

## **Downtown Revitalization: Lessons for Mumbai's Mill Lands**

### **Introduction**

The nature of urban areas and more specifically metropolitan regions have drastically changed in the past fifty years. Traditionally, civilizations have thrived to form urban agglomerations mostly driven by commercial and trade factors. The development of urban areas centered on economic activities and eventually grew to form social and cultural hubs of the region. However, some recent studies point to the increasing obsolescence of cities or similarly sized urban agglomerations (Naisbitt, 1995; Toffler, 1980) due to rapid advancement in technology making telecommuting possible.

But contrary to that opinion are the recent trends that show increasing population growth in urban regions, more in some than other but nevertheless a significant increase in urban population. In the last hundred years, urban population has “increased from 39 percent (of the total population) in 1890 to 53 percent in 1940 to 73 percent in 1970 to 75 percent in 1990” (Glaeser, 1998). Recent studies from the 2000 census indicate that the number has now risen to almost 80 percent. Although the share of urban population in the top ten metropolitan cities may have dropped, the overall increase in the number of urban areas with respect to population changes has gone up significantly i.e. “the share of population living in metropolitan areas with population of more than one million rose from 41 percent in 1970 to 48 percent in 1990” (Glaeser, 1998).

Due to rapid changes in technology in transportation, business, and manufacturing processes, it was no longer important for economic activity to be located within the confines of an urban area and subsequently led to the migration of businesses out of the central city. Although the businesses technically remained within the close proximity of the city, suburban regions soon assumed an identity, both socially and economically distinct from the central city and experienced growth patterns differently than the central city. This might lead us to believe that the central city and its suburban regions may be in direct competition with each other regards attracting businesses and commercial activity and for most parts, it was correct to assume so. But

upon closer examination, the relationship between central cities and its suburbs was found to be not so tenuous. Although economically, larger metropolitan areas are experiencing a growth pattern that saw a pattern of decline followed by a pattern of resurgence, the suburbs continued to grow regardless of this changing pattern in the central cities. According to recent studies, it was advantageous to be located within or around a larger metropolitan area than a smaller one. Workers who live in metropolitan areas with population of more than 500,000 earn 10 percent more than workers without big cities and 34 percent more than workers outside the metropolitan areas (Glaeser and Mare, 1994). Thus it can be summarized that the relationship of the central city to its suburbs is still vital to the economic health of the region.

This paper will examine the trends and patterns in downtown revitalization in the United States. The analysis will be restricted to a broad study of application of downtown revitalization strategies without excessively relying on few case studies so as to obtain a generic overall strategy instead of a focused customized strategy. Downtown revitalization is a contextually driven process depending on the economic needs of the city in question and also is largely dependent on the historical socio-cultural background of the city therefore what may work for one city may not necessarily translate into a direct application method for another, especially so if it is a city in another country like Mumbai, India. There is also a need to understand the inherent motivation behind any revitalization efforts and keeping in mind the various exercises carried out in the United States, it would be appropriate to approach the issue of equitable planning with respect to citizen participation, environmental standards, urban infrastructure, and other standard of living factors rather than relying completely on economic factors such as raising the revenue base or attracting the high-earning business activities.

First, I will present the broadly accepted strategies of downtown revitalization as outlined in the recent literature. Second, I will provide a background of the Mumbai Mill lands issue, its past in urban context including the current status. Finally, I will briefly examine each factor of downtown revitalization in the American context with respect to its application in Mumbai. This would provide a broad-based list of recommendations

for approaching the problem of revitalizing Mumbai's mill lands in accordance with generally accepted strategies and theories of downtown revitalization.

### **Downtown Decline**

The downtown of an urban area has been long known for its economic vitality and as a driver of the region's economy along with being the city's core in terms of cultural and social activities (Friedrichs and Goodman, 1987). However in recent times, as mentioned earlier, downtown regions have experience a slump due to changes in transportation, economics, and demographics. This has caused a significant change in its land use composition, capacity to compete especially on a national level, its resident population, and its physical structure (Urban Land Institute, 1988). Although caused primarily by changing industrial and commercial trends, these problems for downtowns are also manifested in residential areas that have distinct physical and socio-economic features that are distinguishable from its suburban counterparts.

The departure of industries and commercial activities from the downtown has caused abandonment and derelict of erstwhile bustling physical spaces and structures. These structures are specifically adapted for industrial use and cannot be readily reused for more contemporary purposes. Changed use patterns of users of these urban land premises lead to a deterioration of the existing stock of buildings and infrastructure in the downtown region (Roberts & Sykes, 2000). In such an event, there exists no incentive or commercial demand to maintain or replenish it. To add to it, market failures wrought on by ambiguous land ownership and control issues often lead the property owners to abandon their lands in favor of developing or maintaining them. This diminishing quality of physical spaces driven by high service costs, development constraints, and failing infrastructure in fact encourages suburban sprawl motivated by changing behaviors like auto dependence and over consumption of land resources (Fowler, 1993). This leads to the loss in value and attractiveness for residential use and tends to be subject to conditions for 'ghettoization' of the urban core.

As observed above, one of the key indicators is the demographic loss of population. However, this is not depicted in quantitative terms as selective out-

migration and differential reduction of tax base results in a skewed population base that is often 'stuck in' the disadvantaged downtown areas due to lack of choice or resources. Demographic loss in pure numerical terms may not pose a threat but a combination of deindustrialization of erstwhile industrial economies along with demographic change and inner city decline can lead to severe economic and social problems (Robson, 1988). The changing nature of urban agglomerations, as mentioned by Friedrichs and Goodman (1987) lead to a decline in downtown's form as the city's marketplace due to shifting employment skills. The resident population is unable to keep up with the changing needs of the business sector. Home (1982) put unemployment and job mismatch as the biggest problem in declining downtown regions. Moreover, the spatial mismatch phenomenon in part encouraged by increasing labor mobility widens this gap. Although economic theorists will argue that such changing trends are inevitable and should be left alone for the free market to decide, the social and cultural impacts in form of disgruntled residents and rise in crime are difficult to ignore. Effectively, such factors can undermine the gains made by pure economic factors and qualitative factors that firms use to determine their business location would soon gain prominence over pure quantitative factors.

### **Resurgence of Downtowns**

The concept of a city changed significantly in the last fifty years. Earlier the city developed around industrial and business activities with the significant resident population comprising of the labor pool of those activities. In the initial years of urban settlements, such industrial factors proved to be the focus of the urban space and standard of living often took a backseat. The field of planning partially arose from this need of attempting to humanize the city and make it more attractive to live in rather than to work in. As mentioned above, after the World War II suburbs gained popularity, but this trend partially reversed itself when downtowns became to be viewed as suitable places to be in especially after the industrial activities moved out. However, downtown still retained the primary focus of being areas of commercial activity and businesses although the nature of such activities changed dramatically. Instead of

traditional manufacturing industries, the focus turned to the service industry that was spatially more segregated and friendlier to diversity [in business activities].

Earlier, when a single steel or textile mill would have dominated the urbanscape, today the same space would be occupied by numerous service and technology industries that may allow for friendly or even symbiotic co-existence. Rather than resource flows, cities have been transformed to mediums of intellectual and informational flows. The research results have been mixed on whether cities serve as an ideal environment for business in diversified or concentrated forms. Feldmann and Audretsch (1999) finds that less concentrated industries in diversified areas grow more rapidly for product introductions but at the same time, there is less diversity in broad city-industry growth (Miracky, 1992). However, keeping in mind the changed nature of industries in the city region, the high technology industries show positive gains from higher concentration and subsequent long-term growth (Henderson, Kuncoro & Turner, 1995). This is especially true of technology company hubs such as Silicon Valley, Seattle, the Research Triangle area, and Austin. Although these trends are observed more in growing cities rather than redeveloping downtowns, the long-term effects are more pronounced for raising standard of living that encourages a diversity of activities. The urban-suburban connection can be emphasized as downtowns can be developed as retail and small-business activities that benefit from density and close interaction while relegating the more space consuming activities to the suburbs. The erstwhile disadvantage of high density can be effectively transformed to an advantage to maximize social interactions and provide amenities within close proximity of each other, lending credence to the diversity factor mentioned above.

### **Mumbai Mill Lands: Overview**

The decline of the Mumbai mill lands is rooted in several economic, social and political issues. It is important to understand the genesis and the cultural underpinnings of the mill lands within the social fabric of Mumbai if we have to debate on revitalizing this area. The first mill was established in 1856 by Cowasji Davar with the help of 50 leading businessmen in the city. By 1862, four mills were added and this number grew

to 21 by 1885. In 1975, the Mumbai mills employed almost 250,000 workers in more than 52 mills (Adarkar & Phatak, 2005).

Most of the workers employed by the mills lived in close proximity of their place of work in the regions of Lalbaug, Sewri, Parel, and Byculla spread over 25 sq.km. However, 69% of the workers lived in primarily single room accommodation or barracks (D'Monte, 1998) hence the workers were mostly low-wage and migrants from other parts of the state. The physical proximity to the workplace and aggregation of workers within a smaller region of the city increased the social and cultural involvement of the workers in the community. This led to stronger community ties and a rich network of physical and social infrastructure. This would be important later in consideration of the redevelopment plans. This also led to the establishment of labor unions notably that of the Congress-led (political party) union Rashtriya Mill Mazdur Sangh (RMMS) in 1945. However, these labor unions soon moved from being representative of worker grievances to being political instruments first to counter the communist threat and later to control unions. This move drastically altered the structure of the unions and determined the way in which they could organize and act (D'Monte, 1998) and would later influenced the infamous strike of 1982 that led to the final blow in the dying mills.

The Bombay Industrial Relations Act, 1946 (BIR Act) sought to establish a single union, the Congress-led RMMS as the only approved union. This move was taken primarily to renounce the option of strikes and focus on other means of resolution (Adarkar & Phatak, 2005). The strike of 1982 was called for primarily to strike down the BIR Act along with increase in wages. Although the strike of 1982 is primarily held responsible for the demise of the mills, the rot had already set in much before the strike. The reasons are both political and economic. As technology developed, powerlooms were seen as a preferred method in textile mills. The mill owners did not update the machinery in the Mumbai Mills to keep up with the changing trends and the low-skilled workers were also comfortable with this policy. However, during the strike the mill owners used this opportunity to outsource the work to workers in Bhiwandi, a distant suburb who were paid almost 50 percent of the wages in spite of longer working

hours and no legal compensation (D'Monte, 1998). After the strike, the mills refused to accept the workers back and instead employed them as 'badli' workers (contract workers).

On the policy front, The Cotton Textile Control Order, 1948 had already imposed a freeze on the capacity of the composite mills (mill producing handloom and other yarn). However, no such limit was imposed on the power loom mills that existed outside the city. In order to keep workers employed, the government instead resorted to nationalizing mills under the sick textile undertaking ordinance (Adarkar & Phatak, 2005). The government nationalized four mills in 1972 and later added 13 more mills to the list in 1983. Although interests of workers were kept in mind, the changing economic and technological factors worsened the situation. The new textile policy in 1985 that removed 'restrictions on loomage and spindlage' in the composite mills coincided with sharp rise in land prices. The strike of 1982 has already crippled the industry causing a drastic drop in profits. The mill owners thus wanted to maximize on rising land prices by selling off their mills and investing in other profitable ventures. Further, with the opening of the economy in 1991, the mills were subjected to international competition and the trade restrictions imposed by the developed countries fell leading to resource allocation toward profit-making ventures instead of continuing to revive the textile mills. Since the mill owners preferred to invest in other industries, no significant upgrades were carried out for equipment and they even resorted to strong-arm tactics of refusing to pay the workers or forcing them to accept a voluntary retirement scheme (D'Monte, 1998).

Finally succumbing to the economic, political, and business interests, the mills spread over almost 240 hectares of Mumbai shut down laying off more than 200,000 workers who still lived in the adjoining area.

### **Lessons for Revitalization**

Although technically, the Mumbai mill lands does not qualify for revitalization as much as it does for redevelopment, its location and subsequent piecemeal development by individual parties make it a ripe case for revitalization strategies. I shall use the

generically agreed-upon strategies for revitalization that have worked in the American context to make a case for revitalizing the Mumbai mill lands while adopting them for the socio-cultural environment of the city. I'll be primarily referring to Leinberger (2005) and Moulton (1999) for delineating the strategies for downtown revitalization.

Since the development in the mill lands has been sporadic and piecemeal, it might be opportune to develop a broad-based strategy to encompass the entire tract of land instead of individual mill parcels that might lead to or demand structural changes. This structural change can lead to various urban phenomena that occur in the shifting process (Thorpe, 1983). The service enterprises that might replace, as they have elsewhere, have different technical requirements as compared to the erstwhile industrial enterprises that have now died off, leaving the descript infrastructure in place (Daly, 1992). Also, the importance to tie the new development or revitalization plans to the adjacent areas in order to maintain the underlying physical and functional structures while attempting to renew the architectural and urban context (Park, 2002). This might be an issue in the Mumbai mill lands because the current piecemeal and individual projects are completely detached from the existing social and functional urban structures of the region.

### **Developing a vision**

One of the foremost criticisms of any botched revitalization plan is the lack of a coherent and comprehensive vision and instead relying on individual efforts to develop downtown properties. Relying on the latter strategy causes pockets of high growth while leading to similar pockets of distressed areas causing intense conflict due to the divide in economic development. The most important asset of a dilapidated region is its strength in memories (of high growth and development) and the emotion it evokes in the residents (Leinberger, 2005). The emotion aspect that motivates people to overpay for real estate usually comprises of 50 percent of the property (Urban Land Institute, 1997). The need to put these emotions into reality often drives plans to create grand plans that translate into urban and physical structures that may often seem disproportionate to the community; for e.g. grand courthouses, capitol buildings,

convention centers, hotels, etc. Developing a vision often tends to broaden the scope of the development plan and estimates the potential of the community; whether it is capable or desirous to invest in the physical restructuring of the community that may in effect, redefine the appearance and economic outlook of the community.

A good starting point for beginning the process for revitalization is generally to engage in a “visioning process” (Leinberger, 2005). Although professionally managed, the process should serve as a sounding board for community interests and should incorporate equal public and private support in the process. The primary examples in the United States that have used this strategy to kickoff their revitalization plans include cities like Baltimore, Portland (OR), Chattanooga, Denver, and San Diego. Admittedly, each downtown has unique characteristics but it depends upon the community to identify its differentiating factors that would aid the revitalization process.

The first step involves market research to develop a technical portrait of the region that includes history, specific boundaries, its role in the local economy, contribution to taxes, condition and relevance of infrastructure, and number of jobs and business. The assets of the region that include physical support systems like universities, hospitals, housing stock, organizations should be included in the vision report. In addition, a SWOT (*strength, weakness, opportunity, and threat*) analysis on lines of identification of positive, negative, and opportunity factors should be undertaken to understand what makes the community special (Leinberger, 2005). At the same time, input of the current residents should be considered at every step of the visioning process through public meetings, surveys, focus groups, informal referendums. The findings should be disseminated throughout the community seeking for feedback and suggestions should be encouraged. The resulting vision statement should be a culmination of community interests as well as economically friendly business interests that will supposedly revitalize the area. Holding on to the cultural legacy is an important aspect but it should not impede but rather reinforce the future vision of the community.

Examining the community of the Mumbai mill lands, it was driven by a close-knit camaraderie of workers who lived in close proximity of their place of work. The physical infrastructure of the community that served this primarily worker class included “two major arterial roads of the city, three different local railway lines with nine local railway stations, four major public hospitals and many educational, community cultural and social institutions along with small and medium sized "maidans" (playgrounds) with "vyayamshalas" (gymnasias) and community halls” (Adarkar & Phatak, 2005). An extensive social and physical infrastructure serving a homogeneous community resulted in a targeted social and urban fabric. Other informal community networks like, village committees, festival committees, and dining services consisted mostly of wives of the workers that made them an integral and functional part of the community as well. The history of the region is dominated by such social organizations which worked in harmony to debate on various issues of the community that centered on the mills. In the aftermath of the strike in 1982, there existed a wide drift between the mill owners and the neighboring community. This resulted in total isolation of the worker community and subsequent redevelopment plans left them in the cold. Due to the high inflation in the land prices in the interim period, the landowners were less inclined to divest of this power to consider the interests of the community in redeveloping the mill lands.

In adhering to the lesson from the American strategies of vision building, it is important to incorporate the feedback and past attachment of the workers to their community. In accordance with this strategy, it requires a substantial if not equal consideration to the resident worker community in developing such a vision statement. The Development Control Regulation 58 introduced in 1991 proposed such an equitable solution. While permitting for closure of the mills, it approved the reuse of the mill lands for diversified industrial uses or commercial activity. In addition, a three-part broad strategy was proposed to give equitable representation for all parties concerning including concern for environmental factors. After approving demolition of defunct mill buildings, total open land had to be divided into roughly three equal parts. “Part one for

public housing, part two for local government to develop public open spaces and part three for the mill to exploit commercially” (DCR 58, 1991). This tripartite solution attempts to provide housing for the displaced workers and allowing the mill owners to capitalize on their land holdings while allowing for decongestion of the city. The public open spaces also will give the city breathing space in an already polluted environment while also restricting overbuilding and causing additional stress on the physical infrastructure of the community. This vision was possible by understanding the key fears of the community while maximizing on the land potential of the project.

Moreover, the Mumbai Vision Report released by McKinsey (2003) recommended that comprehensive land policy changes could increase land supply in Mumbai by almost 50-70%; the mill lands being a part of this equation too. Although utilizing the mill lands would result in a net gain of only 2.5 sq.km or 0.5 percent increase in Mumbai’s current area for development, the supplementary increase by easing Urban Land Ceiling Act and Rent Control Act in addition to the Coastal Zonal Regulation will result in an increase of an additional 25-30 percent increase in area. So technically, the potential for development on economic grounds by increasing land supply through a vision process exists.

### **Public-Private Partnerships**

The revitalization phenomenon in America has never been fueled by either accidental private means via free market mechanisms or public directives that were employed to develop a particular region. The public sector may choose to focus its attention on the downtown of the city through mayoral initiatives and with the help of the city council but it is incumbent upon the private sector to invest time and money that would eventually lead to revitalization (Leinberger, 2005). The difficult part of associating the private players in downtown revitalization is convincing them that such a process would be beneficial to them and it isn’t merely a public relations venture, as is the common perception. Private players will readily join in if they perceive the reward for success is marginally better than the costs involved or than probability of failure (Hamlin, 2002).

Firms that are footloose are less likely to invest in the region and thus have little incentive to partner up with the public officials to make downtown a better place for business. The public officials might find it worthwhile to cultivate this trust and build a bond toward integrating the private players with the community that they do business in and only then will the private entities be willing to involve themselves in partnerships that involve revitalizing the downtown. This will occur because the private entities would find it in their best interest to bring more people back into the area where they conduct their business and hence profit from the increased influx.

Also, it is noted that the small business sector does more to stimulate the revitalization process for the region than the big firms, contrary to the popular notion and strategy of most cities (Hamlin, 2002). Small businesses are responsible for creating new jobs nationally and it should not be any different at the local level. Also in regards to helping firms and businesses associate themselves with the community, the public authorities might find it easier to do with local and small businesses as they are more likely to have stronger ties with the community. Also, the personal relationships and networks cultivated within the community will help the businesses to associate themselves with the region and give them incentives to revitalize the region instead of moving shop. However, such public-private strategies may not be restricted to existing business but rather should be extended to new businesses. The government is more likely to own land and structures in the downtown region either by default or after foreclosing delinquent properties.

Hamlin (2002) lists several strategies that might ease the process for fostering public private partnerships; most of the strategies being directed from the government toward the private sector in easing bureaucratic processes. The government can help matters by using condemnation and foreclosing laws to reclaim abandoned or dilapidated properties and auctioning them to private players conditional to development according to the comprehensive plan i.e. the land bank approach. The city of Mumbai has an Urban Land Ceiling Act that was passed in the mid-50s that gives it power to repossess any vacant land in the Greater Mumbai area and use it for building

affordable housing or for public projects such as utility stations or parks. But owing to high-level corruption and inaction on part of bureaucratic officials, this act has never been enforced. An ideal process would be to reform the Urban Land Ceiling Act to devolve powers to private players could take on the mantle of redeveloping the dilapidated property in lieu of tax breaks or additional floor space index (FSI). However, on the upside following liberalization in 1991, there has been a distinct shift in bureaucratic outlook as the public sector is increasingly seeking private investment and devolves responsibility. The goal, according to Mumbai Metropolitan Regional Development Authority (MMRDA), “cannot be achieved through sole reliance on public investment, regulations and controls. It calls for an approach that would facilitate increased investment by private sector in infrastructure and other developments, enable appropriate structural changes in the region’s economy and permit adoption of land-use policies that respond to market potential” (MMRDA, 1995).

Hamlin (2002) further proposes establishing communication networks between businesses and business support organization that would greatly ease this transition from public lands to private use with conditional public mandates incorporated into the development of those lands. The Mumbai mill lands currently are dominated by private uses that have indulged in piecemeal development. This development was handled directly by government departments that were in no way involved with business development. For e.g. in the case of Phoenix Mills, the proposal for building the bowling alley, one of the first in Mumbai, was approved under the justification that it would be a place for leisure for the mill workers (“The Bowling Company – Our Profile” from Krishnan, 2000). However, when it was built and pricing scheme was introduced, the hourly rates for bowling were Rs. 100 which effectively was 2-days worth of mill worker’s labor. Other uses incorporated in the initial stages were advertising agencies and media companies which hardly demanded community ties from the businesses and left them content with isolating themselves from the community and attracting the ire leading to public protests (Krishnan, 2000). The resulting proposal for greater public-private participation would not just encompass attracting businesses purely on

economic grounds but also attracting companies such that they would be less footloose and be more permanent tenants instead of creating a temporary illusion of revitalization.

### **Emphasizing Middle Class**

As mentioned before, historically a majority of the worker population lived in close proximity of the mills and their work places. This led to the rise of an active and involved community that lent the area its distinct social and cultural feel (Adarkar & Phatak, 2005). Over more than hundred years, the community through its intricate social network defined the character of the region and naturally resisted change when the mills were on the verge of economic collapse. Moreover, the current land use patterns and changed economic landscape of few parcels in the erstwhile mill lands have made the resident uncomfortable regarding future use and redevelopment direction of the land mills. Following the controversial decision of the government in allowing the mill owners to develop individual parcels without laying down a masterplan framework for the region, the Mumbai High Court interceded and passed judgment that the order be rescinded and the mill lands be developed under the edict of the thirds rule i.e. one-third of the land would be used for affordable housing, one-third land would be reserved for public open spaces, and one-third of the land would be allowed to be exploited commercially. This was regarded as an equitable solution by planners and citizens however developers who had invested in the mill lands got the ruling overturned by the legislature and instead mandated that ruling for only the vacant lands on the mill property. Vacant lands constituted only about 10% of the total eighteen square miles of mill land property and hence implementing such a policy would completely negate any equitable solution that the courts had envisioned.

Traditionally downtown revitalization is purely focused on economic grounds i.e. greater or bigger the tax revenue base the better it is for the fortunes of the city. Hence cities tend to focus their attention on attracting businesses and not paying much heed to creating equitable societies that would in turn define the character of the region leading to enhancing or deteriorating the business climate. Social equity relates to the

“equal treatment of different populations specifically those that have endured historic discrimination” (Thomas & Hwang, 2003). Incidentally, changing the physical landscape of a region imposes social costs that are unavoidable. But at the same time, adequate attention must be paid so as to distribute these costs uniformly over all the affected population without burdening any section of the population unfairly, as is the case currently in Mumbai wherein mill workers are marginalized for sake of attracting high-end retail. The fact that the mill workers still continue to reside in the vicinity of this new development leads to resentment and urban divide that has already caused social disturbances.

The middle class in Mumbai is not only the largest demographic of the city but also the most ignored group regarding redevelopment considerations. The redevelopment plans are either geared toward slum rehabilitation (Takeuchi, 2000) or toward attracting big businesses or high-end retail outlets (Krishnan, 2000) that leave the middle class isolated. The court ruling provided for affordable housing which is different from slum rehabilitation and would directly address the concerns of the thousands of unemployed mill workers in the region. In American case studies, social equity in a way also implies equity of decision-making i.e. allowing the low and middle income an equal say in determining the redevelopment of the region that they live in (Arnstein 1969). Other equity issues pertaining to housing and redevelopment also allude to the fact that the benefits ensuing from the revitalization efforts shall not benefit one group over the other i.e. the higher income group/class over the low and middle income group (Krumholz and Forester 1990). Basically socially equitable practices are handled on two levels – lack of oppressive practices and citizen participation/driven redevelopment measures (Thomas & Hwang, 2003).

Thus in Mumbai, especially in the mill lands region, the government plans to be the primary facilitator of providing affordable housing according to the new plan proposed by MMRDA (Banerjee-Guha, 2000). However, such a method to rely exclusively on the government would also prove to be foolhardy as seen by the public housing efforts initiated by the US government in the later part of the 20<sup>th</sup> century e.g.

Urban Renewal and Model Cities program. An efficient solution would be to use the public-private partnership model in creating housing solutions too by selling the land to private developers with differential conditions for providing affordable housing within their development. This will not only motivate the private sector to create housing stock but also satisfy the affordable housing needs of the citizens living in the vicinity.

### **Infrastructure and Urban Services Enhancement**

Mumbai is considered the commercial capital of India and is home to India's premier stock exchange, BSE. The focus on business and industry's ties cannot be denied while considering revitalization of any part of the Greater Mumbai region. In fact, since the current land on which the dilapidated mills stand are zoned for industrial uses, there have proposals to attract contemporary businesses and industries in order to revitalize the region and provide employment for the thousands of displaced mill workers in the region. However, as the mill land controversy has persisted over the years, the surrounding areas of Mumbai have experienced tremendous growth and the commercial focus has moved away from primary manufacturing industries to secondary and tertiary goods and services including focus on retail, finance, and real estate. Also, Mumbai contemporary urban restructuring efforts that include re-concentrating economic activities within the metropolis may be directly affected by the liberalization processes in India and the globalization trends sweeping the world (Banerjee-Guha, 2000). However, most of the planning decisions especially with the need to democratize planning, have been taken on moralistic rather than economic grounds (Mahadevia, 1988).

MMRDA, the planning authority of the entire region publishes development plans every ten years delineating growth patterns and predicting future trends. Dispersal and decentralization has so far been the key element in such plans but in recent times, owing to Mumbai's burgeoning population, crumbling infrastructure, and increasing levels of pollution that only results in economic decline, planning authorities have been reversing their earlier decisions and instead incorporating concentration of housing, infrastructure, and public amenities within city limits while moving industries

and wholesale markets out to the mainland (MMRDA, 1995). The plan while admitting that industrial employment is on the decline instead opens up to the idea of attracting hi-tech workers and readjusting the worker demographic profile of Mumbai. Following liberalization in 1991, these efforts have been followed up with governing changes that have favored private sector financial resourcing and administration instead of from the public sector. Given this shift in attention, business and commercial interests are now considered the most important aspect in Mumbai's urban planning needs. While "the proportion of manufacturing employment from total employment has reduced from 36% in 1980 to 28.5% in 1990, in trade, finances and services sector it has increased from 52.1% to 64.3%" (Banerjee-Guha, 2000).

However, in the long run before attracting business and commercial activities, it is important for Mumbai to realign its infrastructure structure including revamping the urban service sector. Addressing multiple goals of social, economic, and environmental in nature in order to promote a more sustainable downtown living can influence people's locational decisions and alleviate peoples' attitudes toward downtown living (Heath, 2001). Focus on infrastructure such as public transit, urban amenities, and living utilities such as power, water, and gas are essential in effecting this change. A growing and diverse set of increasing resident population often leads to creating a demand for diverse set of goods and services that makes establishing retail and businesses an economically viable option (Houghton and Hunter, 1994). This can be followed up only after focusing on improving public transit and making neighborhoods more pedestrian-friendly and thereby not only increasing livability of a region but also creating a sound economic base for establishing business. "The residential intensification of existing urban areas, particularly those areas that are well served by public transport and that have existing service infrastructure," adds to the livability of the community. In terms of secondary effects, transit-oriented development has created dense concentrations of resident that have also caused a decline in crime which effectively raises the standard of living.

The Mumbai mill lands are currently well connected with the public transit system and runs through the heart of most communities, creating sustainable communities that are well-networking not just within themselves but with also other parts of Mumbai. However, these public transport services have not been upgraded in years and have been suffering from neglect and overcrowding that have deterred people. Improvement of this urban infrastructure especially regarding public transit will help the Mumbai mill lands develop in a more equitable manner and enhance livability while serving to make the mill lands area more accessible and attractive for people apart from residents. Also regarding transportation planning, the current emphasis seems to be on railroads rather than roads within the city area, which is better in a sustainable sense. However, the recent thrust of building almost 55 flyovers in the span of 5 years has provided skewed opinions regarding development goals. One such flyover has passed through the community of mill workers without due consideration for the tenement housing located on the fringes. The flyover project thus provides an example of contradiction between the goals of the state government which is more politically inclined and the objectives of the planning authority that takes a broader look from economic and social lenses (Banerjee-Guha, 2000).

### **Business Improvement Districts (BIDs) and Tax Incremental Financing (TIFs)**

One interesting lesson from American examples that have not been implemented as much in other developing countries is the concept of business improvement districts or tax incremental financing. The concept of equal taxation or redistribution of tax revenue has always held sway over governing authorities especially in India with its socialist regime. Although the economy has opened up and effects of globalization powered by intense competition have started to show in Indian cities, the concept of differential taxation still hasn't gained traction in redevelopment policies in India. Recently, India decided to adopt and implement SEZs in select parts of the country, following China's successful model but direct application without understanding the social or cultural aspects in an otherwise democratic country has had

its pitfalls. A transition economy like India still suffers from the pitfalls of political constraints to satisfy certain social requirements and from the lack of institutions to constrain the state but according to Litwack and Qian (1998), concentrating resources in some areas may lead to significant spillovers elsewhere that spur the overall economic growth of the region.

In reference to Mumbai's industrial restructuring, according to the Draft Regional Plan of the MMR Development Authority (MMRDA) published in 1995, the share of employment in manufacturing industries in Greater Mumbai reduced from 36% in 1980 to 28.5% in 1990, whereas trade, finance and service industries have increased their share of employment from 52.1% to 64.3% in the same period. In addition, there has been a migration of job from the island city to the mainland due to the movement of the wholesale markets and the steel market away from the central city. However, the growth of office sector employment in Greater Mumbai grew from 3, 52,000 units in 1980 to 6, 29,000 units in 1990 (MMRDA, 1995). Hence there was a markedly difference in employment statistics over the years and that has defined the redevelopment potential of the greater Mumbai region where the mill lands lie in.

The health of a downtown or midtown, as the Mumbai mill lands can be thought of is in the synergistic relation between retail, business, and other revenue generating streams (Filion & Hoernig, 2003). Interactivity of these businesses depends a lot upon the compatibility and chances for cooperation and delineating common policies to form a business district or a tax incremental finance district also increase. It might be worthwhile to explore a similar strategy in revitalizing the Mumbai mill lands. There is already a growing concentration of retail businesses and media companies that have chosen to relocate in otherwise descript parcels of lands. This relocation although socially inequitable have created an environment that might be suitable for future tenant and in due course of time, though the monitoring of a marketing and business chamber of commerce, the mill lands can collaborate on an appropriate business-friendly and equitable solution for revitalizing the region.

## Conclusion

The Mumbai mill lands, located in the midtown region of Byculla and Seri have always been associated with the worker class and still continues to be the place of residence for many blue collared workers who may work elsewhere in the city. But due to the affordable living costs in their current homes due to the Rent Control Act of 1947, the workers are reluctant to move to the outer suburbs and continue to lobby for more accessible opportunities closer to home thus trying to close the spatial mismatch in Mumbai. The revitalization strategies mentioned in this paper attempt to address those problems of achieving an enhanced revenue base for the city as well as address the social and cultural concerns of the residents. Not all American ideas and lessons were applicable in the contextually-different city of Mumbai that continually grapples with a traditional and historical mindset of socialist regimes and a growing class of footloose companies that have flocked to the city in a liberalized economy.

Saskia Sassen (2001), in her study of comparative global cities has argued for the combination of spatial dispersal of manufacturing and the global integration of services and finance which “has created a new strategic role for major cities”. Her study on changes in the economic base, spatial organisation and social structure of London, New York and Tokyo focuses on how cities with such different histories and cultures adapt to quick transformations in a short period of time. “To understand the puzzle of parallel change in diverse cities requires not simply a point-by-point comparison of New York, London, and Tokyo, but a situating of these cities in a set of global processes” (Sassen, 2001). In an increasingly globalized world, Mumbai is not too far off from being included in this elite group of truly global cities that share common threads that define their internal change which in effect transform the economic health and social structure of the larger region they are located in.

As discussed earlier, only a small part of the broader lessons from downtown revitalization in American cities can be applied directly to the case of Mumbai mill lands. Still there are plenty of common ideas such as creating business improvement districts and introducing tax incremental financing that can be further fine tuned to suit the

Indian context. Generic ideas such as developing a vision and empowering public-private partnership although well understood in India have to be adapted for a globalized world and suited appropriated for redevelopment purposes. Usually these aspects are used primarily for planning and developing new townships (Navi Mumbai) such as that on the mainland across from the city of Mumbai. Other aspects of downtown revitalization such as emphasizing the middle class and focusing on public transit and urban services are especially important to the city of Mumbai due to lack of attention on the former and deteriorating conditions of the latter.

Finally, it is important to understand that the process is continually evolving and as new trends in a rapidly changing city such as Mumbai continue to emerge, the process of revitalization will also have to be adapted and modified periodically. The Mumbai mill lands have a strong history of industrial and commercial use and the surrounding areas remain entrenched in such a work and living ethic hence the linkages to the past cannot be ignored while planning for the future.

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