

# Rurbanising Gujarat: A Model Approach to Relocate Urban Elements in Rural Gujarat

## Abstract

To sustain high growth, it will be essential to pursue reforms to make the economy more competitive and the economic regulatory and oversight systems more efficient and sensitive to new developments. Creating independent socio-economic pouches like suburbs areas and villages within cities. 'Rurban', the new society is emerging quickly. The vision of Rurbanisation is to reduce and remove the rural-urban divide through combination of urban prototypes and services in rural systems to ensure provision of excellent lifestyles and livelihood opportunity while keeping the essential rural essence intact. The concept centres around development of global villages that safeguard and foster the essence of rural community life without compromising on amenities perceived to be essentially urban in nature; thus creating tainted 'rurban' forms. A process of rural alteration that encourages differential growth pattern, the concept is not exploitative but regenerative and stimulating optimistically influencing people and environment and encouraging a thoughtful and economic consumption of resources. Rurbanisation combines traditional knowledge and practices with modern technology and is a distributive and participatory procedure bringing about cascading changes in the lifestyles of its participants.

**Keywords:** Economy, Development Policies, Rurban, Rurbanization, Urbanization,

## Introduction

Ever since the reforms of 1991 the Indian economy itself has been undergoing a notable alteration, which deregulated the economy within, while liberalizing, trade and investment policies. India has been one of the fastest-growing major economies in the world over the precedent decade and, in current years, has reached a growth trajectory of 8-9 per cent a year. Though this growth slowed down a little in the outcome of the global economic crisis, our economy has rebounded. After dipping to 6.7 per cent in 2008-09, in the year 2009-10 it has rejuvenated to 8.0 per cent. The economists lauded the 6.7 per cent growth and 8.0 per cent growth rate of the Indian economy in 2008-09 and 2009-10, regardless of the global financial crisis. The 8.9 per cent GDP growth in the first half of 2010-11 proposes that the economy is operating close to its trend growth velocity, powered chiefly by domestic factors. "The kharif harvest has been good and rabi prospects look promising. Good agricultural growth has boosted rural demand. Export performance in recent months has been encouraging. RBI has made baseline projection of real GDP growth at 8.5 percent but with an upside bias" (SER, Gujarat State 2010-11)

The ongoing process of urbanization and urban growth in India, driven by rapidly evolving non-farm based economy vis-à-vis. stagnation in socio-cultural transformation, has opened up new dimensions to perceive urbanism in the rurban society. The census towns, addressed to as „rurban“ areas in the paper, though are defined by the Census of India as „urban“ but are governed by Rural Local Bodies (Gram Panchayats), and in very few cases, by Nagar Panchayats. The decade 2001-11 has witnessed growth of 3894 such census towns as against 1362 in 1991-2001, while statutory towns have only increased marginally from 3799 to 4041 in number in the same decades. (Census Publications, 2011) At present, neither the urban nor the rural plan policies, acknowledge the existence and promote development of rurban areas; nor the social development policies target betterment of the rurban society (Chatterjee, 2014)

Today, with sustained high economic growth rates over the past decade, India is in an enhanced position, when it arrives to concerns such as food security, health, poverty alleviation, climate change, disaster management, women empowerment, and economic development. But at the same time uncertain external environment calls



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for a continued focus on the domestic growth drivers. To sustain high growth over an extended period, it will be essential to pursue reforms to make the economy more competitive and the economic regulatory and oversight systems more efficient and sensitive to new developments.

#### Key Points

1. India needs to not only improve availability of basic services in its cities, but also bring these basic services to rural areas.
2. The need for affordable housing has been under-served.
3. The government's role in building infrastructure is crucial.
4. Land acquisition is one of the biggest problems standing in the way of developing cities and suburban centers; it must be deregulated.
5. It is important to take a holistic, long-term view of urban development to build the cities that will be the power centers of the future.

#### Rurban

On one hand the extraordinary growth witnessed by India in its urban infrastructure is indisputably noticeable to all of us. However, what may not be evident is the realism that the sheer volume of land acquisition in the monstrous quantities of rural communities and agricultural economies into these gigantic cities. Creating independent socio-economic pouches like suburbs areas and villages within cities. 'Rurban', the new society is emerging quickly. The vision of Rurbanisation is to reduce and remove the rural-urban divide through combination of urban prototypes and services in rural systems to ensure provision of excellent lifestyles and livelihood opportunity while keeping the essential rural essence intact. The concept centres around development of global villages that safeguard and foster the essence of rural community life without compromising on amenities perceived to be essentially urban in nature; thus creating tainted 'rurban' forms. A process of rural alteration that encourages differential growth pattern, the concept is not exploitative but regenerative and stimulating optimistically influencing people and environment and encouraging a thoughtful and economic consumption of resources. Rurbanisation combines traditional knowledge and practices with modern technology and is a distributive and participatory procedure bringing about cascading changes in the lifestyles of its participants. It is being believed and assumed that Rurbanisation will help to create "**Big Villages**" with rural soul with a tint of urban feel as it will have most of the urban facilities. Though the emergence and existence of such societies is neither urban nor rural, yet both.

Rurbanisation is assumed to be instrumental to invoke reverse migration lessening the pressure on community infrastructure in thickly inhabited and overcrowded urban agglomerations. "Revival of rurban economies induces people with origin in such areas to return and start economic activities. Economic diversification and financial flow thus gets catalyzed as industries and capital investment expands to rurban centres spreading the seeds as well as benefits of development" (GOG, 2013) There is tangible and positive impact related to such growth. These 'rurban' sacs, puddles, pockets, bubbles, areas or whatever one may desire to call them are crawling with eligible, educated and aware youth who are rearing to go. The

fact is that compensation on such acquired land is creating affluence among a class, no harm with that either, that seems to be completely confused about its rapidly evolving *novae-identity*. They are not urban slum dwellers, but affluent 'rurbanites' with sizeable buying supremacy. Though they are neither rural anymore nor they are incapable to fit into the urban also. They are fortified with some education but modest also for meaningful employment in the modern world. What they are now challenging is skills and employability training to be converted into really urbanized. They want to be locally employable, nationally valuable and globally acceptable. Over a period of time there has been a huge store house of semi-educated youth in rural areas, a reasonable start-up fund and growth aspirations just like any other urban dweller will help them to get self employed and also minimizing poverty. A timely intervention of government may help in avoiding a large and looming socio-economic crisis. Setting up of Rurban ministry will help in bridging the gap between urban development and rural development ministries.

#### Rurbanisation in Gujarat

"Gujarat located on the western most part of India, has one third of coastline of the country. Since inception of the state, the structure of its economy has changed significantly. Not only the State's GSDP and Per Capita GSDP have increased but it has shown all signs of a developed and urbanised economy. As per the quick estimates, Gross State Domestic Product (GSDP) at factor cost at current prices in 2009-10 has been estimated at Rs. 429356 crore as against Rs. 367745 crore in 2008-09, showing a growth of 16.8 percent during 2009-10. The share of Gujarat state for the year 2009-10 at current prices in Gross Domestic Product at all India level works out to 7.00 percent. The per capita income at current prices is estimated at Rs. 63961 in 2009-10 (which is higher than the national average of Rs. 46492), as against Rs. 55140 in 2008-09, registering an increase of 16.0 percent over the previous year". (SER, Gujarat State 2010-11) "Urbanization in Gujarat stands at 42.6% as compared to India's average of 31%. It necessitates measures to create better infrastructure and services in a distributed and equitable manner to ease off the pressure in existing urban nodes and lead to sustainable development" (GOG,2013). In recent years, Gujarat has pioneered a large number of projects which could become a trailblazer for other states to follow. Gujarat government is sketching up a blueprint called 'Rurban' to construct satellite urban centers to decongest its bigger cities. Now, the Gujarat government is pushing for a '**Rurban Gujarat**' initiative to blur the "rural-urban divide". These towns will have rural essence with urban amenities, as mentioned by Shri Narendra Modi who was Chief Minister of the state and who has envisaged this idea. The concept, was marketed robustly during January 2009 Vibrant Gujarat Global Investors Summit. Ahmedabad, Gujarat's commercial capital, is already being developed as a mega city and a host of urban development programmes are being implemented to enhance the comfortability standards to meet the fast changing social and industrial changes.

The key issues driving Rurbanisation in Gujarat therefore are:

1. Haphazard growth in villages;
2. Lack of vital infrastructure in the rural centres;
3. Financial reliance of Panchayati Raj Institutions;

4. Social Issues like cultural and social disparities, income disparities in urban and rural areas.

Gujarat also has other cities such as Vadodara, Surat, Bhavnagar, Rajkot and Jamnagar that are witnessing rapid industrial growth and are becoming heavily congested. Mehsana, about 75 km from Ahmedabad, could also join this league as it is not far from the Ahmedabad-Dholera special economic region. The inspiration for the concept has come after Tata Motors decided to relocate its Nano car project to Sanand, about 30 km from Ahmedabad, which has a large cluster of villages stretching up to Viramgam, 16 km away. With the Tata group also planning a residential township in Sanand, the Nano project is expected to transform the sleepy town into a bustling urban centre boasting of amenities such as malls, entertainment complex and educational centres. The officials said the time was ripe to attract investments for such projects. According to them, while the current economic situation could hit investment in the manufacturing sector, it would not impact the infrastructure sector as projects would invariably have long gestation periods. Investors, both foreign and domestic, would not be averse to making investments in urban development projects, they were confident.

This project would be implemented by Gujarat Gruh Nirman Board and at district level by District Development Officer (DDO) and at village level by *Gram Panchayat* for this the provision of Rs. 185.00 crore has been made in the year 2011. In the pilot phase, all villages having population 10000 or more and villages with 7500 population in tribal area with taluka headquarters will be covered.

|                                    |  |              |
|------------------------------------|--|--------------|
| Planning for 1 <sup>st</sup> phase | Taluka headquarters having Gram Panchayat                    | 82 Villages  |
| Planning for 2 <sup>nd</sup> phase | Schedule Tribal Villages having population of more than 7000 | 55 Villages  |
| Planning for 3 <sup>rd</sup> phase | Remaining villages having population of more than 10000      | 118 Villages |
|                                    | Total  | 255 Villages |

Key objectives of Gujarat's model of planned development in Rurban Centres and Rurban Clusters include:

1. Promotion of integrated development of rural areas with provision of quality housing, better connectivity, employment opportunities and supporting physical and social infrastructure;
2. Efficient mass transportation systems to improve connectivity between urban and rural areas, Rurban Centres and urban cities as well as internal connectivity within Rurban Cluster;
3. Reduce migration from rural to urban areas due to lack of basic services and sufficient economic activities in rural areas. Towards this end, the state has initiated Rurban Centre development plan which is expected to have the below impacts:
  - I. Eco-friendly planned villages with quality lifestyles;
  - II. Regulated development of rural areas as Rurban centres – Formation of Rurban Development Control Regulations (RDCR);
  - III. Upgraded public infrastructure with focus on education and health infrastructure;
  - IV. Better regional transportation and connectivity;

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V. Improved Rurban taxation structure for financial self sufficiency.

Gujarat's strategy for achievement of the above goals includes:

1. Selection of 255 rural villages across the state as Rurban Centres which will cover an estimated 30% of the rural population indirectly through the Rurban Cluster approach. A spatial analysis has been done and 250 villages, a defined number belonging to each of the regions of the State – Saurashtra and Kutch, Central Gujarat, South Gujarat, Tribal and under-developed areas adjoining Maharashtra, Madhya Pradesh and Rajasthan have been chosen.
2. Formation of a dedicated institutional set up in the form of Rurban Cell under Panchayat/ Rural Development department
3. Development of Rurban Village Development and Improvement Plan comprising internal roads, sewerage and drainage infrastructure etc
4. Cluster development strategy for larger infrastructure like quality education schools and colleges, health centres, leisure and utility infrastructure like sports complexes etc.

As the mark of Golden Jubilee celebration of the formation of the state the government of Gujarat is pondering to take up a pilot project with the view to renovate the urban infrastructure and thereby pushing up clean and green concept for 50 towns in the state. In order to make this project viable revenue model waste water management and solid waste management will be carried out under pilot project. The state has also approved Rs 2050 crores for constructing 1.3 lakhs housing for urban poor, out of which 64,000 units have been completed and 33000 are under progress. The government has further emphasized on cluster based township with the facilities of urban infrastructures and keeping intact the soul of rural culture. a few key initiatives undertaken in the State of Gujarat towards implementation of Rurban growth model. These efforts have been focused in sectors ranging from water supply, education, civic and municipal infrastructure (like drainage and sewerage), power supply, rural housing, agricultural produce marketing, telecommunication and housing. Some of the large scale initiatives taken by Gujarat that include:

#### **Jyotigram Yojana**

100% electrification of villages across the State for 24\*7 3-phase electricity provision;

#### **E-Gram Vishwagram**

Bridging the digital divide through provision of e-services in all village Panchayats;

#### **Kiosk Banking**

First of its kind Kiosk banking being set up in various rurban centers. Plans also on for inclusion of banking services under e-Gram program;

#### **Panchvati Yojana**

Provision of social infrastructure including recreational grounds, cultural heritage development etc.

The sanitation infrastructure is also being developed in the rurban centres and the implementation of underground sewerage networks had begun in 61 villages while the survey process was being carried out for more than 170 other villages. Educational infrastructure augmentation through development of

modern schools in selected rural centres had begun with 28 government colleges and 122 Grant-in-aid colleges being set up. Establishment of Kaushalya Vardhan Kendras – the Gujarat Government's flagship model for skill development and ITIs has been accomplished at various rural centres and tribal villages. The Government intends to fund Ruralisation measures through direct funding from state budgetary allocations as well as other sources that include convergence of schemes with Government of India, donor participation, public private partnerships along with bringing about a revision in rural taxation structure.

The government claims the idea will enable urbanites to enjoy rural life, and vice versa. It has made an initial budgetary allocation of Rs 500 crore for this, and has approached the 13th Finance Commission for Central funds worth another Rs 4,000 crore. The government also hopes to rope in individual donors, including NRIs, for funds. The project proposes to develop Rural centres through the Public Private Partnership (PPP) mode, offering a suitable revision of the tax structure in such areas. According to the proposal, the project, claimed to be the first of its kind in the country, will also help in achieving balanced socio-economic development, besides improving the standard of living in the rural areas. Several schemes are being initiated by Gujarat government

#### **Way Ahead!!!**

"Increasingly, policy makers and researchers are acknowledging the potential role urban and periurban environments play in alleviating food insecurity and enhancing the nutritional status of urban poor and marginalized people" (Drescher and Iaquina 1999) "There is also an increasing awareness that rural, periurban, and urban environments operate as a system rather than independently and that rural development and urban planning are necessarily linked activities. Activities or interventions in one arena have consequences in the other, often negative. On the other hand, creative policies can turn liabilities into resources and bridge the rural-urban divide. The importance of these classes of institutional arrangements is that they can help us identify useful mesopolitical interventions. This is important in urban and periurban environments where there is an intensification of conflict and a necessity for negotiating and resolving competing claims (e.g., in residential versus agricultural land use debates, or between competing customary institutional forms and values) and for implementing development plans. Such conflicts occur at all levels, including family, neighborhood, organizational, community, regional, and national. The nature and complexity of this region of society, which combines elements of both "rural" and "urban," is well established in the literature under terms like *periurban*, *exurban*, *urban tract*, *rurban*, *urban fringe*, *semiurban*, and even *suburban*". (Iaquina and Drescher, 2000)

Private investment cannot be interrupted as opportunities for private sector in rural areas are many. While fundamental amenities are being made available by the State Government, growth will be brought in by private development. Many Prospective alternatives are available for investment in rural areas in the field of Healthcare and Education. There is possibility that successes of Ruralisation show the way to migration of people from other states to villages of Gujarat and will

also lead to replication of the same in other states as well. Developing and edifying urban infrastructure and services in rural areas calls for inventive approaches to infrastructure development while the capital expenditure costs incurred on this development do not get justified by the demand in smaller centres. For achieving this target Government therefore have to play a very significant role in directing infrastructure formation in villages through the precise budget requirements.

Connectivity amid urban centres and rural centres is a pre-requisite to bridge the urban and rural divide. Implementing Ruralisation and mitigating rural-urban migration requires provision of employment opportunities which are vital to promote rural populace to stay back. Options, like commercial dairy farming in Gujarat are now viable though replicating its success everywhere and necessitate sound market environment to succeed. It will not be wrong to say that the provision of employment opportunities in rural centres is very strongly associated to the issue of right kind of skill development activities which build upon the local cultural and economical context. Local arts and crafts, off beat professions like tourist guides, beauty experts etc are being increasingly added into the basket of skill activities on offer in rural areas.

Creating infrastructure in villages can act as a instrument for attracting industries – not just micro but even small and big scale industries. Therefore the focus should be on building right infrastructure, like connectivity for market access, power and gas among others, to boost employment opportunities in the villages.

Private sector participation in rural growth has been so far limited essentially because of the deficient basic amenities in these areas. The active participation government can take care of providing basic infrastructure and amenities in these areas, and eventually private sector will get interested in investing as is increasingly being observed in Gujarat. Ruralisation initiatives need to be implemented with a strong political and bureaucratic will for them to succeed. Success of Ruralisation model even in a few centres can drive other regions to try and replicate the same.

#### **Conclusions**

Ruralisation can definitely be the PATCHWORK QUILT for minimizing various socio-economic problems and thereby balancing economic growth and development of the country. Ruralisation seems to be a step ahead as a metaphor for urban mannerisms blending with a rural lifestyle. In normal course one would think that rural and urban India is too spaced out, and never the twain would meet. The introduction of Rural will help Rural India to think like urban India. The New India is RURAL.

The success stories of rural in Randheja can be the success story of Gujarat. Gujarat had been the leader among the Indian states, and rural will be another feather in the cap of the state which paves way for genuine futuristic development.

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