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The term development consists of ‘develop’ and ‘ment’. The literal meaning of the word ‘develop’ is ‘to unfold itself’ or ‘to grow itself’ into a fuller or maturer form. ‘Ment’ stands for instrument of action, an act or a process. So, in simple words ‘development’ is to discover or unfold something that is latent. However, the term ‘development’ means different things to different people. In economic terms, development has traditionally meant a sustained annual increase in GNP (or GDP) though with rates varying, for example, from 5% to 7% or more. A common alternative economic index of development has been the rates of growth of per capita GNP i.e. the ability of a nation to expand its output at a rate faster than the growth of population.

Until the 1960s, the term economic development was often used as a synonym of economic growth, the measure for the latter being the rise in per capita GNP in real terms. Economic growth refers to a rise in output, whereas economic development implies changes in technological and institutional organization of production as well as distributive pattern of income. Thus economic development is a broader concept than economic growth. The process of development is far more extensive. Apart from the rise in output, it involves changes in the composition of output as well as a shift in the allocation of productive resources to ensure social justice. During the 1950s and 1960s while many developing nations did realize the economic growth targets, the respective levels of living (of the masses) remained unchanged. This resulted in the rejection of a narrow definition of economic development by an increasing number of economists. They now clamoured for the “dethronement of GNP” and the elevation of direct attack on widespread absolute poverty, increasingly inequitable income distribution and rising unemployment came to be redefined within the context of a growing economy.

However, for a number of developing countries which experienced relatively high rates of growth of per capita income during the 1960s and 1970s, there was little or no improvement or even an actual decline in employment, equality and
income. As per the earlier definition of ‘growth’ these countries were developing but by the new criteria of poverty, equality and employment, they were not. Also, during the 1980s, the World Bank championed ‘economic growth’ as the goal of development, its World Development Report of 1991 asserted that “the challenge of development is to improve quality of life which generally calls for higher income and it involves much more. It encompasses better education, higher standards of health and nutrition, less poverty, a cleaner environment, more equality of opportunity, greater individual freedom, and a richer cultural life”.

Development needs to be conceived as a multidimensional process involving major changes in social structures, acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty. It, in its essence, represents the whole gamut of change by which an entire social system, turned to the diverse basic needs and desires of individuals and social groups within that system, moves away from a condition of life widely perceived as unsatisfactory, towards a situation or condition of life as materially and culturally better. The inability to arrive at such a definition is partially because it is a concept loaded with value judgement. This is so because ‘development’ is a concept understood in relative terms. The level of development of a country is usually evaluated in relation to that of another. This creates problems of various sorts. Indeed, the concept of ‘development’ is a one that is usually debated. For a long time development has been equated with change, growth, modernization, progress, welfare, economic development etc. Development has always been considered as an adequate way of change. Rate, time and direction are a few characteristics of change which determine or differentiate the societies world over as underdeveloped, developing and developed. The movement is from under development to development and it implies a desired goal.

Development refers to an overall positive change in the physical quality of life. Development may be defined as a change that takes place in different aspects of social life. Apparently the process of economic development represents a major
transformation in social life. Development involves a complex series of change in the rates of growth of output per capita of literacy of political participation etc. and major changes in these depend on the occurrence of fundamental changes in the social structure of the developing societies. This definition includes every change that takes place in different aspects of social life. It takes into account the need of transformation of social structure of the developing society. The transformation in one sector of social structure in a developing society sets up demand for transformation of other sectors.

Accordingly, development is a complex concept encompassing upward qualitative and quantitative changes in the base and super structure of any society. It includes improvement in the material and cultural levels of living. The prime mover of development is the production mode of any social formation as the slow rate of changes in the level of structure of economic activities influence other linked aspects of living of life styles.

Until recently development has been regarded as synonym for economic development, increased productivity was taken as an index of development. As a result, the economists defined both ‘growth’ and ‘development’ in terms of increase in total per capita income or output, thus treating the two concepts as almost identical. But the economists do not see beyond ‘Gross National Product’. It may be said that they are more concerned with quantitative changes rather than qualitative changes. Though quantitative enquiries provide some vital information, they do not tell the whole story and as such need to be supplemented with qualitative data as well. The latter helps explain the intricate dependence of the different socio-cultural variables which are all involved in the development process.

**National Development**

National development entails all-round development. Right from the inception of development planning in a country, we have recognized that the primary aim of all public policy and action is to improve the quality of life of the average
citizen. Income is but one dimension of the quality of life. Indeed, it has often been observed that there is no direct correlation between economic measures of development and the quality of life of the people. Nations have not necessarily attained similar levels of achievement on social indicators; while, on the other hand, relatively poor nations and regions have succeeded in providing their citizens with relatively decent conditions of life. These social services are desirable not only in themselves, but also in their role in supporting better opportunities in the future. Thus, the process of development in a longer-term perspective include, the social indicators of today reflecting both the existing quality of life, as well as the potentialities of tomorrow.

Despite this recognition, attention has been primarily on economic issues. This approach was, perhaps, a response to the conditions prevailing in the early years of India’s planned development, when poverty and material deprivation were rampant. Even though there is still a significant incidence of poverty in the country, a long way since then has been covered. However, progress on social indicators leaves much to be desired. It becomes necessary, therefore, to have a development framework and strategies that forge and strengthen the link between the two, and encourage the most effective and efficient use of available resources for furthering the well-being of the people.

India is predominantly a rural country. After independence, two major policy decisions were taken in an effort to stimulate growth in the rural sector. The first policy was primarily concerned with the eradication of the problem of landlordism. The other policy constituted the establishment of Community Development Programme, which in turn had two objectives:

(i) Provide for a substantial increase in the country’s agricultural production and for improvements in the system of communication, cultural health and hygiene and education at the village level.

(ii) Initiate and direct a process of integrated culture change aimed at transforming the social and economic life of the villages.
The basic intention behind the above policies was to mobilize the rural population in order to achieve better utilization of local human and natural resources. Rural areas account for nearly three-fourth of the population of the country and have a much large concentration of people below poverty line.

The concept of the rural development contains two distinct component ideas:-

(i) The development of physical resources and
(ii) The development human resources.

The community development programme launched in the 1950’s was based on this composite approach; both these facets of development were sought.

**Five Year Plans: Steps for Slum Improvement**

The First Five Year Plan was launched in India in 1951. It was instrumental in a number of pilot projects being inaugurated. Separate zones were differentiated, each consisting of a block of about hundred villages, containing a population of about 50,000. Development programmes were to be initiated on an intensive basis and were mainly to be concerned with agricultural improvement (with a view to increase food production) and social, educational, rural health and public health projects. A village level worker was to service each village who would be trained as a multi purpose extension agent and also function as a social worker. The Plan document also expressed its concern over the rapid and haphazard urban growth. Urbanization was seen as proliferation of ‘labour camps’ caused by rural to urban migration. An industrial housing scheme and centrally sponsored scheme was launched wherein the Government of India subsidized the cost of land and construction to the extent of 50% of the total cost. The plan emphasized on the construction of houses for Government employees and weaker sections.

The Second Five Year Plan (1956-61) extended this programme with the aim of bringing every village in India under the scheme. This plan also envisaged the incorporation of the existing institutions and agencies i.e. village councils.
(Panchayats), cooperative societies, schools and other voluntary agencies into the scheme so that there was the widest possible representation of people and different local bodies. A number of advisory committees were also established and some re-organization of local administrative structure was done. About the urban centres, the Document suggested strict enforcement of municipal laws, emphasized slum clearance, and sought land acquisition for development of housing, in particular. The First and Second Plans considered slums as a housing problem of low income groups and thus designed social housing schemes and also adopted legislative measures for slum clearance and prevention. The industrial housing scheme was widened to cover the houses of industrial workers as well. The plan gave emphasis to rural housing, slum clearance and sweepers housing scheme.

The Third Five Year Plan (1966-66) aimed at securing a marked advance towards self sustaining growth. Its immediate objectives were to:

(i) increase agricultural production to meet the requirements of industry and exports;
(ii) expand basic industries like steel, chemicals, fuel and power;
(iii) utilize fully the manpower resources of the country;
(iv) ensure substantial expansion in employment opportunities and
(v) even distribution of economic power.

On urban areas, it stipulated that master plans for the capital and other rapidly growing cities and regional plans for select resource regions be prepared. The main ingredients for urban development included: dispersal of industry away from large cities, slum relocation or improvement, and rural development to check urban-ward influx. The Plan proposed slum clearance and improvement work could be taken-up wherever the State Government considered a slum problem existed in acute form. In 1959 a new scheme was introduced in order to make available building sites in sufficient numbers to the people of urban areas
to solve their housing problems. There were, in between, yearly plans too of 1966-67, 1967-68, 1968-69.

The Fourth Five Year Plan (1969-1974) aimed at accelerating the momentum of the development in conditions of stability and at reducing fluctuations in agricultural production, as well as reducing the impact of uncertainties of foreign aid. The less-privileged and weaker sections of the society were to be paid more attention mainly through the provision of employment and education. It had commendable objectives like growth with justice, eradication of poverty (Garibi Hatao) etc. The Plan stressed the need for a regional approach to issues of urban development, decongestion of cities, dispersal of urban population, adoption of the community development programme for cities as well, and the environmental improvement of urban slums. This was envisaged to be achieved by planning the spatial location of economic activities and creation of new and smaller towns. A new scheme for environmental improvement of urban slums was undertaken in 1972-73 with a view to provide a minimum level of services like water supply, sewerage, drainage and street pavements in cities where the population was 8 lakhs and above. To finance housing and urban development projects, the Housing and Urban Development Corporation was established.

The Fifth Year Plan (1974-1979) paid more attention to achieve self reliance and raising the consumption standard of the people living below the poverty line. The Fifth Plan continued with the ‘Environmental Improvement of slums’ programme. The Plan reiterated the policies and programmes of preceding plans to promote and develop small towns and new urban centres in order to ease the ever increasing pressure on metropolitans and larger urban centres. A task force was set-up for development of small and medium level towns. To prevent the concentration of land holdings and to make land available for the construction of middle and low income group houses, a very important step of enacting the Urban Land Ceiling Act was taken-up.
The Sixth Five Year Plan (1980-85) was formulated after taking into account the achievements and short comings of the past five plans. Top priority was given to the objective of removing poverty. Emphasis was laid on the simultaneous development of the infrastructure of both agriculture and industry so as to bring about balanced growth in the country. Emphasis was laid on greater management efficiency and intensive monitoring in all sectors and active involvement of people in formulating specific schemes of development at the local level and securing their speedy and effective implementation. The Plan noted the low level of urbanization in Bihar, Orissa and Assam in comparison to its high level in Gujarat, Maharashtra and Tamil Nadu. It did not, however, suggest any strategy to reduce this regional disparity. The Plan focused on the integrated provision of basic services along with shelters for the poor and other vulnerable sections of the society in urban areas. A very ambitious scheme known as Integrated Development of Small and Medium Towns was launched in towns with a population of less than one lakh by providing roads, bus stands, pavements, minor civic works, markets and shopping complexes etc. Under the scheme, the Union Government extended loans to State Governments on a matching basis for development of infrastructure and to provide economic momentum in the small and medium towns.

The Seventh Five Year Plan (1985-1990) dealt with the problems of poverty, unemployment and regional imbalances. For the fulfillment of the above objectives, generation of productive employment was required. This, in turn, required increase in cropping intensity, made possible by increased availability of irrigation facilities, extension of new agricultural technologies to low productivity regions and to small farmers, creation of productive assets, expansion of labour intensive construction activities, expansion of primary education and basic health facilities and change in pattern of industrial growth. As was with the earlier plans, the main objective was significant reduction in poverty. The Plan opted for continuing with the ongoing programmes. The Plan accentuated the need to involve the private sector on a large scale for house construction activities. With the on-going schemes, it launched two new schemes namely, Urban Basic Services
for the Poor (UBSP) and Nehru Rozgar Yojana (NRY) for alleviation of urban poverty and generation of urban employment. During this plan the National Housing Bank and Building Materials and Technology Promotion Council were set-up to expand the base for housing finance and to promote the commercial production of innovative building materials in the country. The National Capital Planning Board was also established in 1985 to achieve the twin objective of decongesting the national capital city of Delhi and achieving a balanced growth of its region.

The Eighth Five Year Plan (1992-97) aimed at faster economic growth; faster growth of the manufacturing sector and agriculture and allied sector and significant growth rates in exports and imports. The strategies for the Plan emphasized formulation of integrated regional spatio-economic schemes at the state, regional and district levels so as to strengthen the urban-rural relations and encourage investments in urban development. The Plan identified the unabated growth of urban population with the accumulated backlog of housing shortages and it led to proliferation of slums and squatter settlements and decay of urban environments. It pointed out the widening gap between demand and supply of infrastructural services and lack of access to basic services like water, sanitation, education and health services. Notably, the likely faster urban growth and its possible spatial concentration as a sequel to the ‘new economic policy’ of liberalization was not visualized as a serious problem.

The Ninth Five Year Plan (1997-2002) attempted to make a serious effort to raise the level of agricultural and rural income, to target those programmes which aim at small, medium and marginal farmers and landless laborers. It sought to find a lasting solution to the problem of poverty by creating adequate employment opportunities through a broad based programme of development and economic growth. The ultimate objective of planning was to improve the living conditions of the poor and the various disadvantaged sections of society. Other objectives included food and nutritional security for all; providing the basic minimum services of safe drinking water, primary health care facilities, universal primary
education, shelter, empowerment of women and socially disadvantaged groups such as scheduled castes, scheduled tribes and other backward classes and last though not the least, promoting and developing people’s participatory institutions like Panchayati Raj institutions, cooperatives and other self help groups. The sectoral objectives like accelerated development of housing, particularly for low income groups and other disadvantaged groups and, development and upgradation of urban infrastructure services to meet the needs of a growing population were also included. The main emphasis in this plan was to meet the ever-increasing gap between demand and supply of basic services. It also accentuated the need for sanitation coverage and improvement of urban environment.

The Tenth Five Year Plan (2002-2007) represents but another step in the evolution of development planning in India. The target of 8% GDP growth for this plan period has been set. With other features, the reduction of poverty ratio by 5% by 2007 and 15% by 2012 has been set. The Plan mentions clearly that housing activity would be an engine for substantial generation of employment. Also it has observed that around 90% of housing shortage pertains to the weaker sections. There is a need to increase the supply of affordable housing to the economically weaker sections and low income groups. The problems of the urban shelterless and pavement dwellers and also urban housing shortage has been discussed. The total number of houses required during the Plan period is assessed at 22.55 million. The Two Million Housing Programme would continue and will take care of about 3.5 million houses for the urban poor.

The Plan takes into account the alarming rate at which the slum population is increasing. Various Central Government schemes such as National Slum Development Programme (NSDP), Swarna Jayanti Shahri Rozgar Yojana (SJSRY), VAMBAY, Night Shelters, Two Million Housing Scheme, Low Cost Sanitation etc. provide a wide range of services to the urban poor including slum dwellers. All these schemes include identification of the urban poor, formation of community groups, involvement of NGOs, training for livelihood, credit and subsidy for
economic activities, housing and sanitation, environmental improvement, community assets, wage employment etc. The Plan outlines that what is needed is to ensure that the task of meeting the needs of the slum dwellers is better organized and effectively administered and duly monitored at both State and Central level.

Despite these efforts, i.e. extensive planning, allocation of funds sector-wise, formation of various committees to solve bottlenecks in planning, implementing and executing various programmes, it is very evident that a major chunk of the population is left out. Any successful implementation of development programmes requires:

(i) Adequate funds;
(ii) Appropriate policy framework; and
(iii) Effective delivery machinery.

Past experiences suggest that availability of funds alone though, may be a necessity but there were not sufficient condition for removing the hurdles on the road to National Development. Appropriate policy framework has also undergone tremendous change from macro level targets to micro level planning and attaining micro level targets. The third factor i.e. effective delivery machinery has been the major concern of the Government. The Government’s role has changed from being a provider to now being a facilitator. The voluntary sector, NGOs, have been made partners with statutory bodies effective implementation of schemes. The Government was criticized for being understaffed, less motivated, having no accountability, poor working conditions, leakage of funds at various levels, highly bureaucratic system etc. Even though steps have been taken to overcome these qualities of the Government sector, the quality of life of the people, which the government has been aiming for has rather deteriorated. Quality of life which covers the issues of health, education, housing and employment have not been showing positive results. Even in cities and towns which are considered to be relatively more
developed than their rural counterparts, there are people who are poor, children who do not go to schools and dearth of basic facilities like water and electricity.

**Lacunae in Planning**

How and where has planning gone wrong? Why have certain sections of society not been the focus or received enough attention? For instance, the growth of slums has been on the rise.

The general situation, so far as people in slums are concerned, is far from satisfactory. The fruits of development did not reach them and gradually the numbers increased. For instance, if we take the figures of slum population, over the past few decades, the population has considerably increased. According to estimates for 1981, there were 28 million persons living in slums and in 2001 nearly 40.6 million reside in slums and this number is on the rise and is likely to further increase in the future. The socio-economic conditions of slums are known to everyone. In a single city there is a huge diversity. At one end, there are millionaires experiencing the best of city life and on the other end, there are people below the poverty line. The gap has been widening over the years. Though considerable work has been done and various strategies have been adopted for development, but there is so much to be done. The problem requires an integrated approach. Statutory and non-statutory bodies need to participate. The people have themselves to come forward and to find ways for their own development.

The lack of community participation is one major reason responsible for ever deteriorating conditions. No community based organization has been able to bind the diversified groups into a well knit group so as to enable them to fight for themselves. Though the voluntary sector has been doing good work in this regard, even this sector is not free from its shortcomings.

Both the statutory and non-statutory bodies, with their limitations, have not been able to resolve the housing problems of the poor. It is, therefore, required
to go back to the traditional system of cooperation. This method is inherent or deep-rooted in society. It has to be revived and revitalized in the present context. The aim of this study is to ponder over the same method with the belief that the slum problem can be resolved through the mechanism of housing cooperatives for National Development.

Housing Poverty and National Development

Poverty is a world-wide phenomenon affecting millions of people where the means available are not sufficient to keep them above poverty line. Poverty is not limited to lack of adequate income; but is multi-dimensional and therefore is a combination of factors leading to situations of hunger/starvation, malnutrition/ill-health, inadequate housing/slums, lack of access to basic social and community infrastructure, etc.

The poor are generally vulnerable to exploitation and suffer various kinds of deprivations; but the problems of the urban poor are peculiar and heterogeneous, which make them more difficult to tackle. The high population density in urban settlements, scarcity in availability of developed land and house sites, rising land/house/property costs and high rentals, squalid living conditions in slums and squatter settlements where majority of the urban poor live, inadequate water and sanitation facilities, filth and squalor-filled surroundings – are some of common features of their living environment.

The solution to these multiple problems obviously lies in creating conditions for the availability in adequate measures of basic necessities of human life, among which 'shelter' occupies a predominant position.

India is a vastly populated country having over a billion people and with a land area of about 3.2 million square kilometers. India accounts for only 2.4% of the world’s total surface area of 136 million square kilometers and supports and sustains about 17% of the World’s population. This speaks volumes not only about the natural imbalances – a smaller surface area and consequently lower
volume of resource base but the responsibility for supporting a disproportionately larger population. While rural India accounts for about 742 million people, its urban counterpart holds over 285 million spread to about 5000 towns and cities of various sizes - small, medium and large.

Homelessness, unemployment and poverty are some of critical problems confronting the country. About 60 million people in towns and cities are languishing in slums and squatter settlements without adequate and affordable housing facilities, about 35 million people in the working age group do not have appropriate employment opportunities and over 260 million people are ‘below poverty line’ as they do not have adequate means to consume the minimum food items for survival.

Slums, jhuggies and jhompries which hold millions of the Indians are a common sight in towns and cities. Not only they are poor, they are also without access to adequate basic amenities of shelter, drinking water and sanitation. A fear of insecurity prevails among them because of lack of job opportunities, low wages, low levels of education and inferior skills.

**Housing Cooperatives: An Answer**

The present study explains the historical perspective of the multi-dimensional problems faced by millions of poor and slum dwellers in India and discusses their pathetic living environment and the multiple exploitations and deprivations which they are subjected to. It concludes with the discussion of an elaborate package of solutions, the principal component of which rests on the premise that it is the people themselves who would be the most suited, capable and resourceful in resolving their own problems of homelessness, unemployment and poverty on a holistic basis.

The study also explains that cooperative housing activity has the potential of generating a large volume of job opportunities and can absorb all types of workers - supervisory, skilled and unskilled, including voluntary as well as self-
help labour. The cascading effect of all these i.e. more housing activities leading to more job opportunities, would have an impact on peoples’ income and savings. The resultant upward mobility in the quality of their life helps in effectively reducing their poverty. What is significant about housing cooperatives is that they are institutions of the people, formed/organized by the people, operated/managed by the people themselves and their products and services are collectively produced and then consumed by these people themselves on equitable and just basis. The housing cooperatives, therefore, have a significant role to play in the holistic movement leading to an overall national development.

The formation of housing cooperatives among slum dwellers has been taken as a mechanism because low priority has been given to housing in the initial five year plans. Except in the Fifth Five Year Plan, (4.3%) none of the Five Year Plans allocated more than 4% of the total planned outlay to urban development, which includes housing. As regards housing, hardly 1% or little more than 1% is allocated which got reflected in the growing housing shortage and increasing slums in urban areas. The situation at present is such that the slums have grown in magnitude and diversity in urban areas and are inhabited by people who are generally below poverty line and are involved in informal economy. A fourth of population is living in such pitiable conditions.

Housing can play a role in national development. On the one hand, shelter is a basic human need and the creation of mechanisms for provision of housing to its citizens is a major responsibility of the welfare state. On the other hand, housing is an industry in its own right and, as the largest part of the construction activity sector, which is the second largest employment generator after agriculture, contributes significantly to economic growth and employment generation.

It is in recognition of this multi faceted role of housing in national development that substantial state apparatus has been institutionalized for the supply of housing including Development Authorities at the city level and Housing Boards
at the State level, besides housing finance agencies including the National Housing Bank at the apex level. These efforts notwithstanding a large proportion of the population throughout the country have to put up with poor housing conditions or even homelessness. This is because in quantitative terms, the public sector has managed to provide only a meagre percentage of the total housing stock needed and much of the private effort has either catered to the more affluent minority of the population (as in case of housing supplied by corporate sector developers) or been qualitatively very inferior (as in case of the squatter settlements and the unauthorized colonies developed through illegal land sub division by small developers). In fact, the only component of the private sector that has effectively supplemented the State efforts for catering to comparatively less affluent sections of the society in the supply of good quality housing is the cooperative sector which has, through a vast institutional network at primary, district, state and national levels, supplied more than 2 million dwelling units so far.