the welfare functions and its approach towards the inclusion of the marginal.

The private sector involvement in infrastructure and service provisioning and neoliberal implementation in an urban space is contextually mediated where policies' underlying philosophies are amalgamated by the local context in terms of socio-economic and political aspects with uniquely placed institutions that determine the outcome and hence its diversity in different regions. This has been argued (Singh et al., 2020) where the work on the interstitial spaces of Gurgaon focused our attention on the counter-argument of "accumulation by dispossession" and Gurgaon's collusion of private developers with the village landholder provides a counter stream of processes which provide space to the so-called "marginal" people i.e. the villagers to develop bargaining power by the collusion with the private players.

The implementation of neoliberal policies in Gurgaon and its contextual specificities gives us space to argue that the State still performs its basic and most important function of the welfare of the people of the marginal section of society. There is no counter-argument against the "Accumulation by Dispossession" or the hues of neoliberal policies in various aspects. Neoliberalism is seen in every sphere of Gurgaon development and the superstructure which have emerged is a typical example of the emergence of private players in the traditional State roles, but the policy analysis of the State of Haryana shows that it has provided the space for private players to develop the city to suit the needs of global capital, it has not taken a back seat from the welfare functions. It can be argued that within the neoliberal urban growth, the State still plays an important role in the welfare of the marginal section of the society as market forces fail these people.

The impact of the State on welfare is prominent and neoliberal policies would have been disastrous to the marginal section of the society in the absence of State interventions. The State still plays a critical role in terms of infrastructure provisioning, residential housing, and welfare policies, especially for the marginal community of the city. It also put a regulatory mechanism on the private capital to follow the general rule of the game and the State has not receded from its basic functions, although the intensity and logic of those functions and the philosophy behind the welfare State certainly transformed.

The State is guided by the nuances of neoliberalism but it does not mean that it has shed its function of regulating and welfare. The emergence of this duality of targets i.e. to set the space for neoliberal philosophy and policy accommodation along with the welfare function does provide friction and contradictions in the urban space of Gurgaon and it is here that the State plays a critical role in balancing and regulating the different stakeholders. The role of the State has changed but it does not mean that it is under the total influence of neoliberalism philosophy, it always keeps space for itself, its policies, and its electorate in the democratic setup of Gurgaon. This approach to the welfare of the marginal people of Gurgaon is seen in the various policy framework some of which are cited here to justify the argument.

### **Regulatory Framework and welfare function of Local Government**

- *To grant the license to the private players for developing “Residential Plotted Colony” some welfare guidelines*
  1. 20% of the plots are to be reserved for EWS, housing with a minimum plot size of 50 sq. mts.
  2. 25% of the total plots are to be allotted under the category of ‘No Profits No Loss’ plots (NPNL) i.e. at the rate prescribed by the Director.
  3. The plotable area/saleable area in a plotted colony cannot exceed more than 55% of the area of the colony.
- *Guidelines to private developers for developing Group Housing*
  1. 15% of the total number of flats are reserved for EWS and 10% of the main dwelling units are required for service apartments i.e. for domestic help.
  2. Area requirement for EWS and service apartment is 200 sq. ft. and 140 sq. ft. respectively.

➤ *Guidelines for cyber-city/cyber-park development by private players*

1. In cyber cities, 10% of the area of the site can be utilized for Group Housing and 4% of the area for commercial use.

The Government in the public interest, relax any restrictions or conditions in so far as they relate to land use prescribed in the controlled area in exceptional circumstances. Apart from the regulations and welfare policies under the “The Haryana Development and Regulation of Urban Areas Act, 1975”, the emergence of HUDA as a government agency to integrate the functions of government hitherto performed by various departments and to develop the urban areas on the “Transfer- Development-Transfer” model has a welfare angle in its policy implementation. It also shows the State’s involvement as an entrepreneurial entity in the urban space through HUDA works.

The development of the HUDA institution as a statutory body signifies the importance of urban development to secure the societal obligations of the State and development along the hybrid model giving due importance to both the private market principle of engagement in urban space as well as the societal obligations and support to the marginal section of society. From the critical eye, it can be argued that neoliberalism has given rise to the commodification of urban space, exclusion of marginal from the civic services due to wanting of service charges, and local government wantonly following the principles of neoliberalism, but this has also given space for the “entrepreneurialization” of local government (HUDA in case of Haryana) as argued by (Rossi and Vanolo, 2015), the contextualization of liberalization leading to “hybridization and variegation” in the local context of the socio-political and economic system (Rossi and Vanolo, 2015).

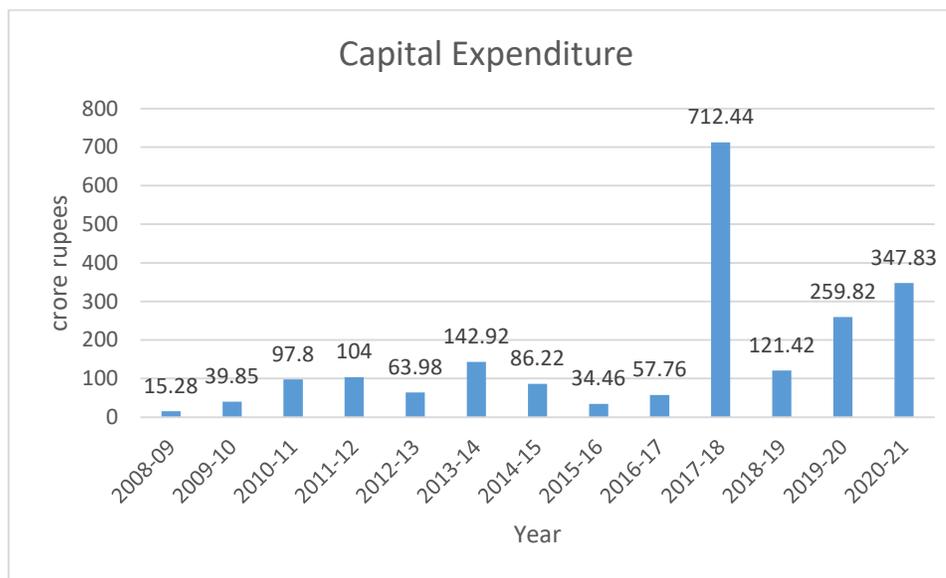
The emergence of this entrepreneurialization of local government gives rise to hybrid functions where government follows the neoliberal logic not diminishing the welfare principles to the bottom and this can be seen in the case of Gurgaon where not only urban restructuring and urban development happen to suit the market principles but in this process welfare principle find its due in the contextual setting of the democratic political system.

The emergence of the Municipal corporation of Gurugram in 2008 led to new dynamics in urban service provisioning as it took the role of providing efficient and effective urban services along with the

development of urban areas for its rising population and to attract global and local capital, hence it is required to maintain the urban infrastructure and to develop new points of growth in order to maintain the status of the city as a ‘magnet’ to attract the capital.

The following graph shows the capital expenditure undertaken by the MCG after its formation in order to develop required infrastructural needs under various heads like roads and bridges, sewerage, water supply, street lighting, buildings, and all sorts of infrastructural needs of the city.

*Graph 0: Trends of Capital Expenditure by Municipal Corporation of Gurugram (MCG)*



Source: Municipal Corporation of Gurugram Budget

### 1.8.1 HUDA WELFARE POLICIES

- 35% of the plots allotted to EWS in the HUDA-developed areas.
- Women are exempted from the extension fee of the property.
- 2% of industrial plots up to 500 sq. meters. shall be reserved for allotment to entrepreneurs with disabilities.
- Provide free treatment to poor patients in case of allotment of land to private hospitals at concessional rates.
- Allotment of land/building for ECHS at highly concessional rates at par with social/charitable sites.
- Formulation of “Ashiana scheme” through which EWS persons will be allotted constructed flats that will give them a better quality of life.

The above-cited policies do hint toward the welfare function performed by the State in the hues of neoliberalism and it can be argued that neoliberalism could have been more disastrous for the marginal and weaker section of the society if the State have also back footed from its welfare function. In Gurgaon city, the local context gives rise to local government entrepreneurial character viz. HUDA, the scheme of regulation through the 1973 act, and space for private players in the regulated atmosphere for urban development. This process gives rise to the contextualization of neoliberalism with interstitial diversity and localization of liberal market principles.

### 1.9 Summary

The growth rate of Gurugram has been tremendous in the last three decades and the city has been built on the agricultural land of the nearby villages through the landuse landcover transformation happened within the flux of socio-economic transformations modulated by private capital. The local government provide the contextualization and path dependencies for the foundational outcomes of neoliberal policies. The regulatory function of the local government is still not less important as it regulate the private capital and restrict its reckless flourishing, modulate its momentum, guides its growth, demonstrate its own dominance, support its subordination but legalize neoliberal logic. The implications of neoliberalism would have been more disastrous for the marginal section of the urban people with intra-city disparity and inequality if the policies of the local government fall under the trap of neoliberal philosophy.

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