

Urbanization in BRICS Countries and Efficacy of Growth in Provision of Public Services in India

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ABSTRACT

In this paper an attempt has been made to investigate the pattern of the process of urbanization in BRICS countries in general and the efficacy of urban growth in providing the public services in particular. The pattern of urbanization in BRICS countries is analysed for the period of 1985 to 2018 while the efficacy of urban growth in providing public services in India is measured for the period of 1970 to 2011. The study finds that China has realized the rapid urbanization process as compared to the other member countries and in the recent past all the member countries had been realizing a slowdown in their urbanization process. Further, India's urban growth has been successful in accommodating more workforce for a major period of the study but failed in providing public services to urban people and a major part of the public services in India is delivered through various government sponsored schemes and programmes.

Key Words: Urbanization, BRICS Countries, Public Services, Growth of Urban Economy, De-urbanization, Slum Population

INTRODUCTION

The growing dispute in World Trade Organisation (WTO) has made it almost an international organization of low importance. This has given the scope for emergence and flourishing of many regional associations/unions for the promotion of international trade. BRICS is one of those who tries to minimize the losses because of the growing conflict among the member countries of WTO. Initially it was BRIC which converted to BRICS in 2010 ([Wayback Machine](#) 2011) with entry of South Africa among the existing members, Brazil, Russia, India and China. In 1990s these countries accounted 11 percent of global GDP which rose to 30 percent in 2014 despite the negative effect of the 2008 financial crisis. It is believed that this group of the countries will become the dominant supplier of manufactured

goods, services (India and China) and raw material (Brazil and Russia) by 2050 at global level (Christina Majaski, 2019).

This growth process of these countries was also expected to affect the process of urbanization in these countries because the process of urbanization is understood as the synonyms of the growth and development and largely based on the production hubs of the manufactured items and services. This attracts the population from rural areas and population pressure increases in urban areas because of both the reasons; migration and natural growth of existing population. In its early days, migration and natural growth of existing population serve as the major sources of growth and demands many public services, like education, health, housing, sanitation etc. which are by and large provided. But with the passage of time, when the growth of population becomes higher than the expansion of productive capacity the urban economy usually resulted in deprivation of these public services. In this paper an attempt is made to analyse the pattern of urbanization in BRICS countries in general and effectiveness level of economic growth in providing some essential public services in urban India.

URBANIZATION IN BRICS COUNTRIES

The process of urbanization is mainly measured with the help of the share of country's urban population in total population and both are positively related. Technically speaking urbanization refers to a shift in population along with the economic activities (mainly manufacturing and services) from rural areas to urban cities or town (Ivan Turok , 2014). This shift of location in association with high productive economic activities has been closely related with the economic growth and development and in this sense urbanization has been considered as one of the indicator of economic growth and development. Empirically there have been evidences of an improvement in the level of wellbeing of people as there has been an increase in the share of the population in urban areas (Jacobs 1984; Hall 1998). In line with the same the development process of the BRICS countries may be assessed with the help of following table.1 showing the share of urban population in total of these countries.

Table 1. Change in Percentage Share of Urban Population in BRICS Countries

Countries	1985 to 1990	1990 to 2000	2000 to 2010	2010 to 2014	2014 to 2018
Brazil	4.04	7.30	3.10	1.10	1.20
Russia	1.40	00.00	0.30	0.20	0.50
India	1.16	2.20	3.20	1.50	1.60
China	3.53	9.50	13.30	5.20	4.80
South Africa	2.63	4.90	5.30	2.10	2.10

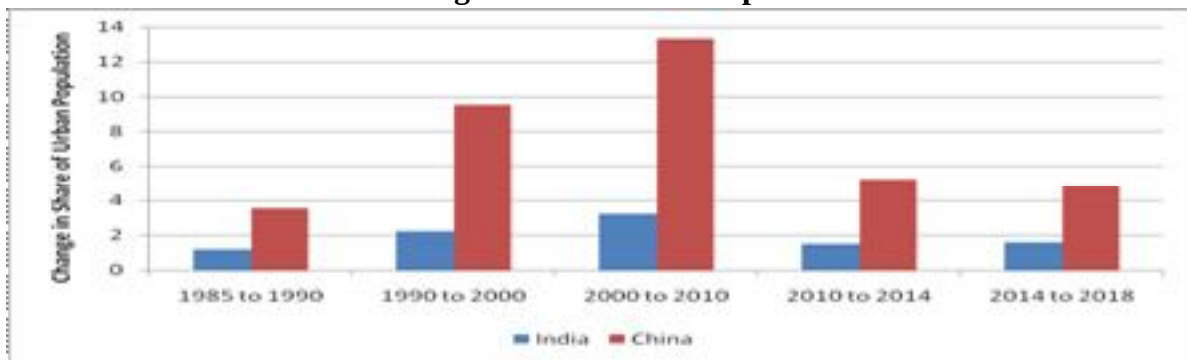
Source: Author's calculation from (i) United Nations, Department of Economic and Social Affairs, Population Division (2018). World Urbanization Prospects: The 2018 Revision, Online Edition, in Handbook of Urban Statistics 2019, Ministry of Housing and Urban affairs, Government of India, New Delhi. (ii) Ivan Turok (2014); The Urbanization-Development Nexus in the BRICS, *Oldfield, S. and Parnell, S. Handbook on Cities in the Global South, London: Routledge at www.academia.edu/7291002/The_urbanization-development_nexus_in_the_BRICS*.

In the group of these five countries Russia belongs to the group of developed nations while remaining four are the members of developing nations and they are in their advance stage of development. When we look at the statistics of increase in the urban population of these countries we can find two types of pattern of urbanization and hence among the group only the process of urbanization is comparable. As per the pattern of urbanization the first group belongs to Brazil, Russia and South Africa whose urban population in 1985 was around 50 percent or more of their total population while the second group may belong to India and China whose urban population was less than 25 percent of their total population. Among the first group the performance of urbanization in Brazil has been comparatively better than the remaining two countries during the period of 1985 to 2018 and become most urbanized nation among the BRICS countries by 2018 and displaced Russia from top position.

The remaining two countries namely; India and China are contemporary in their development process and started with almost same percentage of their urban population in 1985. But with the passage of time China has outweighed India in terms of process of urbanization. Though India started with a relatively high urban population than China in 1985, however in the year 2018 the urban population of China becomes higher than the Indian urban population. According to the data available in table.1 China has witnessed rapid urbanization process during 1990 to 2010. This massive growth in urban population of China is supposed to be based on the rapid economic transition and economic diversification from

an agricultural based economy to industrially developed one (Miller, 2012; CSCIES, 2012). The credit for this transformation goes to the reform process which was highly restricted by the Cultural Revolution of 1966-67. In contradiction to this India continued to believe on the Gandhian Philosophy of 'India is a country of villages', and attracted more support from the governments (Central as well as states) in terms of socio-economic protection (M. K. Gandhi, 1959). This differential change in share of urban population in India and China must have different impact on socio-economic conditions. The differential change in share of urban population in India and China can be seen from the following figure 1.

Figure 1.
Increase in Percentage Share of Urban Population of India and China



Source: Based on statistics available in Table 1.

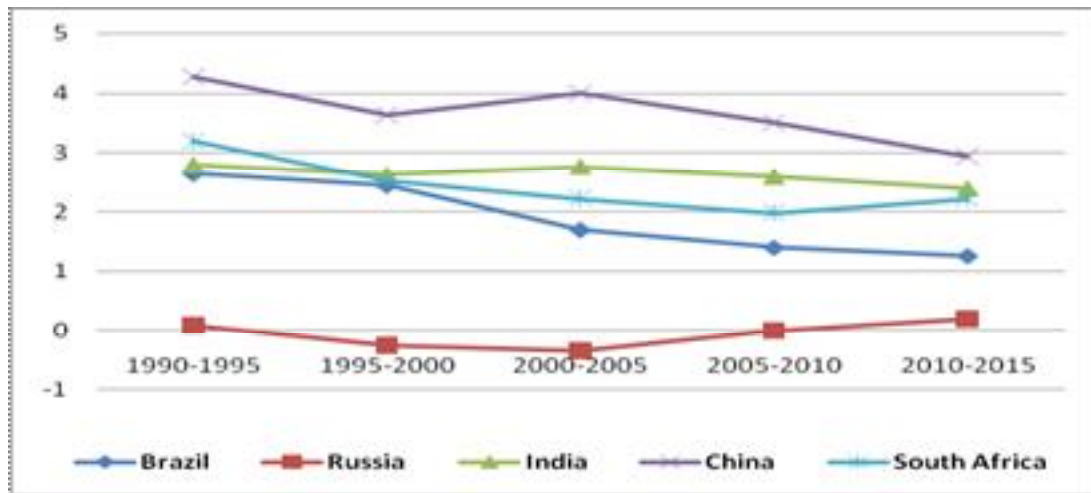
This good news of a growing urbanization process ended up when we look at the data available in table 2 and represented in figure 2 showing the average annual rate of change of the urban population in BRICS countries. It may be observed that as we move from 1990 onwards all the BRICS member have realised a fall in the growth rate of their urban population and shown a sign of downfall of urbanization process. Russia has shown a strange behaviour than the other member countries. In fact this country has realised deurbanization in post 1990-95 period.

Table 2. Average Annual Rate of Change of the Urban Population (%)

Countries	1990-1995	1995-2000	2000-2005	2005-2010	2010-2015
Brazil	2.64	2.44	1.69	1.39	1.25
Russia	0.09	-0.26	-0.35	-0.004	0.20
India	2.79	2.62	2.76	2.59	2.39
China	4.27	3.63	3.99	3.50	2.94
South Africa	3.20	2.52	2.22	1.98	2.21

Source: United Nations, Department of Economic and Social Affairs, Population Division (2018). World Urbanization Prospects: The 2018 Revision, Online Edition, in Handbook of Urban Statistics 2019, Ministry of Housing and Urban affairs, Government of India, New Delhi.

Figure 2. BRICS Countries-Average Annual Rate of Change of Urban population



Source: Based on data available in table 2.

Since it is difficult to discuss about the impact of urbanization/urban growth on public services in both the countries in a very small piece of work, in the next section only the efficacy of urban growth in provision of public services in India is being discussed with the assumption that China must have better public service provisions than India as it is evident from the process of urbanization itself.

GROWTH OF URBAN ECONOMY IN INDIA

The Central Statistical Office (CSO) is the official source of data regarding the national income of India. But the data on rural-urban Net Domestic Product (NDP) is not available on regular basis. It is available for the years 1970-71, 1980-81, 1993-94, 1999-00, 2004-05 and 2011-12 at current prices. The data about urban India is given in the following table.3.

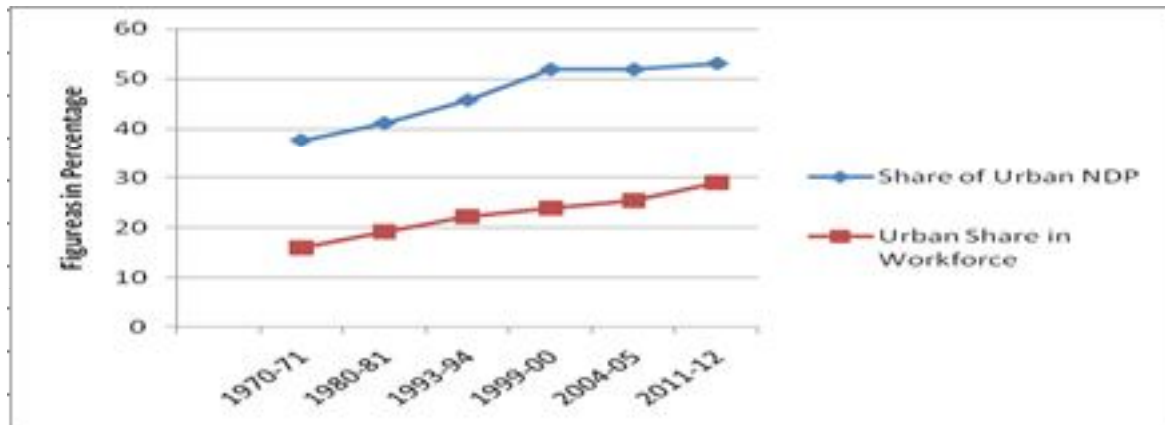
Table 3. Urban NDP and Workforce in India

Years	Share of Urban NDP (%)	NDP at Market Price (Billion)	Annual Average Growth of Urban NDP	Urban Share in Workforce (%)
1970-71	37.60	168.57	-	15.90
1980-81	41.10	568.08	23.70	19.20
1993-94	45.70	3694.83	42.34	22.20
1999-00	51.90	9532.25	26.33	23.90
2004-05	51.90	15166.83	11.82	25.40
2011-12	53.10	43169.38	26.37	29.10

Source: Based on the Author's calculation from (i) Ramesh Chand, S. K. Srivastava and Jaspal Singh (2017); Changing Structure of Rural Economy of India Implications for Employment and Growth, Discussion Paper, National Institution for Transforming India NITI Aayog, New Delhi. (ii) Central Statistical Office

The available statistics about the urban economy reveals that the period of 1970s and 1980s have been extremely well and the urban economy has registered a very good growth rate of 23.7 percent and 42.34 percent respectively. However, the late 1990s have witnessed a deceleration in the growth of urban economy that continued for more than a decade. Here it is interesting to note that during 1970s when urban economy grew by 23.7 percent the share of workforce increased by 3 percent and almost the same increase in workforce was realized during 1980s and early 1990s even though the urban economy grew by 42.34 percent. This shows the comparatively low level of effectiveness of growth in creating employment opportunities in urban areas. This continued to even in late 1990s when we received a growth of 26.33 percent in urban NDP at market price. This had led to the coining of a slogan of 'jobless growth' and social scientist registered their resentment by fact based writings. This forced the Indian planners and Government to look into this matter and consequently many reforms initiatives were taken including the launching and restructuring of many employment generation programmes like Prime Minister Employment Generation Programme (PMEGP), Swarna Jayanti Shahri Rozgar Yojna (SJSRY), Rajiv Awas Yojna, National Policy on Urban Street Vendors etc. In this process, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has also contributed positively by restricting the migration from rural to urban areas. These all have shown some positive impact on the urban economy. Firstly it put the decelerated urban economy on the path of recovery and the growth of urban NDP improved to 26.37 percent during 2004-05 to 2011-12 as compared to 11.82 percent growth during 1999-00 to 2004-05. Secondly this growth has resulted in an increase of nearly 4 percent share in workforce which was merely 1.7 percent for the same growth rate of urban NDP during 1993-94 to 1999-00. The pattern of changes in share of urban NDP and urban share in workforce can be analyzed with the help of the following figure 3.

Figure 3. Share of Urban NDP and Workforce in Indian Economy



Source: Based on statistics in table.3

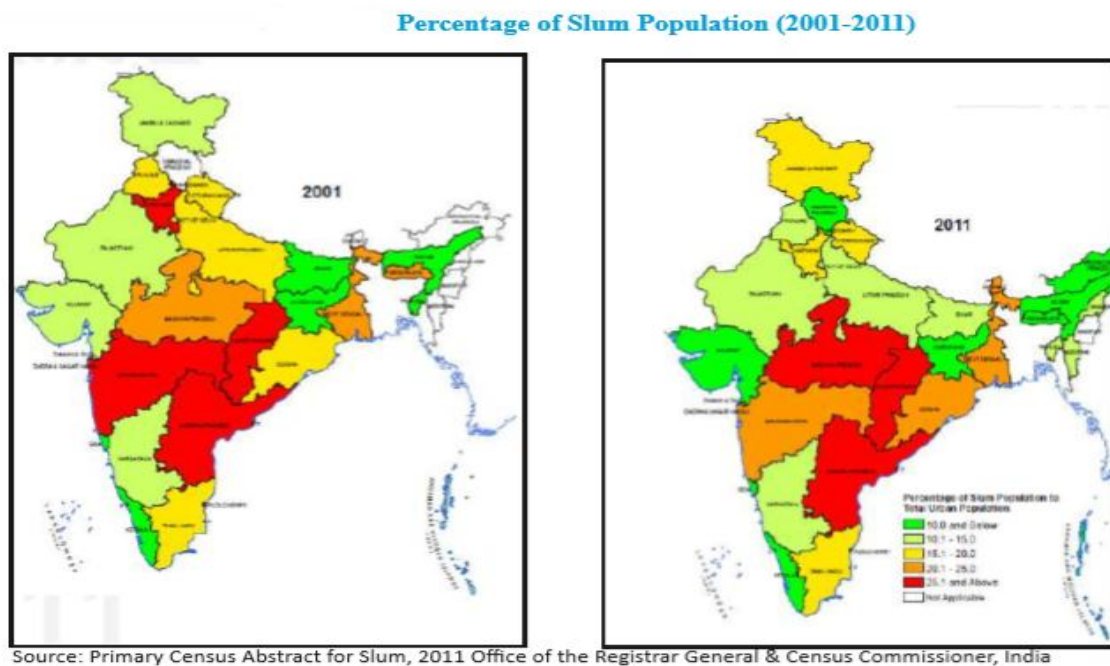
Sharing more income and accomodating low level of workforce is one of the biggest reason to criticise the process of urbanization that sown the seeds of ever increasing disparity between rural and urban economy. The same seems to happen with Indian economy. The above figure shows that during the 1970s and 1980s the gap between share of urban NDP and urban share in workforce is comparatively stagnant. But as we move to 1990s which is well known for the introduction of economic reforms, things changes and disparity between these increases and reached to highest in 1999-00. Though after this period because of the governments efforts it falls but remain higher than the period of 1970s and 1980s and leads to the conclusion that urban based rapid economic growth may cause a growing disparity between rural and urban economy.

EFFICACY OF GROWTH IN PROVIDING PUBLIC SERVICES

After food and clothing, a safe housing is the most important need of human beings. People migrating from rural to urban areas always have a dream of having at least a bungalow. But only few of them get it and a large number of migrants and sometimes local residents are forced to live in unsafe and unheigenic *jhuggis* leading to agglomeration of slum population which is assumed to be one of the side effects of the process of urbanization. The people who migrated to urban areas in search of employment opportunities and unfortunately failed in getting the same are forced to live in slum areas. This population is characterised as the deprived pupolation of urban areas who lacked in basic civic amenities and live in unconducive environment. This has always been a challenge for the governments of all the natons which asks for remedies through provision of housing facilities. India too has been making a consistent effort in getting the solution for the deprived class by providing

subsidised housing facilities. The efforts made by the government have also responded positively and with the passage of time there has been a continuous fall in the slum population in India. The share of this population has fallen from 54.9 percent in 1990 to 41.5 percent in 2000 and then to 29.4 percent in 2009 (Handbook of Urban Statistics 2016). During 1990s this population has declined by 13.4 percent while urban economy was growing by 26 percent. We have seen a slow down in decrease of slum population when the growth of urban economy has also decelerated in post 2000 period. The state wise distribution and a change in the size of slum population over the period of 2001 to 2011 may be assessed with the help of following maps.

Figure 4.



Following the same trend, the percentage of urban population with improved water and sanitation has also increased even when the urban economy has witnessed a deceleration in growth process. This gives a clear message that the improvement in these services is largely dependent on public policies and provision under various schemes. The recent past has also witnessed an improvement in electricity supply in urban areas. The number of household with electricity supply has improved to 97.9 percent in 2012 from 91.6 percent in 2002 (Handbook of Urban Statistics 2016).

ECONOMIC GROWTH AND CHANGES IN MEANS OF TRANSPORTATION

The availability of transport facility is the other service which has become an important indicator of development and has proved to be the biggest issue in the present time for both the reasons; ease of access and environmental pollution. After industrial affluent this is the second largest source of pollution in urban areas and asks for judicious expansion so that transport facility may be provided in urban areas at lowest environmental cost. The statistics about the presence of vehicles in urban areas in India is available in the following table 4. The data shows that in 1956 highest share goes to cars, jeeps and taxis which have capacity to transport people in large number as compared to two wheelers which has the second highest share (30.9 percent). Buses have the lowest share though these are good source of transporting more people at a time than the car, jeeps and taxis and two wheelers.

Table 4. Vehicular Composition in India (%)

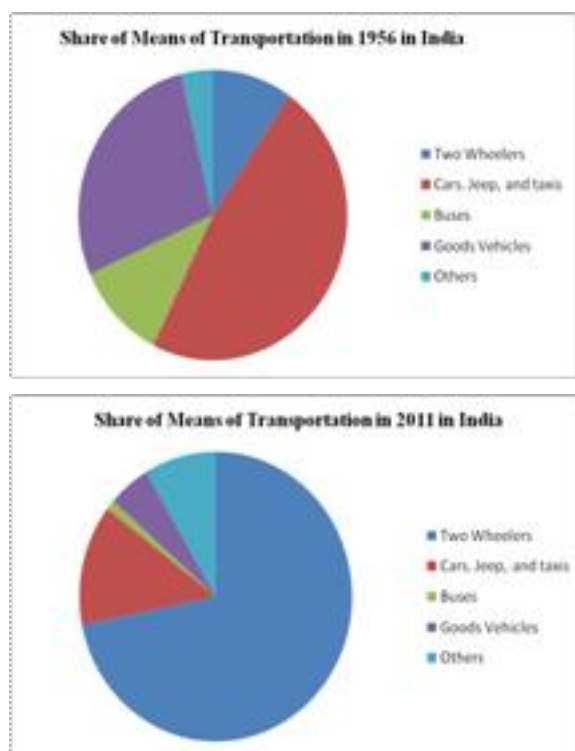
Years	Two Wheelers	Cars. Jeep, and taxis	Buses	Goods Vehicles	Others
1956	9.6	47.7	11.0	27.9	3.8
1961	13.2	46.6	8.6	25.3	6.3
1966	20.6	41.5	6.6	23.6	7.7
1971	30.9	36.6	5.0	18.4	9.1
1976	39.1	28.9	4.3	13.0	14.7
1981	48.6	21.5	3.0	10.3	16.6
1986	59.0	16.8	2.1	8.2	13.8
1991	66.4	13.8	1.5	6.3	11.9
1996	68.8	12.4	1.3	6.0	11.4
2001	70.1	12.8	1.2	5.4	10.5
2002	70.6	12.9	1.1	5.0	10.4
2003	70.9	12.8	1.1	5.2	10.0
2004	71.4	13.0	1.1	5.2	9.4
2005	72.1	12.7	1.1	4.9	9.2
2006	72.2	12.9	1.1	4.9	8.8
2007	71.5	13.1	1.4	5.3	8.7
2008	71.5	13.2	1.4	5.3	8.6
2009	71.7	13.3	1.3	5.3	8.4
2011	71.8	13.6	1.1	5.0	8.5

Source: Handbook of Urban Statistics 2019, Ministry of Housing and Urban affairs, Government of India, New Delhi.

Since 1956 to 2001 there has been a rapid growth in the share of two wheelers and its share has increased to 70.1 percent in 2001 from a very low share of 9.6 percent in 1956. From table.4 it seems that whatever increase in share of two wheelers has been realized it is at the cost of a fall in the share of Cars, Jeep and taxis. The share of Cars, Jeep and taxis has declined to 12.8 percent in 2001 from a massive share of 47.7 percent in 1956. There may be

two reasons behind this. Firstly the demand for two wheelers may have increased by an increase in the income of the middle income group and most probably because of the demonstration effect and may be interpreted as the trickledown effect of the growth process during this period. Secondly, this may also be caused by low level of development of road infrastructure where use of Cars, Jeep, and taxis is not very much comfortable, however two wheelers can be used very easily.

Figure 5.



Source: Based on table 4.

In the post 2000, the share of these two means of transportation has snailed up and reached to 71.8 percent and 13.6 percent for two wheelers and Cars, Jeep and taxis respectively in 2011. The simultaneous growth in the share of these two important means of transportation in this period may be in response to a massive expenditure made by the Government of India on infrastructure creation. In this case the importance of Rural Infrastructure Development Fund, Pradhan Mantri Gram Sadak Yojna and Mahatma Gandhi National Rural Employment Gaurantee Scheme cannot be ignored which has led to mounting growth in the length of rural roads.

The share of buses in vehicular composition has declined over the years. When we see the fall in the share of bus services in transportation in light of the rise in the share of both

two wheelers and Cars, Jeep and taxis, it can be perceived that rising income of people has made the journey of India citizen luxurious and people have substituted independent means of transportation for the shared means of transportation. This is very much obvious from the above figure.5.

CONCLUSION

BRICS countries have shown a differential behavior in terms of their process of urbanization. Though Brazil has been on top as per its size of urban population but the rate of urbanization has been highest in China during the study period. China had started with a low level of urbanization as compared to India but in 2018 the share of its urban population has almost become double than the India's urban population. When we look at the annual average growth of urban population in BRICS countries we found that all member countries have shown a declining trend in the growth of their urban population. Russia has shown a strange behavior of de-urbanization during the study period.

As far as the growth of urban economy in India is concerned, we found that the urban economy has grown at an accelerated rate during 1970, 1980 and early 1990s but decelerated in later 1990s. It moves on the path of recovery after 2004-05. In its early days of the study period this accelerated growth of urban economy has helped in providing more opportunities to workforce but as the growth decelerated it failed in continuing the same. India has proved to be helpful in providing many public services like improved water facilities, sanitation and electricity supply. India is also very much successful in providing housing facilities in urban areas and consequently slum population in India has declined. But this achievement is based on different government schemes rather than the growth of urban economy and hence to improve the supply of public services India should allocate more funds for providing these facilities.

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Share of Urban Population in BRICS Countries

Countries	1985	1990	2000	2010	2014	2018
Brazil	69.86	73.90	81.20	84.30	85.40	86.60
Russia	72.00	73.40	73.40	73.70	73.90	74.40
India	24.34	25.50	27.70	30.90	32.40	34.00
China	22.87	26.40	35.90	49.20	54.40	59.20
South Africa	49.37	52.00	56.90	62.20	64.30	66.40

Source: (i) Ivan Turok (2014); *The Urbanization-Development Nexus in the BRICS*, Oldfield, S. and Parnell, S. Handbook on Cities in the Global South, London: Routledge at www.academia.edu/7291002/The_urbanization-development_nexus_in_the_BRICS

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