

Visualising the 'Grey' Area between Rural and Urban India

Arindam Jana

Senior Associate,
Indian Institute for Human Settlements, Bengaluru.

Abstract

Do official levels of urban population in India truly capture the extent that lives in dense, highly populated conditions with significant non-agricultural earning opportunities commonly associated with “urban” contexts? According to the Census of India, the country is about one third urban – 27 per cent in 2001 and 31 per cent in 2011. However, these figures fail to capture those sections of the population that live in urban-like settlements but are not counted due to the strict dichotomous nature of “rural” and “urban” definitions in India. In this paper, we bring focus on the patterns and geographies of the grey area between “rural” and “urban”, thereby shedding light on future trends of urbanisation in India, and underlining policy implications in terms of resource allocation and governance.

Introduction

The standard narrative of the Indian urbanisation story can be summed up by three main assertions. First, the country is about one third urban with 27 per cent of its population residing in urban areas in 2001, and 31 per cent in 2011. Second, urbanisation in India is top-heavy, with most urban population living in larger cities¹. Third, urbanisation is localised to states like Maharashtra, Gujarat and Tamil Nadu, which are currently the most urbanised states in the country. In this article, I argue that this narrative is constrained by the strict dichotomous nature of the Indian 'rural' and 'urban' definition, and as a result, is unable to truly capture those sections of the population that live in settlements that already exhibit urban characteristics.

Such underestimation matters. The standard narrative of urbanisation has contributed to the manner in which resource allocation for large-scale urban policies and programmes has been planned, with a consistent focus on larger cities. An example of this is the choice of cities in which investments were made during Jawaharlal Nehru National Urban Renewal Mission (JNNURM) Phase I. Furthermore, when considering rural areas for programmes like the National Rural Employment Guarantee Scheme (NREGS), it is unclear if regions with population residing in urban-like settlements were considered.

Some scholars have attempted to redefine or extend the definition of the 'urban' in India- particularly by including those settlements that are officially classified as rural but fall within the peri-urban areas of larger cities. However, this article will

highlight that such attempts are not as crucial as understanding the inherent implications of the current definitional parameters. In what follows, I introduce the concept of 'potential urban centres' -settlements that exhibit urban characteristics but are classified as rural and use this as a lens to unsettle the standard narrative of Indian urbanisation.

Mapping potential urban centres dramatically changes our understanding of Indian urbanisation. This article shows this in two ways: (a) by locating them within the settlement structure of Indian urbanisation, that is, what size of settlement different people live in; and, (b) how these settlements are distributed across states. The sections that follow lay out this analysis, and the conclusion draws out implications for the results.

Uniqueness of Indian definitions-what constitutes urban India

In India, a settlement can be classified as a town in one of two ways: (a) if it satisfies a set of government defined parametric cut-offs, it is called a census town; or, (b) if a settlement is notified by the government as a town, it becomes a statutory town. For the former, the defining parameters are: (a) population greater than 5,000; (b) population density greater than 400 persons per square kilometre; and, (c) 75 per cent or more of male main workers engaged in non-agricultural pursuits. It should be noted here that statutory towns need not satisfy the defining criteria for census towns, implying that not all statutory towns are census towns.

Conversely, not all census towns get notified by the government, and therefore, do not become statutory towns. However, when compared to statutory towns, which are only created by government notifications, a census town can be considered a 'true' new town in the sense that they are large villages, or a collection of small villages, which grow and transform to satisfy the three criteria mentioned above.

On the other hand, the definition of 'village' is not as clearly laid out, and it is assumed that all settlements that are not towns are villages. Further, towns and villages are classified according to their population size, ranging from Class I to Class VI for towns, and from Very Large Villages to Small Hamlets for villages as described in the following table.

Table 1: Size classification of towns and villages

Towns		Villages	
Classification	Population Range	Classification	Population Range
Class I	>100,000	Very Large Villages	>10,000
Class II	>50,000 and <100,000	Large Villages	>5,000 and <10,000
Class III	>20,000 and <50,000	Medium-sized Villages	>2,000 and <5,000
Class IV	>10,000 and <20,000	Small Villages	>1,000 and <2,000
Class V	>5,000 and <10,000	Hamlets	>500 and <1,000
Class VI	<5,000	Small Hamlets	<500

Source: Census of India 2001

When compared with the defining parameters of the census town, the above size classifications raise one pertinent definitional question: what is the difference between Large and Very Large Villages, and Class IV, V and VI towns? From the above table, it is obvious that in terms of population size there is none, and assuming that the density of towns and villages are similar, it follows that the labour force criteria must be the only differentiating factor between their urban- and rural-ness.

In other words, we can assume that Large and Very Large Villages are probably considered villages because less than 75 per cent of their labour force is involved in non-agricultural pursuits. This implies that there is a significant proportion of the Indian population that resides in settlements that have some urban characteristics, but is defined as rural, thereby creating a grey space of 'potential urban'. All settlements that exist in this grey space will be defined as 'potential urban centres'.

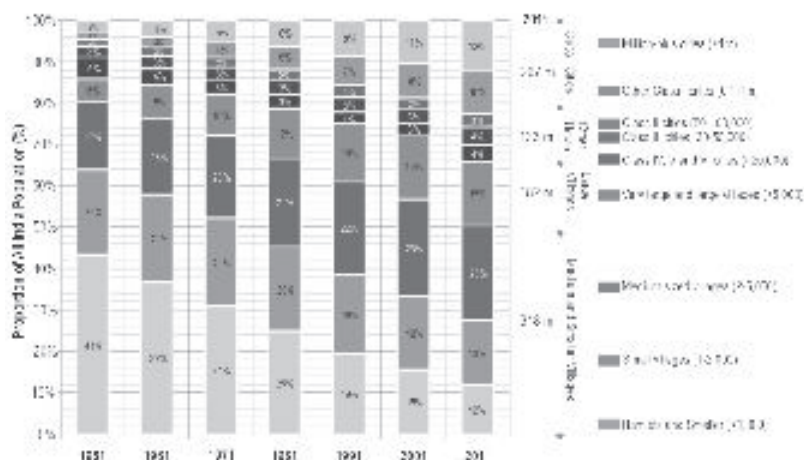
Where the people are living-an analysis of settlement structures

Simply put, settlement structure of a state is the distribution of total population by settlement size and type, as defined in Table 1 above. For this analysis, national level settlement structures were generated for all post-independence censuses (1951-2011). Inter-decadal changes in settlement structures have been highlighted in Chart 1 below to explain where the population resides, and whether there are factors that encourage such residence patterns.

Tracing the evolution of the settlement structure since 1951, we see a few clear trends. To begin with, the proportion of the population living in million-plus cities has increased four times since independence, from 3% of total population to 12%, and as per Census 2011, 50-odd million-plus cities in our country account for nearly 12% of the national population; but they account for only 0.3% of the total landmass of the country.

The other clear trends in population distribution by urban settlement size classes are that of Other Class I Cities, which have increased from accounting for 1% of total population in 1951 to 10% in 2011; Class II and III Cities maintain an almost steady level of proportion of total population, increasing marginally from 5% in 1951 to 7% in 2011; Class IV, V and VI Cities, too, maintain a steady proportion of total population, between 4-5%.

This is supplemented by a proportionate decline in rural population from nearly 85% in 1951 to approximately 65% in 2011. Most strikingly, hamlets and smaller sized settlements have declined from accounting for 43% of the total population to less than 12%. This decline has been steadily matched by increases in medium sized and larger villages 38%, of the country's population resides in these settlements now. This indicates a clear movement from being 'rural' to being 'potential urban' and these trends are symptomatic of the economic transition witnessed over the period of 1951-2011: India has been evolving from a rural-based agrarian economy to a predominantly urban-based industrial and services led economy.

Chart 1: Distribution of population by settlement size

Source: Census of India, 1951-2011; IIHS Analysis 2014

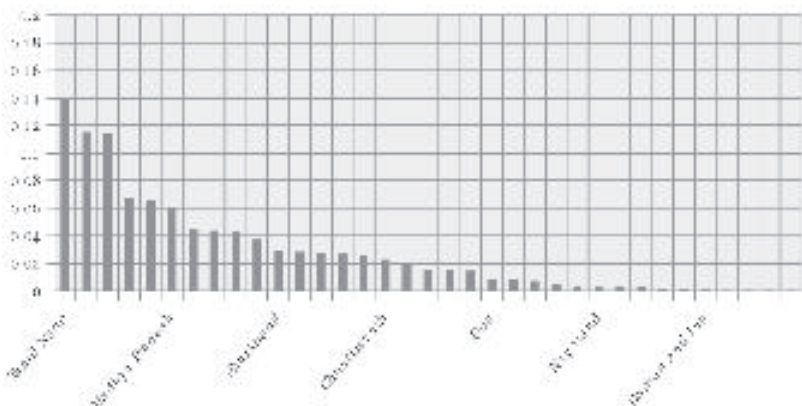
These trends raise an important policy question. How will the rural to urban transition play out: a) as the growth of urban population increases, b) absolute numbers of new urban population in a decade outgrows that of the rural population (as it happened in the decade 2001-2011), and c) the proportion of population in potential urban centres increases? Is there going to be a steady absorption of 'potential urban centres' into 'urban'? The implications are the gravest for the Large and Very Large Villages, which have achieved population size and possibly density criteria of being classified as cities or towns but have not been able to make the labour market transition.

As a follow-up, it can be deduced from the definitional parameters of rural and urban in India, urban areas are created when a large scale movement of workers away from agriculture takes place. Hence, potential urban centres could be looked at as the interim phase of transition from rural to urban, implying that if they were to become 'urban', they would require employment generation in formal non-agricultural sectors, which in turn implies that the future of Indian manufacturing and services sectors could potentially lie in this class of settlements. Therefore, policies to encourage specific investments in physical and human capital will be tested in the coming decades in these potential urban centres.

Where the towns are located

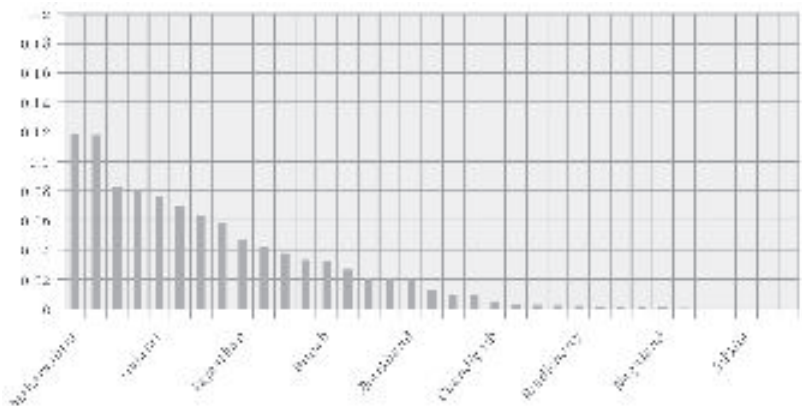
As per the Primary Census Abstract 2011, the total urban population of India stands at 377 million and resides in a total of 7,935 towns. The spatial distribution of Indian towns by state and union territory as shown in Charts 2 and 3 below indicates that Tamil Nadu accounts for the largest proportion of towns and Maharashtra accounts for the largest proportion of urban population.

Chart 2: Distribution of towns by state/UT, 2011



Source: Census of India, 2011

Chart 3: Distribution of urban population by state/UT, 2011

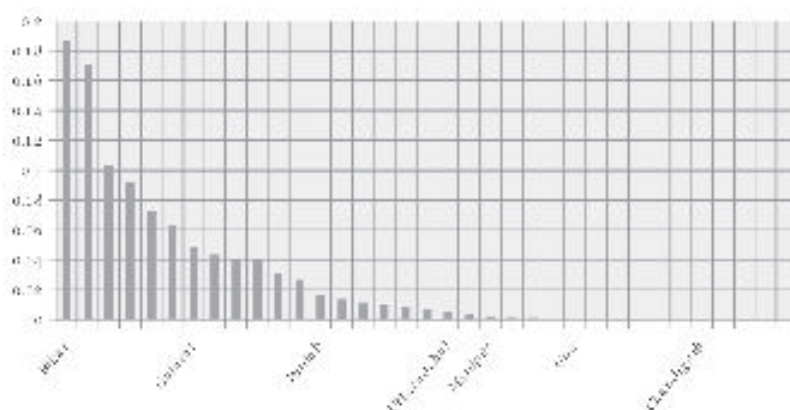


Source: Census of India, 2011

However, while Maharashtra accounts for 6.5 per cent of the country’s towns (approximately 500), it houses nearly 12% of the country’s urban population (approximately 28 million persons). This amounts to an average of little over 54,000 persons per town. Tamil Nadu, on the other hand, has nearly 14 per cent of all towns in India (approximately 1,100), housing 8% of the total urban population (approximately 7 million persons) amounting to an average of about 6,300 persons per town. This indicates that Maharashtra has fewer but larger towns in which population is concentrated, with the average town being a Class II town size equivalent; and Tamil Nadu has many relatively smaller towns, with the average town being a Class V town size equivalent. These two states highlight the lop-sided spectrum of the spatial distribution of India’s urban population across the country: ranging from population distributed across a large number of small towns to a small number of large towns.

To extend the above argument, let us again consider the definition of Large and Very Large Villages. As discussed earlier, these are settlements which have fulfilled the population size criterion for being classified as towns, and assuming that the density criterion holds, they fall short on the labour market criterion. As discussed earlier, let us label these villages as 'potential urban centres' there were approximately 24,000 of these in 2011, in which about 190 million persons reside and analyse their distribution across states and union territories.

Chart 4: Distribution of urban population by state/UT, 2011



Source: Census of India, 2011; IIHS Analysis 2014

In conjunction with Chart 2, the above chart suggests that some states have a great potential for increase in the number of urban settlements. For example, the case of Bihar: as of 2011, the state accounted for only 2 per cent of all towns, but nearly 19 per cent of all potential urban centres. If these settlements were considered to be 'urban', Bihar would comfortably account for the largest proportion of Indian towns. Similarly, Maharashtra accounts for nearly 7 per cent of all potential urban centres and Tamil Nadu for nearly 8 per cent. Comparing these with figures from Chart 2, we can further deduce that Maharashtra and Tamil Nadu, assuming ample availability of non-agricultural formal employment opportunities, stand to gain a large 'new' urban population in the coming decade. Extrapolating this to the national scale, as seen in Chart 1, a large proportion of population approximately 38 per cent lies in this grey definitional area of potential urban centres, thereby making it important to identify these areas.

Relaxation of certain parameters can lead to massive restructuring of the quantitative and spatial distribution of population into the rural and urban categories and across geographical regions, thereby having immense policy implications: especially since the distribution of urban population could potentially change from being concentrated in larger towns or more urbanised states to being concentrated in smaller, new towns in states with large sections of population living in 'potential urban centres'. This could in turn result in an increased bias of investment area selection in the case of large national

programmes like the erstwhile JNNURM. Conversely, in the case of Bihar, there could be enormous implications in resource allocation for employment generation and guarantee, since no urban counterpart to the erstwhile NREGA currently exists.

Therefore, priorities of the spatial distribution of resource allocation to urban programmes like the upcoming Atal Mission for Rejuvenation and Urban Transformation (AMRUT), stands to change significantly when one views the spatial distribution of existing and potential urban. Should preferential allocation be handed out to existing urbanised states, or focus on upcoming urban centres, especially in states like Bihar which has a large proportion of population in potential urban centres?

Conclusion

The dichotomy of the rural-urban definitional paradigm in the Indian political and economic policy spaces causes one to miss out on important sections of the population, especially those which are defined as rural, but exhibit size and density characteristics of urban population without being able to satisfy the economic criterion. Researchers have stressed upon the necessity to take a new look at the definition of the 'urban' in India. However, it might not be as crucial as simply being able to identify a clear grey section of the population those residing in 'potential urban centres' which is possible with the current set of definitions in this article.

The issue that needs to be addressed is to identify the needs of this 'grey' population and clearly chart out policies to meet them, specifically since this 'grey' area has the potential to dramatically change the spatial distribution of what is viewed as urban in India. In this article, the analysis has been carried out at the national scale, but if one replicates this analysis at the state level, identification of 'potential urban centres' could be carried out at the district level, and policy targeting could be disaggregated by one more level.

Therefore, at the national level, it is about identifying the right population groups such that future and 'potential urban' populations receive correctly targeted policies, and are provided the opportunity to transition out of the primary sector into secondary and tertiary sectors; in other words, that future specific investments in physical and human capital are made in the right locations. Furthermore, in situations where such investments or plans cannot be implemented, for example due to geographical limitations, alternatives to the standard urbanisation model need to be considered. It might not be feasible for every state or region in the country to become highly urbanised. In such cases, perhaps an increased focus on agricultural sector employment and output needs to be seriously considered.

Arindam Jana is a part of the research team at Indian Institute for Human Settlements, where he contributes towards the development of the urban Atlases and supports various urban informatics projects. The author can be reached at ajana@iihs.ac.in

Notes

¹Kundu, A., Trends and Processes of Urbanisation in India, IIED, 2011.

Uchida, H., Nelson, A., Agglomeration Index: Towards a new Measure of Urban Concentration, World Development Report 2009. Denis, E., Marius-Gnanou, K., Toward a Better Appraisal of Urbanisation in India, European Journal of Geography, 2011.

As per the Census of India definitions, main workers are those who have worked for more than six months in a financial year.

Though the village directories suggest that on average the area of villages is much greater than that of similarly sized towns, it must be noted that the administrative boundary of a village includes all agricultural land holdings of the inhabitants of the village. Demarcation of the residential area of a village and the agricultural area of a village indicates compactness of residential areas comparable to towns with similar population levels.

For this analysis, statutory and census towns have been considered individually. This implies Urban Agglomerations, which are collections of statutory towns, census towns and villages, have not been considered, but their constituents have been accounted for. This was done to ensure that each town and village got counted only once.