Chapter I
INTRODUCTION

As is well known, changes in the mode of production and exchange brought about by the industrial revolution necessitated clustering of activities together in given points of space which result in large population concentrations. Such concentrations are called 'town', 'city', 'metropolis', or 'megalopolis' depending upon their size. The term urbanization denotes the process and the consequent changes in the nature of population concentrations.1/

The concept of urbanization in social sciences is generally understood in its demographic, behavioural, and structural dimensions.2/ It is the structural dimension of the process that has attracted economists. In studying urbanization, economists have been concerned with movement of people out of agricultural into larger


non-agricultural communities, resulting in differential ordering of occupations within a given territorial space. The process of urbanization is thus seen as a product of increasing economic specialization and advancing technology over given space.

1. Analytical Issues

There have been attempts in the literature towards putting forth theoretical approaches for explaining the process of urbanization. The central thrust, as explained by Reissman,¹ has been to explain the whole process of change and its accompanying consequences related to industrialization - the movement of society from agricultural to industrial, from small to large, from homogeneous to heterogeneous, and from rural to urban massing. As urbanization takes further strides, there is restructuring of power relations within society so that move to industrialism is facilitated. It is not that all countries move in the same direction or in the same manner towards urbanization. Some countries begin with industrialism, but others experience city growth first and industrialism later. Nevertheless, theoretical approaches put forth in the

literature largely draws its sustenance on the competitive conditions relevant in developed market economies.

Can such a theoretical framework be relevant in developing countries, where economic formulations within which the urbanization process takes place, are different? Scholars like Reisman would interpret the urbanization process in developing countries as repetitive of western experience on the ground that the history of the west from the 19th century onwards is being reiterated in the underdeveloped countries today. There is, however, no consensus on the relevance of a universal theory for explaining the urbanization process in all countries. Unless the urbanization process in developing countries is assumed to be essentially the same as that occurred in the West, it may not be possible to develop a theoretical model based on western experience for interpreting the urbanization process in the third world.

It cannot, however, be denied that the transformation of societies from rural to urban with

1/ Ibid.
the present characteristics is a modern phenomenon. The transformation manifests the physical growth of individual population concentration (city) and the multiplication of such points of concentration into a system of cities. As the development of a given system of cities is related with the process of its economic growth, the focus of studies on urbanization in developing countries too has to be on interrelatedness between economic growth and urbanization, though "a theory is yet non-existent in explaining the causal relationship."

Urbanization understood in a simple sense of city-growth results from interplay of very many interrelated economic and non-economic forces, of which former assume prime importance. City is a place where externalities and agglomeration economies are generated from proximity to economic sectors and their interdependencies. A high degree of production specialization, in particular due to technological progress and low information costs, further contributes to the emergence of externalities and interdependencies. One of the results of technological advance has been the

reduction of effective distance, a phenomenon that further increases the number of economic actors affected by externalities and the degree to which they are affected. Thus, the city is where externalities abound; and it is the prevalence of these externalities that make a city what it is.

It follows that cities of various sizes come into existence depending upon the efficiency of the space economy. The initial size gives impetus for further growth of cities. Logically, a positive relationship between city size and growth can be postulated. A large number of urban analysts, explicitly or implicitly, have thus taken the view that city size is the main determinant of the rate of urban growth. This simple relationship has been expressed in many different forms. The most common argument has been that economies of scale, agglomeration economies, and indivisibilities favour the large city so much that big cities grow faster than small ones and this tendency operates without any limit to city size.

Needless to say, the postulated relationship needs to be tested empirically in the context of specific regions. Even if there were identifiable relationship between size of cities and their growth
It is plausible that this relationship may have varied over time and between regions according to regions specific socio-economic and institutional environment. After all, size by itself cannot be considered meaningful; it can only be a surrogate of other factors influencing the actual growth of cities. It is easily explainable that the initial size itself is the result of some structural attributes of the city. It stands to reason that the size-growth relationship of a city has to be seen in the context of its structural characteristics.

The growth mechanism occurring in cities is influenced by two sets of forces: (1) endogenous forces and (2) exogenous forces. The first set refers to the forces operating within a city, related to its structural characteristics and interrelationships within and between sectors. The second set refers to the forces in effect from outside a city, related to the interlinkages between and among different cities, which determine relative competence of individual cities. The differentiation is a matter of degree only since the exogenous forces themselves can act as endogenous ones if individual cities are treated as subsystems in a system of cities. However, for analytical purposes, such a differentiation would be helpful.
to find out the growth mechanism occurring in individual cities. Economic growth sets in motion a complex set of forces that tend to draw both labour and capital towards the same region and to concentrate social and economic activities in cities, particularly in large ones.

In short, the growth and decay of cities may largely depend upon the functional specialization that represents the structural attributes of cities. Thus, urbanization has to be viewed not only in terms of size-growth relationships but in size-structure and structure-growth relationships also. A view is generally held that large cities grow faster and at the cost of smaller cities. It could be that not all large cities grow fast and smaller cities grow slower, but the differences in the rate of growth of cities can be better explained by the "size-structure-growth paradigm". A study of interrelationships between size, structure, and growth of cities is essential to comprehend the process of urbanization.

In essence the present study examines the size-structure-growth relationship in the urbanization process in Gujarat. The choice of Gujarat is guided by many considerations. Firstly, the area is large.
enough with large cities of various size classes to give a comprehensive picture of urbanization. Secondly, the region represents a homogeneous society. Thirdly, Gujarat is the third most urbanized state in India with 31 percent of the state's population living in cities as compared to 24 percent for the country.

There are signs to indicate that the process of urbanization in Gujarat has brought to surface many socio-economic problems such as increased slum and overcrowding, deteriorating public-service facilities, fiscal pressures, increasing alienation, violence and crime, and pollution. Indeed, urbanization would not have gone so far but for the positive attributes of urban life. Nevertheless, the process of urbanization has given rise to an urban dilemma of increased opportunities and deteriorating quality of living. The public authorities in Gujarat have been concerned with the problems; the policy approaches, however, are seldom based on empirical foundations since studies that explain the urbanization process and city structure in Gujarat are few in number.\(^1\) The present study is an

\(^1\) The first attempt at delineating the economic base/structure of Ahmedabad city in the contemporary period is S.P. Kashyap, Facets of an Urban Economy: Economic Base Study of Ahmedabad City, (New Delhi, Town and Country Planning Organization, 1984).
attempt towards closing the gap in our understanding of region-specific features of urbanization process in Gujarat.

2. Specific Objectives

More specifically, the study examines:

i) the long-term trend in the growth of cities with a view to discern the process and emerging patterns of urbanization;

ii) the structural characteristics of cities of different sizes and their role in city growth;

iii) the impact of in-migration on the size and structure of cities and the socio-economic characteristics of in-migrants; and

iv) the patterns and structure of cost of providing urban services in the context of size-structure-growth correlates.

3. Data and Methodology

The study is based on the statistical analysis of the relevant data collected from secondary sources.
Chapter II traces long-term trends in urbanization. It also analyses salient features of the urban scene in Gujarat in relation to the country.

A view prevailing among the urban analysts is that size affects urban growth. Chapter III seeks empirical support to this view with the use of Gujarat data. The structural characteristics can vary among cities of similar size and cities with different sizes can have similar structure. An examination of the structure-growth correlates of cities however is all the more significant for a fast growing industrial region like Gujarat. Therefore an alternative hypothesis to the effect that it is structure rather than size that has a determinant influence upon growth of cities, has been examined in this chapter.

In the process of growth of cities, migration plays an important role. In the initial stages of urbanization, growth of settlements is highly affected by rural-urban migration. This movement is the result of 'pull' of cities and 'push out' of rural areas, further exacerbated by many socio-economic variables. In Chapter IV a brief outline of migration into large
cities of Gujarat has been given with some inferences on the type and socio-economic characteristics of the migrants.

Chapter V examines the patterns of expenditure in cities. An attempt has also been made to provide some explanation for the difference in expenditure pattern across cities. The analysis includes expenditure pattern across various civic services.

The concluding Chapter sums up the findings and draws implications on approaches to spatial planning and policies.
such as the Census of India, the Chief Inspector of Factories at Ahmedabad, and statistics of municipal towns and cities. Each of the aspects of the problems has been treated with different but appropriate statistical methods. For example, in the analysis of the industrial structure of cities, regional analysis techniques such as shift-share analysis have been made use of. The analysis of infrastructure and services as related to cities is facilitated by regression models. Generally, working hypotheses have been developed in relation to the problems under discussion and their empirical validity in the context of Gujarat have been examined.

Urban information system in India is still in its infancy. Except for the census, there is hardly any systematic approach to collect data pertaining to urban centres in the country. Needless to say, the collection of comprehensive data from primary sources is beyond the means of an individual researcher. The present study admittedly has obvious limitations arising mainly out of non-availability of hard core data.

4. Schema of the Study

The study is organized in the following schemata. The analytical issues have been identified