BANGALORE: A METROPOLIS SLOWLY CRUMBLES

A few years ago, Bangalore was the boom city of the South. Now the boom has gone bust.



AST SUMMER, just about a year ago, Bangaloreans were basking in the warmth of yet another addition to the string of monikers the city has acquired. Bangalore – the boom city – then seemed an awesome juggernaut, zesty and thriving, one of the fastest growing cities, not just in India, but in the world.

Twelve months later, a niggling doubt (even a sigh of relief, perhaps) has sprung to the metropolitan lip. The juggernaut has skidded on its tracks. Inveterate Bangalore heads, popping out from behind shut doors, are cautiously asking, "Is it over?" Has the Bangalore boom gone bust?

Consider these facts: On September 12, 1983, the construction boom received a crippling blow when the Gangaram multi-storeyed building collapsed, leaving 120 dead in the rubble. It forced the Corporation to review its leniency and the public to reevaluate real estate investments. The building business has not yet recovered.

In November, Karnataka politics became hot stuff when the Moily tape episode surfaced in this capital-city. The political ballyhoo, generated by the toppling game, has become an elaborate leitmotif in all the events that have subsequently shaken the city. But even as Veerappa Moily, Opposition leader in the Assembly, was pre-

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dicting the imminent downfall of the Janata government on New Year's Eve, the new ruling party completed one year in office on January 10, with Chief Minister, Ramakrishna Hegde, predicting serious consequences if the attempts to destabilise the government continued.

A week later, on January 18, the Dr Rajkumar Fans' Association called a bandh in the city to demand that Kannada be made compulsory for Class III and IV government employees. Unexpectedly, the bandh turned violent and instantly became a feeding ground for ugly political insinuation. On January 26, the Karnataka Raita Sangh (an organisation of farmers that accuses the Janata government of reneging on election promises) resorted to a rail and rasta roko agitation, paralysing traffic to and from the city for four days.

On February 15, a five-hour power cut was introduced in the city, confirming the worsening power situation in the state.

Bangalore commuters were once again thrown off gear, when city buses went off the road for two days on February 19 and 20, to protest the death of a conductor at the hands of an irate commuter who did not receive exact change. Six days later, a state-

wide strike of lorry owners turned violent in parts of the city.

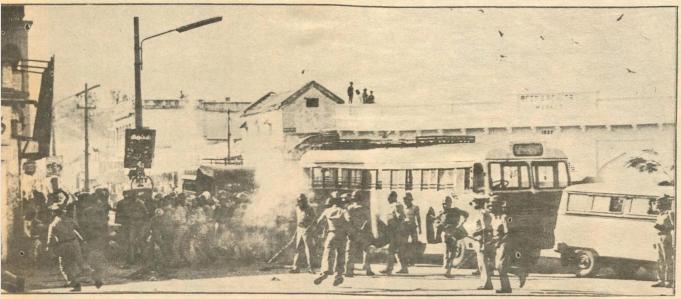
The month of March began with yet another procession by the Rajkumar Fans. This time they were protesting the attack on their raison d'être in Madras. Predictably, the procession turned into a rampage, with miscreants indulging in loot and arson, and injuries were reported in different areas. With Tamil theatres forced to close shutters, the incident acquired unpleasant overtones.

The very next morning, numbed city-dwellers read that theirs was the costliest metropolis in the country, according to the consumer price index figures released that day in the Lok Sabha.

By March 10, the last smiles had definitely faded in the pensioner's paradise. Public wrath broke out against the police in the largely Muslim area of Shivajinagar, when 25-year-old Munna died in police custody. The area was still tense, smouldering under a dusk-to-dawn curfew a couple of days later, when a seemingly unrelated and bizarre incident stoked communal flames again. An English weekly had allegedly distributed copies of an issue carrying insensitive comments against the community, attributing them to a ruling party MLA. In the fierce rioting that followed, it seemed that not all of Hegde's men nor the police machinery could put the city together again.

But eventually things cooled down. Except for mild tremors from an extremely rare earthquake (that caused





Bandhs, rasta rokos and violent agitations have shaken the once-peaceful city.

the Deccan Herald to carry an editorial asking What Next?) the garden city has been relatively peaceful. But the communal rumblings, like the earthquake, have shaken its cosmopolitan foundations. The Bangalorean is still holding his breath. Says the Muslim owner of an agarbatti factory, "There is some fear even now. After all, you never know what will happen next and where."

S THIS PATTERN of events familiar to the residents of Bangalore? The answer is a unanimous and emphatic 'No'. This has been a peaceful town, a hospitable town, on the strength of whose welcome, entrepreneurs and job-seekers from all over the country found a new home, giving the city its remarkable melting-pot image that is equalled only by Bombay.

Then why this sudden resurgence of linguistic chauvinism? Why the urgency to make Kannada compulsory, not just in offices but partially even in schools and cinema theatres? Most people seem to believe that the answer lies in the political arena. Obviously however, in a city where only 50 per cent of the people boast Kannada as their mother tongue, and which has been growing so fast that job opportunities and social infrastructure have just not kept pace, the issue is also an economic one. Many Bangaloreans hope it is only a temporary phase, this era of disturbance, as natural to an expanding city as pimples to a teenager. Says S G Ramchandra, ex-Executive

Vice-President, Kirloskar Electric Co, "These are all only superficial things: a simple question of job opportunities."

Maybe. But this vulnerability to violence and the slipping tolerance threshold, are they the epitaph for the halycon days of Bangalore?

Population pressure. The city recorded an astounding growth of 76.72 per cent from 1971-81, doubling the rate of the previous decade and throwing all projections askew. With the city now pushing 35 lakhs, forecasters hope that a combination of events will bring down the growth rate to a more modest 55 per cent this decade. But this time, city planners are taking no chances. The deadline they say, is 2001 AD and their target — to provide for eight million people. Can the city really make it?

The Janata government seems genuinely concerned with the future of the city. Last year it asked the Karnataka State Council for Science and Technology (KSCST) - an autonomous body funded by the government - to do an economic system study of Bangalore and suggest ways to retain its quality of life. The report of the group of researchers is due in September. Says Vinod Vyasulu, one of the convenors, and a faculty member of the Indian Institute of Management (IIM), "The effort of involving us in a project like this is totally unique."

Meanwhile, the government has set up a framework to decelerate Bangalore's growth. The encouragement given to industrialisation sparked off the Bangalore boom in the late '60s and '70s and only active discouragement can slow it down.

The industrial policy of Karnataka formulated by the Economic and Planning Council of the government (popularly known as the think-tank) enunciates this strategy. "The evolution of industrial development has resulted in an over-concentration of industry in and around Bangalore city," it says, adding, "New medium-and large-scale industries in the city will not be encouraged." Already the decision to increase industrial area has been dropped and shed construction in the estates has slowed down. Says M Chandrashekhar, Urban Development Minister, "Only clean industry, which is neither power nor labour intensive, like electronics, should come here for some time."

In a sense, however, these pronouncements are already a little late. As J C Lynn, Secretary, Commerce and Industries, wryly puts it, "There is an identity of views between entrepreneurs and the government that no further industry should come up within the agglomeration." Entrepreneurs are well aware of the problems that Bangalore, as the costliest city in the country, can pose. S G Ramchandra puts it a little more strongly: "Investment in the city has certainly slowed down. Between 1975 and, say 1982, there were great opportunities for developing entrepreneurial





Restoring primacy to Kannada: a procession by Dr Rajkumar Fans in 1982.

here. That infrastructure simply does not exist today."

According to K S N Murthy, Chairman and Managing Director, Karnataka State Industrial Investment Development Corporation (KSIIDC), the policy of discouraging further industrialisation of the urban area was unofficially put into gear some time ago. "We in the civil service have been saying for more than three years that Bangalore has reached saturation point," he says. To those who still want to set up here, the KSIIDC says, "Keep off, we won't finance you." In 1983-84, for instance, of the Rs 33 crore lent by the Corporation, about 56 per cent went to backward areas. Of the remaining 44 per cent, less than 20 per cent came to Bangalore. "We have stemmed its growth," he concludes.

The fizz seems to have gone out of the investment climate in Bangalore. Says the outgoing President of the Federation of Karnataka Chambers of Commerce and Industry (FKCCI), T S Kashyap, of Kashyap Engineering and Metallurgicals, "I know a lot of people who are frustrated and disappointed with the power and labour situation here." According to him, several companies are undertaking their expansion outside the state, especially in Tamil Nadu, where the power situation is better and the labour as peace-

ful as Bangalore's once was. Some small units might even move out of Bangalore altogether.

HE MAIN REASON for putting on the industrial brakes in the city seems to be power, says J D'Costa, Managing Director of Mini Forge Private Ltd, in *Indian Industry Newsmagazine*. "We were lured and wooed here with the promise of ample power. . . the only surplus of power we now find is political. . ." According to Kashyap, the state will lose nearly Rs 3,000 crore this year alone due to the power deficit which now stands at around 34 per cent. The government is trying to stave off anxiety by calling it

a temporary phenomenon but most private sector spokesmen are very pessimistic. It will take at least two years for the Kali hydel and Raichur thermal plants to go on line. Both projects have had teething troubles - Kali with water storage in the Supa dam; Raichur with coal linkages. Says S G Ramchandra, who is now on the board of the Karnataka Power Corporation, "If Raichur is going to be like any other power station in India, then its reliability is suspect." Meanwhile the city today faces a demand shortage of around 300 megawatts, where none existed in 1982-83.

The power shortage affects every individual. Small units, though spared from the power cut, face upto four hours of load-shedding every day, throwing their production and planning totally out of gear. Many units cannot break even without two shifts, which for varied reasons, are not possible today. "Unless we think radically about the power situation we have no solution," worries Philip Lewis, whose company, Electro Mech Corporation makes Nutan Wick stoves, and who is President of the Karnataka Small Scale Industries Association (KASSIA). Instead of retrenching staff, as other units have done, he has switched from power press to hand press.

With the power cut operating five hours a day in this hot summer, housewives, small vendors, restaurateurs, shopkeepers — in fact, everybody — work to the dictates of electricity timings. Says Ramchandra ruefully, "Bangaloreans were used to being without water, now they have to accept being without electricity."

If power shortage is a recent development, water has always been a scarce resource. As the Chairman of the Bangalore Water Supply and Sewerage Board (BWSSB) D Padmanabhan explains: "Bangalore is the only city which requires water to be pumped nearly 100 kms from the source." The Cauvery, flowing south of the city, is its only major watering hole. Being critically dependant on pump sets, the power shortfall, in its turn, affects the city's water supply. Constantly trying to catch up with the ambitious plans of the Bangalore Development Authority (BDA) is a major strain on BWSSB's resources. "We are running just to keep still," says Padmanabhan. Even so, the city now gets a per capita supply of less than 100 litres a day, while Bombay for instance, gets

A power cut for five hours a day; water supply that comes and goes; buildings that nobody will occupy; and crashing land prices. Whatever happened to the boom?

more than 150. In sprawling extensions like Jaynagar, pressure is so low that the water barely makes it to the first floor, and on some days, does not come at all.

If anything, though, the water problem is even less redeemable than the power situation. The conservative estimates of the BWSSB, project a shortfall of 1,375 million litres a day by the end of the century. This figure assumes the completion of the Cauvery III stage scheme by then. At present the scheme is floundering for lack of funds, at an on-paper estimate of Rs 230 crore: Says Vyasulu, "It will become more and more expensive to bring water to the city from the Cauvery, and three to four years from now the situation could become unmanageable."

UT where the city's slackened pace is most obvious is in the construction business. At the height of the building boom, scaffoldings were up at every corner of the city's streets, with crew and machines working at full pace. The influx of builders from Bombay and of construction workers from neighbouring states, had turned the city around in the short span of five years. Then came the Gangaram building collapse. All construction on high-rises was frozen for a month, while the government set up an expert committee to examine all multi-storeyed buildings. Meanwhile, a set of stringent by-laws which will regulate construction in Bangalore, has been drawn up and has gone into effect from April 27. "It has not been possible so far to keep a check on construction in the city," says S N Manohar, Chief Civil Engineer, Tata Consulting Engineers, one of the committee members. In its interim report, submitted after an exhaustive examination of structural designs, the

committee has given most constructions a cautious yellow signal, has recommended the demolition of one, and urgent improvements in a few others. Some contractors failed to submit their building plans, and work on those buildings has been ordered to stop.

"I hope that people will now demand quality from their builders," says Manohar. To a large extent, that has already occurred. Says Madhusudan of K T Constructions, one of the more respected contractors whose family has been in the building business here for more than 30 years, "People are much more cautious in their approach now. In fact, it is difficult to get a flat booked in the city." Adds Thomas from the architects firm, Zachariah and Thomas, "There has been a definite slump in the market. . .the boom has packed up."

As far as applications to build are concerned, the City Corporation confirms that numbers are down this year to 6,791, against 8,951 in 1982-83. Land prices, apartment prices and rents, which had shot up phenomenally in the last five years to make Bangalore second only to Bombay in housing costs, have come down, or at least levelled off, according to most estimates. The fly-by-night arrivals from Bombay have suffered the most. With fewer takers for highrises, more rigid rules from the Corporation, and a tight squeeze on power and water, many speculators have had to lock up their investments in properties that are unsaleable right now.

But the city has a housing shortage that is growing faster than the master plan for development worked out by the BDA (now waiting for government approval). While Madhusudan and others feel that no more high-rises will be allowed to come up within congested city limits, areas have been chalked

The slums are growing, the public transport system is inadequate, communal tensions are increasing and boom and doom have become synonymous.

out in the agglomeration plan where vertical housing will be encouraged. Twenty-nine such schemes are now being implemented around the urban zone. The total area for development has been increased by 68 square miles over the earlier 1972 plan for Bangalore. "We are planning," says A S Kodandapani, Town Planning Member, BDA, "for Bangalore in 2001."

There is some concern that the plan may not have made sufficient provisions for parks, roadways and low-cost housing. With more than two lakh people now living in about 600 slums, Dr H Ramchandra of the Institute for Social and Economic Change (ISEC), who is an authority on the subject, says that the slum population is growing faster than the non-slum segment in the city.

N ANY FUTURE SCENARIO for Bangalore, transport services will have to be a major priority. With no train service to complement it, the city's bus fleet of about a thousand is now carrying 1.2 million passengers each day. Says the Chairman of the Karnataka State Regional Transport Corporation (KSRTC), BR Prabhakar, "Even with a proposed investment of Rs 118 crore, nearly 40 million people will have to travel on 1,800 buses by the end of the century." However, the master plan for Bangalore envisages a rapid transit corridor and a ring railway. "But," says Kodandapani, "at about Rs 650 crore, the project cost is prohibitive."

Eventually then, the cost factor is the bottom line which will decide the fate of Bangalore. Water, power, housing, transport — how much social overhead capital should be invested in one city? "Where," asks J C Lynn, "is the social justice in providing for Bangalore?" If the government is serious about correcting imbalances between the great divide of the urban

and rural sectors, the state exchequer cannot bear the brunt of providing the much-needed expansion for infrastructure. To an extent, the development of counter magnets has been successful. "By and large," says KSN Murthy, "other growth centres like Dharwad-Hubli, Davangere-Harihar, Belgaum, have come of age. In fact, Mysore, which was a sleepy town only ten years ago, is the next boom city to watch." This process, Vinod Vyasulu feels, is greatly hampered by the lack of a solid railway network in the state. "We badly and urgently need a broad gauge line along the industrial belt, otherwise pressure will not ease on Bangalore."

Bangalore's future irretrievably doomed? Well, not quite. Nobody is willing to sound the death knell for the city just yet. The general consensus is that, if the city goes on like this, (and nobody is quite sure how to prevent it from going on just like this), the city will lose every felicitous sobriquet it has earned, and by most standards, still deserves.

On the other hand, opinion is strong that the government's policy of deceleration (the success of which can be statistically supported only about two years from now); the emergence of alternative growth centres; the city's declining opportunity index; and the era of shortages which seems to be here to stay—will all act as natural disincentives for growth. Hopefully, the communal clouds which have precipitated because of the unbearable pressures on the city, will also disperse.

And if the boom is over, many Bangaloreans share KSRTC Chairman Prabhakar's happy analysis, "It was not a boom, but a doom from which we are now recovering."

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