STATE OF CITIES:
Urban Governance in Dhaka

Institute of Governance Studies
BRAC University

STATE OF CITIES:
Urban Governance in Dhaka

STATE OF CITIES:
Urban Governance in
Dhaka

STATE OF CITIES:
Urban Governance in Dhaka

Institute of Governance Studies
BRAC University

Report Team and Contributors

State of Cities: Urban Governance in Dhaka Report is managed by Rizwan Khair, Director, Institute of Governance Studies at BRAC University.

The Report has been produced by the IGS Research Team led by Ipshita Basu. The researchers who contributed to the making of the individual chapters in this report are as follows:

Chapter 1	Urban Governance in Dhaka: An Overview	Ipshita Basu and Kazi Nurmohammed Hossainul Haque
Chapter 2	A History of Governance in Dhaka City	Rigan Chakma, Rubayet Hamid and Thomas Oldham
Chapter 3	Political Economy of Dhaka City	Ipshita Basu
Chapter 4	Politics in Urban Governance: City without Citizens?	Mohammad Sirajul Islam and Md. Harun-Or-Rashid
Chapter 5	Governing Transport in DhakaCity: Stakeholders and Institutional Arrangements	Mahboob Elahi Akhter and Elvira Graner
Chapter 6	Governance of Urban Services in Dhaka City	Syeda Salina Aziz, Jannatul Fardosh and Mariha Khalid
Chapter 7	Conclusion and Next Steps	Ipshita Basu

Research Advisers: Dr. Geoffrey Wood, Dr. Joseph Devine and Barrister Manzoor Hasan.

IGS team would also like to extend their gratitude to the following people for whose input and advice has greatly enhanced the report:

Dr. Salahuddin M. Aminuzzaman, Dr. Nurul Amin, Dr. Iftekhar Iqbal, Dr. Jalal Alamgir (late), Dr. Ferdous Jahan, Dr. Simeen Mahmud, Dr. Rob Gallagher, Kishore Kumar Singh and Dr. Gopakumar K. Thampi.

Nevertheless, the authors take full responsibility for the views and opinions expressed in the report and any errors and omissions that may have been overlooked.

Table of Contents

List of Maps, Boxes & Tables

LIST OF MAPS

LIST OF BOXES

LIST OF TABLES

List of Figures

List of Acronyms

AL	Awami League
BDT	Bangladeshi Taka
BEIC	British East India Company
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BIWTA	Bangladesh Inter Water Traffic Agency
BNP	Bangladesh Nationalist Party
BPDB	Bangladesh Power Development Board
BRTA	Bangladesh Road and Transport Authority
BRTC	Bangladesh Road Transport Corporation
BTTB	Bangladesh Telephone and Telegraph Board
CBC	Community Based Committee
CEO	Chief Executive Officer
CNG	Compressed Natural Gas
COBA	Cost Benefit Analysis
CPD	Center for Policy Dialogue
CRC	Citizen Report Card
CUS	Centre for Urban Studies
DAMERA	Dhaka Metropolitan Regional Authority
DAP	Detailed Area Plan
DCC	Dhaka City Corporation
DESA	Dhaka Electric Supply Authority
DESCO	Dhaka Electric Supply Company
DHUTS	Dhaka's Urban Transport Network Development Study
DIT	Dhaka Improvement Trust
DMDP	Dhaka Metropolitan Development Plan
DMP	Dhaka Metropolitan Police
DPDC	Dhaka Power Distribution Company Limited
DSK	*Dushtha Shasthya Kendra*
DTCB	Dhaka Transport Coordination Board
DUTP	Dhaka Urban Transport Project
DWASA	Dhaka Water Supply and Sewerage Authority
EC	Election Commission
ECNEC	Executive Committee of the National Economic Council
EPB	Export Promotion Bureau
EPWAPDA	East Pakistan Water and Power Development Authority
EPZ	Export Processing Zone

EU	European Union
GDP	Gross Domestic Product
IDS	Institute of Development Studies
IGS	Institute of Governance Studies
IPS	Independent Power Supply
JICA	Japan
kWh	Kilowatt hour
LGD	Local Government Division
LGRD	Local Government and Rural Development
MkWh	Million Kilowatts Hour
MLGRDC	Ministry of Local Government, Rural Development and Cooperatives
MOC	Ministry of Commerce
MOHA	Ministry of Home Affairs
MOHFW	Ministry of Health & Family Welfare
MOPEMR	Ministry of Power, Energy & Mineral Resources
MOPTC	Ministry of Post & Tele Communication
MRT	Metro-Rail Transit
MW	Mega Watt
NEC	National Economic Council
NGO	Non Government Organisation
NOCS	Network Operation and Customer Services
PPP	Public-private partnership
RAJUK	*Rajdhani Unnayan Kartipakkha*
REB	Rural Electrification Board
RMG	Readymade Garments
SEC	Socio-Economic Classification
Sq.KM	Square Kilometer
STP	Strategic Transport Plan for Dhaka
SWM	Solid Waste Management
TUBA	Transport User Benefit Appraisal
UAP	Urban Area Plan
UNDP	United Nations Development Programme
UN-HABITAT	United Nations Center for Housing and Settlement
USD	United States Dollars
VGF	Vulnerable Group Feeding
WASA	Water and Sewerage Authority

Glossary

Ferrywalas	Hawkers
Hartal	Strike
Jatiya Sangsad	House of the Nation
Katha	Land measurement unit
Khals	Water retention ponds
Mastaans	Local/ Political musclemen
Mohajon	Garage owner
Neta-karmi	Leader-follower
Panchayat	Village council for resolving disputes
Parishad	Council
Pourashava	Municipality
Rajdhani Unnayan Kartipakkha	Capital development authority
Sardar	Local leader
Sue moto	On its own motion
Swadeshi	Indigenous/Local
Thana	Police station
Tokais	Waste pickers
Upazila	Sub-district
Vangari dokans	Scrap shops

Preface

By the third decade of this century, it is expected that nearly half the population of Bangladesh will live in urban areas. This trend is palpable even now as major urban areas of the country are increasingly becoming hubs of economic, social and cultural activity. This rapid burst of urbanisation requires good urban governance with focus on interdependent principles of sustainability, equity, efficiency, transparency, accountability, security and civic engagement. Rapid urbanisation in Bangladesh has contributed towards transforming the capital Dhaka, a sleepy city back in 1950s into a mega city, which is moving to become one of the most populated cities of the world by 2015.

The Institute of Governance Studies (IGS) from its inception in 2005 has annually examined the nature and form of national governance in Bangladesh, and it is only logical for the Institute to expand its research focus into new areas like state of urban governance in Bangladesh. As the Insitute of Governance Studies (IGS) is about to step into its 7th year, we are proud to bring forth a new research product- *The State of Cities: Urban Governance in Dhaka,* alongside the annual *State of Governance in Bangladesh* Reports of the Institute.

The *State of Cities: Urban Governance in Dhaka* Report is the result of a long term research programme of IGS to examine the challenges posed by unprecedented and rapidly changing urban environment, which calls for improvements in the quality of urban governance. This Report provides a comprehensive assessment of the historical, political, economic and social dynamics which shape various arenas of urban life and governance in Dhaka city and consequent need for reforms in urban governance. It is expected that this Report will pave the way for other reports on urban governance in Bangladesh to be undertaken by IGS in future.

The Report reflects the hard work of a young research team of the Institute, headed by Dr. Ipshita Basu, who deserves recognition for their interest, dedication and commitment for venturing into a new research area of governance in Bangladesh. Like any other collaborative endeavour, there are many people whose contributions were indispensable to be acknowledged individually. However, Professor Geof Wood, Emeritus Professor of International Development and Dr Joe Devine of the University of Bath and Barrister Manzoor Hasan, Insitutional Advisor of IGS deserve special mention for their interest, guidance and inputs into the Report.

We would also like to express our gratitude to International Development Research Centre (IDRC) whose Think Tank Initiative grant to IGS has made this report possible.

Rizwan Khair
Director

Urban Governance in Dhaka: An Overview

1.1 The Purpose

State of Cities: Urban Governance in Dhaka is the first Report on urban governance published by the Institute of Governance Studies (IGS), BRAC University. Alongside the annual *State of Governance in Bangladesh* Reports, which offer extensive review of contemporary governance concerns at the national level, the State of Cities Reports have been launched to promote research and analysis on the urban phenomenon in Bangladesh and aim to advance innovative, in-depth and empirically grounded propositions on urban governance and development. This Report is the product of a long-term research programme started by IGS in recognition of the challenges faced by local governments, private organisations and citizens to respond effectively to the unprecedented, rapid and dynamic changes in the urban environment. In light of the mounting challenges of urban economic growth, urban poverty, public services and newer concerns over climate change and security, there is need for innovative ideas to improve the quality of urban governance, while also recognising the continuing relevance of long-standing governance concerns on accountability and effective public authority and finding more locally contingent ways of achieving them.

The present Report provides a comprehensive assessment of the historical, political, economic and social dynamics which shape various arenas of urban life and governance in Dhaka city and is intended to provide the foundation for more robust and nuanced analysis of the urban situation with an attendant focus on urban governance reform.

1.2 The Context

Urban governance has acquired a distinct focus in policy and academic research in response to a global trend in which the economic growth and population rise of the developing world is expected to occur mainly in its cities. In this context, the significance and scope of urban governance has increased and therefore so has the need to find appropriate analytical and practical tools to enhance the quality of

urban governance. Much of what we regard as 'urban governance' has been determined by donor discourses. Lately, the UNDP, World Bank and the UN-HABITAT have coalesced around the 'New Urban Management Programme' where urban governance is envisaged as a key driver of sustainable economic development, is based on participatory governance and expected to perform functions of service delivery, urban poverty alleviation and public health amongst others.

This understanding of what urban governance 'is' or 'should be' resonates with a general paradigm shift towards neoliberal growth in which cities serve as key nodes for the transmission of global capital, and their development shaped by an international division of manufacturing processes and labour. Equally, in line with a global agenda for democratisation, cities are perceived as the hot seat for democratic mobilisations providing the basis for institutionalising democracy nationally, with effective municipal governments envisaged to play a key role in strengthening decentralised and democratic governance structures.

Our knowledge of urban governance in South Asia is shaped to some extent by colonial influences. Public sanitation and anxieties over crime formed the key concerns of colonial urban governance and were addressed through the racial segregation of neighbourhoods, military fortification and policing. Even when municipal governments were first introduced in the 1880s, the electoral franchise was limited to property owners and hence municipal governments were dominated by the local elite who regularly shared interests and colluded with colonial administrators in urban policy making. Urban governments also earned their legitimacy through a combination of formal authority and indigenous informal modes of decision-making. Today, the legacy of some of these colonial practices are evident in the functions allocated to Dhaka City Corporation (DCC) (including mosquito control and sanitation) and in the terms of electoral franchise where the criterion of property ownership still excludes poorer urban migrants.

From the 1970s, the donors' focus on the urban sector was mainly on poverty alleviation through investments in basic infrastructure and housing for low income groups. Some of this urban agenda was informed by how the so-called 'third world cities' were perceived. Contrary to modern cities of the first world, which had undergone a gradual process of industrialisation coupled with urbanisation, third world cities were seen to be urbanising rather rapidly, where population growth outpaced industrial development and modernisation. The vast squatter settlements and the general squalor and poverty were considered as manifestations of the unplanned growth of the 'third world city' and were thus prioritised and addressed.

In varying degrees, third world imaginaries still influence scholarship on urban governance in developing countries, as their cities are generally analysed through their relative lack of modernity, industrialisation, public services and more recently urban sustainability. Research on urban governance focuses almost exclusively on the deficiencies and problematic aspects of cities while de-emphasising their myriad characteristics. The literature on urban governance in Dhaka for instance, has a repetitive tendency of focusing on its problems such as rapid population growth, poor services and lack of coordination between government institutions but pays less attention to its vibrant community and political life. In general, urban research needs to continue to critique characteristics of first world cities which still determine indicators of success and shape agendas for urban governance reform, and find more inductive and empirically grounded ways of analysing and theorising on the complex and distinct personalities of cities in the developing world.

In Bangladesh, the Centre for Urban Studies (CUS) established in 1972 has sustained a long-standing commitment to urban research and has made a singularly substantial contribution to our understanding of various facets of urbanisation and urban governance. Notably, Kamal Siddiqui, Nazrul Islam, ATM Nurul Amin, Shahadat Hossain along with other Bangladeshi scholars have carried out pioneering research, where they have applied the mature Bangladeshi scholarship on poverty and livelihoods to advance our understanding of urban social formation, urban poverty and migration.

From the 1980s, it was evident to the donor community that focusing exclusively on resolving particular sectors of concern in developing cities (such as water supply and urban housing) although pertinent and matters of priority- did not fully capture the city's dynamic role in triggering national economic growth and facilitating effective local and global linkages in an interconnected world economy. Donor's attention shifted to municipal governments and their personnel and to ways of enhancing their capacity so that they could deliver services, support infrastructure development, alleviate poverty and practice participatory governance. Programmes for the support of basic infrastructure such as housing, water and transport continued but there was more attention given to how these programmes were governed by urban governments.

When the New Urban Management Programme was launched in the 1990s, urban governance was firmly established in the donor agenda. The purpose of governance, however, constricted much more to an economic rationale where city governments' key role was to ensure that infrastructure and services were competitive enough to attract businesses, which were now increasingly mobile in the global economic arena. In the new urban strategy, the World Bank for instance determined that urban governments were responsible for ensuring liveability (liveable), competitiveness (productive and competitive), bankability (financially sustainable) and good management (well governed) of a city. Correspondingly, national governments also recognised the crucial link between urban governance and economic growth and allowed some level of municipal autonomy and private sector investments to ensure competitive infrastructure and services in areas designated for industrial investment and foreign investors. Dhaka's special economic zones operate on similar lines, where services are priced at a premium but are reliable and regular and managed on exclusive terms by the DCC and private companies.

The overriding economic rationale in urban governance thinking, despite including the finer points of poverty alleviation and normative concerns of accountability and participation, does not quite engage with the key variable of power and politics which shapes, colours and gives life to urban decision-making structures and relationships. Urban politics, as a site where different actors and stakeholders express their interests with varying degrees of bargaining power, was somewhat simplistically expected to coalesce around the urban growth agenda. The World Bank in its challenge of Urban Government Report acknowledges that the issues it engages with, have been discussed from a technical point of view, abstracted from the political aspects of the urban economy, but understands unequivocally that the connection between politics and the city is an important one. The UN-HABITAT's definition of urban governance (see Box1) recognises that power exists inside and outside formal authority and that urban policy decisions are based on complex relationships between different actors with different priorities but somehow assumes that these competing priorities can be reconciled through governance, and that this reconciliation process is the crux of what urban governance is.

Box 1: Definitions of Urban Governance

> Urban Governance is the sum of the many individuals and institutions, public and private, who plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative actions can be taken. It includes formal institutions as well as informal arrangements and the social capital of citizens.
>
> (UN-HABITAT 2005)
>
> Good city governance and management is a prerequisite for competitiveness and liveability in any city. Governance is defined here in terms of accountability and transparency in the use of public funds, coupled with the knowledge and capacity required to execute local government responsibilities in response to the constituency's demands.
>
> (World Bank 1999)

The complex political relationships and processes, which drive various facets of urban life, are crucial to our understanding of urban governance, and perhaps more so in the context of Dhaka city. There are intriguing and difficult questions such as how sophisticated management of working classes may be the reason why vast settlements of deprivation, co-exist cheek by jowl with pockets of extreme affluence, without bursting out into violence and disorder? Or how urban institutions are appropriated heavily by national partisan politics, with urban local bodies being changed blatantly to ensure that members of the party in power run them so that they would assist in winning the next parliamentary election? Or how despite being considered illegal by the formal government, squatter settlements receive essential household services from a complex chain of intermediaries colluding with public service providers? Slums are illegal in the eyes of the formal state but tolerated by the 'informal' world of political relationships because of the role they play in reproducing the legitimacy of the state and the political parties in power.

The above mentioned conundrums indicate the importance of political relationships progressing from central structures of governance and national politics, right down to the interactions between urban dwellers and the intermediaries and political representatives who operate in their localities and influence their lives and livelihoods. These political relationships are forged through mutual obligation with local political actors seeking the support of patrons higher up to maintain their control over a designated local space, while political leaders in the higher rungs of the party ladder depend on those on the ground to establish their local support base.

In this Report we are concerned with the normative underpinnings of donors' and other prescriptive analysis of what good urban governance should be, but we are also rather sceptical that there are no straight jacket one-size-fits-all solutions to achieving them, especially when urban governance in reality operates through such a complex array of political and social relationships. Our attempt in this Report is to provide keyhole insights into the complex relationships that shape various facets of urban life from ward level elections to the historical role of urban elites in determining urban policy decisions, to the organisation of rent-seeking syndicates who operate in the rickshaw sector and provide services

in middle class and lower income neighbourhoods. These insights illuminate the processes and relationships which shape urban governance and provide a better understanding of how prescriptions for reform may take shape, and how perhaps existing 'informal' networks could be used in the short to medium term to achieve effective public authority with rights based entitlements in the long run.

1.3   Perspective and Method

Soon after we started the research for this Report in February 2011, Dhaka was ranked the second least liveable city in the world in the Economist's World's Most Liveable Cities Index, 2011. This immediately triggered a series of alarmist articles in leading national newspapers, warning that poor urban governance was responsible for Dhaka's low scores across a range of indicators including personal safety, infrastructure, services and stability. Back then, IGS's default position was to take a critical view of such international surveys. As they are mainly used for determining hardship allowances for employees due to be posted abroad and intended for multinational investors, it is not surprising that they are deliberately Anglo-centric with cities in wealthier countries featuring amongst the most liveable while Dhaka along with Colombo, Tehran, Karachi and Lagos being given the least liveable status.

Such surveys determine key indicators and score them in a way that misses the subtleties and nuances of life in a city such as Dhaka. An economic migrant, who comes to Dhaka for the first time can tap into a rich network of regional and ethnic communities that provide the key resources for his or her social mobility, which perhaps is not available in the same way to a first time migrant in Tokyo or New York. Or that the very essence of Dhaka's growth and change is its relation and its continuities with its rural surroundings and any attempt to simply cleanse rural influences from the city in the name of modernisation or achieving world city status would effectively go against the very nature of Dhaka's development trajectory and could have huge social and economic costs.

We therefore chose not to rush to find governance solutions to the myriad problems of Dhaka city. Instead, our attempt in this Report is to understand how governance works in particular arenas of this city. In a way, we are somewhat reframing the usual question. Not how governance can better address the challenges of sustainable development and poverty in the city but how governance actually operates through a variety of relationships, institutional spaces, incentives and interests. In doing this, we are not meaning to be less vigilant of on-going urban concerns over traffic congestion, pollution or even the lack of effective local authority, but we are opening up an intellectual enquiry into the variety of ways in which governance mechanisms may be operating and how they could be used to build rights based, inclusive governance structures in the long run. In accordance with the guiding research problematic of this Report, there are three perspectives, which are central to our enquiry[1].

The first perspective is the relation between 'formal' and 'informal' structures of governance. By 'formal', we refer to the set of ordinances, codes, institutions and practices that are determined officially as the framework of urban government and which have the legal and social legitimacy to collect revenue and exercise authority to carry out prescribed functions. And by corollary, we

---

1.   Our perspective on governance is influenced by the Upside Down View of Governance, published by the Institute of Development Studies, 2010.

understand informal institutions as socially shared rules, usually unwritten that are created, communicated and enforced outside officially sanctioned channels (IDS 2010) and which provide a range of collective goods and services. The 'formal' and 'informal' are closely inter-related, with informal relationships underpinning the working of most formal institutions, and with formal institutions maintaining their relations with society by mediating through various informal relationship based arrangements. We do not see 'informal' arrangements such as political patronage, intermediaries or 'middlemen' and rent-seeking simply as pathologies of poor rules-based formal governance but as elements of the variety of forms in which public authority takes shape in society and collective goods are distributed in the context of a limited welfare state. And therefore we see them as part of a process of transition towards inclusive public authority in the long run. Also, our focus on informal arrangements enables us to look behind the 'façade' of formal structures, the spaces inside and outside of official structures where power is negotiated, mobilised and shaped.

The second perspective involves the interplay between structure and agency in the workings of urban governance. This follows from the complex interaction between economic and political forces in shaping the nature and scope of urban policy making. An overriding economic logic stresses the notion that cities are embedded in global economic structures and that city managers including public officials, private businesses and citizens are constrained by the competitive regional and global economic environment and would therefore be forced to make 'rational' policy choices to promote economic growth. The city government is conceived as an efficiency maximising organisation whose decisions and choices are relatively fixed by the structure of a competitive global market.

In contrast, a political logic would conceive of urban governments as inherently political entities wherein political leaders have to forge coalitions and win popular support and would therefore adopt development strategies that satisfy popular preferences and would distribute the benefits of development to reward their constituencies. A political logic is apt to focus on the agency of urban political leaders to mould urban decision-making according to their personal discretion and political interests. In this Report, while we are orienting our attention on the politics of urban governance, we equally recognise the interplay between economic structures and political agency. There are political choices which underpin the direction of economic change in a city and hence are not entirely the result of impersonal deterministic structural forces and likewise political actors are likely to respond to a certain degree of underlying economic and structural constraints when making policy.

The third perspective is on the form and function of urban institutions. We believe that there could be multiple paths to achieving effective public authority and hence our attention is on the function of institutions, organisations and processes and the development outcomes they are able to deliver through a variety of arrangements. In other words, we have not adhered to a fixed predetermined model of urban governance, and are open to the variety of formal and informal ways through which public goods may be delivered. This opens up the prospect for finding innovative, locally determined solutions to achieving better urban governance and allows for a more inductive and contextualised rather than prescriptive assessment of the governance mechanisms which are in place.

IGS is committed to carrying out empirically grounded evidence-based research, which can deepen and widen our understanding of various dimensions of governance and provide a robust foundation for finding innovative, meaningful and regional specific policy recommendations. In line with this tradition, the chapters in the Report have been founded on rigorous field research combined with

analysis of relevant archival, policy and academic documents. Over a period of 8 months between January to August 2011, researchers have painstakingly interviewed the key stakeholders whose actions and everyday experiences influence specific dimensions of urban life (e.g. ward elections, rickshaw trade and distribution of services in informal settlements) and the worldviews of the interviewees are reflected in the research and analysis carried out in this Report. We also commissioned a city wide survey based on the Citizens Report Card method, which was carried out in August 2011 to collect individual household's assessment of the quality of services delivered to them (hereon referred to as IGS Service Delivery Survey 2011).

While as researchers we shared our overall position on how the question of urban governance should be framed for the purpose of this Report (as discussed above), individual researchers had the freedom to devise an analytical framework and a disciplinary orientation that best suited the substantive issue of each chapter. This was necessary to cover, as comprehensively as possible, the many facets and complexities of urban governance and it highlights that the study of governance is indeed a multi-disciplinary and contextual one.

1.4 Themes

Given the overarching focus of this Report on the political relationships and interests which shape various facets of urban governance, there are at least three themes that cut across the forthcoming chapters.

Patronage system and partisan politics

Our attempt to understand how political power is organised in the city brought us in close encounter with patronage relations, where through an arrangement of mutual obligation and loyalty between individuals whether positioned hierarchically or non-hierarchically, particular demands for social mobility, protection and political support are negotiated. Various aspects of urban governance from the distribution of public goods, to appointment of personnel at various tiers of urban government, sub-contracting of major development projects and even the administration of laws are subject to political criteria where incentives and favours are distributed such that they ultimately attract and direct support for partisan political formations. Whether it is the issuing of licenses to a rickshaw puller, or the provision of electricity to a household in the slum, or even the election of a ward councilor we found the influence of a partisan based patronage systems. Favours in the form of access to public goods, local power positions and even protection for businesses or individual livelihoods are dispensed in return for support in the form of votes, or participation in rallies and demonstrations for a political party, or loyalty for local power holders or benefactors more generally.

It is evident from the chapters in this Report that major political parties have organised themselves right down to the ward level, tightly controlling the appointment of ward councilor, ensuring the mobilisation of local support in the form of votes and determining the terms of access to public goods and development resources locally. Consequently, while public institutions in the form of local government administration have not devolved effectively to the local level, party organisations have penetrated deep into local politics ensuring that they are well integrated and cohesively managed by higher tiers of party administration.

Well devolved politics on the back of limited local governance, poses a further concern on how public accountability is exercised whether citizens are able to hold their governments accountable via electoral politics or are accountability mechanisms simply dissolved because patronage systems dispense private favours rather than public goods, thus enabling corruption and even adverse coercion for ensuring loyalty at times. This is a concern that all Chapters in this report engage with in particular contexts.

State-society Relations

When preparing this report, we found it inconclusive to follow frameworks that distinguish state and society as water tight compartments; as there were regular, visible instances when rules, codes and even accountability mechanisms (whether formal or informal) were shaped through interactions or relations between state and society. In other words, it was untenable to think of urban governance simply as a dichotomy between a formal state, which delivers a set of functions (supply) in response to a set of priorities determined by society (demand). Instead, the chapters in the Report show that while supply and demand sides of governance still matter, how the state 'supplies' depend on how relations are forged and mediated through society, and 'demands' that are made from society on the state are affected by loci of power, where certain private interests or coalition of interests align with the state and influence policy decisions.

The role of urban elite

The role and influence of the urban elite in steering the direction and scope of urban governance is a continuous theme in this Report. We were not thinking of elites as a cohesive coalition whose vested interests had a dominating influence on all public decisions. Instead, the chapters reflect the subtleties of how upwardly mobile social groups align their interests to influence particular urban policies and whether there were prospects for collective mobilisation on shared public agendas that affected urban middle class and low income groups significantly. The chapter on the History of Governance in Dhaka City initiates this theme by showing how the urban middle class's desire for a safer and cleaner city led to introducing a system of municipal taxation which (re)defined the role of and modalities of urban governance, shaped relations of accountability with citizens and inscribed new structures of urban social hierarchy.

Chapters 2 and 3 on the Political Economy of Dhaka City and the Politics of Governing Dhaka City, respectively, take a somewhat more critical view of how a coalition of elites influences key urban policy decisions such as the distribution and planning of urban spaces, or the development and seclusion of middle class neighbourhoods, with the resultant effect of marginalising lower income groups from exercising citizenship in a meaningful way. Chapter 4 on urban transport subsequently takes up the issue of how Dhaka's roads reflect middle class preferences for private motorised transport and marginalises lower income workers who need to use public transport daily to get to work and also discriminates against rickshaw pullers and the rural migrants for whom this is their livelihood and chance for survival. Finally, chapter 5 on urban services comparatively analyses how households in middle class and low income neighbourhoods access household services, with a view to identifying whether there is any prospect for all income groups to collectively mobilise on a shared agenda for ensuring that services are provided by the state as rights based entitlements, or whether private ways of bypassing inefficient delivery of public services diminish these prospects.

1.5   Findings: What Do We Know About Urban Governance in Dhaka City?

The *State of Cities: Urban Governance in Dhaka Report* advances the following findings:

Politics of decentralisation and local governance reform

It is evident that although national governments have attempted to create the legal environment for strengthening decentralisation and participation at the local level, in practice there is a strong inclination for ruling parties to control local administrative structures so that loyalty and support for the ruling party is maintained and development decisions and resources are dispensed through a centralised and indeed a politicised governance framework. In Bangladesh, there has been an interchanging cycle of governments enacting Ordinances to establish a local government system in urban and rural areas (Municipal Ordinance 1960, Local Government Ordinance 1976, Upazila Parishad Ordinance 1982, Local Government Commission 1997), only to be repealed (Abolition of Local Government Ordinance in 1982 and Abolition of Upazila System in 1991) or drastically revised and transformed (2001 and 2007) when a new political regime has come into power. Successive ruling parties have reorganised urban local government bodies to ensure that these institutions are run by their own party members and have changed urban local bodies (including Thana and Ward level syndicates) to strengthen their political base in an area. Thus, measures for decentralisation have been systematically appropriated by the political parties' desire to penetrate their control and influence deep into the lower reaches of their administration and the society over which they govern.

Decentralisation of democracy

Although Bangladesh has had an almost uninterrupted democratic set up since 1991, and elections at the national level still attract high levels of participation from all constituencies, at the municipal level there are decisive practices and legal measures in place, which inhibit representative democracy. Municipal authorities are rarely elected in the open and elections of mayors are heavily delayed with gaps of up to 10 years before a new appointment is made. With a winner take-all-approach from the party that comes into power, there is a tendency to postpone elections for local bodies so that even in the lower reaches of government, power is not dispensed to opposition parties. Systematic measures are taken to isolate the parties in opposition from formal administrative structures with the result that contestation and deliberation over policy decisions and agendas pertaining to the city are typically voiced in the streets through the 'unruly' politics of hartals and strikes (e.g. the demonstrations over wages of garment workers in 2009).

A further issue of concern is the extent to which elected representatives of municipal bodies are overseen and constrained by the central administration. Dhaka City Corporation is run by elected representatives (including the Mayor) but its functions are controlled by a corresponding development authority (Rajdhani Unnayan Kotripokho or Capital Development Authority) which is comprised of public officials who lack representation from the communities they are supposed to serve, and thus have a weak orientation to accountability and public responsiveness. Citizenship, too, at the city level is determined on hierarchical terms with non-property owners including the vast population of rural migrants having no right to take part in local elections.

Accountability mechanisms

Following the framework of World Development Report 2004,regarding the long route(where elected representative hold public service providers to account on behalf of the public) and short route accountability (where citizens as customers engage directly with service providers),there has been some exploration on how, in contexts, where the connection between elections and accountability is weak, the long route could be short circuited by encouraging citizens to directly deal with public service providers. In the urban context the short route to accountability has been recommended by donors for essential services such as water and sanitation. Our review of service delivery mechanisms for urban slum dwellers, in particular, makes us less optimistic of how the short route to accountability might work. The centre of our concern is the non-legal basis of slums dwellers, who have to enter into contracts with local intermediaries in order to access public services which they are not entitled to receive from the state. In other words, their terms of access involve very little choice, and much less voice on expressing their concerns over price and quality of services. We even found that local intermediaries actively discourage slum dwellers from accessing services from NGOs and in turn NGOs themselves have to mediate with these local intermediary networks to implement their programmes. On a positive note, our survey revealed that slum dwellers, more than middle and upper income groups, believe that services should be provided by the government (not private companies or NGOs) as this would ensure that prices as well as quality is controlled in more just and equitable ways.

Intermediation in a limited welfare state

Where welfare provision from the formal state is weak and the poor are not entitled to rights or public goods, intermediaries step in to provide access to services and employment opportunities. *Mastaans* or middlemen or powerful musclemen as they are sometimes described, are an important link in the political organisation of Dhaka city, operating on the interstices between the imperfect official state and the informal world of access to entitlements and services. Typically, *mastaans* purchase the land in order to exploit particular urban territories from municipal authorities, then allocate plots to squatters, and provide electricity connection and access to latrines and water pumps. They also take commission for controlling access of slum inhabitants to employment opportunities in garment factories and other low skilled jobs, guaranteeing their loyalty and docility as low wage workers (Wood 2009). *Mastaans* also feature in the lives of middle class city dwellers, as middlemen who provide protection to local businesses or help bypass public service providers by repairing and guaranteeing access to services in exchange for a fee. On the one hand, *mastaans* function as intermediaries between municipal officials and rent-seeking bureaucrats, and on the other hand they control the local population to collect rent and loyalty from them in exchange for access to entitlements[2].

The *mastaan* features across the chapters in this Report, shedding light on how networks of intermediaries and public officials determine the terms of access to livelihoods, services and positions in elected local bodies, and the resultant implications this has on the citizens who negotiate with these networks in their everyday life and how this entire process effectively impinges on wider issues such as participatory governance, accountability and well-being.

---

2.   We are grateful to Geof Wood and Joe Devine for sharing their insights on the network of *mastaans* in Bangladesh.

1.6   Overview of Chapters

The Report starts off with a chapter on the "History of Governance in Dhaka City". The chapter traces how changes in Dhaka's economic role in regional and global arenas have progressively transformed the way in which the city was politically administered, and in turn how political regimes have mobilised resources and controlled social structures to appropriate the city's economic potential. By tracing historical trajectories the chapter highlights some of the major constituents of Dhaka's urban governance structure as we know it today. The chapter uncovers the continuing relevance of features such as patronage relations formed out of religious and later class cleavages and the role of the urban elite in mobilising revenue from the city and its rural hinterland to rule as well as direct the provision of urban public services. The chapter also shows the trajectory of the gradual dissolution of autonomous municipal governance, from the British era when it was established as such to integrate the city with rural and global capital flows and trade links, to the Pakistan era when municipal and local governance was subjected to highly centralised authoritarian control, to the post independence years when an ill-equipped municipal government within a centralised administrative set up gave way to layers of informal coping mechanisms in this rapidly expanding city (such as slums, intermediaries and indeed the rickshaw as a livelihood option for rural migrants).

Chapter 3 on the Political Economy of Dhaka City focuses on the contemporary state of Dhaka city its rapid urbanisation on the back of an expanding garments and real estate industry; the city's unplanned development reflected in vast informal settlements as well as mushrooming high rise buildings; the prospects of social mobility which draw rural migrants to the city; and the causes of rising crime and violence that have lately created a deep sense of personal insecurity amongst Dhaka's inhabitants. All these general characteristics of Dhaka city are captured in this chapter, with a view to explain the factors that underpin Dhaka's modern growth, its layers of inequality and its resultant challenges and how governance is at the heart of all of this.

With Dhaka's historical and contemporary backdrop set out in chapters 2 and 3, subsequent chapters go on to engage with the distinctive constituents of the governance process in Dhaka city. Chapter 4 titled imaginatively as 'Politics in Urban Governance: City without Citizens' engages with the issue of the political management of Dhaka city. How the city is politically managed through a network of loyalty structures involving public officials, politicians activists and intermediaries or *mastaans* and how this affects the exercise of citizenship in urban governance. The chapter dwells deep into the running of the Dhaka City Corporation and uncovers how its disempowerment and lack of autonomy is a result of political structures that are centralised and tightly control power relations right down to the ward level, and how effectively this weakens citizens' ability to hold their local government and institutions accountable.

Chapter 5 is titled 'Governing Transport in Dhaka City: Stakeholders and Institutional Arrangements in a Vital Economic Sector' and engages with one of the main frustrations of Dhaka city in a novel way. The chapter takes transport as proxy for the extent of social mobility in the city with the changes in the use of motorised transport in recent years acting as a reflection of middle class and upper income group lifestyle. The road, in a sense, is taken as policy space where different stakeholders negotiate their interests and influence the direction of policy and change. From the way in which 'private' motorised transport is given the policy preference although less used by Dhaka's residents, and a lesser source of

livelihood for Dhaka's rural migrants and an even less efficient and environmentally sustainable mode of transport it is evident that the interests of higher income groups and other stakeholders take precedence over others. The rickshaw sector is also looked at as a key labour market and the chapter offers some insights on how this economically viable sector is governed and managed by intermediaries and public officials and the resultant implications this has on the livelihood and the well-being of the rickshaw puller.

Finally, chapter 6 of this report titled 'Governing Urban Services in Dhaka City' investigates how different income groups from those living in informal settlements, to middle class residential colonies and upper income neighbourhoods access services both from the state and privately through informal means. By employing the framework of 'exit, voice and loyalty' the chapter investigates whether there are prospects for citizens to organise in order to hold their service providers accountable to delivering services on efficient and equitable terms and indeed as their right and entitlement, or are they so deeply entrenched in loyalty structures involving intermediaries and private dealers that neither exit nor voice is an option. The chapter engages with the three services of Electricity, Water and Waste Management and illuminates our understanding of how the terms of access to public services are determined through a systematic framework of formal and informal channels.

The Report ends with a conclusion which summarises the main contributions of the chapters in this Report and proposes ways forward for further research on the issue of urban governance.

A History of Governance in Dhaka City

2.1 Introduction

For the purpose of this Report, this chapter aims to comprehend and distil Dhaka's governance history through a few important lenses; the lenses being geopolitical, political, economic and socio political. This is based on the understanding that crucial aspects of social, political and economic life in the city either influence and/or are influenced by governance, whether formal or informal. From the changing physical geography of the city's surroundings, to the growth of unplanned and autonomous housing and business over the last forty years, formal governance has regularly been at the beck and call of greater climatic, economic and social trends.

The four hundred years that this chapter covers are broken down into five historical eras. Each era of the city's history will be noted for how it broke from the previous errand set the scene for the next. From the Mughals who capitalised on the global demand for muslin, setting the economic scene for the British; to the British who developed a society based on religious cleavages competing for patronage, which set a precedence for the Pakistani era.

Each era will be understood through three broad lenses which in turn will be distilled in the formal governance paradigm. The first will be the geopolitical: understanding how the city's geographical location and topography inscribed its political importance in the region and determined the way in which it would be ruled and governed; the second will be a political economic view of the city's experiences, highlighting how its economic priorities and growth were politically managed; thirdly the socio political paradigm of the city will be explored in each era, understanding the social formations that ran it from below and above. The conclusion of each section will seek to identify how key developments in each era have had a bearing on contemporary governance arrangements. The ultimate purpose of this chapter is to highlight the continuities and breakages from Dhaka's past; providing a platform for the ensuing chapters; and also tentatively propose some new directions for Dhaka based on its previous experiences.

Dhaka as a physical urban polity has existed for many hundreds of years. The year in which this chapter starts 1610 does bear some importance for this is when Dhaka became the Mughal provincial capital of Bengal, however the influence and accordingly the size of the city has increased and decreased dramatically in the last four hundred years. The charting and understanding of these variations is set here to act as the basis for the chapter and the Report. As if by comprehending Dhaka's historical experiences we are couching the report in an applied urban study, understanding many of the factors that urban academics and planners scrutinize in the contemporary context: social stratification, migration channels, infrastructure, urban economy and ultimately, the governance nexus.

The city's sometimes uncomfortable position as a focal point between global and local political economies will be better understood by looking at its constantly changing economic environment which helped to physically and culturally shape the city, while different elite formations took their turn in exerting their influence. Whether for good or for bad, the Hindu bankers under the British; the Muslim Mughals with their use of Persian as the official language; and the British with their fiscal mismanagement, all helped to shape the Dhaka we know today. Equally the non-elite often had the greater influence as they were the people who made it a living, breathing site of grandeur, diversity and daily exchange: without them, Dhaka would become an empty wreck, and with them, one of the great metropolis of the orient. In this Report history acts as both the narrative backdrop, and also helps to deepen the understanding of this modern metropolis and its governance nexus as laid out in the following foci: environment, economic, social and political.

Dhaka has historically had unshakeable ties with its rural surroundings. The city's industry and wealth have always been based upon the fruits of the fertile flood plains on which it sits. Sometimes it has been a victim of a failure to control the rural and sometimes a focal point of the success of that control. Whilst the municipality's population has fluctuated hugely, this does not always mirror its success or failure whether in economic or governance terms. Further to that, the city's governance success or failure is often only symptomatic of the economic conditions in the global, regional and city arenas. Governance at the local level can often only be as successful as the conditions permit to a degree it will always be a pawn amongst greater political and economic actors.

The designation of Dhaka as a capital led to a massive influx of people swelling optimistic estimates of the city's population to 900,000 by 1700[3] (Ahmed 2010, p.15). Analysing the city's population and in particular its growth, can be a useful tool for understanding when the city was failing or when it was succeeding in serving its people and its surroundings. Steady and equal growth is often a sign of successful urban and rural governance coming together; it is balanced and no particular situation is significantly more desirable than the other. Alternatively, if either the rural or urban situation has dominance on growth over the other, it tends to denote problems for the area of slower growth. See map 1 below for changing patterns in the population density and area of Dhaka city through different eras.

Today, Dhaka is a pull point from the rural as the city presents job opportunities with varying degrees of affluence and social well-being. Throughout history this alternative lifestyle offered by Dhaka has not always been so obvious or enticing. Migration from the rural to the urban or lack thereof has shaped

---

3. It is likely that this figure referred to the entire district and its inaccuracy must not be dwelled upon to defer from the fact that it was a burgeoning global metropolis at this stage.

how the city has developed socially and thus also physically and economically. As a city that provides the promise of alternative income opportunities and potentials for education, healthcare and material improvements in livelihoods, Dhaka now has to contend with an unprecedented regional primacy. This primacy has triggered Dhaka's overcrowding and liveability problems.

Map 1: Changing Pattern of Dhaka City
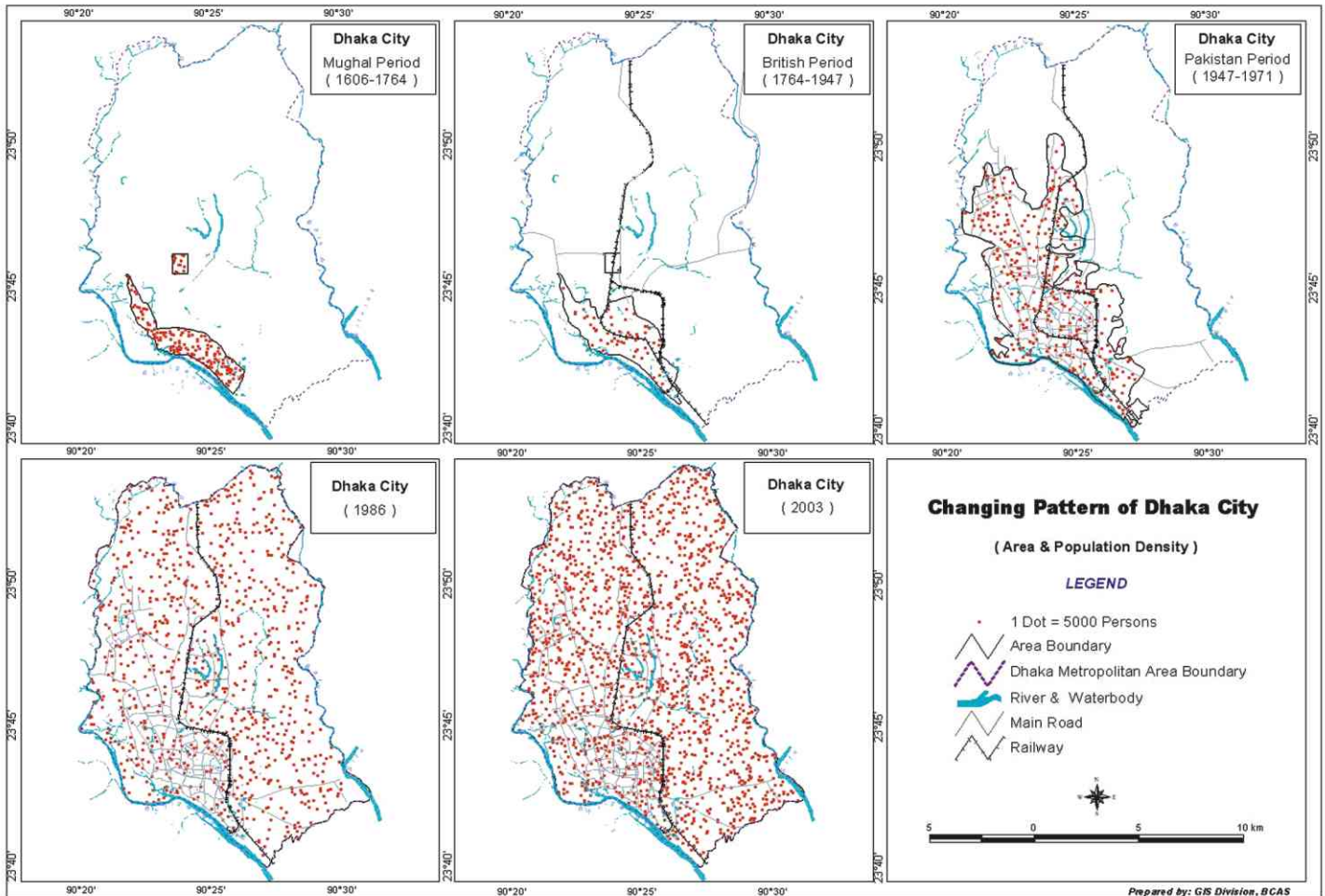
Source: Dhaka City: State of Environment Report 2005

2.2   Mughal Dhaka

In 1610 the Mughal governor Islam Khan made Dhaka the regional capital of East Bengal. This capital status would last just over a century in which time it is claimed the population of Dhaka (including its suburbs) reached a staggering 900,000. Regardless of the accuracy of the figure, there were certainly hundreds of thousands of people here, many of whom formed the burgeoning ranks of the empire's administration and army. As a capital of the empire it developed increasing levels of social stratification, along with the ability to create and support the livelihoods of a greater cross-section of society.

Figure 1: Population of Dhaka 1700-1965
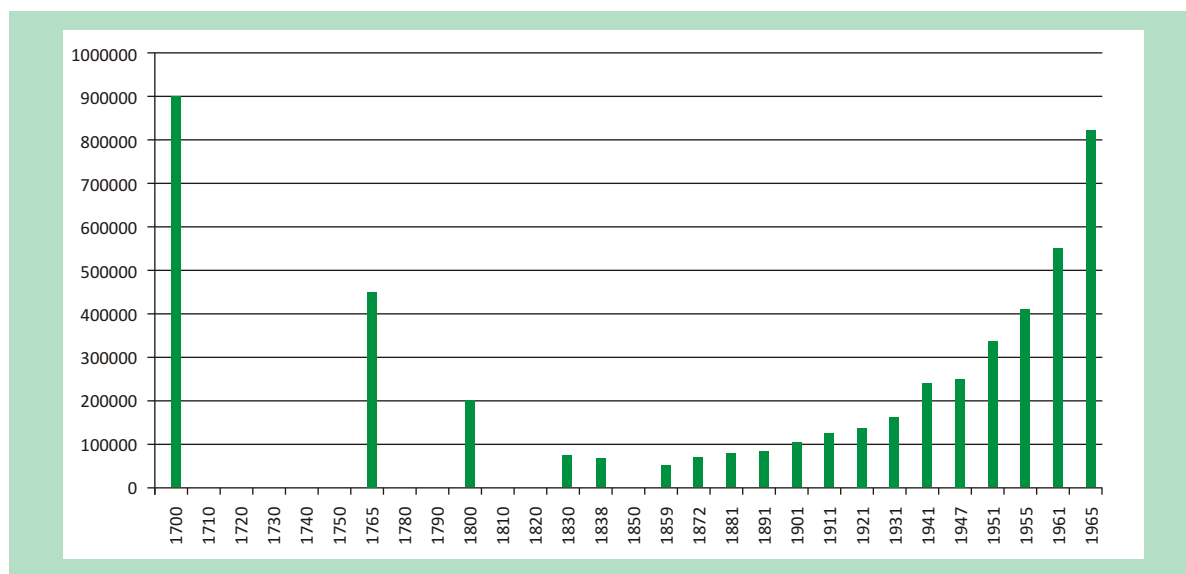
Source: *Adapted from The revenue survey map of the city of Dhaka, 1859; Census of Bengal 1901, 1911; Census of Pakistan, 1951; Census of Pakistan, 1961; Census of Bangladesh 1974.*

If we understand why Dhaka was chosen as the regional hub by the Mughals, we can also understand the transition of how it became an urban governance hub from an expandable rural area. Most importantly, Dhaka is a city with a reputation built on its easy links to the rest of the region. It sits snugly on the north bank of the Buriganga, but also with a proximity to rivers in the north, east and west. Long before roads were of any significant use the rivers provided a swift journey to a vast array of outlying provinces. Added to this navigable primacy the town rested unwittingly on the point at which a band of red lateritic soil met the Buriganga. This solid ground was not only suitable for building on but was also higher than the surrounding flood plains.

The focus of development under the Mughals was on the upholding of the rule of law (and thus tax collection) and the furthering of trade interests. The combination of these two aims led to one key physical advancement, the creation of bridges in the region. Bridges lubricated the trade routes and the channels for military access. The building of two roads furthered these developments, not only connecting Dhaka with its surrounding areas but also encouraging the growth and spread of Dhaka's physical shape along their routes. Dhaka's standing army now had the ability to cover a far wider area in its quest to suppress piracy and banditry. Despite this, populations remained incredibly concentrated for reasons of safety (and also a lack of transport options). Not only was the region now safer from bandits but it was also more exposed to the imposition of Mughal taxes. These taxes were collected via the famous *Baro - Bhuyans* of Bengal who were now a broken collection of ex-rulers relegated to the status of *zamindars* (Taifoor 1956, p.85).

When considering Dhaka's commercial and industrial output, of course,we cannot forget the muslin trade but there were other important crafts that the city was famed for at this time. These included pottery, brass and metal work, *shankhari* (conch shell carving for ornaments worn by married Hindu women), and gold and silver smithery.

Dhaka then was a city of many different communities who, as the name of *Puran* Dhaka (Old Dhaka) still illustrates, lived in distinct areas e.g. the *Shankharis* lived and worked in Shankhari Bazar and Tanti bazaar was home to the weavers.[4] This diversity defined Dhaka as one of the true cosmopolitan cities of the world at this time. Asians of every faith,(Hindus,Muslims), not to mention European missionaries and traders from Portugal, Holland, Britain and France all operated out of and lived in this muslin-boomcity.

Dhaka's roads and bridges, along with its position among a latticework of waterways ensured that its rural linkages were strong. Dhaka's status as a trading hub was not a new one but its newfound regional primacy as the capital meant this only grew stronger, with increasing amounts of agricultural goods arriving in the city, some to be processed and others to be sold on. Crucial to Dhaka's success though was that many goods were not simply collected and sold onwards wholesale; rather they were given added value via the city's multiple manufacturing niches. Cotton, although not grown in large quantities in the Bengal region due to the poor soil conditions for such a crop continuously found its way from across the subcontinent to East Bengal where the famous weavers turned it into the much desired muslin cloth.

The improvements and developments that were made were regularly attributed to individual Mughal rulers thus perpetuating the cult of personality driven leadership wherein major developments in the city were attributed to the generosity of key leaders than to any formal institutional arrangement. According to records any decisions made by Mughal leaders in regards to public works were their personal ones and even the financing appears often to have been via acts of 'philanthropy' (Taifoor 1956). Thus we must understand that the concepts of governance and philanthropy were more fused in this era than in others. This was a 'personally paternal' state, as opposed to the more centralised and thus diluted cult of personality that Queen Victoria promulgated after 1858.

Of equal if not more importance to how the money was spent was how it was collected. The Mughals were, for a century at least, very effective at accommodating the aforementioned *Baro Bhuyans* of Bengal and avoiding conflict with old elites "[t]he state allowed these intermediaries (*zamindars*) to retain a minor share of the formal revenue demand, tax-free lands, and their local positions of power in return for enforcement of the revenue collection and order in the countryside" (Richards 1981, p.298). Dhaka was thus a regional capital for the administration of this now more centralised system of governance. The responsibilities carried by the city ensured that large portions of residual middleman tax-collection revenues stayed within the urban economy. In turn, the quest for greater revenues from the rural surroundings ensured that the city benefited still further from increasing trade and industrial links for the passage of inputs and outputs.

Important and basic public goods under the Mughals were security (a standing army and a central jail), and the *Langarkhana* (famine relief centres). These centres were a primitive form of social welfare and displayed foresight and paternalism from the governors who should thus not simply be remembered as sporadic distributors of philanthropy and occasional town planners. As we shall see, such positive paternalism from the state and municipal actors was to be massively lacking for much of the British period.

---

4. Remarkably this phenomenon is replicated in many parts of modern day Dhaka such as the Islampur market for wholesale clothes or Dholaikhal for car parts (of every conceivable kind).

2.3 Early Decline

Dhaka's decline was not abrupt or sudden; its one hundred years of growth as the primary regional trading hub (and outlet to the world) ensured this. In 1710 MurshidQuli Khan (1704-1727) oversaw the moving of the capital of Bengal to Murshidabad and then, 7 years later the collapse of the central authority in Delhi. Despite this he continued to recognise Delhi's power albeit with a reduced flow of funds. Khan's rule was a successful one for Bengal but this alone was not enough to stem the social and economic losses experienced by Dhaka after 1710.

The initial trigger for decline was the loss of capital status to Murshidabad. This led to the loss of thousands of administrative and military jobs in the city and the decline and loss of livelihood for all those who supported this community. Further to this, Dhaka began to lose its primacy not simply to 'the rural' but rather to other smaller urban sites. The move to Murshidabad caused a decentralisation of the urban population rather than a simple reverse movement from the urban to the rural. Dhaka not only lost its capital status then, it also began to lose its urban and economic regional hegemony.

"[U]nder the Nawab's government (c.1704-1757), many new urban centres grew around the local administrative headquarters throughout the country. But what is more important is that many towns developed centring round the residences of the great *zamindars*. The first half of the eighteenth century witnessed the growing power of many of these territorial *zamindars* whose seats of authority gradually turned into the most important regional towns of the time." (Karim 1963, pp. 242-3).

"Moreover, many of the new urban centres in the eighteenth century grew up as towns of the mercantile people, such as the European factory towns. The English, the Dutch, the French and the Danish trading companies established their factories and business centres in various parts of the country which eventually grew into towns." (Ahmed 2007, p.145).

Unfortunately, further and more telling damage was caused in 1757 when the British East India Company (BEIC) won the decisive Battle of Plassey *(Polashir Juddho)*, paving the way for trading and governance dominance throughout the South Asian subcontinent. This defeat, along with the invention of the Spinning Jenny in 1764, and the imposition of high trading tariffs, sealed the fate of the dominant muslin industry and thus the fate of a 'de-diversified' city economy. Ironically, it was the very emergence of the muslin manufacturing as the massively dominant export industry that helped to seal Dhaka's decline. Its rise ensured the elite's over-reliance on its income whilst its spectacular decline, in the wake of the arrival of high British taxation and machine-spun goods from Northern England, left an economic vacuum in the city.

Geographically though, Dhaka still sat on the banks of the Buriganga and at the centre point between the Bay of Bengal and the region's interior. The economic void created by the loss of muslin would at least partly be replaced by the newly emerging rural products; indigo and latter jute as well as new power holders toiling with the issue of tax collection and all the requisite administration. Dhaka then was equipped to thrive in its new capacity as a regional trading town and a site of administrative and financial support, second only to its evermore dominant neighbour Kolkata.

2.4 The British Commercio-Anarchic Era

The arrival of the British did spark a small revival in administrative work but more importantly it marked the beginning of a damagingly extractive era in the city's economic history (Khan 2010, p.36). Dhaka would eventually become the site simply for collecting and exporting raw materials: indigo came into the city, indigo went out of the city; jute came into the city, jute went out and so on; thus wealth only accumulated amongst a few entrepreneurial middlemen (Bengali and European), the British administrators, and the odd district-based industrialist (usually Indigo manufacturers). Value was not sufficiently added to support the scale of population that had existed at the height of the muslin industry a hundred years before.

The level of taxation on the Bengali population under the British (Marshall 2007, p.71) supply us with ample evidence that the BEIC was not in Bengal with any longterm view to develop trade and industry in the region, and certainly not to govern the place in any formal way. Added to this, were the new and vast (75 percent) excise duties imposed on foreign cloth imports into Britain. Not only was the economy affected by the taxation and the new non-value added exports, but also the new imports; cheap, British, machine made cloth undermined the local material trade and industry. Merchants and industrialists did not simply have to adapt to huge changes in the export economy but also to seismic shifts in the import economy.

What did all these economic changes mean for the physical state of the city? It is difficult to disentangle the economics from the governance in this era for the simple reason that the BEIC was not in Dhaka for purposes of governance or even to pretend to be disseminating any kind of civilising mission. Rather this was an economically strategic place for them to be. Their economic policy was in essence their governance strategy. Unfortunately, it was orientated towards short-term gain and not the long-term growth or development of either the manufacturers or producers.

Nevertheless, the BEIC did oversee one of the most experimental eras of fiscal rule Bengal has ever witnessed. Time and again they found themselves responding to self-inflicted crises with a new tax policy, finally the Permanent Settlement Act was arrived at, albeit as ineffective and inequitable as many of its predecessors.

A result of the 1793 Permanent Settlement Act was the growth in the banking sector, which in turn helped to shape the future of Dhaka's elite as the Hindus dominated the money lending industry. The post Permanent Settlement system now ensured that the landowners had to supply the British with such a rate of tax that did not allow them to develop the land; further to this the rate was high but fixed 'in perpetuity' if a crop failed or under produced there was little scope for accommodation from the state, thus borrowing from private bankers became a necessity for many landowners and *ryots* (tenant farmers).

Socially, let alone economically or physically, the city was in an incredible state of flux. Families who had, for generations found their livelihoods embedded in the city whether due to an entrenched elite or a well established manufacturing sector, were now given no other option but to re-forge their rural connections. Equally, new emerging elites were found to be migrating into the city. People could now

purchase complete and inalienable rights to tracts of land, thus meaning "the peasant was dispossessed of the land which now became the 'property' of the *zamindar*… The Land*lord* became land*owner*. Land was now 'bourgeois landed property'" (Alavi 1980, as cited in Chatterjee 1986, p.170).

The 1793 Act socially and economically for Dhaka meant that whilst a key governance middleman the tax collectors remained in the countryside, a new class of wealthy landed gentry arrived to live in the city and divested their link with the land. Tax collection began to be exercised by proxy and a new class of urban elite was born. Equally the "imposition [from 1801 onwards] of the heavy custom and town duties blight[ed] Dhaka's trade, [and] forc[ed] many foreign and Indian merchants to leave the city" (Ahmed 2010, p.92) this then was a sea change in the city's social make up and one that would shape the city's future for the next 150 years.

Urban out-migrations like the one seen in Dhaka between 1710 and 1850 have rarely occurred on such a massive and rapid scale. This was an unprecedented phenomenon and ultimately underlines the fact that a city's central draw is most commonly economic, just as it can also be the key repulsion. This era represented the "deurbanisation of Bengal" (Ahmed 2007, p.129). The impact of the loss of capital status in the early 18th century was reinforced by the creation of Kolkata not merely as the regional capital but as the capital of the whole South Asian subcontinent under the British. While Dhaka waned, its neighbour waxed very successfully.

By 1824 Dhaka was described as a "wreck of its ancient grandeur" with "two thirds of the vast area of Dacca…filled with ruins" (Bishop Heber cited by Ahsan 2009, p.436, and Dani et al. 2009, p.91). The city became a town, and it was surrounded by the remnants of its past as the area it covered purportedly shrank from a massive 50 square miles in 1700 to a meagre 8 in the 1840s (Ahsan 2009, p.436).

We must also seek to understand the declining population in the context of natural disasters; this helps to develop an understanding of the governance nexus and departs from James Taylor's economic rationale for the city's decline (see Taylor 2010). The famine of 1787 is claimed to have taken the lives of 60,000 people, not all were in the city, but certainly this was within the district (Hassan 2008, p.610). As noted, the Mughals understood the cycles of the region and the impacts that a famine could have, and thus accommodated for such events accordingly with the *Langarkhana* and reducing tax burdens. The BEIC on the other hand, failed to realise the severity of such an event to the wellbeing of the people (Taylor 2010, p.270). This is not to say that the Mughals successfully avoided crises in times of famine, rather they did ease situations, and this, coupled with Dhaka's continuing prosperity at the time, allowed the city to continue growing and remain relatively stable. It was only "[t]he low cost of food…and a long sequence of regular monsoons [that] kept catastrophe at bay" (Marshall 2007, p.76) in the aftermath of the Permanent Settlement Act and its potentially disastrous tax rates 'fixed in perpetuity'.

It was only after 70 years of East India Company's presence that the state of basic services in Dhaka were understood to be in a critical enough condition as to threaten the physical continued existence of the city. The gravity of the situation did not elude the British personnel in Kolkata, and thus in 1837 the

Chaukidari tax was determined to have a contributory aspect[5] to service provision in the town.[6] However, as would prove to be a continuing problem for local governance throughout this century, revenue collection was the primary stalling point:

"The corruption of the Panchayats, the venality and extortion of the Duffadars, the carelessness by which the tax has been allowed to fall into arrears and the rigour with which those arrears have been afterwards collected when almost forgotten by those who owed them, all these are deep causes of discontent" (Ahmed 2010, p.159).

It is in these years of the town's nadir that the basic tools for its re ascent were established. There can be adjudged to have been three core problems facing the Municipal Committee's budget: tax collection problems; tax reduction as enforced by central government in Kolkata, so as to prevent social discontent; and loss of workforce via, the 1845 prison regulation stipulating all convicts be solely employed within the confines of the jail; they could no longer be used for public works.

Despite all this there were successes of this early and informal predecessor to the Dhaka City Municipality. Roads were widened, various areas were lifted out of their insalubrious state and areas were reclaimed from stagnant waters. Whilst the larger scale development and expansion of civic amenities occurs in the following Second British Era, it is important not to forget the achievements towards the end of this era: Dhaka College was founded as was Eden Girls school; in 1858 Mitford Hospital opened its doors on the banks of the Buriganga; and on 18th April 1856 Dhaka's first newspaper was published. The reforms of the 1840s had paved the way for local taxation to be directly used in local ways, and of course with authority came accountability. These were important achievements and help to explain where the 70,000 BDT (USD $ 1555) spent by the municipal committee in this era went. The first committee had actually been established in 1823 but 1840 saw a marked improvement to this early and experimental governance body, primarily due to the 1837 tax changes explained above, and the endorsement of the body by the central authorities in Kolkata.

To conclude, this era must be understood to have drastically changed Dhaka. The economic orientation of the city changed completely as it went from a manufacturing hub (muslin) to a trading sub-hub (indigo and jute). This in turn affected the town's capacity to support a large and diverse spectrum of livelihoods. The new elites of the town were a disparate collection of minor middlemen at the beginning of a long global trading system; a relatively new class of proxy rural landowners (*zamindars*); bankers; and some administrative staff of various nationalities. Eventually the contraction of Dhaka's population and land area slowed and the little of it that was left struggled even to be habitable. Thus this era saw the birth of the town's first recognisable municipal governance body: after many steps backwards, new steps forward were finally taken.

---

5. If we are to pinpoint a time when the concept of municipal service provision first started as a concept and fledging practice in Bengal this is it: they went from basic services to basic municipal (publicly funded) services.
6. Other revenue streams for the town also started to fall in line in the following years such as the Ferry Funds (Ahmed 2010, pp.152-3).

2.5   The Second British Era

We start this section in 1864 as this year marked the enshrining of local governance in the law via the Municipal Improvement Act. This act was part of the British Government's move to develop their colonial agenda away from the pure capitalist or imperialist approach of the BEIC towards a more governance orientated and paternalistic state approach and borne out of the Christian missionary rhetoric of a 'civilizing mission'. Equally, it was out of economic necessity as the British Indian treasury faced bankruptcy after the 1857 Sepoy Revolt and sought to resolve the problem by devolving the central issue of taxation and thus budgetary reliance (Ahmed 2010, p.171). It was now a legal requirement of the local government to provide adequate drainage, sewerage, street lighting and various other services. The power of this body however would remain weak; the general population was not accustomed with the idea that they could obtain the services by paying taxes. Thus they were unwilling to pay tax to an unproven body and system (Khanum 2009, p.263).

As Dhaka struggled to adapt quickly to these changes it was only through private capital endowment from the likes of the Nawab family that the major public works in this period were allowed to happen. The Nawabs in particular provided the Connaught extension to the water pipeline in 1884 and then electricity in 1901 (Khanum 2009, p.269). The problem with such provisions was that their upkeep had to be ensured by the municipality. Evidence suggests that economic constraints ensured the Dhaka Municipality struggled to govern and plan much more efficiently than it had done prior to 1864. Changes did happen and in many respects the 150 years of decline were finally brought to a halt. This understanding is motivated by population figures, however, and whilst Dhaka's population had continued to contract until the 1860s its economy had already undergone a turn-around with the emergence of the indigo trade just as the famous muslin trade had reached its nadir.

While studying this era one has to take into account the increase in regularity of natural disasters. Between 1865 and 1902 there were no less than 10 events that struck Dhaka and the greater Bengali region (Hassan 2008, p.610). Four of these were famines, events that are often understood to draw people to the town from the famished countryside. This then could go someway in undermining the thesis that, due to the 1864 Act, governance improved in the town thus encouraging greater numbers of people to resettle there. At this point we must understand that, except in times when 'liveability' is seriously compromised, governance does not directly act as an urban pull or push factor for the population. Conversely when liveability is actively improved, especially from a low base and over a short period of time then maybe it is possible for governance to be seen as an influential factor. In any case, growth does not necessarily denote success as the experiences of Dhaka will duly show later in this chapter.

Other important developments occurred in this era, which were important to the future of the city and the evolution of its identity. The establishment of a telegraph line between Dhaka, Kolkata (1857) and subsequently to Chittagong (1858) was followed by the development of steamer services in the region (Ahmed 2010,p.51,p.100). All of these played an important role in improving the city's communication with its surroundings. In 1885 the first railway was built from Bangla Bazar up to Mymensingh, linking it with Bengal's tea regions of Assam, Darjeeling and Sylhet in the northeast. Dhaka also began to develop a new niche of education; schools and colleges quickly sprung up (including a girls' school), even a new

area was developed and much like the Cordon Sanitaires in French Africa, was known as the Sanatorium (Wari). This, however, was manifestation of the capture of governance by the local elite as this new area was alleviated from the 'squalor' of the older parts of the town and created a new wealthy housing district (Ahmed 2010, p.139). Added to this were many other cases of power capture in local government such as the metalling of only a quarter of the town's roads of which most serviced the wealthy and European districts (Ahmed 2010, p.201).

In terms of diversification, the town was beginning to equip itself with the institutions needed to create a modern, cosmopolitan urban centre not solely based on its economic success or failure. Its educational institutions, including Dhaka College, Eden Girls School and many others, all flourished as increasing numbers of Bengalis sought posts in the public services throughout the South Asian subcontinent. Further to this Dhaka was given its first taste of a 'democratic' style of governance in 1882 as Lord Ripon's reforms were implemented (see Table 1). Dhaka was becoming educated and politicised; it was preparing itself, for the 20th century when it would become a central site for contestation of power and space within the greater Bengal region.

Table 1: The Evolution of Dhaka City Corporation

Year	
1823	The Committee of Improvement is formed. This was Dhaka's first civic committee to consider solutions to urban problems.
1864	Committee of Improvement is restructured as the Dhaka Municipal Committee, entrusted with all public works of civic amenities and now ultimately answerable to the British Crown rather than the British East India Company.
1882	Municipal Committee becomes a two thirds elected body due to Lord Ripon's reforms.
1905	Dhaka becomes regional capital (until 1911). Dhaka's area is 6.15 square kilometres.
1961	Dhaka's area is 35.5 square kilometres
1982	Mirpur and Gulshan Municipalities merged with Dhaka.
1983	Corporation is statute with the introduction of Dhaka Municipal Council Ordinance. This provides the existing legal framework of DCC.
1990	Renamed as Dhaka City Corporation (DCC)

Source: Banks 2006

With this growth in education and established elite, the practice of philanthropy soon became popular. In 1875 Dhaka College was given masses of funding from wealthy *zamindars* as they sought to establish a science department. This was interest-based investment though and ultimately only really serviced the success of future generations of elite families. The high tuition fees acted as a barrier to the low income groups. Since a lot of people did not get access to higher education, Jagannath College was established in 1884, to provide access at a lower cost. Nevertheless, "[t]he success of Dhaka College not only secured Dhaka's regional role in educational development but also led to private enterprise in the field of higher education within the city itself" thus allowing a greater number of less privileged students to pursue higher education too (Ahmed 2010, pp. 67-68).

As Figure 2 below shows, this era allows for the first close examination of the structure of local government in Dhaka. The governance structure was relatively simple; this was partly due to Dhaka's size and lack of public services to be planned, managed and budgeted for. The 21member commission was composed of six Europeans and two local government officials, eleven *zamindars*, one local businessman and one banker (Ahmed 2010, p.172). In Lord Ripon's 1882 local government reforms it was written that two thirds of the municipal body was now to be voted into office by the citizens of Dhaka.

Figure 2: Structure of Local Government in Dhaka
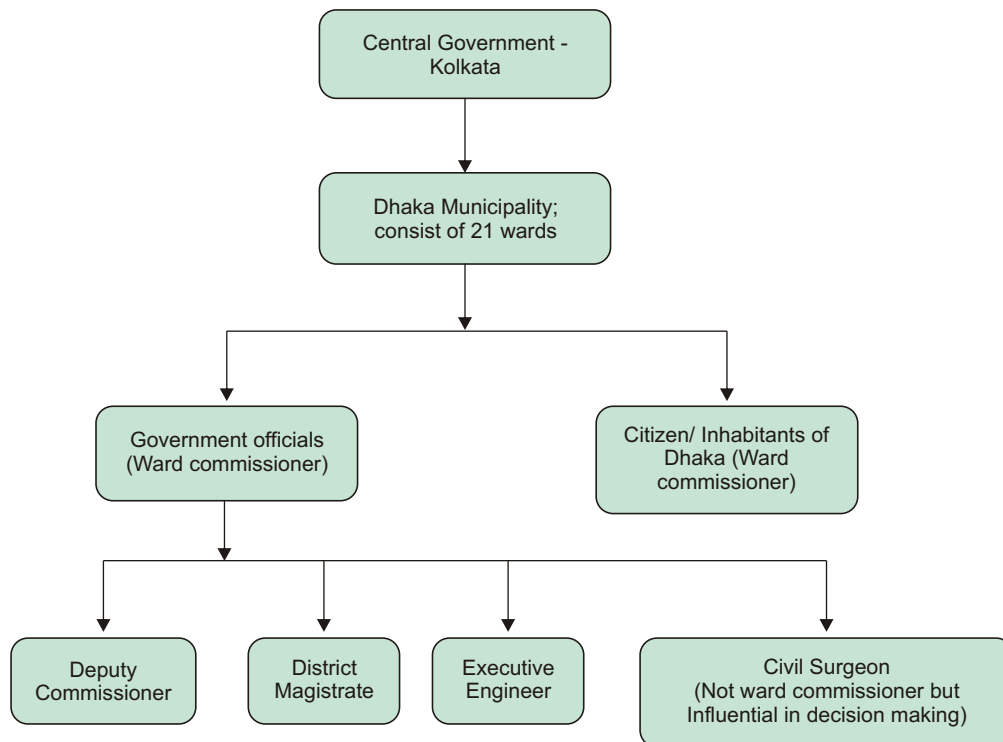
Source: Ahmed 2010, p. 172

Whilst the above were part of the formal governance structure, informal governance in the form of *Panchayat* was still being practiced by the Muslims of Dhaka. It was an institution that was formed to maintain peace and unity among the community, often acting as a body of arbitration, led by the *Sardars*. (Ahmed 2010, pp. 17-19)

This era must be understood as an era of pure urban governance. Whilst the budgetary constraints ensured it was not able to commit to projects on its own accord, this problem was relieved by the donations of its landed elites. Here, by 'pure' urban governance we mean the body that planned and guided the developments of the city, remained to a large extent untangled and autonomous from the central power in Kolkata. Dhaka was given the freedom to govern itself more than in any other previous period.

2.6   A Site for Political Contestation 1905-1947

In 1905 Dhaka regained the title of 'regional capital' that it had lost two centuries ago. By the early 1900s, Indian National Congress had great influence in the politics of the subcontinent to the extent that it was threatening the British Crown. As a response to the power of Congress, Westminster initiated a dispersal of power across the subcontinent with its infamous policy of 'divide and rule'. Although by 1911 the partition concept was shelved, not to be reconsidered until the 1940s, this was not entirely a false dawn for Dhaka's resurgence. Just as Kolkata's rise to regional primacy was to Dhaka's detriment, Kolkata's loss of capital status (to Delhi) was to be to Dhaka's advantage. Much of what has been detailed in the previous section continues and evolves quite naturally through this period. Population figures show how this was an era of steady growth with a marked spurt only during the Second World War. We can therefore begin to focus more on the socio-religious makeup of the city and the contestations that began to occur in Dhaka between fellow Bengalis.

Before understanding the levels of contestation it is worth mentioning the Bengal *Swadeshi* Movement. This was played out throughout the subcontinent as a movement against 'alien' British rule but it took on local forms (Hassan 2008, p.39). It certainly helped contribute to Dhaka's ongoing renaissance and whilst the movement's economic effects were not entirely huge, it does help to illustrate the potential homogeneity of the Bengali people at this time. They shared a uniting common history despite the religious differences, and had internal city contestations remained class based, the next forty years may have been very different. As it was, patron-client politics emerged to transcend the class lines and cater to the growing religious cleavages that had been further aggravated by the 1905 partition and its collapse in 1911.

The designation of Dhaka as the regional capital of the new Eastern Bengal state was testimony to how far it had come in the last fifty years. It is hard not to at least partly attribute this resurgence to the success of the local governance reforms in 1864 and 1882, and the resulting civic developments that ensued. As Table 2 below shows us, the municipality was taking on increasing responsibilities for service provision to its people, just as the 1882 Act ensured it was also becoming more accountable (in principle at least).

Table 2: Dhaka Municipality: Budget Allocated for Service Provision 1865-1885 (in BDT)

Year	Roads	Conservancy	Police	Public Health	Water Supply	Street Lighting	Education	Others	Total
1865-66	16,700 (34.50%)	9,000 (18.59%)	11,300 (23.34%)					11,400 (23.55%)	48,400
1870-71	8,600 (18.14%)	9,100 (19.07%)	16,500 (35.10%)	360 (0.75%)				13,140 (27.95%)	47,700
1875-76	11,200 (16.71%)	22,400 (33.43%)	15,300 (22.83%)	360 (0.53%)				17,740 (26.47%)	67,000
1880-81	12,600 (14.07%)	30,300 (33.85%)	17,000 (18.99%)	9,800 (10.94%)	4,100 (1.22%)	1,100 (1.22%)		14,600 (16.31%)	89,500
1884-85	30,100 (19.14%)	33,200 (21.11%)		24,600 (15.64%)	19,800 (12.59%)	4,200 (2.67%)	600 (0.38%)	44,700 (28.43%)	157,200

Source: Ahmed 2010, p.213

As noted, Dhaka's 'success' in this era must also be attributed to the philanthropic work of the *Nawabs* and their fellow elites who had obtained a new pride in their municipality. This pride was also manifest in a politicisation rise of civic sense among the general public. The town's citizens were now accepting taxation but at the same time questioning where it was being spent. The print media was instrumental in acting as the conveyor of this most basic of civic education and awareness, and had also allowed the elites and the general public to voice their discontent and hold the municipal committee to greater account (Ahmed 2010, pp.175, 193, 201).

Along with greater municipal awareness there was identity formation occurring on another, bigger plain, not simply within the city arena, but throughout the subcontinent. People, rural and urban alike, were becoming increasingly aware of their 'lot' in life as they set themselves an ever wider circle of neighbours. These resentments were then slowly being aggravated by their requisite religious elites. In 1906, with the assistance of the British, the Muslim League was formed as a counter to the Hindu dominance in the Congress. These new political affiliations would go on to help aggravate Dhaka's peasant riots in the 1920s and 1930s which themselves were aggravators of the 1947 partition. Thus the issues that began to arise in the municipal context were indicative and resultant of bigger forces in the region.

Mushtaq Khan notes that both "the absolute and relative growth of the 'service' sector was remarkable" (2010, p.41) in this era and this tallies with the gradual scaling up of Dhaka's education sector since the mid 19th century. In 1921 the Nawab family committed possibly its most overt act of philanthropy the town had ever seen by funding the creation of Dhaka University. Only four years earlier the famous British town planner, Patrick Geddes, had drawn up Dhaka's first master plan, romantically envisaging it as a garden city centred around the Ramna district's broad leafy avenues. Dhaka was developing an entrenched, educated urban bourgeoisie and was feeding its growth with visions of grandeur and an ever-increasing supply of civil service jobs.

These new government jobs would spark the development of official state housing in and around the Ramna area (Ahmed 2010, pp.69-70), an influential albeit minor contribution to Dhaka's current urban landscape. We must also understand this development from the context of today's ghettoised urban landscape as these houses were built in spacious northern suburbs surrounded by grandiose colonial developments and serviced with water, electricity and roads. Not only this but it was building on the general movement of Dhaka's development away from the Buriganga and in its new and continuing northerly trajectory. Prior to this northward growth Narayanganj had been scaled up during the jute revolution and Dhaka had been expected to grow in a southerly direction towards this industrial satellite. This further explains the green and spacious suburbs that the British built in Ramna that now sit as a huge open space relatively south to much of modern Dhaka.

These two decades between a vociferous renewed partition movement and the loss of Kolkata's regional dominance in 1911 must be seen as halcyon days in Dhaka's modern history. Growth was steady but manageable and its citizens became evermore cultured and more politically aware whilst the 'squalor' of the mid-eighteenth century was increasingly left behind and the bitter antipathy between Muslims and Hindus was yet to cause serious disharmony. This era of cultural and political renaissance in Dhaka (and Bengal more widely) was fuelled by the urban-migration of the Bengali elite from an increasingly impoverished and poorly managed countryside. Slowly, Dhaka took on a new role as an arena for political contestation between religiously bound cleavages, and as Ahmed notes, "large

scale or rapid industrialization and urbanisation might have accommodated the aspirations of both these classes of Hindus and Muslims. But in their absence the battle ensued over limited fields of activities and opportunities" (Ahmed 2007, p.145).

It is useful to understand this era through Khan's Marxist interpretation of Bengal as a modern battleground for economic patron-client relations graduating from the Weberian model of class interest-based politics and the legitimacy of the leader through tradition (Khan 2010, p.7). Dhaka then was at the centre of these new, less class based contestations for power. The economic appeal of the city; the vested interests of new civil servants; and the contestations for services and space can all be understood to have established themselves out of the regular cross-class promises made by municipal committee members and the growing reliance on this body to maintain and improve the services newly provided over the last eighty years.

2.7   The Pakistan Era

In 1947 Dhaka once again became a regional capital subordinate this time only to Karachi. The city's regional primacy reached new heights as borders were established with India and Muslims from throughout the Bengal region were coerced to move to this new and essentially monotheistic state. Out of this new regional homogeneity sprung new roles for Dhaka. It soon became the focus of the Bangla language movement in the 1950s and a regional governance body established its home here with plans to build the National Parliament (*Jatiya Sangsad Bhaban*) made in the late 1950s. 1949 to 1965 was an important period for the development of the city as we know it today. It began to fulfil its newfound primacy; among other things, research institutes and banks were established to serve the new polity including: The Jute Board, The Central Jute Research Institute, The Atomic Energy Centre, The East Pakistan Textile Institute, The United Bank Ltd, and The Dacca Central Co-operative Bank (Hassan 2008, pp. 80- 81).

This era saw some dramatic changes to the municipal government. The presence in Dhaka of the federal legislature of Pakistan ensured the city a sizeable stake in the country's new bureaucracy. In 1950 the *Zamindar* system was finally abolished under the East Bengal State Acquisition and Tenancy Act (Hassan 2008, p86). Whilst *Zamindari* power had been waning for some time this was a final and symbolic end to the British fiscal experiments, completing a convoluted transfer from feudalism to capitalism. It also served to focus new attention on the city in both good ways and bad. The city gained ever-greater economic and political importance but also attracted increasing numbers of economic migrants from all classes. This new federal body however also signalled a decline in the city's municipal autonomy achieved under the British. Now there was a more regionally focused government that was no longer attempting to govern the whole South Asian sub-continent; although East Bengal was visibly neglected in favour of West Pakistan's development.

The inflow of Muslims and outflow of Hindus was a seismic shift in the city's social landscape and in-turn it paved the way for big changes in its physical geography. Satellite areas such as Mirpur and Mohammadpur were developed in the 1960s to accommodate the migrants. At this stage the concept and physical ability to build upwards rather than outwards had not been realised, satellite towns were thus an important growth coping strategy for the town planners. In 1952 the cantonment was moved to its present area. Its new position, beyond the city's boundaries, would heavily influence the direction of the future physical growth of the city (Jenkins 2011). Essentially it split the northward sprawl into two parts: one half leading up to Mirpur on the west and the other eventually stretching for

many miles towards and beyond Uttara, stemming from the eastern juncture at cantonment. To oversee and guide these big and new developments Dhaka Improvement Trust (DIT) was established in 1956 (later to become *Rajdhani Unnayan Kartipakkha* (RAJUK).

The introduction of martial law throughout Pakistan in 1958 dramatically altered the municipal setting (Hassan 2008, p.86). At this point officials were installed by central government to govern the municipalities, including Dhaka. In the 1960s it was noted that "local governments…are not autonomous entities and extensive controls are exercised over them by superior authority. Borrowing a colonial term, subnational government is perhaps more descriptive than local government" (Khan 1967, p.203). And as the recent events regarding the splitting of Dhaka into Northern and Southern zones without due consultation with the community, the civil service or the parliament show, little has changed.

Twelve years into the Pakistan era changes began to be wrought on a large scale. Whilst the British had rejected the use of prisoners for municipal work in the 1840s Pakistan realised a Municipal Works Programme that would employ rural workers in the low season to build up Dhaka's infrastructure. This programme must be seen as a direct response to the city's need to scale-up infrastructure operations. Also they must be understood in the context of Pakistan's despotic military leader Ayub Khan who was more willing to undertake coercive projects such as labour camps.

Whilst Dhaka's population increase was not as dramatic in this era as it was after 1971, it was certainly a major issue at the time and it is only with the benefit of hindsight that they seem relatively modest today.[7] The model (satellite) town of Uttara was imagined specifically to relieve the pressure on population and infrastructure around the old town (Haider 1967, p.53). The idea was to stretch out the traffic concentrations and give a new focus for city expansion. Unfortunately, much like the Jatiya Sangsad Bhaban project, the plan took years to execute from the point of conceptualisation and even now building is continuing in the district. One thing it has succeeded in, is acting as a focal point for the city to expand towards, however it is argued that the cantonment was far more influential in this regard (Personal Interview with Andrew Jenkins, 2011).

In 1959, Dhaka was given a new master plan that predicted that expansion of the city was possible only towards the North. In this plan, eight major roads were proposed which has been implemented over the next 30 years; these roads form the arteries of the city today. Although DIT followed the plan diligently, the population projections could not keep up with the growth after 1971 (Shafi 2010). In case of Dhaka, the situation was often such that the city's growth was controlled by the people and their wealth or lack thereof, rather than the local bodies.

During the 1965 Indo-Pakistan War the Pakistani state destroyed or simply seized large amounts of Hindu property throughout Pakistan under the Enemy Property Act (Hassan 2008, p.87). This overt and violent rejection of any Hindu presence in Dhaka was yet another, but this time more final, blow to an already out-migrating Hindu population. Out of this loss of a counter-balance for the Muslim elite,

---

7.   To understand the population problems facing the city at this specific time we have split the population graphs: one runs from 1700 to 1965 and the other overlaps a little, running from 1941 to 1981 based roughly on half-decade statistics some of which do not have official proof of records. Due to the population increases in the 1970s the second graph has a far greater range and thus somewhat hides the Pakistan era's increases.

and with a continuing common enemy in the form of the Pakistani authorities, this could have been a great opportunity for East Bengal to break free from its increasingly clientelist political structure. Although religion based exclusion in the Pakistan era gradually removed Hindu clients from the patron-client framework, clientalist forms of distribution continued, albeit with less religious orientation.

The Governance of East Bengal from a proxy capital 2000km away proved to be a tumultuous period in the region's history. For Dhaka it meant the politicisation of people's minds to a degree not seen under the British. Dhaka became the focal point for the anti-Pakistan voice, whether in the early years in the intellectually stimulated Language Movement, or later in the outright political opposition and Independence Movement. There were positive physical developments in the city stimulated by good planning and strong 'subnational' local governance. As the population had already begun to mushroom at a rate disproportionate to the city's ability to cope, people started to develop urban poverty 'coping strategies', the most obvious and basic of which was the development of informal housing districts.

2.8   The Early Independence Years

Dhaka's population growth in this era quite simply dominates any attempt to comprehend the city's governance nexus. Those purportedly in charge of the city's governance seemingly had no useful influence on the way the city expanded or developed. The 1959 master plan was now woefully inconsistent in terms of the population projections it had catered for. Unfortunately there was neither the governance capacity nor any other historical precedent with which to adapt or rewrite the plans. So in lieu of anything else the old plan continued to be followed but by a local government unable to comprehend or keep up with the population growth.

Figure 3: Population of Dhaka 1941-1981
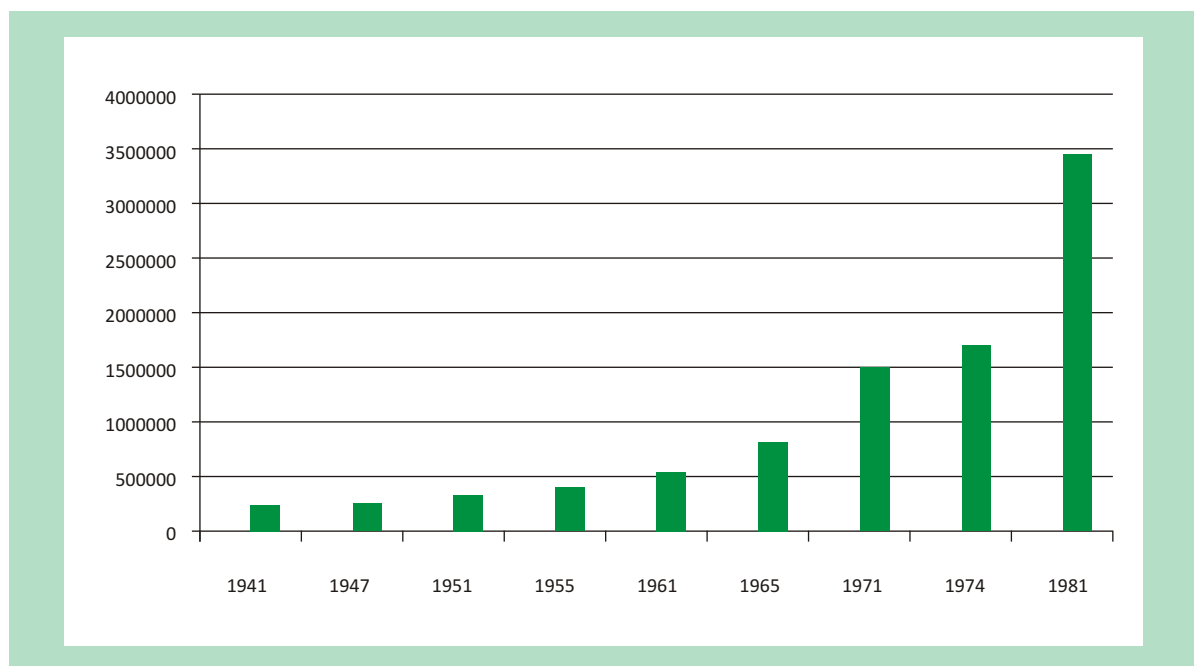
Source: Adapted from Ahmed 2010, p. 172

The designation of separate residential, commercial, civic and industrial areas that under Pakistan had been adhered to reasonably faithfully, were now encroached upon and became increasingly unclear. People built on and around plots informally, whether catering to the huge demand for accommodation or the increasing population's consumption needs. Prior to the 1980s Dhanmondi had been a purely residential area, but by the end of the decade private schools and universities, shopping malls and offices had all encroached upon the space converting this once leafy and quiet suburb into a key downtown district. Areas including Khilgaon, Badda, Shyampur, Kamrangirchar, Kalyanpur all developed during the 1970's population explosion, and for the most part informally (Ahmed 2008, p73). Many of these areas accommodated low-lying land to the east and west of the lateritic soil on which old (p*uran*) Dhaka and much of the central northward trajectory sits on. The filling of this land led to Dhaka becoming increasingly destitute in terms of groundwater as the concrete and corrugated iron eventually channels the water out of the city rather than into its increasingly dry 'pores'.

These early years of accelerated population growth marked an unprecedented era of outward physical expansion. The city's physical boundaries were changing on an almost daily basis. Meanwhile, in the face of a lack of governance and capacity for capital investment in urban development the informal settlement came to the rescue, most notably between 1974 to 1975 during the last great famine in Bengal. Informal housing became symbolic of the need for new urban poverty coping strategies. The 'slum' as it is derogatorily known, supplied a solution for the state as they completely failed to meet demand for new housing. Equally it provided a solution for the new urban population who moved to the city initially for food and some kind of economic alternative to the natural catastrophes that persisted in the countryside. Map 2 and 3 below shows the changing pattern of built up areas and land use in Dhaka city.

Map 2: Dhaka City Historical Settlement Plan
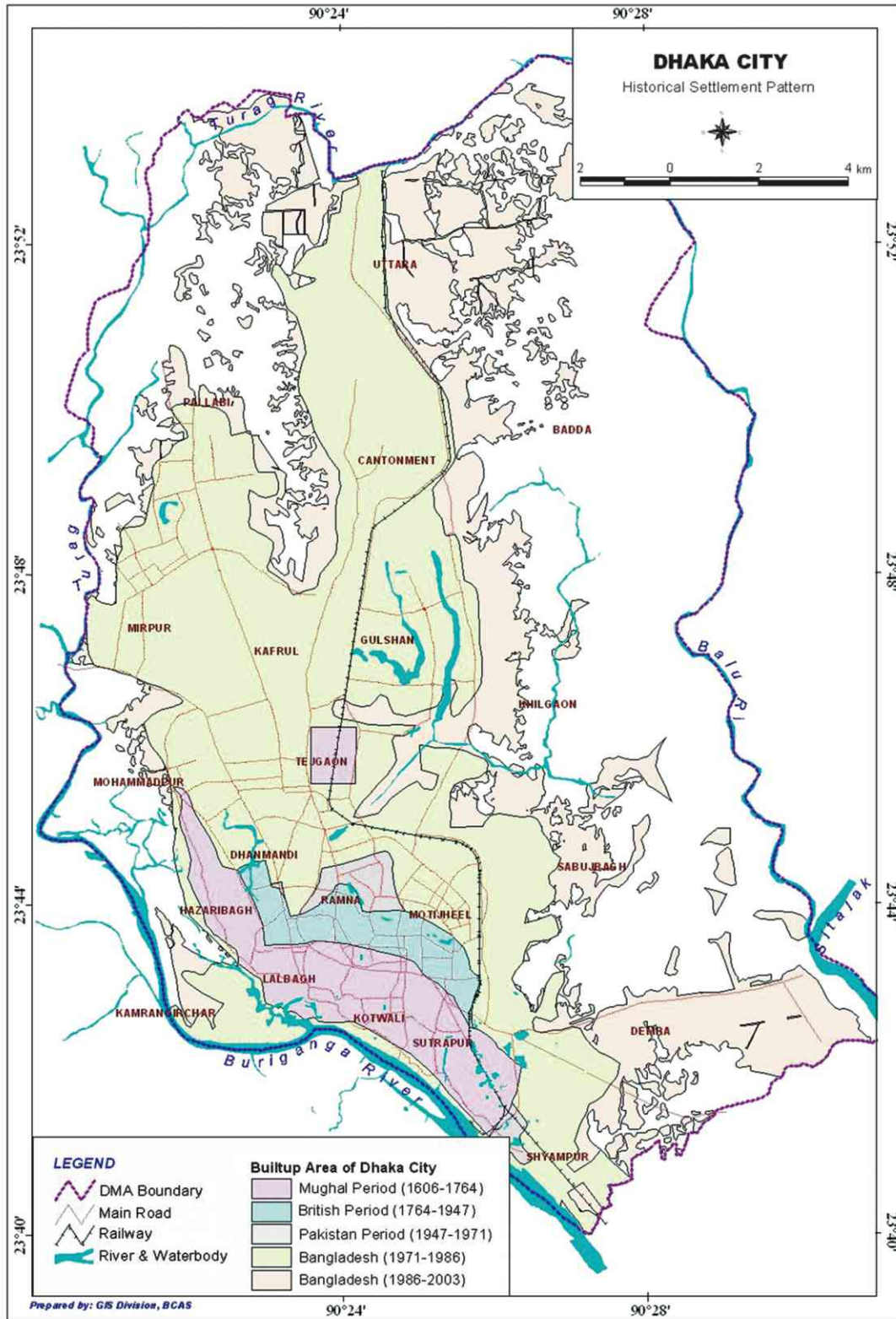
Source: Dhaka: State of Environment Report 2005

Map 3: Land Use in Dhaka City
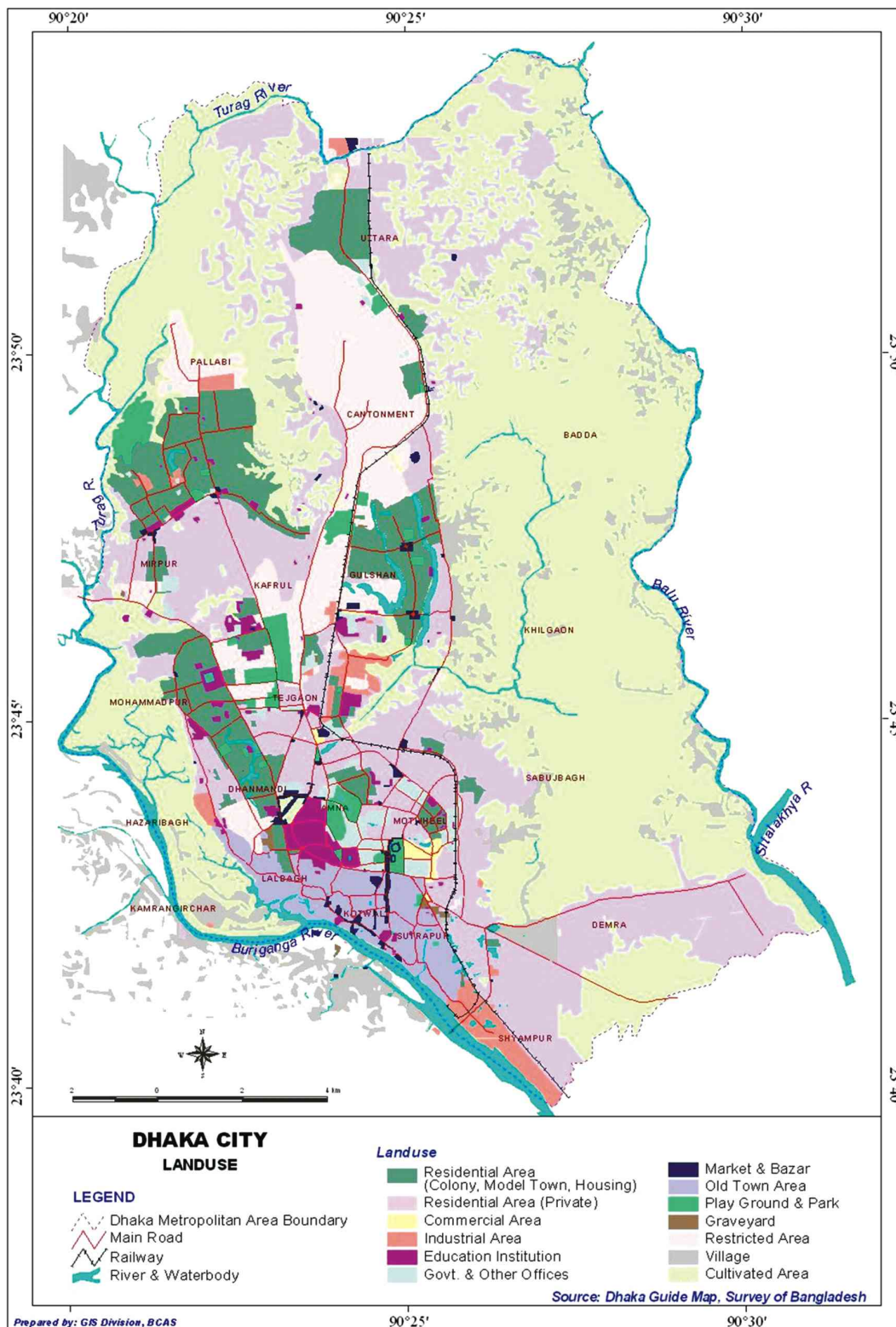
Source: Dhaka: State of Environment Report 2005

Due to Dhaka's intake of vast numbers of extreme poor, the city quickly began to be governed, in an informal sense, by the coping strategies of this new class. The cycle rickshaw was one of those solutions; born out of tradition but used on a new scale the rickshaw provided economic opportunity to thousands of men and solved a growing and chronic transport problem in the city (Gallagher 1992). They have massively influenced Dhaka's growth over the last forty years ensuring that, despite the rise of the motor cars, the city is still home to a huge group of rural inhabitants.

There were also key changes in the dominant elite class as any residual Hindu population that had survived the Pakistani era were now compelled to depart, with increasing dominance of Islamic national identity along with declining liveability of the Hindus, then they were certainly a minority class that sought to avoid any attention that wealth and status might bring. The Muslim middle class thus had to scale-up, having previously been dominated first by the British and the Hindus, and later by the West Pakistanis. New economic and government responsibilities and opportunities were realised by them, sometimes with success and sometimes with failure.

A host of events throughout the 1970s radically changed the social, economic and political dynamic of the country and nowhere was this more acutely felt than in this new country's capital. Natural human responses to unnatural occurrences[8] dominated this era's urban (and rural) history. Many of the problems that arrived in Dhaka in the 1970s are problems that persist to the modern day.

2.9   Dhaka as We Know It

By 1981 Dhaka's population was huge (3.45 million). The post-1971 population growth far outstripped the physical development of the city's services, and correspondingly the necessary growth in capacity of the Dhaka City Corporation and the requisite utility providers, public or private. However, whilst public service provision has failed to be realised on a formal scale, it remains realised out of necessity, but to differing degrees of quality and equality.

Patron-client relations persist as a key functionality of governance processes both in the capital and beyond. At present they are a necessity both for the survival of many millions and for the provision of basic services. Without the informal *mastaans* embedded into the formal governance fabric, service delivery would reach far fewer people. As it is, the lack of institutional and economic capacity within the municipal and national government has led to the rise of an informal and politically aligned local governance in the form of powerful musclemen known as *mastaans* (see chapter 4).

If we look back to the success of Dhaka in the Mughal era we see that a central factor was the value added to the rural products coming into the city. The modern-day textile industry (the RMG sector) has only been improving value added industry figures "By 2005, roughly 45% of export value was value added in the domestic economy due to growing backward linkages in spinning, weaving, dyeing and accessories" (Khan2010, p.77). The difference now is that the raw materials often do not come from Bangladesh at all, let alone the nearby surrounding areas as they did under the Mughals. Dhaka is now a completely global marketplace.

---

8.   For example, the 1974 famine was not a natural but a manmade disaster (Sobhan 1979)

The politics of Bangladesh in the last thirty years has been something of a break from any other period in this region's history. Dhaka, after its rise, fall and rise again, once more sits at a teetering point in its economic trajectory. Politically however, Dhaka sits on a steady path of continued centrality in one of the most populous countries in the world. Whilst it will always be central to Bangladesh's existence, one of Dhaka's great failures has been its inability to become an integral part of the country's identity. The people still associate themselves and their country with a fast-disappearing rural idyll. Dhaka, as it has been in the past, is understood in a pure and utilitarian context as a site of economic opportunity. The poor are here to earn more money than they might in the countryside; the middle class are here to access emerging markets and bureaucratic jobs and, essentially, a modern lifestyle; the rich are here either out of loyalty or power, otherwise they have left (Hirschman 1970). Many people who come to Dhaka come usually to live in Dhaka either on a short-term cycle (usually lower class) or a long-term one (usually middle class).

Whilst the scale has changed and modern developments arrive in the city, one must also consider the constants that set it against its many variables. Dhaka remains firmly attached to the ruralities that surround it. It is easy to say that Dhaka has always had strong rural-urban linkages but what sets Dhaka apart from many other cities is its continued reliance on the rural it is a modern 'rurbanity'. Even today, whilst Dhaka's reliance (water, labour force, food demand) is on a much greater area than 40 years ago, and it interacts more than ever with the regional and global economies, its connections to the surrounding rural localities are more necessary than ever for future resilience and nowhere is this better illustrated than in the rickshaw sector.

The rickshaw will be a recurring theme later in Chapter 5 of this report and with good reason. It is a public good accessed by rich and poor alike, serviced by the informal sector, relieving the scant formal transport sector, and employing a transient and itinerant population that lubricate the rural-urban channels. Whilst their physical coming and going does this, their work on short distance transport contraptions ensures that the city continues to develop as an urbanity of a million villages (as it has for centuries) as much as it grows as one entity. The rickshaw is key to understanding the urbanised nature of the Bangladesh ruralities, and most importantly for this report, the ruralised nature of the Bangladesh urbanities.

As has been broadly noted throughout the chapter, population figures have generally reflected the economic state of the city; its primacy in the region has meant that when economic times have been good, people have naturally gravitated towards it to have a share of that wealth. Currently the city continues to thrive from an economic growth perspective, thus population figures project a continuation of the current steep trajectory into the coming decades.

Future population projections must accommodate for potential economic downturns and plans should be made for a variety of scenarios. Add to this the need for greater earthquake and climate change preparedness, and we have a city yearning for a comprehensive and powerful planning and governance department. These are difficult lessons for a city struggling to govern the present and with increasingly politically captured urban governance (reflected in the splitting of Dhaka into two separate municipalities). But where the present is imperfect, the solutions must lie in the future, thus accurate projections become paramount and good, integrated planning and governance essential.

Political Economy
of Dhaka City

Following on from the last chapter, which discussed the historical processes that shaped Dhaka's urban governance structure, this chapter goes on to focus on the contemporary dynamics of Dhaka's development and governance. In continuation with the last chapter, there is a focus on how economic systems and the political environment influence each other. Whereas the last chapter showed that throughout Dhaka's history, changes in the city's economic function and importance was accompanied by corresponding transformations in the way in which the city was ruled and governed, this chapter shows how the rapid economic transformation of Dhaka, particularly since the 1990s is a result of deliberate political processes.

The picture of modern Dhaka is often painted with broad brush strokes which are reflected in phrases such as 'mega city of the poor', 'city of villages', 'chaotic, congested and unplanned development'. By probing deeper into the causes for the rapid urbanisation of Dhaka city in the last two decades, this chapter explains the myriad and intersecting social, political and economic factors that underpin these very general characterisations of Dhaka city. Governance is a cross-cutting theme throughout this chapter. It features first of all as a set of policy choices that have influenced the way in which Dhaka has grown and developed, while also engendering the challenges of inequality and exclusion the city faces. Governance as a process of negotiation between different interest groups is also reflected somewhat more subtly, through the actors or stakeholders whose interests influence particular developments in the city. And finally, governance appears where we least expect to see it, or what we often judge as 'informal' or as pathologies of bad governance among the intermediaries and syndicates who through informal personalised channels, in liaison with the formal state control access to services, livelihoods and the allocation of development investments in the city.

This chapter along with the last chapter are precursors to the rest of this report, setting the stage for a more detailed and in-depth discussion of key sectors that constitute the governance of the city starting with urban politics and citizenship, to urban transport and finally urban services.

Framing the question of rapid urbanisation in Dhaka city

In recent studies conducted by the World Bank (2007) and UN-HABITAT (2008) Dhaka has been identified as the fastest growing mega city in the world. With an annual population growth rate of 4.4 percent it has been projected that by 2020 Dhaka would become the third largest mega city. Like most other fast growing mega cities in developing countries, Dhaka's rapid population is attributed to rural in-migration and associated with the resultant expansion of slums and the growth of the urban informal economy. It has been estimated that 300,000 to 400,000 migrants come to Dhaka from different parts of Bangladesh every year (World Bank 2007), drawn by the relatively higher wages and job opportunities that the national capital offers.

In this chapter, the factors that underpin the rapid growth of Dhaka city will be discussed. The chapter contends with the received view that Dhaka's population expansion is unplanned and unexpected and should be dealt by nipping it at its source, i.e. by curbing the vast inflow of rural migration into the city. Instead, the chapter will throw light on how Dhaka's urban primacy is intentional and a result of centralised political decision-making and how this is a reflection of the general nature of urban governance in Bangladesh. Each of the challenges that such rapid population growth is associated with will be discussed in turn, highlighting how power relations, decision-making processes and the absence of distributive policies and viable social security schemes systematically reproduce them.

3.1 Dhaka: The Mega City of the Poor

Dhaka hosts 35 percent of the total urban population of Bangladesh, while the other major cities of Rajshahi, Khulna and Chittagong host the remaining 60 percent (Rahman 2011). The annual 4.4 percent growth in Dhaka's population is the result of urban primacy which is one of the highest in the world (World Bank 2007b). Port au Prince in Haiti and Asuncion in Paraguay are the only other cities with a 4 percent annual growth rate, but these cities are capitals to much smaller nations with less diversified economies than Bangladesh.

Dhaka's primacy is attributed to its status as the political and administrative headquarters of the nation; its geographical centrality in the region; and its economic importance in attracting global capital. Dhaka's urban primacy, however, is not just a pre-given feature of urbanisation in Bangladesh, but is a consequence of a centralised administrative structure that keeps most political decision-making processes close to the capital. It is also the result of state led development planning, which has extracted resources (through taxation and allocation of public funds) from the rest of the nation to concentrate infrastructure development and social facilities in the capital where most of the elite live and influence key decisions. This has had a historical trajectory of its own as Chapter 2 of this report elaborated. Consequently, even though in the last two decades Bangladesh's industrial policy has encouraged more external investments into the national economy, most of the foreign capital has been injected into Dhaka and Chittagong, which with their economic infrastructure are more predisposed to economic growth than other large cities such as Khulna and Rajshahi.

According to urban development theorists most mega cities in the developing world, unlike those in the developed world, experience high population gains without the corresponding rapid economic growth needed to support the increasing population (Kim and Short 2008). This is defined as 'impaction' which means that when people move out of rural lands in search of better opportunities in larger cities they simply fail to find them, as the city's economy cannot accommodate them all. In line

with this theory urban experts argue that migration into Dhaka is often accompanied by unemployment and further deprivation in living conditions, thus prompting recommendations to solve the city's poverty problems by curbing rural migration into the cities. The Government of Bangladesh has implemented a corresponding set of programmes such as *Ghore Fera,* which encouraged people to return to their villages by offering them loans to start income generating activities in their villages and covering expenses for transport and resettlement. Such subsidy programmes aimed at inducing out-migration have not worked.

In fact, it appears that the choice that incoming migrants make year after year is consistent with the national employment trends. The average share of formal employment in Dhaka is 51 percent which is much higher than the national average of 20 percent. Of the total share of formal employment in Dhaka 14 percent is in the public sector and 37 percent in the private sector. Two-thirds of the city's working population are engaged in the service sector, and 20 percent in the industries of which half is in the readymade garments sector. And 11 percent of Dhaka's working population is engaged in agriculture, underlining the rural continuities in this mega city (World Bank 2007a, Siiddiqui et al. 2010). According to one estimate, the informal sector in Dhaka offers 65 percent of the jobs of which the largest concentration is in the rickshaw sector followed by peddling and day labour (Mukherjee 2006). In the table below you will see that jobs in Dhaka offer higher wages than rural Bangladesh, although this is offset by the higher cost of living.

Table 3: Comparison of Average Monthly Wages between Dhaka and Rural Areas in 2000 (in Taka)

Sector	Dhaka (a)	Rural areas (b)	Rural areas (b)	Ratio (a/b)	Ration (a/b)
		Correction 1	Correction 2	Correction 1	Correction 2
Agriculture	1768	1389	1208	*1.27	*1.46
Manufacturing	2329	2426	2100	0.96	1.11
Construction	6273	*2410	*2057	*2.60	*3.05
Trade	3000	*1950	*1676	*1.54	*1.79
Transport	3918	*3476	*2978	*1.13	*1.32
Finance	7270	4951	4266	1.47	1.7
Community Services	4507	4442	3781	1.01	1.19
Household Services	1370	1088	940	1.26	1.46

Source: Salmon 2005, based on 2000 LFS, in World Bank, 2007a

Notes: Rural wages are corrected to account for cost of living differential between Dhaka and the rest of the country. Correction 1 accounts for both food and non-food items between Dhaka and other regions and may overestimate differences. Correction 2 accounts only for food items and may underestimate differences.

In fact, contrary to the urban 'impaction' thesis discussed above, in the last two decades Bangladesh has maintained consistently high economic growth rate of 5-6 percent, and Dhaka in particular has

been the seat of much economic activity and prosperity, particularly in the readymade garments and real estate sector. It is no surprise therefore that rural migrants are attracted by job prospects and do provide the much needed labour in the service sectors whether formal or informal. Therefore, the poverty and deprivation that accompanies migrant's incorporation into the city's economy is to a large extent a manifestation of poor housing policies, absence of social security schemes and extreme inequality as we will see in more detail later in this chapter.

Consequently, even though Dhaka is the largest employer in Bangladesh, it is also the nation's most unequal city. The Gini coefficient in Dhaka is 0.37, higher than the national average of 0.31, and higher also than Chittagong (0.29) and Khulna (0.35). Household consumption for the richest quintile is 5 times higher than the poorest quintile (World Bank 2007a). Inequality is wide, deep and more visible in Dhaka than in any other city in the country. Recent studies have also concluded that while poverty in Bangladesh is mainly a rural phenomenon, urban poverty has also significantly increased in magnitude, has distinctive features of its own and in some cases it has been found that the rural poor have better access to services than the urban low income groups. For instance, in the Urban Sector Strategy Report of the ADB it was estimated that while 90 percent of rural population have access to safe drinking water, less than 40 percent of low income groups in a city like Dhaka have access to safe drinking water (ADB 1995).

With a large and rapidly growing migrant population, come the dual challenges of vast squatter settlements winding through central urban and peri urban areas and the expansion of a large informal economy. The cause of these problems is typically put in straightforward terms the formal economy and the housing market simply cannot accommodate this uncontrolled population growth. With regard to slums for instance, it has been observed that there is a correlation between population increase and the rise in the number of slums. In 1988, Dhaka had 1125 slums, 3007 in 1996 and a staggering 5000 slums with 3.4 million inhabitants in 2010 (Dhaka State of Environment Report 2005, Hossain 2008). However, leaving the demographic conundrum aside, if one looks deeper into the sociology of Dhaka's informal settlements (see Das 2003, Hossain 2011) it is evident that most slum inhabitants pay high rents to a network of land lords and middlemen or *mastaans* and pay much higher costs for services than those who live in formal housing. An issue that is unravelled in Chapter 6 of this report. Squatter settlements therefore cannot be seen only as a result of higher demand outweighed by supply but as an outcome of a housing programme and land distribution policy that favours middle and upper income groups and the near absence of any formal service delivery mechanisms for poorer households.

Likewise, another misconception concerning Dhaka is that the vast rickshaw sector is due to incoming rural migrants who on failing to find jobs in the formal economy resort to the 'easily available informal job' of rickshaw pulling (Mukherjee 2006). Chapter 5 of this report will show that the rickshaw sector is in fact managed through syndicates involving licensing authorities and *mastaans*. The average rickshaw puller contributes a major part of his daily income for informal taxes and rents. Furthermore, the readymade garments sector which is considered to be formalised has layers of de-regulation embedded in the chains of sub-contracting. Labour policies and environmental standards are mostly followed in the breach. Therefore, the phenomenon of a vast informal economic sector cannot simply be seen as result of excessive demand on the formal economy, but as caused by the absence of employment protection and labour rights in the key sectors of the city's economy.

3.2 Dhaka's Economy in the Global and National Context

The last three decades of rapid urbanisation in Dhaka city is largely a function of the transformation in the national economy. When reforms for trade liberalisation were introduced in 1982, including incentives for privatisation and export promotion, it gave an impetus for industrial investments in the urban economy. Within a short period the share of urban activities in the GDP increased from 26 percent in 1972-73 to over 42 percent by 1998-99, while the agriculture sector's share in GDP fell from 60 percent to 26 percent (CPD 2001). Concurrently, the national urban population grew at a yearly average rate of 6 percent, with the result that urban population has grown six fold since 1971, compared with a 70 percent increase in rural population (World Bank 2007b).

The readymade garments sector gained enormously from the removal of export and import tariffs, with readymade garments (RMG) emerging as the main export product of Bangladesh. While export earnings from the RMG industry were barely US$1 million in 1978, they reached US $8 billion in 2006, comprising 75 percent of overall export earnings and 81 percent of manufacturing export earnings (Ahmed 2009). Dhaka alone accounts for 80 percent of the garments industry in Bangladesh (World Bank 2007a). The development of the RMG sector has played a major role in the economic development and the demographic growth of Dhaka city. This expanding industry makes huge demands for labour and services from the city. It is estimated that 500,000 people, i.e. 12 percent of the workforce engaged in manufacturing are employed by the RMG sector- mostly migrants from rural areas, 90 percent of whom are women (World Bank 2007b). According to estimates in 2005, the RMG industry directly employs more than 1.9 million people nationally of which one-fourth of the jobs are in Dhaka (Afsar 2001, Razzaque 2005).

The concentration of RMG activities in large cities like Dhaka and Chittagong has produced agglomeration effects in the urban economy. This includes localisation economies, which have drawn more newcomers to invest in this sector within a short span of time. It has also generated urbanisation economies, which have stimulated the expansion of associated business services and auxiliary activities (World Bank 2007b). Around 2 to 5 million people nationwide and an estimated 200,000 people in Dhaka city are employed in such auxiliary activities (Ward et al. 2004). Thus, the dynamism Dhaka's economy, involves a combination of key drivers including the RMG sector and complimentary business services such as real estate and telecommunication. Further, remittance from the Bangladeshi diaspora now a significant contributor to the national income has boosted the financial sector including the stock exchange, insurance companies and private banks. Also, overall prosperity of Dhaka's economy has noticeably produced multiplier effects in sectors such as retailing based on higher consumer demand for imported goods, as well services catering to a growing middle class lifestyle including private clinics, private universities and restaurants.

While the overall expansion of the urban economy has been facilitated by national industrial policies and incentives for export-oriented private investment, the distribution of these economic developments have been uneven and have concentrated mainly in the four large cities of Dhaka, Chittagong, Rajshahi and Khulna. Dhaka and Chittagong account for 62 percent of the total manufacturing output of the country and almost one quarter of the total GDP (World Bank 2005). Rajshahi and Khulna account for an additional 6 percent of total manufacturing output and 11 percent

of total GDP. The distribution of economic activities has a bearing on the varying degrees of urban population growth between these cities. With an estimated 12 million inhabitants in 2001, Dhaka is by far the largest and has registered an eightfold increase in population since 1970. Chittagong and Khulna have had a five-fold increase since 1970 and Rajshahi has had a 10 fold increase as the table below shows.

Table 4: Population growth in Bangladesh's largest cities

	City Populatio Rank (2000)	Population (2000)	Population (1990)	Population (1980)	Population (1970)	Annual Growth (1970-2000)
Dhaka	1	12300	6619	3248	1474	7.10%
Chittagong	2	3581	2265	1333	693	5.50%
Khulna	3	1426	972	622	310	5.10%
Rajshahi	4	1016	517	238	105	7.60%
Mymensingh	5	328	189	108	N.A.	-
Comilla	6	307	135	126	86	4.20%

Source: Global Cities Database -http://www.econ.brown.edu/faculty/Henderson/worldcities.html (from World Bank 2007b)

Note 1: Population in thousands
Note 2: Data are for agglomerations

The very high population increase in Dhaka relative to other major cities in Bangladesh is a sign of extreme urban primacy. According to one calculation, the urban primacy rate of Dhaka (32 percent) is highest in South Asia; more than India (5.72 percent) and Pakistan (21.94 percent) but comparable to historic rates for countries like Honduras when they were at similar levels of economic development (World Bank 2007b).

Urban primacy and the new liberalisation regime

Such high level of urban concentration is part of planned development, as determined by the location of export processing zones (EPZ) in Bangladesh. The first EPZ was established in Chittagong in 1983, followed by Dhaka in 1993. EPZs are aimed at promoting export oriented industries and therefore proximity to external transport links such as ports and airports are crucial. Accordingly, subsequent EPZs were distributed among major urban divisions: further two in Dhaka division including Comilla (near Dhaka airport), Admajee (near Dhaka airport); further one in Chittagong division Karnaphulli (near Chittagong port); two in Rajshahi division including Uttara (near Syedpur airport) and Ishwardi (with access to Jamuna bridge and Rajshahi); and one adjacent to Khulna division in Mongla (near Jessore airport and Mongla port).

Figure 4: EPZs in Bangladesh
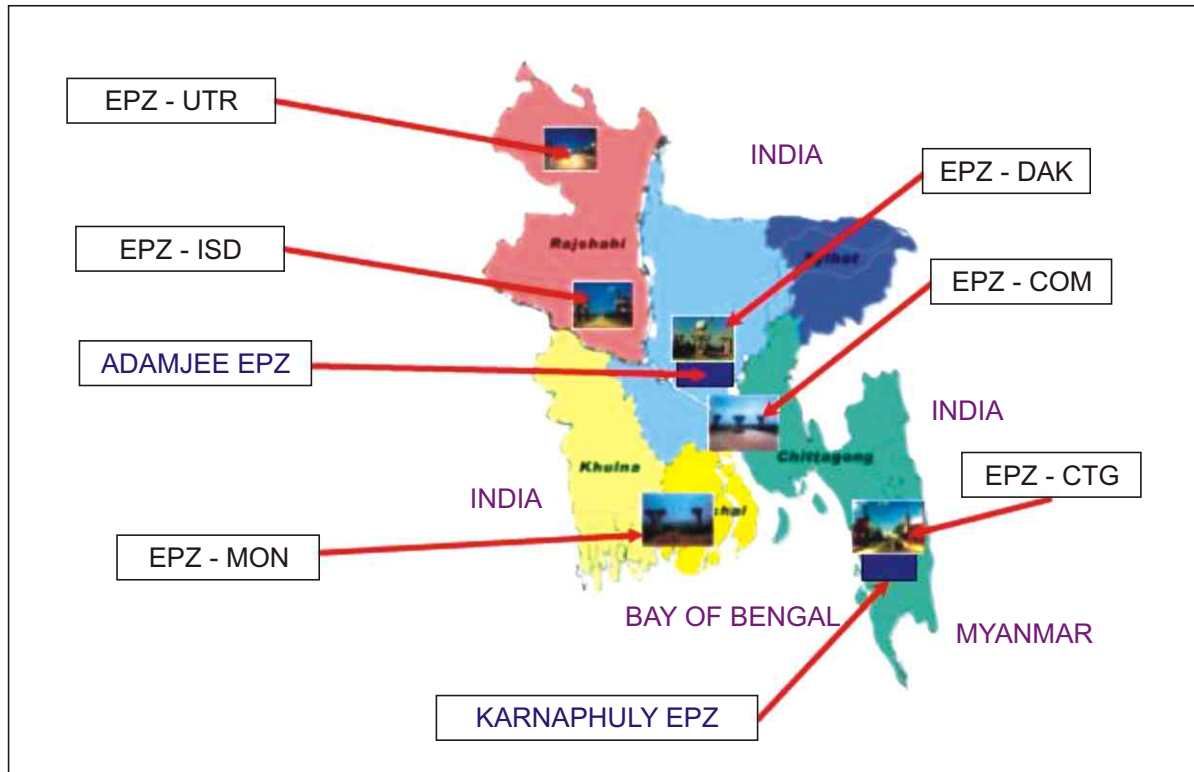
Source: Hossain 2011

While the need to concentrate economic investments close to urban infrastructure is typical of most developing economies, in the context of Bangladesh a crucial challenge is the extent to which EPZs can forge effective links with the domestic economy and markets. Earlier, in the pre-liberalisation regime, when import substitution and industrial self-sufficiency were the main focus, corridors that linked industrial bases in the outskirts of Dhaka city with the rural hinterland went through substantial development and change. For instance, the corridor between Dhaka and Narayanganj as well as Tongi and Gazipur were transformed due to industrial growth.

In the current liberalisation regime the potential for backward linkages with the local economy is scarce. Of the two types of RMG exports from Bangladesh, the woven fabric industry which has the larger market share, depends on 85 percent imported fabric offering a low value addition of 25 percent, whereas the knitwear industry which has a relatively smaller market share imports only 25 percent of the yarn and has a higher value addition of 40 percent to 60 percent (Ahmed 2009). Local production of inputs needed for the RMG industry can be enhanced through more investment for manufacturing and technological advancement and this needs to be considered seriously by the government (see Bhattacharya and Rahman 2000). The extent to which backward linkages are forged will have a significant bearing on advancement of economies of scale locally and will also be crucial to ensuring Bangladesh's competitive edge in the international market. Currently, because of the low domestic value added to imported inputs, RMG exporters struggle to fulfil European Union (EU) regulations on Rules of Origin and risk facing higher tariffs and import- quota restrictions in future (Ahmed 2009).

Uneven distribution of development in Dhaka city

The high degree of urban concentration in Dhaka and the other major cities in Bangladesh mount two further challenges for sustainable development. The first challenge is the extent of economic integration within the urban division itself. Dhaka, although the most urbanised of these cities still has areas which are cut off or adversely incorporated with the urban economy. The Naryanganj zone in Dhaka, which in the prime of the jute trade was the city's river port and a model municipality now shows varying degrees of development. Some parts of the western fringe close to the river bank have slipped into rural farming and spontaneous growth of the brick manufacturing industry whereas the eastern fringe along the Dhaka-Chittagong highway has seen some development of small and medium scale industries. Thus, while Dhaka's periphery is made up of rural pockets, of which some like Savar are undergoing rapid urban transformation, there are others like Naryanganj which with the decline of the jute industry have gone back into rural and spontaneous development.

The case for integrated urban development is strong, because Dhaka's peri urban areas have untapped potential for development and can reduce the high concentration of economic activity in the centre of the city. This, however, need not always take place at the cost of displacing rural agricultural economies, as more advanced urbanised economies have now realised that urban farming meets much needed food and energy requirements for the city. For Dhaka city holistic development can be achieved by integrating the economic activities in its different zones, with commensurate infrastructure and services and this will enable a more diversified, sustainable and equitably distributed urban economic structure. Similar issues of insufficient integration of peri urban areas with the mainstream economy and limited access to the central market are experienced in Rajshahi (see Rahman 2010) and Khulna (see Haque et al. 2010).

The second challenge is the management and governance of urban economic development. Industrial development can stimulate prosperity and growth in the early stages as witnessed in Dhaka. However concentrated urbanisation, without corresponding investments for service delivery and infrastructure and associated improvements in governance structures, will eventually put a strain on service and infrastructure capacity of cities, causing traffic congestion, pollution and severe service constraints. Over the long run, this could decrease economic returns and could regress the Gross Domestic Product (GDP) growth. In Bangladesh, urban governance operates through a highly centralised administration. The urban administration has tended to favour the two major cities of Dhaka and Chittagong, which receive disproportionately higher level of public expenditure and services, than the other cities which are restricted in their autonomy and ability to deliver public services. This makes smaller cities less competitive locations for economic investment and without the government choosing to establish strong inter-regional transport networks with these hinterland cities, the prospects for economic decentralisation and reduction of urban concentration are dim.

In Bangladesh, the 6 large cities have city corporation status, whereas the remaining 289 urban centres have *Pourashava* or Municipality status. *Pourashavas* are further classified in four categories based on their revenue potential: Special Category *Pourashava* (2 cities), Category I *Pourashava* (61 cities), Category II *Pourashava* (46 cities), and Category III *Pourashavas* (190 cities) (Chowdhury 2004, Panday and Panday 2008). Dhaka City Corporation, itself has limited revenue potential and autonomy, as you will see in Chapter 4 of this report.

The constraints on local autonomy are more severe in the smaller cities, where *Pourashavas* can only collect revenue through property tax, which is subject to considerable rent seeking and corruption. *Pourashavas* have limited autonomy to develop the economic programs or the public services of the city. Most major urban functions are the responsibility of the central government including utility services and economic development planning, and are managed by the Ministry of Local Government, Rural Development and Cooperatives, the Ministry of Housing and Works and the Local Government Engineering Department.

Without a systematic devolution of responsibility and decision-making powers to local councils, even large cities risk sustaining their economic growth whereas smaller cities have very limited avenues to advance their economies and integrate with mainstream development processes. Over the long run serious initiatives for decentralisation of urban governance along with efficient systems of taxation and revenue collection will be crucial to sustaining the pace of national economic development and ensuring equitable distribution of benefits and growth.

3.3 Distribution of Urban Space and the Politics of Inequality of Access in Dhaka City

So far, we have seen how development planning has influenced the rapid urbanisation of Dhaka city. We have also discussed how some of the resultant challenges are associated with the nature of urban governance and administration in Bangladesh. An equally significant and related factor associated with Dhaka's modern growth is the political structure and the power relations which determine the terms of access to opportunities, draw lines of inequality and frame governance and decision-making structures in the city. Dhaka is a city of divisions, of volatile political processes that shape all aspects of urban life, and this is reflected most vividly in its urban landscape to which we will now turn our attention to.

Dhaka's physical space is a tangible reflection of the enduring lines of inequality of access, that divide the city between well serviced and affluent neighbourhoods and congested settlements deprived of service and hygiene. The stark physical differences between pockets of affluence and stretches of urban decay and deprivation, throw light on the extent of social fragmentation and exclusion in the city. Slums in Dhaka's inner city lean perilously over flood prone and deviously contaminated water bodies, while just across are high rise apartments which claim rents comparable to Kuala Lumpur and New York for a view of the same. Gulshan, Baridhara and Banani, the diplomatic enclaves of Dhaka feature significant infrastructure and well kept public parks, and are serviced by people living in the neighbouring slums of Badda and Mohakhali. The cantonment in the centre of Dhaka enjoys a high degree of privilege and autonomy operating under the Dhaka Cantonment Board, while neighbouring Mirpur once a settlement for returning refugees from India has informal settlements interspersed with planned neighbourhoods and endures all the problems of Dhaka from traffic congestion to scant and irregular household services. Power and influence determine the way in which Dhaka's urban space is produced, appropriated, transformed and used. In this section we will engage with issues concerning the distribution and development of Dhaka's urban space, illuminating how they are determined by a coalition of elite who influence urban planning and development.

Dhaka's first master plan was drawn up in 1917 by the Scottish Town Planner Patrick Geddes. He showed a remarkable appreciation for the fundamental principles of urban town planning, which have a distinctive relevance even today. He approached the master plan for Dhaka with the same ideas with

which he wrote the plans for 50 other cities in India. His plans had a deeply ecological orientation, emphasising a city's relationship with its water sources, the promotion of parks and trees, and the importance of recycling and the lessening of dependence on the resources of the hinterland (Guha 2007). He believed that Dhaka had the prospect of growing as a garden city with parks and canals and these principles are reflected in the Ramna area of Dhaka, where the geometrical street pattern is laced with gardens.

Geddes also had a deep commitment for democratic principles in town planning, paying special attention to the needs of disadvantaged groups and opposing plans for sweeping demolitions and clearance. Thus unlike his contemporary Edwin Lutyens, who designed Delhi on a dual city model, completely segregating the old city from the new one (Beverley 2011), Geddes designed Dhaka around its old city, keeping its historical buildings and making provisions for decongestion, while creating Ramna as an additional zone for colonial offices and buildings.

In 1956, a second Master Plan was drawn for Dhaka, this time with the explicit aim of extending the city's limits northwards towards Tongi and Mirpur in the west and for laying down the plans for planned residential areas in the rice fields of the Gulshan-Banani area. With plans for state led industrial development in place, provisions were made for separate industrial zones in the adjacent areas of Narayanganj, Tongi and Ghorasal where jute and textile mills and fertiliser factories sprang up. The 1956 master plan followed principles of segregated and discrete land use planning for all new developments, including a separate commercial business district in the Motijheel, Karwan Bazar area, industrial zones in the outer city and planned residential areas. Zonal segregation had some colonial antecedents as residential areas were distinguished on class lines with upper class areas marked for government offices and residences such as Dhanmondi and the Sher-e-Bangla Nagar complying with high planning and low density standards. Over time, however, much of the zoning regulation fell apart as low income settlements interspersed with middle and upper income areas and designated residential areas such as Dhanmondi and Gulshan were put to commercial uses as well. According to a World Bank report (2007) this affords some freedom to the poor as they can locate themselves in various points of the city to tap into livelihood and economic opportunities. The 1995 Master Plan of Dhaka has no zoning policy.

From the late 1970s Dhaka began to grow outwards, linking up with the outlying towns of Narayanganj and Keraniganj in the south and Tongi, Savar and Gazipur in the north. Industrial development in the Narayanganj-Dhaka-Tongi corridor paved the way for urbanisation of rural agricultural spaces such as the Uttara Model Town and the Kurmitola area. From the 1980s up to 2005, Dhaka's expanding population was being accommodated by filling up vacant spaces in and around the city including wetlands, rice lands, water bodies and forest lands. The Basundhara Housing Complex is believed to have been made in gross violation of environmental and building standards in connivance with the powers that be (Siddiqui et al. 2010).

With economic liberalisation under sway, the government also did away with the industrial zoning policy with factories being allowed to spring up throughout the city, at times with hazardous implications like the tanneries in Hazaribagh and Gulshan (which was later shifted). Between the two master plans, Dhaka's area has almost doubled, compounding the challenges of planned development;

in 1956 Dhaka's area was estimated at 220 sq. miles including the Narayanganj port, and by the time of the 1995 Master Plan, the area had expanded to 590 sq. miles (Dhaka Metropolitan Development Planning (DMDP) 1997).

Further expansion and development of Dhaka's urban space is believed to be constrained by three factors. The first constraint is the extremely high density of population in the inner city, with two-thirds of the population increase in the decade between 1985-1995 being accommodated here, and only a third moving into new land developments in the urban fringe (Dhaka Metropolitan Development Planning 1997). The second constraint is topographical, as only a limited area of Dhaka is free of the risk of floods. The DMDP Master Plan recommends further expansion in Tongi some 25 km north from central Dhaka, and Savar some 25 km northwest of central Dhaka, and Dhamsona. The Master Plan discourages further development in areas to the west, south west and east of central Dhaka, including Purbachal (where RAJUK has started the Purbachal New Town Project for housing higher income groups) and Kaliganj. The environmental risks are aggravated by indiscriminate real estate developments which fill up water retention ponds in various parts of the city.

The third challenge is the extent of unplanned and illegal developments in Dhaka city. In the period between 1980-2005 over 70 percent of buildings and settlements in Dhaka are believed to be unplanned, outside the remit of the planning authorities (World Bank 2007a). The challenges of sustainable development in Dhaka city cannot entirely be attributed to the absence of formal planning or its implementation thereof but to the political relations and governance mechanisms that shape urban planning as we will see in the following paragraphs.

Governance of urban planning

The UN-HABITAT (2011) puts down the constraints in providing formal housing for the poor and environmentally sustainable development in Dhaka city to an artificial scarcity produced by strong lobby of real estate developers complicit with municipal authorities and local political leaders (UN-HABITAT 2011). In 2004 a representative of the Parliamentary Standing Committee for the Ministry of Land reported that 24 real estate companies illegally occupied 561.18 acres of public land in Dhaka and its suburbs. The Urban Land Ceiling Policy is also heavily skewed in favour of such large scale urban land acquisition. While there is a minimum ceiling of 1.5 *katha* making it impossible for poorer household to afford land, the maximum limit of 5 *katha* (3600 sq. ft) for individual land owners was proposed in 1982 by the Land Reform Committee but has not been approved yet (World Bank 2007a).

In Dhaka 34 percent of available space is planned for allocation to 4.4 million upper and middle income people outside the city centre, compared with only 4 percent for 4.5 million low income residents (UN-HABITAT 2011). The uneven distribution of space and associated poverty reflect the grossly unequal distributions of rights in the city.

Also, while municipal authorities often turn a blind eye to violations on Building Construction Act and Environmental Conservation Act of 1995 by real estate companies, they have come down heavily on slum settlements. The highest number of slum evictions took place in 1999 when 30 settlements were cleared, mostly from industrial areas in Tejgaon, Mirpur and Moghbazar (World Bank 2007a). Unlike large scale evictions earlier in 1975, when 13 slums were cleared in Ramna, Moghbazar, Kamalapur and

other areas, and resettled in Tongi, Mirpur and Demra, recent evictions have not been accompanied by resettlement provisions and are mostly aimed at returning inhabitants to their villages. In 2000 and 2001, the number of evicted slums was 20 and 24 respectively. Most slum settlements have developed in areas surrounding industrial developments, particularly in the absence of any housing policy for industrial workers. And slums are typically built on land taken up by a few powerful local leaders who in turn charge rents from slum inhabitants (Siddiqui 2010). So far, RAJUK has not included Dhaka's informal settlements in its city plans and its focus mainly has been in providing for the upper 3.8 percent of Dhaka's population.

Furthermore, vast stretches of central Dhaka are designated as public land and are under utilised or are not used for their putative purpose. In the Master Plan of 1995-2015, the DMDP recommended moving the restricted area designated for Bangladesh Rifles in Dhaka's Central Business District and integrating the Cantonment adjacent to Mirpur with the rest of the city. Such proposals are crucial to expanding inner Dhaka city's transport infrastructure but have proved to be very politically contentious. This was demonstrated recently when the proposed metro rail project had to change its alignment plans due to opposition from the Bangladesh Army and Air Force (Ali 2011).

Rajdhani Unnayan Katripakkha (RAJUK)

RAJUK the main planning agency for Dhaka city was created in 1952 in place of the Dhaka Improvement Trust and was responsible for the implementation of the Dhaka Master Plan, 1960. RAJUK's reach is limited to the Dhaka Metropolitan Area and a large part of the city is *terra incognita* for RAJUK and develops largely out of official control (World Bank 2007a). It focuses mainly on planned urbanised public land in the centre of Dhaka including universities, government offices and housing for civil servants and these have largely remained intact. Today, RAJUK is one of many other agencies including the Dhaka City Corporation, line ministries and 6 municipalities[9] that are poorly coordinated and can take initiatives without referring to each other.

RAJUK's main function has been to provide or facilitate land acquisition for housing of upper and middle income groups and generally operates on similar business lines as private developers. It provides leases for private residential use, facilitates land acquisition for modern housing projects and generally shies away from enforcement of government regulations. On United Nation Development Programme's (UNDP) recommendation, RAJUK has proposed allocation of 7 percent of land in Dhaka city for housing the poor, and has proposed that it would build lowcost apartments for low income groups in the Uttara area.

The town planning process is a highly centralised one involving little or no consultation with the local community. As a result ordinary citizens exercise their rights through protest and dissent rather than a deliberative process of negotiation and consultation with the authorities. The latest Master Plan has come under fire for this very reason. The DND Triangle (Demra-Narayanganj-Dhamsona) was proposed as a suitable area for further development, but when the plan was shared with the people, they resisted and it had to be scrapped. Meanwhile, the development of private spaces of the elite such as

---

9.   There are 6 municipalities in the Dhaka area including Dhaka City Corporation, Gazipur, KadamRasul, Narayanganj, Tongi, Savar, Dhaka Cantonment Board and Savar Cantonment Board.

country clubs, gymnasiums and amusement parks is booming, and takes place without any democratic consultation. The UN-HABITAT's State of Cities 2010-11 report notes that Dhaka is a highly divided city where space is allocated and used for the benefit of a privileged few, while marginalising the rest of the population from access to key social amenities.

Thus, the governance of urban planning shows the absence of democratic processes in the governance of Dhaka city. Instead, a coalition of elite involving real estate developers, municipal authorities, public officials including defence personnel and politicians determine the distribution of urban land and the uses to which it is put.

3.4   Crime and Violence and its Links with Governance in Dhaka City

In recent times urban crime and violence has featured as a prominent issue in Dhaka. It is estimated that 17 percent of the total crimes of the country are committed in Dhaka city and out of 80 known organised criminal syndicates in Bangladesh, 28 of them function in Dhaka city (Shafi 2010a). In an urban household survey the lack of security was rated as the second major problem after problems with utility services like water and roads (Shafi 2010a). Why have crime and violence and the rise of personal insecurity grown to such significance in Dhaka? Many middle class and upper class inhabitants would identify poverty and inequality as the main reason, attributing the rise of urban crime to deprivation and the illegal informal economy in urban slums (see Hossain 2011). However, crime and violence have political roots and are perpetuated by the way in which public goods and services are managed and delivered in the city.

Since the 1990s, political violence involving *hartals* and intra party clashes and even terrorist attacks have risen in Dhaka. This is expected since Dhaka is the nation's administrative headquarters and much of this political violence heightens in the run up to elections. However, a survey among 300 respondents in the city showed that of the different types of crime encountered, hijacking followed by extortion and burglary featured among the top three (Shafi 2010a). The survey gives some indication of the extent of rent-seeking conducted by organised groups or syndicates in Dhaka city. Of the respondents, rickshaw pullers and CNG drivers, followed by workers and traders were found to be the most vulnerable to hijacking and extortion. Chapter 5 of this report will further explain how this network operates in the rickshaw trade.

Crime syndicates in Dhaka city typically provide desired but illegal products and services and resort to threats, intimidation and bribery when necessary. Chapter 6 of this report explains how local syndicates operate in the context of service delivery in the slums.

Shafi (2010a) has identified that there are three levels of syndicates in operation in the city:

1) Localised syndicates operate in administrative wards and engage in localised crimes like petty thefts and street side snatching, drug peddling and small scale extortion in the slums. Usually they are operated by persons holding positions in youth and political organisation and are given direct or indirect support by local politicians or their henchmen. They manage the political affiliation of the area, and when a new party comes into power after an election the syndicate usually changes. Slum inhabitants are usually victims of such syndicates and in some cases are also subject to raids conducted with the support of the local police.

2) Area level syndicates are organised on the basis of *Thana* boundaries and are engaged in extortions from wholesale markets, small and large traders, business houses and manufacturing industries. They are directly supported by political leaders and day light gun fights between syndicates representing rival political factions are a regular occurrence.

3) Major crime syndicates generally emerge out of powerful local syndicates who have extensive political power base and are involved in large scale extortions in the RMG industry and transport sector. On some occasions they also secure tenders for road repair work and/or construction of new drainage and sewerage systems and road beautification works from the city corporation.

The nature of crime and violence in Dhaka city gives an indication of the volatile effects of extreme inequality of access as well as the way in which public goods are delivered and managed. In the absence of an effective and equitable formal delivery mechanism, a network of powerful local leaders complicit with public officials and politicians are able to provide services in exchange for rents. Some of these public goods are used as instruments of political patronage, ensuring loyalty and support for a particular political faction. In some cases, small businesses and trades in the informal economy pay exorbitant rents to buy protection. Such is the nature of urban governance in Dhaka city, where services and public goods that are the responsibility of formal governance institutions, are delivered through informal channels of rents and patronage. Thus, reform initiatives for efficient urban governance including resource mobilisation through taxation, greater autonomy for local councils and facilitating democratic rights for the people will have to wind through this messy world of political patronage.

3.5 Conclusion

This chapter found that problems of expansive informal settlements and a vast informal economy cannot entirely be attributed to unprecedented population growth but are constituted in the absence of social security schemes and are compounded by highly unequal distribution of opportunities as displayed by the urban planning process. We also saw Dhaka's economic growth in the national and global context and found that in the long run sustainable development could be enabled through a decentralised urban governance structure with provisions for further redistribution of decision-making powers and resources among the local councils of smaller cities. Finally, the links between urban crime, violence and governance was unravelled to show how informal and formal mechanisms of governance intersect within the broader framework of political management through patronage and rents. In the forthcoming chapters, these issues will be discussed in more detail, providing an insight into particular political, economic and social dimensions of Dhaka city.

Politics in Urban Governance: City without Citizens?

4.1   Introduction

This chapter illustrates how the governance of Dhaka city is a manifestation of the way in which the city is being politically managed. The current political management of the city sustains on loyalty structures, which includes and excludes citizens on the basis of private interests, neither on public goods nor on rights based entitlements. Key players in the loyalty structure are politicians, *mastaans* and public officials. They, being beset with political patronage use urban space as a source of private gains. This politicisation of urban governance sets processes of exclusion and inclusion into play, which in turn influences the avenues and constraints for the exercise of citizenship in urban governance.

This chapter is structured as follows. Section 1 analyses urban institutions, particularly the Dhaka City Corporation (DCC), in the context of internal and external power politics, which involves a deliberate attempt to disempower the Corporation. Section 2 endeavours to identify the criteria that determine political membership in urban governance. The way political membership is determined tends to promote private interests and this is reflected in the dynamics of urban inclusion and exclusion. This section also analyses the spaces for urban citizens that are informally created as a result of disempowered DCC and other local institutions. Finally, the chapter concludes with suggestions on how citizenship can be promoted in structures of urban governance.

The authors have used both primary and secondary sources to put together the analysis and discussions in this chapter. For this purpose, the last DCC Mayor, ward councillors, including a woman councillor, inhabitants of informal settlements and journalists were interviewed. Names of interviewees who requested anonymity have been withheld.

4.2   Organisations of Urban Governance in Dhaka City

The urban government of Dhaka city comprises a host of political and specialised urban institutions. Dhaka City Corporation (DCC) is the primary organ of urban political administration and the specialised agencies include *Rajdhani Unnayan Kartipakkha* (RAJUK); Dhaka Electric Supply Authority (DESA);

Dhaka Metropolitan Police (DMP); Titas Gas; various Line Ministries (e.g. Land Administration, Public Works, Education and Health); the Bangladesh Telephone and Telegraph Board (BTTB); Bangladesh Road Transport Corporation (BRTC) and the Dhaka Water and Sewerage Authority (D-WASA). The urban organisational set-up and their relationships are illustrated in Figure 5.

In general, these urban institutions have been found to be experiencing problems such as internal fragmentation, lack of coordination between different institutions, resource constraints and limited autonomy in their relation with central line ministries.

Of these problems, the most pressing issue in the context of the involvement of multiple organisations is coordination at the level of decision-making, planning, and implementation and maintenance of public services. The Local Government (City Corporation) Act, 2009 stipulates that the city corporations could invite Heads of different agencies in the corporation's meetings; but they are not obliged to attend the meetings. DCC's immediate past Mayor Mr. Sadek Hossain Khoka, in an interview with the authors, said that the legal provision of participation of Heads of different agencies is quite superficial in practice.

It is estimated that at least 42 institutions are involved in carrying out different aspects of urban development in the Dhaka Metropolitan Area (Panday and Jamil 2010). One of the reasons for the lack of coordination and cooperation between the municipal government on the one hand and the special government bodies, development authorities and special purpose authorities on the other hand is that the former are elected bodies accountable to their local constituencies, while the latter are government departments staffed by civil servants who are accountable to their line ministries in a hierarchical manner (Khan 1997).

The lack of coordination and consultation between urban institutions results in unplanned development, duplication of activities and development projects being left incomplete due to discord between the departments and agencies involved. The absence of inter-agency coordination has deprived Dhaka of critical development projects such as in 2003, when the World Bank withdrew nearly 50 percent of the US$ 220 million allocated for the development of transport infrastructure in Dhaka city. The World Bank's decision was based on the lack of coordination between the Dhaka City Corporation and the Roads and Highways Department, the two principal agencies involved in the project (Panday and Jamil 2010).

In 1996, the Awami League government had established an inter-agency coordination committee in each city corporation, which was to be chaired by the minister of local government and co-chaired by the mayor. This has not yielded much success so far (Ahmed 2010). Later, in 2005 a study conducted in cooperation with the World Bank proposed 'a unitary authority' for Dhaka. In 2008 the cabinet approved the concept of unitary authority (interview with former mayor) . However, this has not been implemented so far.

Some scholars argue that the lack of inter-agency coordination is because elected representatives of the DCC are more prone to personalised politics and act out of patronage relations rather than the interests of urban dwellers, whereas government agencies organised through graded line management systems are more politically neutral and hence likely to perform in rational, professional

and efficiency maximising ways (see Panday and Jamil 2010). We argue, however, that politicisation cuts across all aspects of public life and hence civil servants are just as likely to be acting out of personalised and partisan based loyalty structures as are elected representatives. Instead, we would put the lack of coordination to a systematic and deliberate attempt at weakening the accountability mechanisms between elected representatives and the constituencies who vote for them. The absence of a coherent process of consultation between elected and non-elected institutions constraints urban dwellers from participating in the making of urban policies and influencing the implementation of development projects in a meaningful way.

Figure 5: Organisational Set-up and their Relationships in Dhaka City
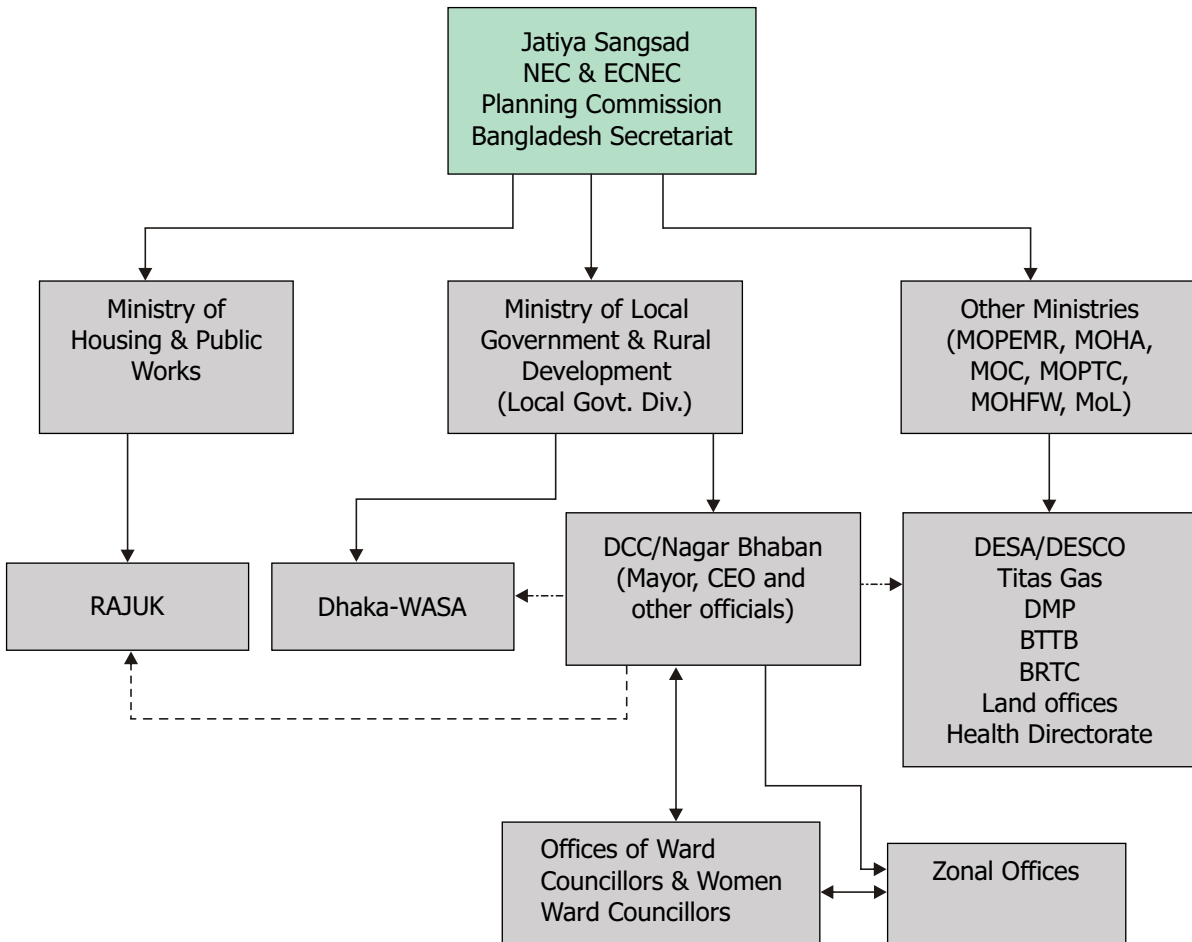
4.3 Municipal Autonomy in Dhaka's Urban Administration

The extent of municipal autonomy in a country, as Baubock (2003) argues, is influenced by two dimensions of political bargaining. One dimension is party politics which involves the relationship between the Mayor and the party in state power. The other dimension is the delegation of powers and responsibilities from the central to the municipal government. In the first dimension, if the Mayor and the central government belong to competing political parties the former typically faces non-

cooperation from the latter. For instance, when Awami League-backed candidate, Md. Hanif was elected as the first democratically elected Mayor of Dhaka City in 1994 at the time of the Bangladesh Nationalist Party's (BNP) regime - it threw the ruling party into disarray and as such the party did not extend much co-operation to him. When he took the decision to form ward level neighbourhood committees in order to provide residents the opportunity to assemble on a regular basis by themselves and with their commissioner, the BNP government opposed it. It was widely believed that the government, by deliberately withholding the funds wanted to discredit the mayor and his administration in the eyes of the people (Bhuiyan 2009).Similarly, the present ruling party, as ex-mayor told the authors, had been gradually reducing the budget and posting inefficient and party loyalist bureaucrats in the DCC administration.

The second dimension of political bargaining between the central and municipal government, is demonstrated by the fact that regardless of which party is in power, the central government has rejected the proposal for a metropolitan/city government in Dhaka city. Mr.Hanif floated the idea of 'city government' during the BNP government, but he did not receive any response from the government. Nevertheless, when his party Awami League (AL) came into power in 1996, he reiterated his demand. Hanif's attempt was treated as an affront and as a move to weaken the central government's control over the nerve centre of power politics in the country (Anam 2003). As a consequence, Mayor Hanif was politically isolated and made a co-convener in an ad hoc coordination committee formed in October 1996, with the Local Government and Rural Development (LGRD) Minister as the convener (Islam *et al.* 2003).

Mr.Khoka who later became Mayor in 2002 withdrew some of Mr.Hanif's original demands for complete municipal autonomy and asked instead for the transfer of DCC from the Ministry of LGRD to the Prime Minister's Office in order to improve implementation of decisions. However, he experienced the same fate of powerlessness even though his party was in state power until October 2006. He, in an interview with the authors identified unwillingness of the Ministry of LGRD to let go of the power to control the Corporation as one of the key reasons behind non-implementation of his proposal.

Municipal autonomy is undermined when DCC is heavily regulated by the central government, leaving little space to make and administer decisions at the local level. The Local Government (City Corporation) Act, 2009 itself has paved the way for central government's interference in three key aspects. First, Section 42 (1) of the Local Government (City Corporation) Act, 2009 empowers the central government to withdraw any institution or activity to its control from the purview of City Corporation. Second, the authority to appoint the Chief Executive Officer of the City Corporation rests with the government and his/her withdrawal from the Corporation has been made procedurally very difficult (Section 62 of City Corporation Act, 2009). Third, central government has the power to make any changes to the Corporation's budget (Section 76 (3)). Furthermore, the Central government's authority supersedes over all other delegated institutions, as it has the provision to abolish the formation of any City Corporation (Section 108).

Applying this authority, the government has on November 29, 2011, abolished the DCC and split it into two parts - DCC North and DCC South by passing the Local Government (City Corporation) (Amendment) Bill 2011. This decision has created a controversy among all sections of people. People

who participated in online surveys conducted by the Prothom Alo from November 24 to December 4,2011 overwhelmingly (77.86 - 86.7 per cent)[10] opposed the decision to split DCC. The debates and discussions in newspapers and electronic media attribute the government's decision to split the DCC to narrow political interests aimed at weakening the DCC.

Defending the decision to split the DCC the government put forward the proposition that the move was taken to ensure better services to citizens. An editorial of The Daily Star (The Daily Star 2011) contended with this stand by arguing that, "if the motivation was to provide services, the decentralisation of the DCC should have been the ideal way forward, and not its bifurcation. What is most needed is effective coordination between utility services like water, electricity, gas and so on, which are better ensured under the unified command of an elected mayor".

4.3.1 Operational autonomy of DCC

The Local Government (City Corporation) Act, 2009 allows every city corporation including the DCC to undertake any development plan and its implementation under the approval of the Government's Local Government Division. In practice, the subjection of the DCC to the purview of the Local Government Division leaves limited space for autonomy to the DCC. Third schedule of the Act lists 28 types of activity of the Corporation; but little scope exists for the Corporation to undertake any major step that may impact the lives of city dwellers in a greater way. Central government agencies are mainly responsible for major urban services. Meanwhile, local people see the elected representatives of the municipal corporation as the designated authority to meet their needs although they do not have the statutory power to do so.

A Ward Councillor from the older part of Dhaka City, in an interview with the authors, explained the gap between people's perception of his role and powers and the authority that is legally and politically given to him. Whenever citizens dwelling in his Ward face any problems in case of water and sanitation or law and order they come to him. He could at best request the WASA officials and the police to solve the problem but cannot compel them to pay heed to him. He suggests that if the service providing agencies could be accountable horizontally to the ward councillors most of the problems with public services could be resolved locally. It would also save time and resources of the citizens and the state. Bypassing local elected representatives in some instance allows for illegal interference in local issues. A Ward Councillor from Banani, in an interview said that the open space next to his office has been leased out by political leaders and DCC officials. He could prevent the move if he was given a legal role to play in the leasing process.

---

10.   On November 24, 2011 the question posed by ProthomAlo was: proposal to split Dhaka into two is absurd – do you agree with this statement? 3098 persons participated in the survey; of them yes – 2686, no-395, and no comment – 17. On November 30, 2011 the question was: do you think the initiative to call for a hartal for integrated Dhaka is logical? 3685 persons participated in the survey; of them yes – 2869, no – 787, and no comment – 29. On December 04, 2011 the question was: do you think the elections of divided city corporations shall be held in stipulated time? 2809 persons voted in the survey; of them yes – 338, no – 2407, and no comment – 64.

Furthermore, some functions of City Corporation overlap the jurisdiction of other agencies which creates confusion. For instance, City Corporation is empowered by the Local Government (City Corporation) Act, 2009 to formulate a master plan including the provisions to develop land and regulate building construction in the city. On the other hand, RAJUK is responsible for the formal physical planning and development activities for housing, commercial and industrial use in Dhaka. However, there is no organisational and functional relationship between RAJUK and DCC at present.

As per mandate, RAJUK prepared Dhaka Metropolitan Development Plan (DMDP) for 20 years (1995-2015) in 1995. DMDP is a three-tier plan package including the Structure Plan, Urban Area Plan and Detailed Area Plan (DAP)[11]. Debates and discussions have been focused much more on DAP than other two. DAP is believed to be instrumental in neutralising the entrenched problems Dhaka has suffered for decades (The Daily Star 2010a).The key stakeholders in the plan are real estate business groups, environment protection advocacy groups, government bodies, professional bodies, media, public representatives, and urban dwellers at large. Among them real estate businessmen vehemently opposed the adoption of DAP which resulted in heated negotiations between the State Minister for Housing and Public Works Advocate Abdul Mannan and Bashundhara Group chairman Ahmed Akbar Sobhan Shah Alam in a meeting in June 2010 (Karim 2010). The most objectionable issue in DAP to the land developers is reservation of 21 per cent of Dhaka's land as water bodies where no development will be permitted. Realtors complained that DAP did not give importance to the sector that involves 269 sub-industries and 25 million people. Therefore, the implementation of DAP is contentious and difficult in the face of opposition from strong lobbyists from the real estate business.

Protection of water bodies in Dhaka City is critically needed, as research findings show that of the 11 *khals* (water retention ponds) of western part of Dhaka, nearly 50 percent or more have been encroached and some have disappeared entirely (Islam 2011). During the 1960s there were around 50 *khals* in Dhaka City and their length was 256 km. Due to illegal encroachment the number came down to only 26 and their length to 125 km (Tawhid 2004). Disappearance of the natural drainages of Dhaka City increased the hazards of water logging. The case study in Box 2 illustrates how different organisations and real estate developers complicit with political parties bypass environmental and planning regulations, putting sustainable development and citizen's safety at risk. As the DCC and RAJUK are institutionally weakened to the extent that national political parties and the central government have an overriding influence over decision making, urban development planning can be narrowly regulated by the private interests of a few rather than the interests of the wider public.

---

11.   The Dhaka Structure Plan (1995-2015) and the Urban Area Plan (1995-2005) were approved and completed during 1992-1995. Detailed Area Plan (DAP), started in July 2004, is prepared to serve the purpose of the Structure Plan and Urban Area Plan (UAP). Broadly, ten issues were incorporated in DAP: (i) Population Projection for 2015, (ii) Rural Settlement Zone, (iii) Flood Flow Zones, (iv) Agricultural Zone, (v) Retention Pond & Canal, (vi) Road Network, (vii) Urban Deferred Zone, (viii) Standards, and (ix) Existing Non Complied Uses.

Box 2: BGMEA Bhaban: Political Charity and Court Action

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) built a 15-storied BGMEA *Bhaban* at Hatirjheel Lake in Dhaka. The Awami League President, Sheikh Hasina, laid the foundation stone in November 1998 during her first stint as the Prime Minister, while the BNP chairperson, Khaleda Zia, inaugurated the building in October 2006 when she was the Prime Minister.

The High Court issued an order to demolish the building on April 3, 2011 since the structure posed 'impediment to free flow of water in Begunbari canal and Hatirjheel Lake. The rule came after Supreme Court lawyer advocate DHM Moniruddin drew the court's attention to a news item published the previous day in the daily New Age that the BGMEA *Bhaban* had been constructed without Rajuk's approval. The Court Order cited both social and legal dimensions. On social dimension the Court observed that BGEMA has used its financial muscles in obtaining the land and getting immunity and impunity' and asserted that 'if such culture of immunity and impunity is approved by us, … the law shall remain divided between the rich and the poor which will breach the constitutional notion of equality.'

On legal front, the Court said that transfer of the acquired land to a private entity was the violation of State Acquisition and Tenancy Act 1950. The land was acquired for the East Bengal Railway in 1910 or sometimes later. In 2006 it was handed over to the Export Promotion Bureau (EPB) for the construction of world trade centre.

The construction of the building violated several acts including the Wetlands Protection Act 1997 and the Natural water Body Protection and Preservation of Open space and Play grouud Act 2000. *Rajdhani Unnayan Kartripakkha* had not approved construction of the building, which also did not have the clearance from the Environment Department and the Ministry of Housing and Public Works.

However, Appellate Division of the Supreme Court on 5 April, 2011 stayed for six weeks the High Court verdict. The case is pending even after one year.

Source: New Age 2011a and Daily Sun 2011; the Independent 2011a

4.3.2 Internal autonomy of DCC

Within the organisational structure of the DCC there is a huge power gap between the Mayor on the top and the ward councillors working on the ground. In between these positions, there is the Zonal Office which is usually headed by Deputy Secretaries of the government. An effective decentralised

administration with more representation from elected representatives could be possible if Zonal Offices were headed by ward councillors from the zones. Alternately or in addition, the positions of two or three Deputy Mayors could be created centrally.

Furthermore, the distribution of power and resources within the DCC has leaned more in favour of male ward councillors. The Local Government Division issued a gazette stipulating allocation of 25 percent development works for women councillors. A female councillor who was elected from reserved seats, in an interview with the authors said that in practice they did not get the allocations. There was a nexus between City Corporation officials and the male ward councillors at both Headquarters and Zonal Offices to allocate projects in favour of male ward councillors. Being deprived of development works, the women councillors focused on social safety-net programmes including vulnerable group feeding (VGF) and old age allowance. The woman councillor went on to mention that when her party was in power she could manage the allocations of social safety-nets by approaching the concerned Ministry which is not possible when the opposition party is in power.

The performance of DCC was also constrained by the manner in which staff is posted within the DCC. Most officers who are posted in the DCC Headquarters and Zonal Offices are on deputation by the central government. The ex-Mayor told the authors that he did not have any control over the DCC bureaucracy and that he was not consulted on the posting of any officers in DCC. Due to understaffing, DCC fails to maintain its assets and establishments properly. The absence of control of the Mayor over the DCC bureaucracy has resulted in indulgence in massive corruption by the officials. For instance, disciplinary actions can only be recommended by the Mayor but the final decision depends on the controlling Ministry.

4.3.3 Financial autonomy of DCC

DCC lacks financial autonomy in the discharge of its statutory functions. The Corporation depends on the central government for its financial and human resources. Table 5 shows that the Corporation has planned to mobilise only 32.57 percent revenue by itself in the fiscal year 2011-12. The rest of the total budget (67.43 percent) for the same year will come from the Government's grants and foreign aided projects or through public-private partnership (PPP). This financial dependency gives the central government further leverage to control the Corporation.

The net release of government's grants is less than half of what is allocated in the budget. The revised budget for the fiscal year 2010-11 reveals that the proposed grant of BDT 500 million allocated in the previous year's budget was not given to the Corporation. In addition, the net release of general grants and that of projects funds was 40.75 percent and 52.69 percent respectively, in the revised budget of fiscal year 2010-11.

Table 5: Income of Dhaka City Corporation

SL. No.	Description	Original Budget 2010-11 (Taka in million)	Revised Budget 2010-11 (Taka in million)	Budget 2011-12 (Taka in million)
1	Revenue	7043.5	5869.5	8562.5
2	Other	75	75	85
3	Govt. Grant	1000	407.5	1000
4	Special Grant from Govt.	500	---	1000
5	Govt. & Foreign aided project/PPP	12544.9	6610	15902.5
	Total	**21163.4**	**12962**	**26550**

Source: DCC website (accessed on Oct. 1, 2011)

Table 5 further demonstrates the constraints of the Corporation to collect revenue. The Corporation failed to realise BDT 1826 million in the fiscal year 2010-11 as per its original plan. Infrequent visits by collecting officials, inaccuracies in the billing, improper assessment and widespread undervaluation and erosion of tax base could be identified as the key factors for the poor collection of taxes. Chowdhury (1994) discovered a number of reasons for inadequate mobilisation of resources including: failure of generating income from fees, fines that have not been updated with the inflation rate; nominal and highly subsidised service charges; centralised, cash based accounting system that fails to ensure financial control and decision making; and people's reluctance to pay taxes due to irregular and inefficient level of services.

The interviewed Woman Councillor finds that the City Corporation is incapable of fulfilling its mandate of functions because personnel, whether directly recruited or on deputation from the central government are typically appointed through political patronage rather than merit. As a result accountability of the administration is weak while corruption and rent-seeking runs deep. Municipal officials and street level bureaucrats who work in this highly resource constrained environment (Wood 2009) boost their salaries by extracting rents from urban dwellers via intermediaries (*mastaans*). Urban dwellers, particularly those who live in the slums are not entitled to services from the state, and are willing to pay bribes in order to access services. A chain effect thus ensues a municipal corporation deliberately weakened by national politics and central administration, has limited access to revenue through taxation, and much less control over the appointments of its personnel. This leads to a culture of patronage and rent seeking, where personnel who themselves would have secured their employment in exchange for a bribe and loyalty to a political faction, extract rents for providing access to essential services which should in principle be given as public entitlements, especially to those who are vulnerable to exclusion. Consequently, accountability mechanisms between service users and service providers are weakened as access is negotiated through personalised channels, involving bribes, loyalty and dependence on intermediaries and municipal officials who selectively determine the terms of access.

The factors discussed above constrain the working of the DCC as an autonomous local body. These constraints are indeed political at various levels from the devolution of power, to confrontational politics to the power nexus between different lobby groups including real estate. This has an effect on how citizenship is exercised shaping processes of exclusion and inclusion. The rest of the chapter aims at explaining how this political appropriation of urban governance shapes and constraints the prospects of exercising meaningful citizenship.

4.4   Citizens' Representation and Democratic Urban Governance

Representation is crucial to the exercise of meaningful citizenship. It is a key element for organising the city as a political community. Representation is determined through elections in a democracy. In 1993, the Government made a drastic amendment to the Dhaka Municipal Corporation Ordinance, 1983 by declaring that the Mayor and the Commissioners would be elected by direct election on the basis of adult franchise. The first DCC elections was held in January 1994 and considered as the most competitive because of the participation of all the mainstream political parties. The opposition-backed mayoral candidate won the electoral race and the wining ward commissioners were affiliated to different political parties (See Table 6). The voter turnout was 58 percent in the elections (Holiday 1994).

Table 6: Political affiliation of Ward Commissioners in the 1994 elections

Name of party	Wining commissioners
Awami League	35 (plus the mayor)
BNP	31
Jatiya Party	-
Jamaat--Islami	-
Independent	24
Total	**90**

The second DCC election was completed in April 2002, with the main opposition political party boycotting the election for the mayoral position. As the major opposition party refused to participate, there was no active contest. The rate of casting vote in Dhaka was only 30 percent to 35 percent (Odhikar 2010). In addition, the elections were marked by the participation of terrorists as candidates. 278 listed terrors including four who were top terrors took part in the 2002 DCC elections (Prothom Alo 2002a). This dominance of the local terrors who are typically *mastaans*, created panic among the voters and contributed towards vote-rigging, as one senior journalist explains (Prothom Alo 2002b).

A number of factors has widened the prospect of *mastaans* to participate in DCC elections, and contrary to the assessment of the journalist mentioned above, this is not entirely at the cost of distancing voters but a manifestation of the informal, intermediated, politicised channels through which urban governance is practised in Dhaka. First, political competition is mainly mobilisation-based in Bangladesh. The mobilisation-based politics needs political activists, where *mastaans* are one of the key suppliers. The suppliers are rewarded through nominations in urban local elections. The current MP or prospective MP candidate of the mainstream political parties, plays the key role in nominating candidates in the DCC elections.

Second, urban poor especially slum dwellers have inadequate channels to press their demands in formal governance structure. In this context they look to informal leaders or *mastaans* for assistance. When they have an occasion of choosing leaders through elections they tend to vote with regard to the performance of these informal leaders in delivering development outcomes within their constituencies rather than rhetoric (Banks 2006). Such a support base provides the prospect for *mastaans* to win the elections since they constitute 37.4 percent of the Dhaka's population (CUS, NIPORT and MEASURE Evaluation 2006).A The Daily Star (2007) editorial attributed the rise and steady growth of slums over the years to the patronage and protection by political musclemen. Third, *mastaans* have access to financial sources through rent-seeking. As a consequence, they possess both wealth and the local support base whereas other political and social activists lack the local support base which is a key factor for winning elections.

Furthermore, people's representation in the DCC has been undermined by irregularity in organising elections. The tenure of the immediate past DCC elected representatives expired in May 2007. Their election had also been delayed by almost three years. The Election Commission has made several attempts to organise the third DCC election. For instance, the Chief Election Commissioner said in an interview that "if the government does not inform anything, the EC will declare the election schedule on 18 April 2011." But, the declaration of the schedule was not done after a meeting between the Minister for Local Government and Rural Development and the Prime Minister's adviser and the EC in October 2010. This clearly indicates the interference of the central government in holding the DCC elections and more broadly puts a question mark on the autonomy of the EC which is given the constitutional obligation to conduct elections without any hindrance in order to elect people's representatives (Odhikar 2010).

The main reason for delaying the DCC elections lie in national politics. In the past, the DCC election results played an important role in changing the political scenario of the country. For instance, the DCC election result of 1994 clearly showed the fate of BNP in the next parliamentary election. It lost every seat in Dhaka city in 1996 parliamentary elections except one (Prothom Alo 2002a). In the same way, the present AL government anticipates that losing in the elections, if held, may give the opposition political parties bargaining points to demand for mid-term or early elections. On the contrary, the opposition did not show any strong demand for the elections although it could be a big agenda for them against the government. A prominent journalist of the country's most popular daily has explained to the authors that one of the reasons of the opposition's silence in demanding elections was because party activists are organised in the contracting of city development works and other informal money flows. Finally, government's recent splitting of the DCC has widely been perceived as a political ploy to wrestle out control of the city corporation from the opposition (New Age 2011b). In addition, the EC which expires in February 2012, declined to hold the bifurcated DCC elections (The Independent 2011b). This means the elections will not be held within the stipulated 90 days which is in clear violation of the law.

On the other hand, the provision in the Act to appoint an administrator by the government during interregnum explicitly violates the Constitutional provisions. Article 59 (1) of the Constitution articulates, "Local Government in every administrative unit of the republic shall be entrusted to bodies, composed of persons elected in accordance with law." The judgment of the Supreme Court of Bangladesh in the writ petition of Kudrat-E-Elahi Panir vs. Bangladesh, 1992, 21 CLC (AD) upheld the Constitutional provision by observing that "The existing local bodies are, therefore, required to be

brought in line with Article 59 by replacing the non-elected persons by election... Necessary action in this respect should be taken as soon as possible-in any case within a period not exceeding six months from date". Thus, not holding the elections after the expiration of the Corporation's tenure and running the Commission by an unelected administrator - both do not bear any legitimacy to command people's representation.

4.5   The Criteria that Determine Urban Citizenship

Political membership in urban governance is determined by certain criteria which determine the limits and constraints for the exercise of citizenship. In this section we elaborate on the bearing some of these criteria have on citizenship.

4.5.1   Urban property

Political membership of citizens is demonstrated through the right to vote and to be elected in municipal elections. In cities, rights are entitled to the city populations based on residential status (Baubock 2003). When political membership is linked to property ownership it excludes a large portion of the population who have no property in the city, most of whom are migrants from other parts of the country. They cannot vote in municipal elections because of being registered as voters in their original locality. This exclusion produces two types of free riding; first, elected representatives do not have to face accountability from temporary residents as they are not elected by them and second, temporary residents could consume urban services without contributing to their production resulting in poorer resource mobilisation.

Municipal elections should be open to all members of a metropolitan region rather than be limited to property owners. Who qualify for multiple franchises? Three criteria could be considered: owning immobile property, being employed, or having a second household in the municipality. Dual franchise does not apparently violate democratic principles since the migrants cannot vote twice in each election.

However, a Ward Councillor the authors spoke to mentioned that slum dwellers and floating people should not be given voting rights, to reduce dependency of municipal office bearers on them since they facilitate election of criminals or *mastaans* to municipal offices. However, this would remove more than 30 percent of Dhaka's population. The expansion of slums and its inhabitants is a major aspect of Dhaka's rapid growth therefore they are important stakeholders in the city's decision-making processes. Therefore, slum dwellers should be integrated with the urban electoral process so that they have a formal mechanism for bringing their chosen representative to power, thus holding them accountable. This could also enable informal channels for service provision and local intermediaries to gradually integrate with formal governance arrangements.

4.5.2   Urban aesthetics

Though in terms of number the low income group of people is in majority in the city, yet it is also true that the middle class wields a bigger impact on policy formulation, planning and on implementation process (Democracywatch 2002). As a result recreational, educational, health and other facilities are made available, reflecting middle class preferences and putting processes exclusion and inclusion into play.

An attempt to purge the city of the beggars before World Cup Cricket 2011 is a recent example of class-centric governance in Dhaka City. It has shown the official policy of the city government to satisfy private group interests not public interests. Thus, the politics of forgetting as Fernandes (2004) argues, is not simply an expression of the private desires of middle-class individuals. It is a political project that centrally involves the exercise of state power. This cleansing move amounts to criminalising poverty and violation of all expectations of humane resettlement.

The identity of the middle-class is produced through a politics of spatial purification which establishes middle-class claims over public spaces and through a movement of cleansing such spaces of the poor and working classes. This assertive middle-class identity produces the development of new urban aesthetics and assertive claims on public urban space as well as the emergence of new civil and community organisations. Gulshan Society and Gulshan-Banani-Baridhara Association are the two middle class based community organisations that thwarted attempts to encroach and commercialise the Gulshan Lake. Their activism also led to eviction of slums along the lakeside, even though the same middle- and upper-class residents depend on the slum residents for their household work.

The state played a role in producing and defending the boundaries of such middle-class claims to an unfettered access to public space by demolishing slums and temporary shelter without formally relocating them. The exercise of state power and the production of a middle-class civic culture through the management of public space converge in producing narrow definition of liveability that actively exclude marginalised social groups. This convergence has produced political conflicts between the state and middle class civic organisations on one side and hawkers and their unions on the other side over public space in streets and neighbourhoods in Dhaka.

4.6 Informal Governance in Dhaka City and Citizenship Practices

As discussed before, on the back of weak formal governance, an informal governance structure has been active in providing urban services and securing livelihoods, especially for the poor and excluded in the city. This informal governance structures mediates with the formal one and imposes an unofficial system of charges and/or bribes on those aiming to secure a livelihood in the city from garments workers, to hawkers and rickshaw pullers. Hawkers, for instance, have become organised under informal leadership and wield their political influence through participation in political demonstrations in streets and neighbourhoods.

The informal governance structure is largely defined by patron-client relations. Clientelistic relationships have personalised the nature of politics in the city. A personal contact with politicians or officials is often a more successful solution to grievance resolution than formal complaint channels, particularly in service delivery (Banks 2006).

Both horizontal and vertical structures of patron-clientelism are witnessed in the city governance. In horizontal patron-clientelism, the ruling party creates loyalties and allegiances and colludes with key state actors and organisations. This patron-clientelism is predominantly evident in urban administration where all kinds of appointments, promotions and transfers are often decided based on political party affiliation. The Woman Councillor, in the interview with the authors, has identified 'fear

of transfer' as the key instrument for local ruling political leaders to influence the zonal officials. The Politicisation of DCC administration[12] is an example which has weakened the formal city governance.

The recent clashes between two groups of employees fighting for and against the split of the city corporation at Nagar Bhaban manifest the political division of the city administration based on leaning towards main political parties in the country (New Age 2011c). This nexus is more prominent at the ward level. A Ward Councillor from Dhaka's older part who is involved in BNP politics, in an interview with the authors said that development activities in his area are being undertaken in collaboration between local ruling leaders and officials of the concerned agency. Bypassing local elected representatives results in suppression of democratic governance structure at the hands of informal nexus and eventually causes pervasive corruption.

The vertical patron-client relationship depicts that followers of the party are rewarded based on their loyalty to the immediate party leaders. Entrance into this relationship which spreads downwards in a chain of *neta-karmi* (leader-follower) relationships, is determined by kinship and personalised ties (Panday and Jamil 2010). The relationship produces *mastaans* who collect extortion and mobilise a vote bank for their patrons. In return, patrons provide them incentives in the form of protection, giving a share of the collection, and promotion within party hierarchy. Their role has grown up as the formal institutions fail to deliver.

Weak state institutions provide the space for informal actors to deliver services through patron-client relations. When state institutions exclude the poor from services and fail to provide entitlements to the middle class such as right to security, the *mastaans* fill the institutional gap between the state and the citizens. Access of citizens to this informal governance is highly expensive. For instance, slum dwellers could only avail of connections at vastly inflated prices.

Patron-client relationship within the party is strengthened through the extension of nexus with state institutions. This nexus involves three actors namely, party leaders, followers (*mastaans*) and the police. At the Ward level political activists collect extortions from the street vendors, slum dwellers, and businessmen. Most street vendors pay between 10 and 500 BDT per day to the so-called linesmen (illegal toll collector), who hand this money over to the local *mastaans*, who are often also part of the formal system of political parties or trade unions (Etzold 2012). The *mastaans* provide the payee with information regarding police evictions and serve as middlemen in negotiations with more powerful actors, such as the police or local political leaders, who also get their share of the extracted money. As a consequence, the state gets deprived of incomes from these vendors as explained by a retired high official of taxation department. A vendor in front of Ramna Park was willing to pay whatever the *mastaan* network asked for. The reason is that he enjoyed security in doing business in return for this payment. Thus, if the state provided security to the vendor he could easily be brought under formal taxation which would be mutually rewarding.

---

12. Besides the elected Mayor/Administrator the DCC administration includes the Chief Executive Officer (CEO), the Secretary to assist the CEO, the Heads of Departments and Zonal Executive Officers. There are about 12,200 employees carrying out various duties catering to the civic needs of the people.

As long as formal governance is not made accountable through transferring power from the centre to urban institutions and through providing more opportunities for citizenship practices private interest based governance will continue.

4.7   Concluding Remarks and Way Forward

Dhaka's urban governance involves political management which amounts to disempowering the Dhaka City Corporation from managing the city in an effective way. This disempowerment has been done through two ways namely, not delegating power to DCC and irregularity in organising elections of DCC. This disempowerment is further exacerbated in terms of inclusion and exclusion of urban citizens based on private interests, not public goods. The informal coalition of politicians, *mastaans* and public officials play a dominant role in the political management of the city and these groups interact with each other to limit entry and use the rents created from limited entry to sustain patron-client relations. Following recommendations could be considered to establish effective urban governance in the Dhaka City.

Introducing unified authority in Dhaka urban management

A number of urban institutions, in scattered jurisdictions, are responsible for managing Dhaka City. Their organisational set-up and interrelationships (as illustrated in Figure 5) demonstrates absence of coordination and level of fragmentation. In order to provide effective coordination and overcome overlapping functions, all urban service providing agencies should be brought under the unified administrative command of the elected Dhaka City Corporation. There will be need for enactment of a comprehensive law through the amendment to the existing *The Local Government (City Corporation) Act, 2009*. The proposed law could define the relationship between DCC and central government and delegate powers and responsibilities from the central government to the DCC. Further to the external empowerment of the DCC the internal power relations between the Mayor and Ward Councillors should be defined clearly.

When the Corporation is positioned in the centre of urban administration, its accountability to citizens is of utmost importance. The Local Government Commission, which was established in October 2008 and later removed in January 2009, could be restored, so that the Commission could report on the performance of the DCC regularly to the Parliamentary Standing Committee for the Ministry of Local Government and Rural Development. The Parliamentary Committee could investigate into any irregularity and recommend corrective measures to the Government.

Organising regular DCC elections and promoting credible election management

DCC has had limited success in securing people's representation due to irregular DCC elections. For the sake of credible election management the Election Commission (EC) should have the power to declare the election schedule as soon as the tenure of a local government body is expired and command all required assistance from the Executive without any hindrance. Furthermore, a credible EC may be able to discourage the opposition parties from boycotting elections.

The present appointment of the administrators to the split DCCs has been done violating Article 59 (1) of the Constitution and the Supreme Court judgment which was given in the writ petition of Kudrat-E-

Elahi Panir Vs. Bangladesh, 1992, 21 CLC (AD). In order to ensure compliance with the Constitution and the Supreme Court Judgement the Local Government (City Corporation) (Amendment) Act 2011, which allows the government to appoint an administrator during interregnum, should be repealed.

Widening political membership in Dhaka City

When political membership is linked to property it excludes a larger portion of population who do not own property in the city. Urban migrant population is an example. They cannot vote in municipal elections because of being registered as voters in their original locality. Multiple franchises could be introduced to include urban migrants in municipal elections. Those who meet one of the three criteria: owning immobile property, being employed, or having a second household in the municipality could be entitled to multiple franchises.

Ensuring access to public goods

A concerted effort needs to be made by all quarters, not by the Corporation alone to reform process of collection of taxes. In order to improve the urban resource mobilisation, the studies on municipal finance management suggest better use of existing taxes and introduction of terminal tax, sharing of road tax and enhancement of tax rates. Also better administration of holding taxes, proper valuation of municipal holdings, revision of tax rates, change in accounting system, linking grants with resource mobilisation, and government assistance in fostering better financial management are suggested.

Making formal governance structure effective to deliver

Lack of inclusiveness of urban administration has produced an informal governance structure in the Dhaka City. This informal structure, largely defined by the patron-client relations has survived on its financial and political dividend generation. It imposes an unofficial system of charges and/or bribes for unlicensed hawking in urban space and extends partisan politics to all levels of public life.

Weak state institutions provide space for informal actors to deliver essential services. Access of citizens to this informal governance is highly expensive. This informal governance also deprives the state of its potential income. Therefore, formal urban institutions should be made effective and accountable by effectively devolving power from the centre to urban local institutions.

Providing opportunities for citizenship practices in urban governance

Consultations with people's representatives provide a solid attestation of urban public policies and public agendas. At present, there is no permanent set-up for citizens' consultations at any level of City Corporation except the legal provision of making all meetings of the Corporation publicly accessible in some cases. Thus, ward level neighbourhood committees could be formed in order to provide residents opportunities to assemble on a regular basis by themselves and with their councilor.

Governing Transport in Dhaka City: Stakeholders and Institutional Arrangements

In the context of urbanisation and urban developments, the economy plays a crucial role. Accordingly, urban space is often conceptualised as an 'engine' of growth (World Bank 2007c, Mannan and Karim 2001). In this chapter we will take up this metaphor in two different ways. In a broader sense, we will analyse urban space and its core function for overall economic development. In a narrower sense, this metaphor has inspired us to focus our study on one economic sector that is at the core of any urban 'environment' (to use yet another metaphor), namely the transport sector. By taking up this sector, we will unravel the workings of urban economic governance in Dhaka city.

Selecting a sector case study for this chapter on economic governance was not an easy task. The main criteria for selection, were the relevance first of all for the labour market, and secondly for the overall economy. Yet, quite a few sectors would have met these criteria. Of quite obvious relevance are the retail sector, the construction sector, as well as the transport sector. The selection of the latter was due to several reasons. First of all, many studies show that transport and rickshaw pulling in particular, is the single largest labour market for men from poorer households (Salway et al. 2003, World Bank 2007a, GOB/BBS 2008). Secondly, transport is a core service of any (urban) locality, namely for allowing for the spatial mobility of the inhabitants. As such, it is a crucial pre-requisite for any economic development and an important addition for the next chapter, which investigates into settlement-based services. Thirdly, we also conceptualise the transport sector as a vital indicator for social change. Fourthly, we argue that it can be seen as a paradigmatic case study for urban governance.

From a governance angle, we would argue that transport is one of the core features of regulating urban space. As such, it is a vital task for the municipal administration to design and implement a feasible and needs-based policy. At the same time, it is also a sector where negotiations between the public and private sectors are pronounced. Many of these negotiations are carried out in public space, as for instance when rickshaw pullers, or bus operators, demonstrate against policies or regulations from the side of the Dhaka City Corporation (DCC) and Dhaka Metropolitan Police (DMP), such as banning rickshaws from particular areas. By doing so, we conceptualise Dhaka city as a site (or 'arena') of

contested space for various social groups. These groups more or less openly (re-)negotiate their rules of interaction, i.e. their institutional space.

Overall, from an institutional perspective, governance in the transport sector refers to the rules and regulations set in place at a given locality and the core stakeholders that are involved in setting up these rules. Good governance aims at a transparent and accountable way of regulating various sub-sectors within the transport system, and this needs to cater to the need of all urban inhabitants, whether well-off and politically well-connected or not, and irrespective of the locality where they live. At the same time, transport policies, as any other policy, are understood as an outcome of constant (re-)negotiation processes among the key agents, or stakeholders. Realistically, these stakeholders have distinctively different power positions and interests. One quite obvious result is that powerful groups, as the elite and middle class, aim at re-defining the allocations of space according to their (i.e. 'motorised') needs.

This chapter will begin by briefly giving an overview of the core parameters of urban economic development in Dhaka over the past two decades. One field of particular interest are labour markets, as these are quintessential for bringing, and maintaining, a massive flow of migrants to the city, and many of these are from lower or even lowest income groups. By attracting these migrants this contributes massively to the city's urban sprawl and increasing population. We then progress to provide an overview of the core stakeholders in the transport sector who are involved in regulating and operating it. This also includes the labour force and their associations, such as trade unions. By focusing on institutional arrangements of governance between these stakeholders we aim at shedding some light on bargaining processes.

Such an approach first of all investigates into the core stakeholders, from the public and private spheres. This also takes into account that the interests and the power positions of these core stakeholders are likely to be distinctly different. For the political and administrative bodies, there is the need to balance these potentially conflicting interests. When considering aspects of sustainability, this also addresses the need to safeguard the interests of the future generations, as well as the interests of those who may not have the means (financial and/or social) to safeguard their own interests. Thus, the selection of our case study has also taken into account a labour market that incorporates mainly lower income groups. The study will conclude with some policy recommendations about how to support and strengthen governance by analysing (re-)negotiation processes among the different stakeholders. This will ultimately strengthen Dhaka's transport sector and contribute to a more equitable access to transport services and labour markets, and thus overall economic development. For supporting and strengthening these functions, a municipality needs to put in place a transparent set of rules and regulations for all parties involved. Only when such a governance framework is set in place cities and their economies can contribute to sustainable and equitable growth.

5.1   Dhaka as an Economic Space - a Brief Introduction

As discussed in Chapter 3, Dhaka currently hosts a population of approximately 14-16 million (Ahmed 2010, GOB/BBS 2010, World Bank 2007a). It has been a space of incessant labour migration ever since the foundation of the state, and even much earlier (see Chapter 2 on Dhaka's history). Assessments about Dhaka's share in GDP generation vary substantially, while Alam and Habib quantify this at more than 25 percent (2003, p. 166) Hoque and Hossain (2005) state that it is only less than 5 percent.

Irrespective of these considerable gaps in accurate data, the crucial role of labour markets has been addressed by many authors. The World Bank argues that "in the case of Dhaka the challenge is to create enough remunerative employment opportunities" (2007a, p. 22). As priority areas for doing so they have identified three areas, namely to i) identify new areas of employment, ii) improve skills of workers, iii) increase access to credit (self-employment). At the same time, we also believe that it is important to point out that rather than creating new employment, there is an urgent need to strengthen governance mechanisms for the existing labour force. Only then, the overall goal of sustainable and equitable economic development can be more than political lip service.

When investigating into the economic history of Dhaka, a few sectors stand out. Traditionally manufacturing of various high-value cloths (mainly muslin) and later on the trade of jute and indigo were crucial sectors (see chapter 2), in addition to a rather nominal production of cotton products. At the same time, the economy of Dhaka city was largely characterised by a few traditional industries, such as leather and food processing, and by a vast retail sector, catering to the needs of the ever increasing urban population. It was also an important administrative and education centre. Most of these commercial activities came to a rather rapid halt at the time of partition. For the early phase of independence, Fauzia Ahmed (2004) provides an interesting comment, arguing that "General Zia's policies set the foundations for a perspective that promoted those internal social forces that courted global capital" (p. 37). At the same time, she characterises the new 'policy environment' as one that "had helped the proto-capitalists to become capitalists" (p. 34). What is of high relevance is her comment that "this class has acquired political power and connections" (p.37).

Generally, the city's economy is often categorised as an "informal" economy, although we tend to question the analytical and theoretical validity of this term. What is of importance for understanding governance from an angle of institutional theory is that many of the 'rules and regulations' (i.e. the institutional framework) tend to be defined by rules that are distinctly different from the "formal" sector. The main sector of employment are services, which employs two thirds of the city's population (World Bank 2007a, p. 13-14). At the same time, this is a rather unspecific classification, and by and large this simply documents that neither agriculture nor manufacturing are of high relevance (see Bangladesh Bank/PAU 2008).

Overall, we assess that the transport sector comprises of about 450,000 to 580,000 employees and workers. There are five distinctive modes of transport, in addition to private vehicles. Based on a descending order of passenger capacity these are buses, minibuses, taxis, three-wheelers ('CNG's) and rickshaws. All of these modes have a similar institutional set-up and a distinctive social hierarchy of owners' associations, owners, trade unions and 'workers', in addition to service providers for maintenance and repair (see Figure 8 below). Among the five modes of transport, we will focus on the first and last one, keeping in mind that these two provide an understanding of institutional regulations that are similar for the other transport sub-sectors, as well. Rickshaw pulling is by far the single largest sub-sector (with ca. 450,000 to 500,000 workers), as shown by Salway et al. (2003; see Figure 6). The four other sub-sectors comprise of roughly about 45,000 to 50,000 drivers of buses, minibuses, auto rickshaws (three wheelers) and taxis, as assessed by key informants. While many studies about the labour force tend to concentrate on demographic and economic data, we at the same time, argue that it is governance issues, rather than any other parameter, that define wages and overall working and living conditions.

In terms of incomes, recent data is available from IGS' Governance Barometer Survey 2010. Based on a voluntary disclosure, the regional variations were quite pronounced. At a national average, monthly average incomes were 9,940 Taka but median values were considerably lower (at 7000 Taka). In rural areas, average incomes stood at 8,461 Taka against 13,338 Taka in urban areas. At a district level, Dhaka had by far the highest average values, at 20,341 Taka per month, compared to less than 6,000 Taka in Gaibandha, Sirajganj and Joypurhat (see Figure 7; for more details see Aziz and Graner, 2011). In addition to these higher average values, the distribution in Dhaka is also significantly different. Here, the largest single income group (nearly 40 percent) was in the range of 10,000 - 20,000 Taka.

Figure 6: Prominent Labour Markets for Poorer Households

[in percent per gender, n = 1233]
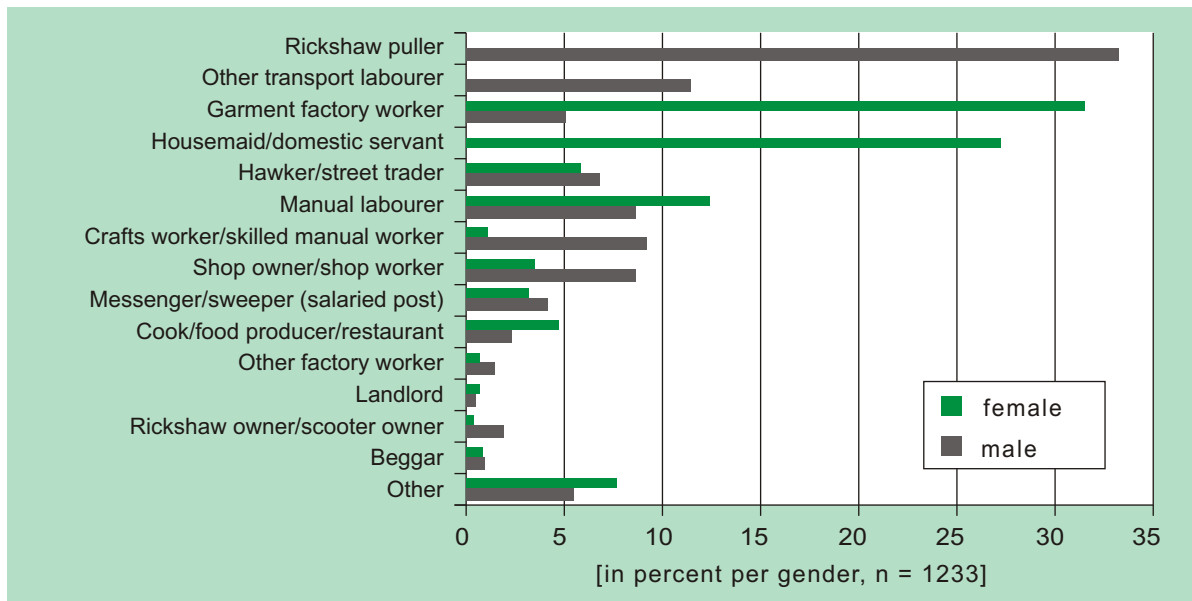
Source: Salway et al. 2003

Figure 7: Incomes
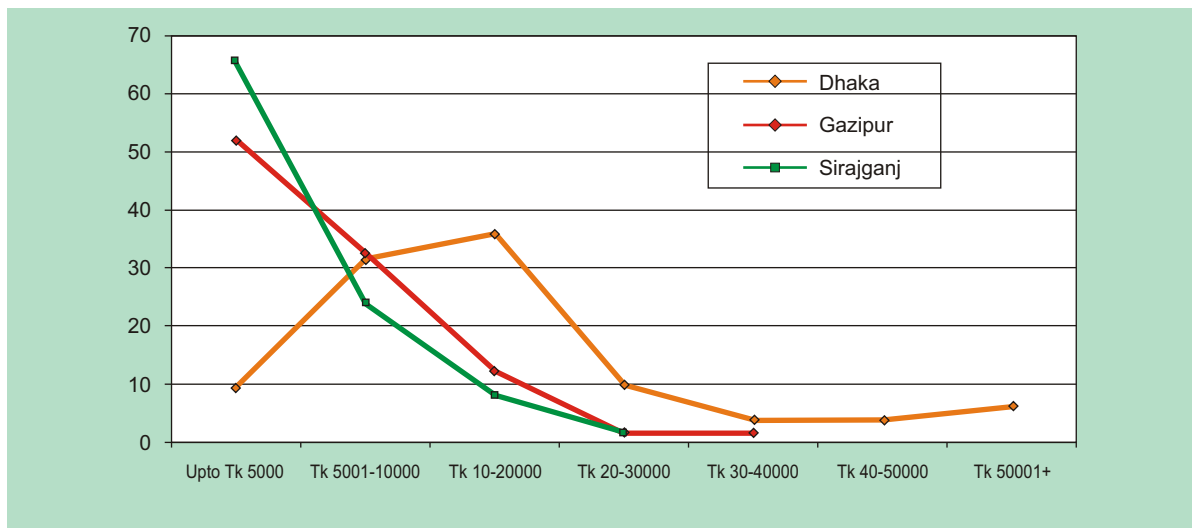
Source: IGS Governance Barometer 2010, Aziz and Graner 2011

5.2   Mobilising Dhaka's Citizens - the Transport Sector

When considering urban economic development, the transport sector is usually attributed a crucial function. Vasconcellos argues that, "transport is a vital component of any society" (2001, p. 232) and the World Bank even describes it as the "life blood" (2002, p. 1). Analyses about the transport sector have been undertaken by both urban and economic studies for quite some time (Rostow 1960, Tiwari 2002, Yong and Xiaojing 1999, Knowles 2009, Loo 2009). Studies about urban transport in developing countries, and even more so in mega cities, tend to focus on the vast problems of the lack of appropriate services, particularly for low income groups. In this line of argument, Stren (2001) and Yaker (2001) point out the "functional crisis" of urban transport. Based on a case study from Columbia's capital Bogota they argue that "it is a result [..]of improper management" (Stren 2001, p. 380). At the same time, the key arguments of most of these studies usually refer to infrastructure, or the lack of it.

From our angle of analysing economic governance of the transport sector, we generally support Stren's argument. Yet, we would add that it is not only a management failure but a failure of governance. Indeed, we consider transport as one of the most crucial components of the city's economy and economic planning. If so, then one of the key functions of any city council should be the provision and regulation of the transport sector. While planning and regulating infrastructure is a part of it, overall planning needs to be much more comprehensive. We would argue that good governance in urban transport includes the provision of accessible, affordable, and (moderately) safe transport services to all citizens, whether poor or rich, and at all localities in the city. This also includes the setting up of a transparent set of core stakeholders and rules and regulations regarding how these need to operate and who they are accountable to. For any city council this poses the challenge of providing guidelines for public as well as private bodies to provide these services. In addition, they also need to monitor these service providers and in cases of violations, regulate, or even (legally) prosecute them. Yet, such ideas are diametrically opposed to Siddiqui's analysis of the (economic) power structure in Dhaka city, arguing that "genuine change [..] would undermine their [powerful people's] wealth" (2000, p. 183).

When investigating into management of traffic, Flora (2008) categorises five 'overriding challenges' (p. 383) into 'inherited problems' and 'meeting new challenges' (p. 383). While the first sub-set includes the need to increase access and to increase affordability, the second sub-set refers to adjusting to changing global patterns, increasing responsiveness to consumers, and coping with rapid motorisation (Flora 2008). For our study, the latter is of particular interest, as we argue that urban transport policies tend to support the needs of (motorised) elites, and that this is often done at the cost of low income groups whose access to transport services is constantly at risk. This argument is also supported by the World Bank, in their study on 'Cities on the Move' (2002). There, they state that "the potential of non-motorized transport is often un-mobilised or even actively suppressed" (World Bank 2002, p. 125). An even stronger line of argument was already provided by Guitink (1996), stating that "this reflects a weak political empowerment of non-motorized transport users" (p. 1).

For Delhi, Tiwari argued that "the existing urban transport infrastructure does not meet the needs of a large number of city residents" (2002, p. 95). A whole series of studies has been undertaken for China's major cities. Wu Yong and Li Xiaojiang (1999) conclude that the massive investments in infrastructure and the transition from non-motorised to motorised transport has only made a comparatively small

contribution to solve the cities' traffic congestion. For Dhaka, the Centre for Policy Dialogue (CPD) attributes a "strategic role" to the transport sector (2001, p. 15) but at the same time, they and many other authors, point out the "deteriorating urban transport situation" in the city (2001, p.15). Sadiq Ahmed (2010) argues that there is a massive loss of urban productivity, due to the congestions that result from it. In general, the modes of transport used by its citizens have been seen as a crucial indicator of overall development and social change (see Loo 2009).

Overall, the rapid motorisation of traffic in Dhaka has been quite substantial, and annual growth rates have been at nearly 10 percent over the past decade (BRTA, quoted from GOB/BBS 2010, Hossain and Gülen 2007, 4910; see also Alam et al. 2002 and Alam and Habib 2003). Irrespective of this incessant move for motorising the transport sector, until today, many localities in Dhaka are still characterised by the overwhelming presence of pedestrians and rickshaws. In 1987, Kalabamu (1987) introduced his article by noting that "the traffic is dominated by endless streams of pedestrians and rickshaws" (P. 123) and he states that rickshaws are "ubiquitous" (p. 125). Only a little later, Gallagher (1992) provided some quite remarkable quantitative assessments, stating that "in Dhaka alone, rickshaws comprise half the vehicles, 23 percent of the city workforce, 70 percent of its passengers, and 40 percent of its passenger mileage". Based on his overall assessment there are about seven million trips, covering over 11 million passenger miles daily (Gallagher 1992, p. 45), and he argued that "the service performed by Dhaka's rickshaws is double that of the London underground" (p. 78).

In spite of the rapid urbanisation that has changed the physical set-up of the city quite substantially, two decades later, JICA's Dhaka Urban Transport Network Development Study (DHUTS 2010), argued that rickshaws are the most dominant mode of transportation in Dhaka. Overall, they assess that rickshaws still accounted for about one-third of the city's 23 million daily trips. Similarly, the Dhaka Transportation Coordination Board's (Draft) Strategic Transport Plan for Dhaka states that "at present, rickshaw is the primary mode of travelling (2006, p. 26), as does Niaz Zaman when she argues that "rickshaws have remained a key phenomenon of the streets of Dhaka" (2008, p. 10). Reasons why this is the case include the mentality of "service demand" from the side of the middle class (ie. being "pulled" rather than riding a bicycle by oneself), the restricted options for women to walk by themselves and generally difficulties in walking within crowded public pathways, the role in small goods transport, and constraints of narrow alleys in many residential neighbourhoods.

This message about the crucial importance of rickshaws was also conveyed to all visitors and TV spectators of the International Cricket Cup in February 2011, when the organisers held the opening ceremony, orchestrating all teams to enter the Dhaka stadium on rickshaws (Islam 2011, BBC 2011). Yet, in spite of these romantic and folkloristic impressions, there is also quite a different narrative about the non-motorised sector, and rickshaws in particular. The latter depicts them as an "anachronism" (Zaman 2008, p. 11) or even a phenomenon that is threatened with "obliteration" (Zaman 2008, p. 11). Opponents who regularly propose to get rid of rickshaws are numerous and seem to provide rational arguments. Streets, overall are too narrow and as traffic (meaning: motorised vehicles) has been rapidly increasing over the past decades, space is getting congested. Besides, rickshaws are too slow and block the roads, and thus they are a main cause for congestion (see Alam and Habib 2003, and the compilation of texts provided by Barri and Efroymson 2005).

Interestingly and ironically, we would argue, the lower income groups also acquiesce in this view that rickshaws are an anachronism, or at least inferior, as can be witnessed daily when car drivers hoot at rickshaws to get out of the way, even if the rickshaws were there first - and the pullers accept it. At the same time, these discussions are quite a typical phenomenon all across (South) Asia. For Delhi, Tiwari (2002) argues that "in the name of development [..] investments in transport improvement plans continue to focus on projects that benefit car users, at the costs of environment friendly modes" (Tiwari 2002, p. 98; see also Wu Yong and Li Xiaojiang 1999 for China).

Overall, we support Tiwari's argument but we also feel the need to add that this is a discourse mainly fostered by the elite and the middle class. As such, it mainly aims at establishing a distinctive hierarchy between "them", defined by the capacity to afford to buy and travel in private cars and "the others", i.e. those citizens who are not in a position to do so. As quoted above, such an argument is also suggested by several other studies, such as Bari et al. 2005b and Alam et al. 2003. While Alam et al. (2003) argue that "little consideration is given to the non-motorized vehicles" (p. 1) we would go so far as to claim/state that non-motorised forms of transport are systematically being marginalised. Interestingly, Kalabamu documents the historical depth of this debate, when referring to documents dating back to the mid-1980s and beyond. Once in a while, these efforts lead to rather drastic measures, as for instance in October 2004, when a joined effort of the Dhaka City Corporation (DCC) and the Dhaka Metropolitan Police (DMP) to evict non-licensed rickshaws led to violent conflicts between licensed and unlicensed rickshaw pullers and for the latter a fear of police who regularly seize and burn illegal vehicles (Davis 2006, cited in Hodgkinson and Ellery n.d., p.8)*.

5.3   Stakeholders and Policies in the Transport (Sub)Sectors

For analysing the transport sector of Dhaka city, we first of all aim at identifying the core stakeholders who define the rules and regulations (i.e. the institutional framework) for the sector. These stakeholders include the Dhaka City Corporation (DCC) and the Bangladesh Road and Transport Authority (BRTA), who issue licenses and registration numbers for both private and public transport, motorised as well as non-motorised. Other key stakeholders, as mentioned above, include the Dhaka Metropolitan Police (DMP), and, in a broader sense, other service providers, such as Bangladesh Railway or Bangladesh Inland Water Traffic Agency (BIWTA), who all interact in some way, and who are all represented on the umbrella policy committees for transport.

In addition, there are the other crucial stakeholders within the public and private sector who operate large or small scale companies for transport services, as well as their associations. At the lower end of the economic and social strata there are those who strive at earning a living from working in this sector, such as bus and auto-rickshaw drivers and rickshaw "pullers". Between these, there are intrinsic layers of "mediators", as we will show in more detail (see 5.5, below). One other core stakeholder are the citizens of Dhaka who use these various modes of transport. They are, at the same time, the ones who constantly decide on whether and how to use these services, from private or public providers or, alternatively, on buying their own means of transport, whether motorcycles or cars. Yet, among the latter many are from high authority groups, such as senior public servants, politicians and trade union leaders, and thus core decision makers at the policy level.

At the policy level, the Dhaka Transport Coordination Board (DTCB) is a crucial entity. At the same time, the last major policy document has been drafted under the previous BNP government in 2006, in the form of a Strategic Transport Plan for Dhaka (STP), and a (first) draft was shared with the public. In their 'Vision for the Future' they define their role in the following way: "systems will be put in place which take care of individual needs and also the collective needs of others"(STP 2006, p. 4). Overall, they envisage a completely new modern and efficient bus rapid transit system that will gradually supersede the existing out of date fleet (STP 2006, p. 5; see also Sharmin et al. 2011). Generally, the latter has been a core feature in many 'modern' policy guidelines about the potential future of Dhaka's urban transport system. In addition, the plan suggests a Metro-Rail-Transit (MRT) system, as has recently been constructed in Delhi (see also Chowdhury 2010). For private transport, this also includes the promotion of electric vehicles (for a detailed account see Alam et al. 2003).

At the same time the consultants point out that being modern, clean, and organised need not be expensive in itself (STP 2006). As a major 'institutional' (or rather organisational) change they suggested the formation of a new and unified umbrella authority, in the form of the Dhaka Metropolitan Regional Authority (DAMERA). The core idea was to invest a range of functions in this body and, most crucially, integrating land use planning and transport planning. Yet, as is often the case after political changes, this was not followed up by the new government. Overall, this (draft) document recognises the role of different modes of transport for different sections of society, including non-motorised forms. Thus, the vision specifies that there will be a hierarchy of public transport systems created in which each vehicle type will be given a definite and specific role to play (STP 2006, p. 5). This includes "modern, high capacity buses [..][in] the main corridors; smaller mini-buses will serve the more congested areas; rickshaws and taxis will act as feeder services linking neighbourhoods with the main transit lines"(STP 2006, p. 5).

While the Transport Plan overall acknowledges the need for inclusive transport planning, at least implicitly, several (sub-)chapters of the document read (much) less promisingly. The 'guiding objectives', for instance, can be seen as the quintessential part of the DTCB's planning outline. Yet, one of the ten paragraphs that addresses integration refers to a mere technical exercise, namely "to introduce a common ticketing system" (see Box 3 below). At the same time, the provision of highway and street infrastructure seems to be attributed a much higher need (no. 2). Even more alarmingly, rickshaws are not even mentioned in this crucial section. Overall, Akther (2009) argues that "[STP] was accepted by government despite vigorous opposition from professionals and civil society" (p. 1). Gallagher in an interview with the authors argues that the DTCB, being recommended to the government by the donors, had an initial bright start, but has slipped in importance, and is now considered a 'toothless' body.

Box 3: Policy Guidelines for the Strategic Transport Plan for Dhaka (2006)

> The provision of a safe and reliable public transport system including both bus and mass rapid transit services at prices which are affordable by all sections of the community.
>
> Provision of highway and street infrastructure to serve the different functions required by different users.
>
> Integration of different modes of transport by linking routes and services and by developing a common ticketing system.
>
> Enhancing the transport systems so as to encourage economic growth in order to make the competitive position of Dhaka and Bangladesh stronger in a world market.
>
> Acknowledging the needs of special sections of the community especially the needs of children, the aged and infirm and women.
>
> Revision of laws and regulations so as to encourage the involvement of the private sector in the design, construction and operations with Government control in the planning of land uses and transportation systems.
>
> Revisions to the systems of licensing and testing for both drivers and vehicles in order to improve the quality of both and to eliminate non-licensed vehicles and drivers.
>
> The creation of a 'Pedestrian First Priority' system to enhance the provisions for pedestrians and to increase the safety of vulnerable road users.
>
> Creation of environmental pollution control standards with special emphasis on noise and emissions from vehicles.
>
> A careful re-planning and re-construction of all city roads using up to date traffic management techniques so as to ensure that the maximum capacity from existing and future highways is realised consistent with a sound safety policy.

In addition to these overall policies and planning exercises, one crucial aspect for providing services in the transport sector is to regulate the operations of both the public and private sector. Generally, the Strategic Transport Plan 2006 follows many guidelines of the overall National Land Transport Policy that was adopted in 2004. For Dhaka city the latter suggested to prioritise pedestrians and bus services (GOB/Ministry of Communication 2004). Regulations for bus services include route permits and guidelines for the standards the vehicles should have. One critical flaw for governance is that while the Bangladesh Road Transport Corporation (BRTC) is the overall body, route permits are regulated by an external body, the Road Transport Committee (RTC), although this is appointed by the Bangladesh Road Transport Authority (BRTA) (see Figure 8 below). The former also operates a few bus lines, but the public sector directly only operates less than 2 per cent of all routes (World Bank 2009, p. 1). From 2004 onwards the government has encouraged larger companies to operate private buses (holding more than 20 buses). In 2006, there were about 60 companies, with 10 to 150 buses (World Bank 2009, p. 2), and a rough estimate states that there are about 16,000 buses in operation (The Daily Star 2010b, based on BRTA).

The regulations set by the RTC for the private service providers include standards of the vehicles, numbers of seats and passengers, fares to be collected, as well as licensing for the vehicles and for the drivers. In spite of this rather clearly defined institutional framework, a rather critical analysis of bus

services is available from the World Bank in their Transport Policy Note for Bangladesh (World Bank 2009). The introduction indicates severe shortcomings, and in their outline they ask "what are the systemic problems that continue to plague the bus sector in Dhaka, why have these ailments persisted and how can these pathologies [be addressed]" (World Bank 2009, p. 1). As the 'systemic' problems they identify the standards and quality of services, a point that is also raised by several other authors (see for instance Choudhury 2010, Sharmin et al. 2011). Two other core issues addressed in the World Bank study are the fragmented industry, as well as "governance and institutional issues" (World Bank 2009, p.2). As argued before, the latter argument is quite crucial for us, although we argue that their understanding of 'institutional' refers to organisational issues.

When analysing why these ailments have persisted, the World Bank authors see the main reasons in political patronage, "co-opting industry associations" and "colonizing institutions of accountability" (World Bank 2009, p. 4-5). From a governance angle, the role of the Road Transport Commission (RTC) is quite crucial, as are industry associations. RTC is chaired by the police commissioner, but the RTC also includes representatives of the associations. Needless to say, the latter have strong political affiliations. At the same time no individual person can get any route permit without being a member of such an association. When analysing these institutional arrangements, the assessment given by the World Bank is rather critical. In addition to several forms of violating rules (additional seats, higher service fees, lack of licenses and route permits) there seem to be quite severe offences of "corrupt transactions" (World Bank 2009, p. 3). These include the issuing of driving licenses, blue books, registration numbers, and fitness certificates to persons/vehicles who/that do not meet the given criteria (World Bank 2009).

In addition, there is also the 'custom' of collecting bribes in the form of 'speed money' (ibid.) for the timely provision of services and permits. These supplementary incomes are then given to "senior BRTA management, and political and transport association leaders" (ibid.). Regarding bus owners' associations and trade unions, the analysis also suggests that "changes [after elections] are comprehensive, going from top leaders down to the city ward level terminal and route committees" (World Bank 2009, p. 4). At the same time, the respective opposition parties seem to get their share, as well, assessed at about 25 percent (ibid.). The study later on epitomises this balance as 'perverse equilibrium' (World Bank 2009, p. 6). Overall, the study advises reforms 'on many fronts' (World Bank 2009, p. 6), mainly by promoting the collective action capability of core stakeholders. Yet, the likelihood of supporting the reform among those with a low interest to do so and a high influence could be more difficult to achieve than suggested.

As argued above, these institutional regulations are likely to be similar for other modes of transport, as well. For auto-rickshaws (three-wheelers) one crucial piece of legislation was the introduction of compressed natural gas (CNG) in September 2002. After doing so, the DCC banned two stroke auto-rickshaws, as they argued that it was "one of the city's largest contributors to air pollution" (see Hossain and Gülen 2007). These developments were (partly) a result of the Dhaka Urban Transport Project (DUTP) by the World Bank. While the World Bank's website suggests that it was "one of the first WB projects to ease transport congestion in Dhaka" (World Bank 2005a, p. 1) they also acknowledge that "as the city's urban transport problems cannot be solved by any single project, this project focused on the most urgent infrastructure issues" (World Bank 2005, p. 1).

As we will later on provide a case study about rickshaw pullers, we have undertaken a more detailed stakeholder analysis for this crucial sub-sector. In addition to municipal bodies, such as the Dhaka City Corporation (DCC) and the Dhaka Metropolitan Police (DMP), this includes an intrinsic layer of 'informal' stakeholders, who provide their services and at the same time act as brokers for the actual rickshaw pullers. This includes a wide range of *mastan*s, *mohajan*s and middlemen, who act as rickshaw 'owners' (see Figure 9). Their main tasks are to obtain licenses from DCC or to 'rent' the ones previously obtained. An equally important task is the need to minimise interference from the side of others, either DMP or other informal agents. Generally, they provide all kinds of support to rickshaw pullers (and street vendors), who need to hire their rickshaws for daily (or monthly) fees.

Figure 8: Mapping Stakeholders in the Transport Sector
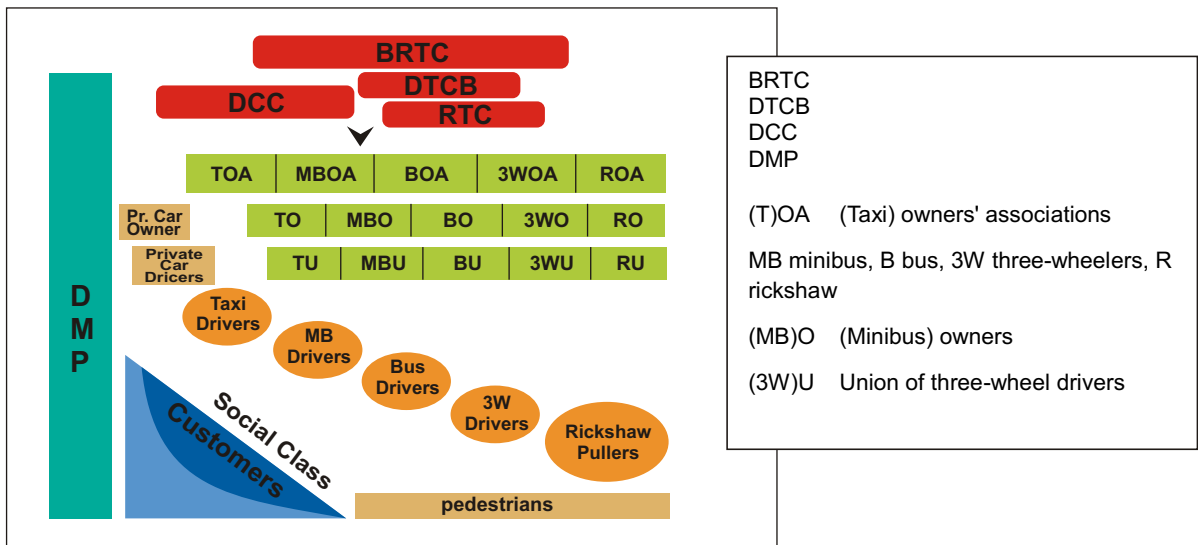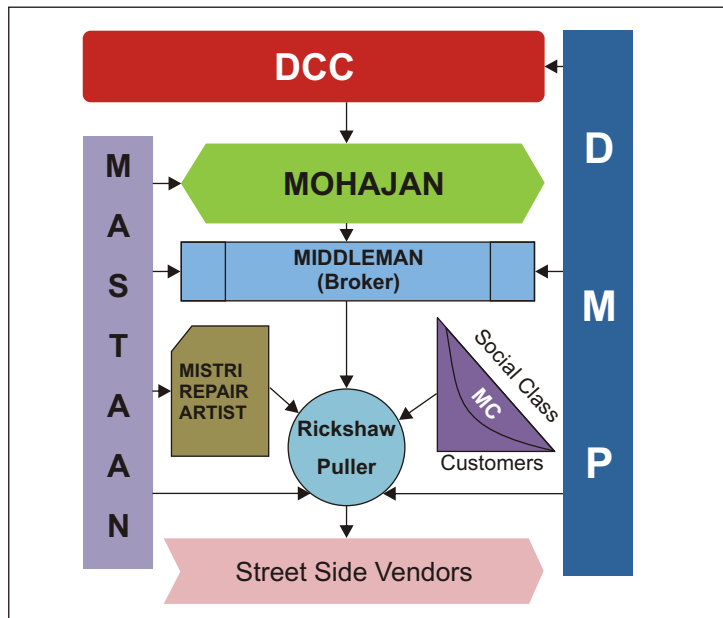

Figure 9: Mapping Stakeholders within the Rickshaw Sub-sector

The licensing of non-motorised transport including rickshaws, push carts and horse carts falls under the authority of Dhaka City Corporation (DCC). Generally, many authors point out that there is a vast gap between the number of official licenses and actual utilisation.

In 2008, the Bangladesh Police Special Branch state that in spite of only a little less than 80,000 registrations, there are about 400,000 rickshaws, and they argue that "[this] makes them one of the first targets for the government in their attempts to address the traffic issue (GOB 2008). The high proportion of unregistered rickshaws has also been addressed by other authors. For the 1980s Kalabamu assessed the number of rickshaws at about 80,000, in comparison to about 27,000 officially registered ones. Interestingly, most of these unlicensed rickshaws received an 'amnesty' during the mid 1980s, and the latter number of licenses has remained until today.

At the same time, it seems that this free licensing was followed by an enormous influx of new rickshaws, as Amin's assessment for 1989 is already 300,000 (Amin 1991, p. 491). A similar increase had also occurred during the 1960s, (from 4,000 to 18,000). Amin attributes this to the "liberal licensing policy of the then Dhaka [or Dacca] Municipality chairman" (Amin 1991). Currently, JICA even assesses the total number of rickshaws at about 400,000 to 600,000 (JICA 2010, p. 18). On the other hand, Islam (2008, p. 85) suggests only about 100,000 rickshaws in total for 2003. If so, then the number would be lower than in Delhi, where it is about 300,000 (see Tiwari 2002, p. 97), and this is quite unlikely.

Overall, the number of rickshaws that are newly registered at DCC is increasing until today, and growth rates are at more than 3 percent moderately high (DCC and GOB/BBS 2010, p. 265). In order to (re-) establish control, once in a while there are rather violent attempts from the side of DCC and DMP to ban 'illegal' (or non-licensed) rickshaws, as for instance in October 2005 or during the recent months. Interestingly, many among the rickshaw pullers favour these regular check-ups. Currently, many complain that for the past two years enforcement has been quite weak, compared to enforcement during the last regular and caretaker government. Many rickshaw pullers have argued that this brings about a stiff competition, and fares may be affected negatively. While those with licenses might be better off, there are high numbers of 'defaulters' who might not even be aware of these regulations, as one of our case studies has shown (see Box 4, below).

For the registration of rickshaws, there are two distinct types of formal regulations. Key informant interviews have indicated that in case a private owner of a rickshaw garage registers his (or her) vehicle, she/he needs to pay a fee ranging between 15,000 Taka and 20,000 Taka, including unofficial transaction costs. Quite astonishingly, these costs are nearly equal to, or even higher than, the purchasing costs of a rickshaw (at ca. 16,000 to 19,000 Taka). At the same time, other institutional arrangements are much less costly. One example is associations, such as the Freedom Fighters Association but also Trade Unions, as the Awami Shromik League. In the latter cases, the costs for licensing and registration are negligible, and range between 250 Taka and a maximum of 500 Taka, in addition to some other nominal costs. One distinctive feature is that the issuing of these licenses is strongly related to political circles, and cycles. Overall, key informants assess that only about 25-45 percent of all licenses have been issued by paying the full rates. For the labour force, these registration rates are a core parameter for determining their daily/monthly rents (see section 5, below). At the same time, it is vital for the rickshaw pullers to be aware of these regulations, in order to avoid conflicts

with higher authorities (see Box 4). Overall, the 'system' of unlicensed rickshaw shows quite remarkable consistency over the past four decades, and this can only be explained by intrinsic layers of stakeholders who profit and thus have an interest in maintaining these institutional arrangements.

Box 4: Case Study of Rickshaw Puller (field survey, mid-August 2011)

Mahbub Alam is a 25 years old rickshaw puller from Mymensingh. This time, he has come to Dhaka only 15 days ago, but he comes here quite regularly. Overall, he thinks that pulling rickshaw for a month or two is a good additional source of income, and usually he comes to Dhaka about two to three times a year. He has some social networks that help him to get access to this occupation. Back home, Alam's family is engaged in agriculture, and after sowing paddy he has about one month when his presence is not needed. In Dhaka, his regular daily expenses are about 130 Taka for the meals and mess (60 Taka), where he stays with some village friends. For renting the rickshaw he needs to spend an additional 70 Taka during a regular working day, from about 8 am to 8 pm. He usually recovers these costs quite easily, and saves an additional 300-500 Taka daily.

His dream is to save about 15,000 Taka and to start a small-scale fishery back home, where he has a pond. Generally, he is quite optimistic about being able to achieve this in the near future. At the same time, once in a while this goal is quite severely put at risk. At the beginning he did not know much about administrative regulations. Some time ago, he rented a rickshaw that had a license plate obtained from an association, due to expire shortly. Yet, he was not aware of this and one day he was forcefully stopped by the police. The rickshaw was confiscated and loaded onto a truck, destined for a "dumping site". Alam tried to protest, but instead of getting his rickshaw back he was beaten up by the police. When he reported this to the owner, the latter could retrieve the rickshaw, yet at considerable costs (Taka 4000). Alam had to bear half of the cost (Taka 2000), and this amount was gradually deducted from his '*dadon'* money. Even today, he once in a while, rents a rickshaw with such a number plate - but now he always checks the expiry date.

5.4 Changing Mobility as a Proxy for Social Change

The motorisation of urban transport in Dhaka pre-dates partition and independence. Along with this trend, cycle rickshaws have gradually become an important means of transport soon after the diffusion from Kolkata in the late 1930s (for further details about this historical account see Islam 2003). As documented by Amin (1991), the first licensing by the British started from 1944 onwards, when they had issued 100 licenses (p. 491). While in Kolkata some rickshaws are being man-pulled until even today, the Dhaka version has always been combined with a cycle. Nonetheless, Pirrie (1995) points out that the 'pullers' have inherited "the generic name from the earlier hand-pulled contraptions" (Pirrie 1995, p. 124). Another distinctive feature of Dhaka's rickshaws is the richness of art that decorates them, a field that has inspired several authors into collecting and commenting on some unique examples (see Islam 2003, Lasnier 2001).

Analyses of modes of transport as a proxy for social change date back to quite some time. One prominent example is the typology of economic growth that W.W. Rostow provided in his "Stages of Economic Growth" back in 1960. For him, as a neo-classical economist, social change was to be defined by the use of modern technology, and transport was a crucial proxy variable for doing so. Thus, he

classified the modernisation of society on the basis of the diffusion of private automobiles, a variable where the US in the late 1950s had a vast advantage in comparison to European countries.

When looking at the history of motorisation in Dhaka, growth rates have been quite moderate until the 1980s and 1990s. Motorisation, until recently, was a privilege of the upper class. Even in 1996, an assessment of the total number of vehicles in the entire country was less than 100,000, although an astonishingly high number among these (25,000) were in Dhaka (ratios of nearly one in four, and thus a clear functional primacy; based on Alam and Habib 2003, p. 167). At the same time, this particular year was exceptional, as the issuing of new licences doubled, at least in Dhaka (see below). Overall, within less than a decade (by 2003) the total number of cars had increased by more than 50 percent (to nearly 150,000), and Dhaka's primacy had even further increased, to nearly 28 percent (Alam and Habib 2003, p. 167).

At the same time, assessments for car 'densities' for Dhaka, the numerical relation between the total number of cars and the overall population are quite low, even when compared to other South Asian cities. One of the rare assessments is provided by PPK Consultants for ca. 1992, who assess the density of cars and motor bicycles (i.e. vehicles/ 1000 population) at about 13 and 8, respectively (cited in Barter 2000, p. 39). The compilation for several South Asian cities made by Barter for the early 1990s indicates that the densities in Dhaka thus range between Lucknow and Varanasi (Barter 2000, p. 34). At the same time, the motorisation densities for motorcycles in these two Indian cities is much higher (104 and 106, compared to 8 in Dhaka). Even for today, DTCB's Strategic Transport Plan for Dhaka assesses that the rate of motorisation has remained at 30/1,000 persons, yet without specifying whether this includes both motorbikes and cars or only the latter (STP 2006, p. 24). On the other hand, significantly higher values are suggested by Mannan and Karim (2001), even for the early 1990s, at 40/1000 (p. 4).

Generally, motorisation often has a two-step approach, where in the first step a motorcycle is bought and only much later a car (see also Tiwari 2002 for Delhi or Wu Yong and Li Xiaojiang 1999 for major Chinese cities). In addition, the first can also be seen as a life-cycle phenomenon, at least for those income groups that can afford to do so. Yet, this is only the case for the upper and upper middle classes, while the other groups, and thus a substantial share of the city's population, need to rely on other modes of transport. In addition, the ownership of non-motorised forms of transport, such as bicycles, is extremely rare. Overall, in urban studies the proportion of motorcycles to cars is often taken as a crucial proxy for economic and social change (Loo 2009, Knowles 2009). During the early 2000s, the number of new registrations among motorbikes increased about 15-21 percent, whereas cars had much lower growth rates. A virtual boom took place in 2004-05 (plus 60 percent) and later on rates increased to 20-35 percent. A singular peak is documented for 1996, followed by an enormous drop in 2002 (see Figure 10), due to political cycles. At the same time, the number of new driving licenses is much lower, for both cars and motorbikes (GOB/BBS 2010, based on BRTA). This possibly indicates a high number of internal migrants who move to Dhaka, having obtained their licenses elsewhere. At the same time, the new registrations of cars has seen similarly rapid growth rates, and even more stable ones. When looking at the trend of the past two decades, it is likely that the ratio of motorbikes and cars will be equal within the next few years, and this clearly documents the increasing social mobility of the higher income groups.

Figure 10: Registration of Motor Vehicles in Dhaka City (based on BBS and BRTA)
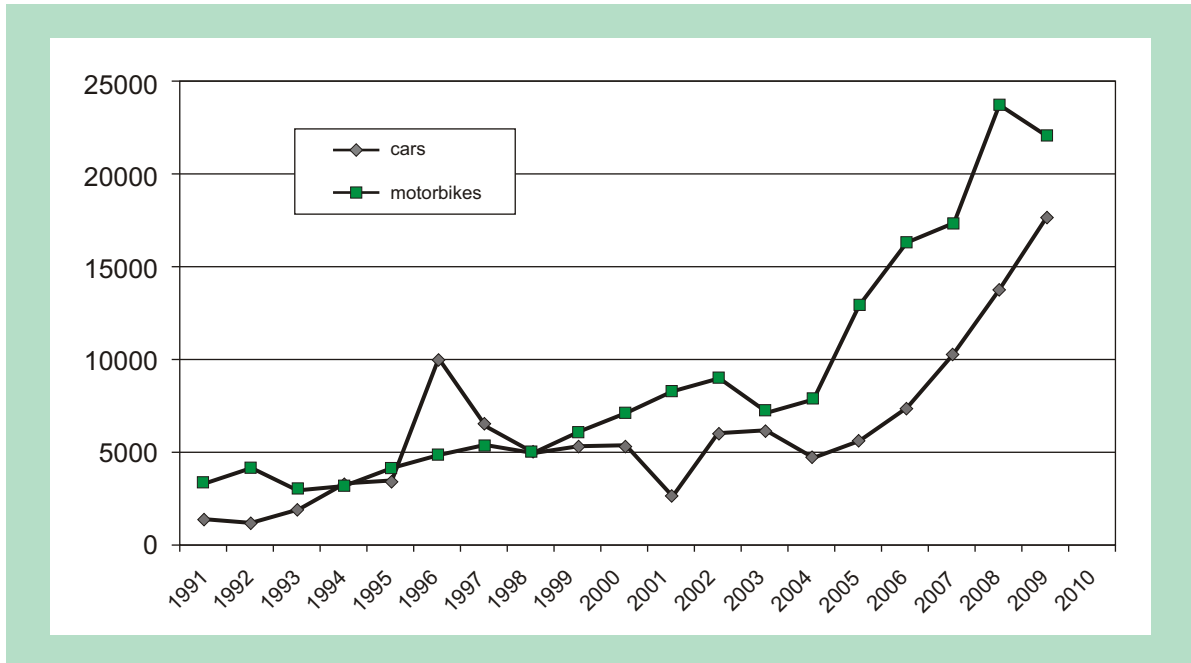
Source: BBS and BRTA 2012

5.5   Dhaka's Transport - Changing Utilisation Patterns

As argued above, changing transport patterns can be a crucial indicator for social change, particularly in urban areas. In addition to the changing patterns of registrations of cars and motor bicycles the actual utilisation of these different modes of private and public transport facilities is of crucial interest. Unfortunately, such types of studies are quite rare, and at times document contradictory trends. Some of these contradictions can easily be explained by methodological differences. Analysis based on the number of trips tend to be higher for non-motorised forms (walking and rickshaw) whereas analyses based on the total mileage covered usually document that motorised forms have a larger share, particularly buses. For Dhaka, quantitative studies are available from the 1980s onwards, and the trends are quite remarkable in terms of overall growth. At the same time, ratios of changing transport modes, and motorisation even more so, have increased much less or are even declining. This phenomenon most likely documents the vast and rapid growth rates of the city population, where new migrants move into the city, who yet need to set up their lives and find the means to participate in transport, other than walking.

For the mid 1980s Kalabamu (1987, p. 125) documents the vast importance of rickshaws, accounting for 59 percent of all vehicular traffic (see also Ahmed 1980). His assessment states that rickshaws carry about 2.5 - 3 million passengers a day, and thus about ten-fold of government owned buses (ibid.). For old Dhaka, he assumes that "the volume of traffic outnumbers that of cars in a 4:1 ratio" (Ahmed 1980, p. 126). In addition, Ara (cited in Kalabamu 1987) shows that even in higher income groups with access to cars, rickshaws were an important complementary mode of transport, as still one third of all office trips were done on rickshaw (for middle and lower income groups the latter were 58 and 81 percent,

respectively;. Buses, i.e. the public transport sector, were of similar (un)importance for all groups, at less than 10 percent (Kalabamu 1987), a piece of information distinctly different from mobility patterns of Delhi, where Tiwari (2002) argues that "buses form the backbone of the transport system". Yet, the time gap could at least partly explain these differences.

The comprehensive study done by DITS in the 1990s documents an important role of walking (60 per cent of all trips), a figure that is inconsistent with other studies (see Mannan and Karim 2001). A second major difference is the pronounced pattern of bus utilisation, both among lower income groups (38-43 percent) and among the lower middle class (36-39 percent). One mode of transport that is only listed in this study is water transport, with a share of more than 20 percent among lower income groups (see Figure 11, below). Monthly costs for transport vary between 169 and nearly 4000 Taka for different income groups, but are comparatively higher (16 per cent of overall incomes) for lower income groups (compared to 8-12 per cent for others, ibid.). For 1999, Democracy Watch (2001) also documents the high level of non-motorised trips in Dhaka and the pronounced role of rickshaws across several social groups. A functional disaggregation shows that even office travel was mainly done by rickshaws (46 percent). On the other hand, their sample was primarily based on lower income groups, and thus may not capture significant changes in regard to mobility in higher income strata.

The most current account on urban transport in Dhaka is provided by JICA, in their Dhaka Urban Transport Network Development Study (DHUTS, JICA 2010). They estimate that still about fifty percent of the value added in transport sector is being contributed by rickshaws, arguing that "rickshaws are the most dominant mode of transportation in Dhaka, accounting for one-third of the city's 23 million daily trips" (JICA 2010, p. 14-8). Their study also provides an important piece of information in regard to social groups. It confirms that even households with monthly incomes above Tk 50,000 use cars for only 17 percent of their trips (JICA 2010, p. 14), along with rickshaws and buses. Nevertheless, given the overall socio-economic composition in Dhaka (see Figure 7, above; Aziz and Graner 2011), it is the lower middle and middle class who make up the largest share of passengers.

By and large, IGS' Dhaka Service Survey, carried out in August 2011, has confirmed these utilisation patterns. Based on a sample from 1600 households (see chapter 6) the survey documents that other than walking (37 percent) rickshaws are the most important mode (34 percent). Buses play a much lesser role (less than 17 percent), at least when based on the number of trips. Interestingly, the importance of rickshaws is extremely pronounced across all income groups, and the total share increases, a feature different from the JICA study. A second difference between these two studies is the lack of evidence to document that buses are highly frequented by lower income groups. Similarly, cars are quite unimportant.

Figure 11: Changes in Modes of Transport
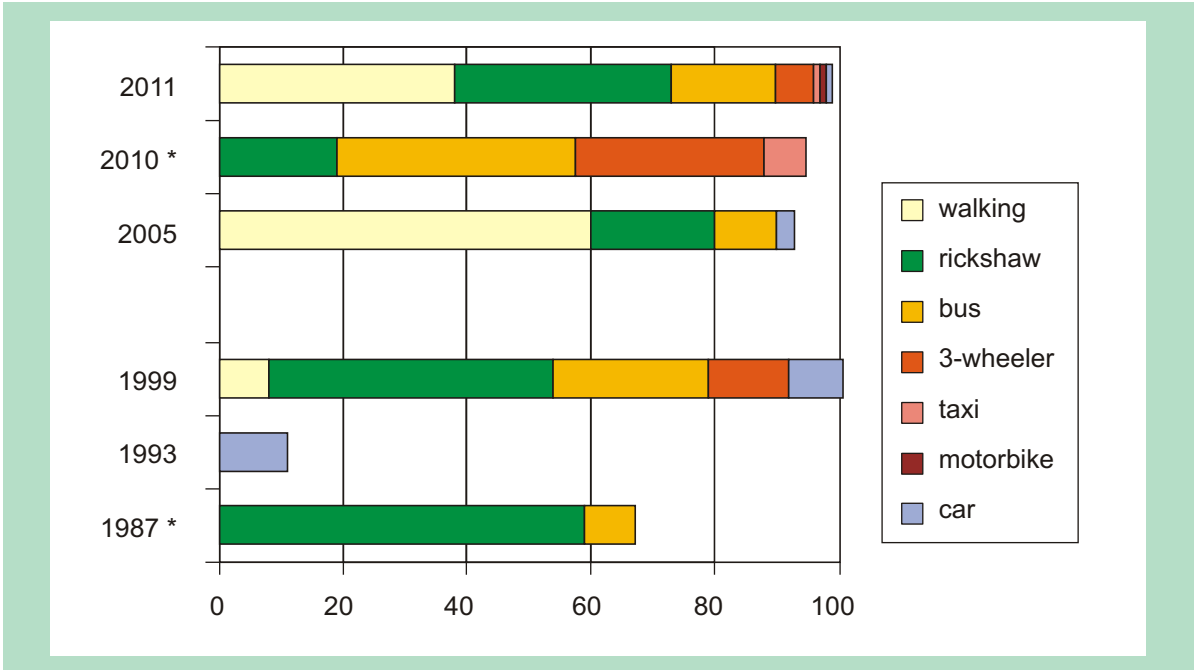
Source: BBS 2008, 2010, JICA 2010, Gallagher 1992, Democracywatch 2001 and Kalabamu 1987

Figure 12: Modes of Transport for Different Income Groups
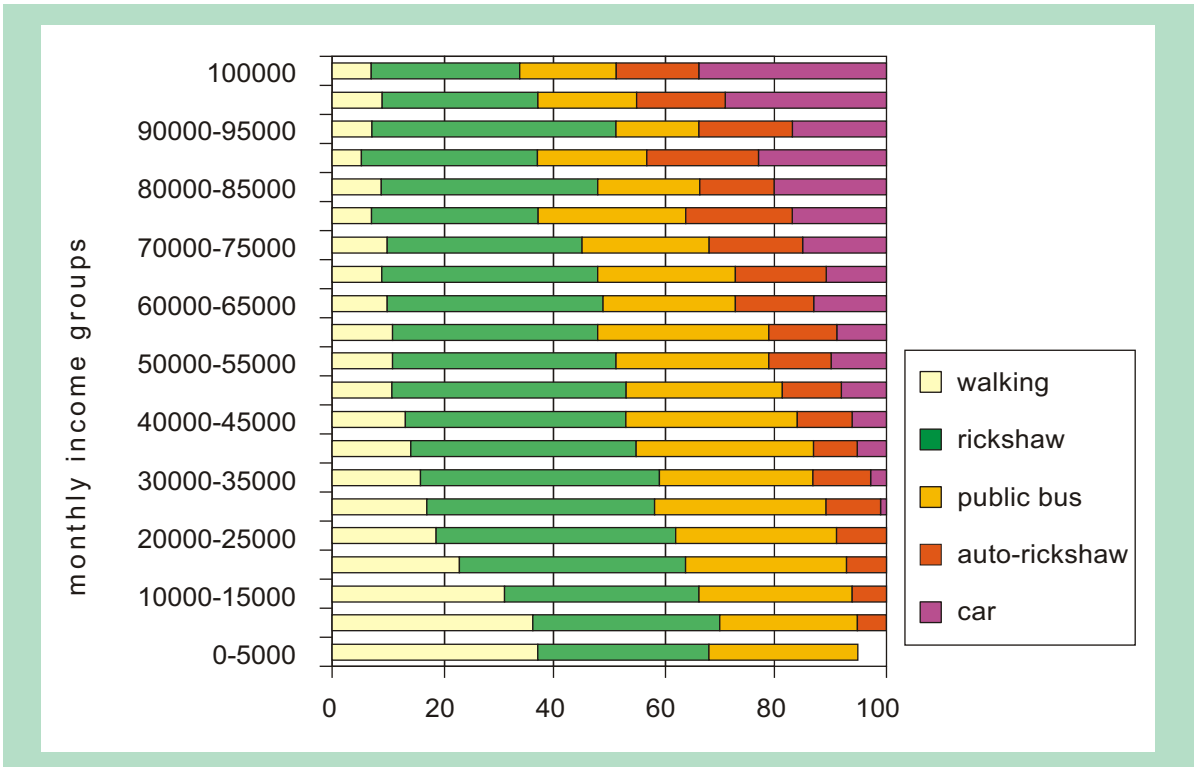
Source: IGS Service Delivery Survey 2011

From our Service Survey we can see that the share of those who do not participate in transport, at all, is quite low (less than 5 percent). Around 65 per cent of the sample population travel for work and shopping (each), and slightly less for accessing services (62 percent). A disaggregation of transport modes by functions documents that when travelling to work , most people do this by either walking or on a rickshaw (58 and 46 percent respectively) and occasionally by bus (30 percent). For accessing services or going shopping, the patterns are similar, although three-wheelers have a pronounced share (nearly 20 percent). In regard to buses, the strongest utilisation is apparent for family matters, and this often refers to long-distance travelling. Overall, average distances and time do not vary significantly, single trips are usually around 40 minutes and distances are 5 to 6 km. Regarding costs, average trips are at about 50-60 Taka, equivalent to about 10 Tk/km.

The JICA study also provides evidence that an average rickshaw puller carries about 40 people a day, mostly in shorter trips with median distances of 2.4 kilometres. If so, then this documents a rapid decline in travel distance over the past two decades. For the 1980s, Kalabamu (1987) assessed the number of daily trips at 30-40/day, but at an average trip length of 3 - 6 km (p. 125). The latter figure is also supported by Gallagher's study (1992). Thus, it seems a slightly contradictory piece of information that travel distances decrease along with the physical expansion of the city. Yet, this indicates changing mobility patterns, where longer distances are now done by other, mainly motorised, means of transport. Overall, we would argue that this changing mobility pattern is by and large an outcome of changing governance in the transport sector, where the regulatory bodies strongly favour motorised modes, at the expense of non-motorised ones.

5.6   Rickshaw 'Pulling' - A Mobile Labour Force

In regard to Dhaka's labour market, several studies document the prominent role of the transport sector, and rickshaws in particular. When Salway et al. (2003) were doing their survey among urban poor households in 1997, more than 30 percent of all males were engaged in this sector, and this was the largest single labour market. By 2005, this share has substantially decreased, but even today unofficial data indicate that there are about 500,000 rickshaw pullers (JICA 2010). For the late 1980s Kalabamu (1987) assesses the total labour force at about 200,000 and thus accounting for about 10 per cent of Dhaka's total labour force (p. 125). Interestingly, this share is confirmed by IGS' current Service Survey 2011, at least among the urban population living in slum areas.

Overall, rickshaw pulling is a critical labour market, particularly for migrants from rural areas. Quite a few studies have focused on this sector and provide primary data for comparisons and time lines (see Kalambamu 1987, Amin 1991, Gallagher 1992, M.S. Islam 2003, World Bank 2007, JICA 2010). At the same time, by focusing on the institutional arrangements between the core stakeholders we aim at shedding some light from a different angle. For considering institutional arrangements and bargaining processes, we have collected primary information from several stakeholders, including rickshaw pullers, customers, middlemen and garage owners. For the first and latter, the interface to the administrative and executive level of DCC and the Bangladesh Road and Transport Authority (BRTA) are crucial, as discussed above. For the first, there is the constant need for interaction with regulatory bodies, such as the Dhaka Metropolitan Police (DMP).

Overall, there is a wide consensus that rickshaw pulling implies hard physical labour, even on levelled territory. What is crucial to understand is that their incomes are a result of negotiating processes vis-à-vis the customers, on the one hand, and the garage owners (*mohajan*) on the other. At the same time, the rates that can be charged also need to be seen in comparison to alternative costs and modes for transportation. Thus, whenever costs for motorised vehicles increase, rickshaw pullers can also gradually modify their rates. On the other hand, the drive of the middle class to rely on their own means of transport, i.e. private cars, may gradually also reduce the available numbers of passengers. At the same time, this trend is likely to be counterbalanced, if not offset, by increasing social mobility of lower income groups, whose mobility pattern (see above) is initially largely characterised by walking.

In regard to the rickshaw owners, one core governance aspect is the process of obtaining a registration and license. Rickshaws operated by private owners need to pay quite substantial registration fees at the DCC, while trade unions and other associations merely pay nominal fees. Overall, ownership of rickshaws is a rather rare phenomenon, particularly in Dhaka. For the late 1980s, Gallagher still documented a share of about 27 percent (1992 p. 476), yet our key informant interviews indicate that this has decreased significantly, to less than 10 percent. In terms of working hours, most of them work in two shifts, i.e. for about 5-6 hours, although many tend to work 10-12 hours. This pattern was already documented by Gallagher (ibid. p. 449) for 1988, although not for all cities.

The daily rents that rickshaw pullers need to pay reflect these distinctive types of licensing, although only partly. While a private license owner charges between 80 and 100 Taka, a rickshaw puller who has obtained his vehicle from an association only needs to pay 40 to 70 Taka. When comparing these current rates to earlier studies, increases have been quite substantial. For 1988 Gallagher (1992) documents rates of 35-40 Taka in Dhaka, and these were considerably higher than compared to rates in Chittagong (27 Taka) or 25 Taka in Sylhet. At the same time, these rates by far exceeded the ones provided by Kalabamu (1987). He mentions that rents were at 300 Taka/month. Compared to overall incomes, this was equivalent to ca. 22 per cent of their incomes of about 1320 Taka. When comparing current rents and incomes (see below), rates are about 20-30 percent. If so, then rates have remained quite stable over the past decades. One regulation that is quite new is that rickshaw pullers have to pay rents on all days, including Fridays. Until about three years ago these days were free, a regulation that now only applies for a few days during Eid.

While receiving these daily rents from rickshaw pullers, the owners usually give a cash deposit before handing over their rickshaws to new workers. These deposits of currently around 2000 to 5000 Taka are a special arrangement to ensure that the pullers can not break the commitment and work for someone else. At the same time, rural migrants who come to Dhaka need to pay a substantial amount of money to middlemen or *mastans*, who take advantage of these payments, although not of the full rates (ca. 2000 to 3000 Taka). In addition to the rickshaws, garage owners also often provide food and accommodation, particularly when migrants from rural areas have just moved to Dhaka, among seasonal migrants. Demographic information on patterns of migration provided by Gallagher documented a strong presence of migrants from Faridpur (29 percent), Barisal and Comilla (17 and 13 percent, respectively; Gallagher 1992 p. 526). From our current study, the migration pattern is less concentrated, and migrants mainly come from the Northern part of the country, such as Kurigram, Mymensingh, Gaibandha. This could reflect changing infrastructural access but also changing needs for

wage labour in these regions of origin. Generally, most of the rickshaw pullers migrate to Dhaka on their own. At the same time, many among the older pullers have at some stage of their working histories also brought their families to Dhaka, and interestingly, many among their wives work in the RMG sector.

Wages are a crucial aspect of assessing the bargaining positions of a sectoral labour force. Wages vary quite substantially, but are generally above the national average (see also Aziz and Graner 2010). Based on our current survey among rickshaw pullers (n = 100), average monthly incomes are about 8,000 - 12,000 Taka. Daily incomes range between 250 and 800, although some also report that they can earn up to 1,000 Taka a day. While the first value might be substantially under-reported it is also crucial to point out that daily incomes above 800 Taka are quite rare, and can be achieved only 3-5 times a month. Naturally, there is a correlation between incomes and working hours, although this pattern was much weaker than logic suggests (see Figure 13 below). These incomes are generally confirmed by JICA's Dhaka Urban Transport Network Development Study (DHUTS), where some 35 percent of Dhaka's rickshaw pullers earn between 5000 and 7000 Taka, while 25 percent even earn between 7000 and 9000 Taka, and top wages amounted to 14,000 Taka (JICA 2010, p. 14-5). At an average, monthly incomes are 6300 Taka for about six to eight hours work.

When compared to other sectors, these wages are quite substantial. At the same time, costs of subsistence are also substantially higher, particularly food. In addition, health is often quite a considerable limiting factor, as full performance cannot be done in times of physical weakness. In addition to these occasional difficulties, life cycles are also a strong limitation, and wages usually decrease along with (older) age. Similarly, medical expenses are higher for rickshaw pullers, as they need to maintain their health. In addition, many of them often need to make substantial investments when either the police or other stakeholders aim at collecting rents from them (see case study Box 4 above).

At the same time, changes in regard to the institutional rules and regulations are a much stronger challenge. By defining an increasing number of roads as off limits or by setting in place more complex rules where and when particular roads can be used, rickshaw pulling has become much more liable for the need to pay bribes, in order not to have the rickshaws confiscated and heavy fines imposed. Similarly, the provision of alternative services by the municipality may also contribute decisively to decreasing customers. Yet, during *hartal*s or floods they are often the main, or even the sole, means of transport, and rates increase drastically, accordingly. At the same time it is crucial to notice that rickshaws have remained an extremely cost effective mode of transport for a large number of the population. While the higher income households might easily be in a position to change their mobility patterns to other modes of transport, for many other groups this might be impossible. Yet, the latter group also has crucial needs, and for many of them the only alternative might be to walk.

Access to this crucial labour market is still by and large defined by patron-client relationships. In regard to ownership of assets, or rather the lack of it, rickshaw pullers are workers rather then being self-employed. Yet, when considering the costs for obtaining this asset, then monthly rents cover 15-20 percent of the production costs even of a new rickshaw, let alone a second hand one. From an economic perspective, the saving of rents could easily be used to gradually purchase a rickshaw. Yet,

due to this complex set of registrations and licenses this is not possible. Those with an interest to perpetuate the institutional framework, for their own benefit, are powerful enough not to have it changed.

Figure 13: Incomes for Rickshaw Pullers
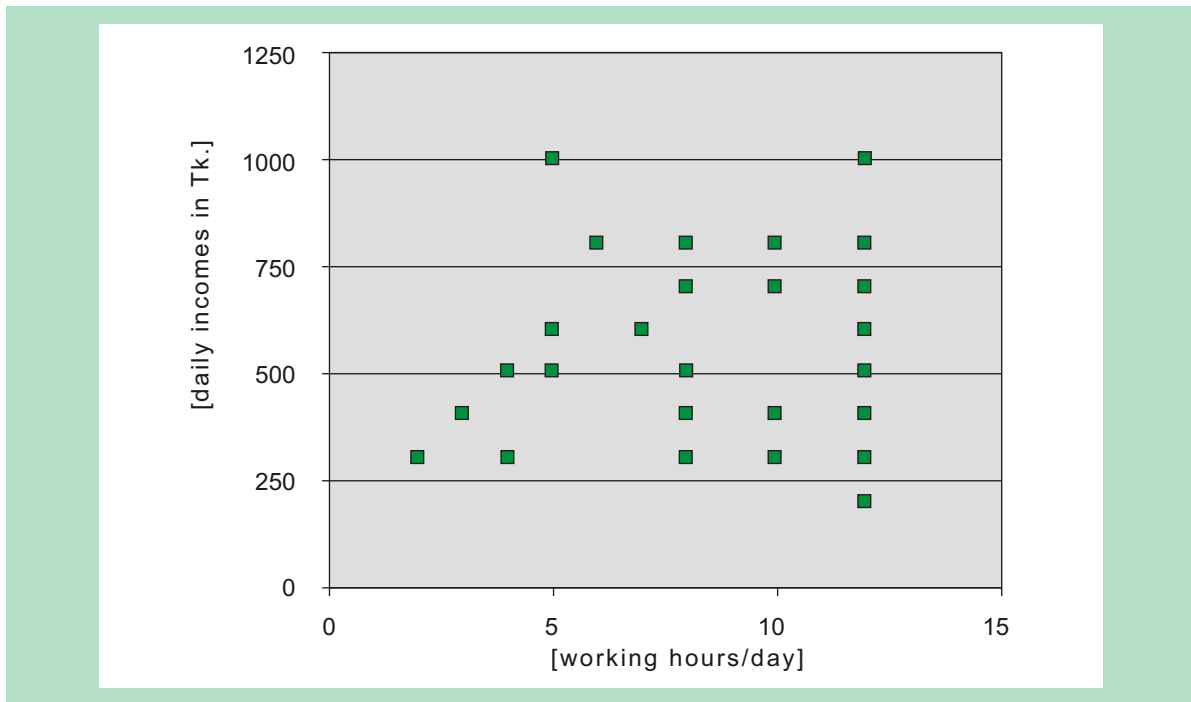
Sources: Interviews by the authors (June to August 2011)

5.7   Safeguarding an Equitable Access to Transport - Some Recommendations

When considering Dhaka's transport sector, analysts, media persons and the public generally agree on the need for substantial and rapid reforms. Yet, besides this general consensus, the strategies on how to improve the 'system' and to ameliorate the ills are quite controversially discussed. From the side of urban planners, high-tech versions, such as rapid transport modes and substantial investments in infrastructure are constantly (re-)emphasised as the need of the day. This is well documented in a number of large-scale infrastructure projects, at considerable costs (for a more detailed account see Ali 2010). For some of these projects, cost-benefit analyses (COBA) are crucial. Yet, cost-effective measures are often defined, and even blurred, by political interests. While some media persons strongly oppose this, the general public (civil society) is often much less vocal in addressing their discomfort.

At the same time, some of these planning exercises go hand in hand with substantial restrictions for the non-motorised transport on main roads, two policies that seem to be intrinsically intertwined. Yet, studies from many other Asian cities document the rather limited success of such policies, as has been argued above. From a governance angle, many of these policies are highly questionable. For strengthening governance, the core stakeholders from both the policy and executive levels need to

operate in a much more transparent and accountable manner. This also includes transport rules and regulations about who should be operating which services, and under which conditionalities. At the same time, these services need to keep in mind the wide cross section of urban inhabitants. Instead, many policy reforms pose a severe constraint to lower income groups, both as potential users and in regard to participating in the labour market (see also Bangladesh Bank/PAU 2008). For counter-balancing this, there are a number of technical tools.

One technical means to take these needs into consideration more systematically can be seen in a planning approach referred to as "Transport User Benefit Appraisal", or TUBA in short (see Bari and Efroymsen 2005, White et al. 2001). Such an approach considers variables such as road space occupancy and passenger car space equivalence (PCSE, Bari and Efroymsen 2005). Based on these appraisal tools, the authors vividly demonstrate that "private cars are the least efficient mode of transport in Dhaka" (Bari and Efroymsen 2005, p. 12). Their comprehensive assessment concludes that it is "difficult to understand the ban [on rickshaws]" (Bari and Efroymsen 2005, p. 13). While the latter has been recalled in the later part of 2005, there is still vast scope for improving the actual working and income conditions in many sub-sectors of transport, and rickshaw in particular. As indicated above, this also includes a re-consideration and strengthening of ownership of assets and licenses, although this will certainly face severe opposition from all those who benefit from the present institutional arrangements. Overall, technical assessments, however refined, always have the shortcoming that political and administrative decision makers might not want to get convinced by the findings.

The strong focus of transport policies on infrastructural projects seems to suggest that 'modern' transport planning can only be done at the expense of non-motorised traffic. At the same time, such a dichotomy is not supported by any study or evidence, whether from Bangladesh or elsewhere. Rather, we would classify such a line of argument as a discourse that merely reflects the power positions of those who define urban transport policies. Yet, this can be identified as a result of lack of inclusiveness in governance, as it is mainly done at the expense of those groups who either rely on the non-motorised sector as a means of income or as a crucial mode of low cost intra-urban transport. In contrast, when aiming at a more inclusive way of urban governance, this also needs to attribute special attention to the urban poor. An inclusive way of planning for the transport sector can only be achieved when considering their needs and rights, as well. The latter also has to consider the entire institutional set-up of ownership and rent arrangements for the different transport modes, and rickshaws in particular. Cooperatives seem to be a viable alternative. Yet, this also needs to strengthen their position *vis-a-vis* core bodies of the administrative set-up.

Governance of Urban Services in Dhaka City

As cities in the developing world undergo exponential growth in their economy and population, the distribution of public services is not just set against a backdrop of high demand relative to supply, but as a barometer that indicates the extent of effective urban governance. Bangladesh's constitution states that the Government of Bangladesh is responsible for providing its citizens with basic services, but with rapid urbanisation, an urban population exceeding 46 million and an average population growth of 1.84 percent (BBS 2011), the challenge is far greater and more complex than anticipated on paper. The country does not have an explicit policy on urbanisation and urban poverty. Without a policy framework, no mandate or priority is given to dealing with the problem of ensuring basic services for all. Delivery of public services is also mediated by structures of social hierarchy and income inequality as the more affluent areas typically enjoy better access to both public and privately delivered services than poorer vicinities and slums. Furthermore, two common perspectives among policy makers affect decision-making with regard to the urban poor. First, it is assumed that providing access to basic services to squatter settlements will result in increased migration in the form of rural migrants who would come to the city looking for better public services in addition to better jobs and an increased standard of living. Second, it is the perception that the urban population is better off than the rural population (World Bank Report, 2007a). Hence, service delivery in the slums, which are seen as illegal settlements on government land, had been relatively ignored until recently.

Over the last few decades, service delivery had been left to the power of the markets in the form of non-profit organisations, NGOs and other types of voluntary organisations while reducing the role of the state. The question arises therefore of the need for state sponsored services when the private sector seems to be doing just as well. In their paper, Van de Walle and Zoe Scott (2011) have explored 'the political role of service delivery' and the need for the state to have 'effective institutions' as 'prerequisites for building a functioning democracy.' Public services are what makes the state visible to its citizens and are citizens' direct line to government. They make the state tangible through an almost daily interaction, direct or indirect, therefore contributing to the bonding between state and citizens.

An entirely decentralised approach to public services would make the state invisible (this physical removal of state and citizens is a recurring theme throughout this chapter). Even international donors are increasingly focused on strengthening state public services in developing countries. While earlier they had tended to avoid the state and rely on provision through markets instead, they have now begun to investigate whether such strategies may affect state capacity and citizens' identification with the state. As such, the role of public service delivery is often seen as a political one and is regarded as one of those issues that can no longer be ignored.

To understand the nuances of public service delivery, the basic concept of Hirschman's Exit Voice Loyalty has been applied to this Chapter. Hirschman (1970) pointed out that, in perception of the deteriorated good or service, members of an organisation, whether a business, a nation or any other form of human grouping, have essentially two possible responses: they can either 'Exit' from their association with the agency or they can 'Voice' to improve the quality of the product. 'Voice' encompasses the various modes of political participation that may be employed to protest against something while 'Exit' is construed as any action by which one terminates one's status as a customer, member, or constituent. 'Loyalty' involves staying with an unsatisfactory situation in the expectation that someone will act or something will happen to improve matters (Sharp 1984) or simply staying on because one has no other option.

The implications of this theory may be enormous and shed a new perspective on daily examples of social interaction. Exit is associated with the free market notion of buyers and sellers free to move silently through the market, while Voice is political and oftentimes, confrontational. While both Exit and Voice can be used to measure decline, Voice may be more informative in that it also provides reasons for the decline, whereas Exit only provides the warning sign of decline. By providing an opportunity for feedback and criticism, Exit can be reduced; conversely, stifling of dissent leads to increased departure. The general principle, therefore, is that the greater the availability of Exit, the less likely Voice will be used. However, where there is Loyalty to the organisation, Exit may be reduced, especially where options to Exit are not so appealing. Failure to understand these competing pressures can lead to organisational decline and eventual failure.

Taking a cue from the above concepts, the thematic argument presented in this chapter contends that when citizens choose to Exit a public service and when access to services takes place through informal networks within a series of intermediaries, it leads to the subversion of a rights based entitlement in the long term. We argue that when citizens 'Exit' a public service through private means instead of protesting against it, it diminishes the propensity to use' Voice' against the Government and correct public institutions. Without the option of a 'Voice' and neglected by the state, the poor are often placed at the mercy of patrons who provide basic services through illegal channels. By engaging in these informal arrangements to benefit from immediate security and services, the poor also sacrifice their goals of an autonomous security and any long-term privileges and rights.

For our chapter, the primary data has been mainly collected through focus groups discussions and interviews. To get feedback over the provision and quality of services, a sample survey was conducted in selected slums of Dhaka. The survey was designed following the model of 'Citizen Report Card' (CRC) pioneered by the Public Affairs Centre, Bangalore (see Gopakumar and Balakrishnan 2000), and was conducted among 1600 households in the city, 1010 of which were non-slum households and the rest

were slum dwellers. The samples have been collected from four different categories of geographical location and three different categories of socio-economic status (SEC) (based on income and amenities). The geographical locations have been selected by the survey agency based on their prior experience and after having a round of discussion and pre-testing, this was re-confirmed by the IGS team. The four categories of households to be captured were:

> People of Middle and Upper SEC (residing in Dhanmondi, Lalmatia, Gulshan, Banani and Uttara)
> People of Middle and Lower SEC (residing in Badda, Madartek, Goran, Hajaribagh, Moghbazar, Mohammadpur, and Mirpur)
> People of Rich and Poor SEC (residing in Old Dhaka)
> People residing in slums

The non-slum respondents were categorised in three different groups based on their socio-economic status (based on SEC grid). The survey was conducted during the last two weeks of August in 2011. The primary data was supplemented by secondary data collected from secondary literatures such as national and global policy documents, national and international reports on services, policy papers from government and non-government service providers, articles from newspaper journals, relevant government papers such as ordinances, policy papers and gazettes.

While a public utility is defined as a business or service which provides everyday necessity to the public and broadly includes water, electricity, gas, sewerage, telephone and other such services, the list of utilities can be further extended to include security and law and order. However, it is not possible to include them all in the limited scope of this chapter and our unit of analysis has therefore been confined to the household level, choosing three basic services: electricity, water and waste management. A comparative analysis of how people from different socio-economic strata access services has been provided, hence the reason why we look into only those services which are available in all socio-economic conditions, irrespective of the type of residence. Gas and telephone are left out as unregistered areas or slums do not have gas connections and burn biomass fuel (Dhaka State of Environment Report 2005). Throughout the chapter, informal arrangements of access and how these run parallel to the more formal, institutionalised arrangements are given special focus.

As citizens' active involvement and participation in governance is seen as a critical component for any reform agenda, we hope this chapter would be an important piece of document for policy makers to take steps in improving service delivery in Dhaka city.

6.1 Electricity

In the city of Dhaka, constraints in the distribution of electricity manifests in the form of frequent power cuts, averaging about 4-5 hours a day. According to the IGS Service Delivery Survey (conducted in August 2011), 94.7 percent of households faced scheduled power outage for more than 12 hours in the last 3 months to the interview. Dhaka's residents are all too familiar with interrupted and unequal distribution of electricity and have found varied ways of adjusting their lifestyles around it. While the Government mainly casts the problem in terms of high demand relative to supply, we argue that it is also rooted in governance arrangements which allow for significant loss of revenue and inefficiency in administration.

6.1.1 DESCO: A History

After the 1947 partition of the Indian sub-continent, power generation, transmission and distribution in the newly formed East Pakistan was confined to some private companies. Except for Dhaka, the electricity supply in the then 17 districts was limited to use for night time only. Other than a few private companies, power was generated by isolated industries like tea, sugar, textiles and railway workshops.

To cope with the growing power demand, the Government of Pakistan created the Electricity Directorate in 1948 and in 1957, private companies were agglomerated into this Directorate. In 1959, East Pakistan Water and Power Development Authority (EPWAPDA) was established to look after generation, transmission, distribution and sale of electricity throughout East Pakistan. In order to intensify the pace of rural electrification after independence of Bangladesh in 1971, the Government issued an ordinance in 1977 establishing the Rural Electrification Board (REB). This was a semi-autonomous agency charged with the responsibility of planning, developing, financing and constructing of rural distribution networks and monitoring their financial performance.

The independence of Bangladesh gave rise to the Bangladesh Power Development Board (BPDB) in 1972. In March 1990, Dhaka Electric Supply Authority (DESA) was created by an ordinance promulgated by the President of Bangladesh to improve services to the consumers and to enhance revenue collection. The Dhaka Power Distribution Company Limited (DPDC) took over DESA on 1st July 2008. A Public Limited Company under the Power Division of Ministry of Power Energy and Mineral Resources of Government of the People's Republic of Bangladesh, DPDC was registered on 25 October 2005. The Company was created as part of the Power Sector Reform Program to provide electricity to customers of Dhaka City Corporation area (excluding DESCO area) including Narayangonj, Siddirgonj, Demra, Fatullah and Moktarpur.

At present, the power supply market in Bangladesh is dominated by a small number of public sector companies, including Dhaka Electric Supply Company (DESCO), Dhaka Electric Supply Authority (DESA), Power Development Board (PDB), Rural Electrification Board (REB) and Power Grid Company of Bangladesh.

The DPDC mainly covers the South part of the city including Satmasjid circle, Azimpur circle, Tejgaon circle, Ramna circle, Motijheel circle, Banglabazar circle and Shyampur circle. DESCO meanwhile covers the Northern part of the city including Gulshan, Baridhara, Tongi, Dakshinkhan, Pallabi, Mirpur, Kallyanpur and Uttara.

Figure 14: Functional Activities of the Power Sector
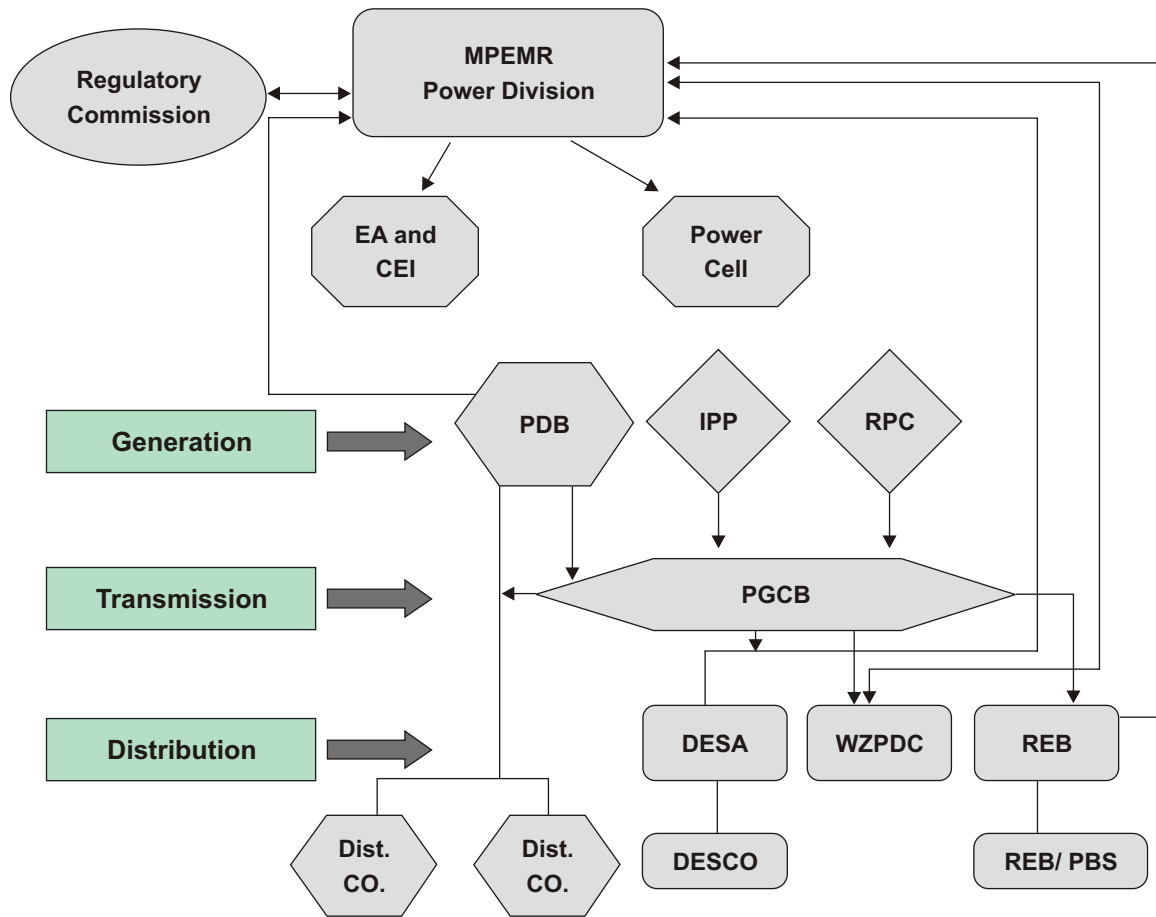
Source: Khan and Rasheduzzaman 2007

The DPDC is responsible for ensuring quality electricity to its consumers through 32 Network Operation and Customer Services (NOCS), emergency and normal maintenance of distribution, handling all complaints of power interruption of consumers and making plans and implementing development projects through Development Division. DESCO's activities include operation and maintenance of sub-stations and lines, commercial functions (billing, consumer accounting, disconnection and re-connection of consumers, testing & installation of consumer meters, etc.) and planning, design and installation of sub-stations and lines.

Figure 15: Commercial Operation of a DESA Office
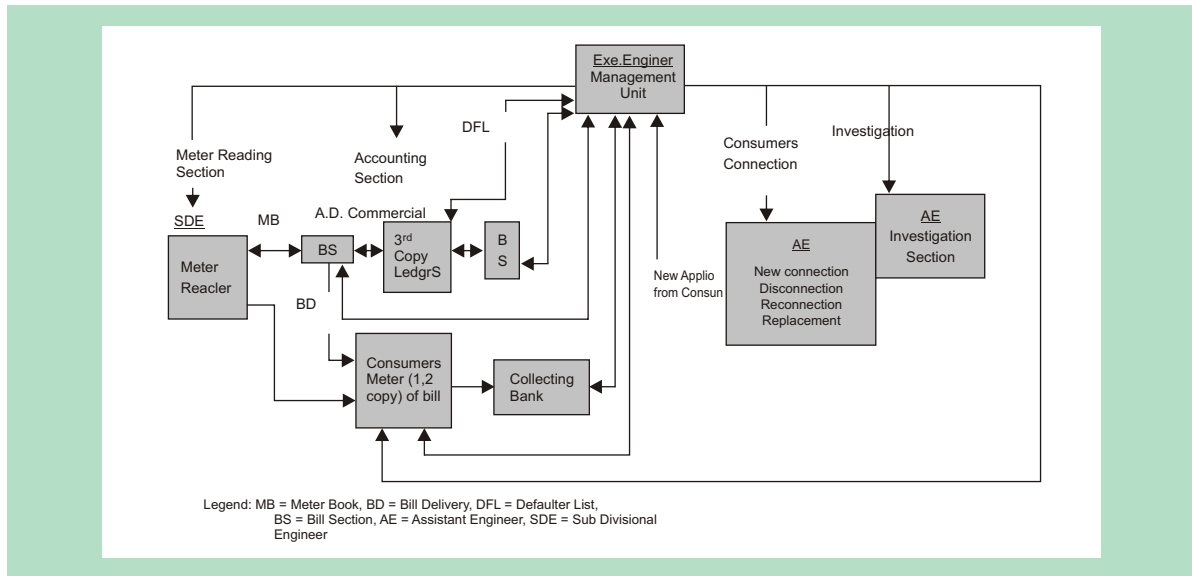
Source: Khan and Rasheduzzaman 2007

6.1.2 Electricity: Not simply a supply-side story

Recent reports suggest that Bangladesh has a significant challenge in generating sufficient electricity to meet growing demands both from the industrial sectors as well as for residential use particularly in the urban context where almost 100 percent of households are connected to electricity. At present, the country generates 3,600-4,300 MW of power whereas demand is about 5,200 MW (Jabir 2010, World Bank 2009). It is expected that the demand for electricity will continue to grow as 84 percent of rural and 100 percent of urban households are expected to be connected to electricity by 2020 in the High Growth scenario for the country (Mondal et al. 2010). While the industrial sector is the largest consumer of electricity in Bangladesh, our focus in this chapter is on the residential sector, which is expected to face a rapid increase in energy consumption over the next decades. The Average Growth scenario considers an annual commercial energy growth rate of 2 percent from the 2005 value of 1128 kWh/million Taka to 2044 kWh/million Taka in 2035, whereas in the case of High Growth scenario, the energy increase is expected to rise sharply by 4 percent annually to 2000 kWh/million Taka in 2020 (Mondal et al. 2010). The reasons for the increasing consumption and demand of commercial energy in the residential sector is due to a growing population with better access to electricity and a higher income and standard of living.

Most discussions about the power sector in Bangladesh tend to focus on the supply side inadequacy and much money and effort is spent on battling this predicament. The Government of Bangladesh has recently unveiled a 'Power and Energy' mega plan in the recent budget of FY2011-2012 to generate an additional 11,698 MW of energy by 2015 (Ahamad and Islam 2011) while Prime Minister Sheikh Hasina has promised 'electricity for all by 2020'. Although we concede that supply is an important factor to consider when talking about the current power crisis, this section looks at the problem through the lens of mal-governance and corruption riddled within the formal institutions responsible for supplying electricity.

In the fiscal year, 1998-99, Bangladesh Power Development Board (BPDB) generated 14,150 MkWh of electricity and purchased another 450 MKWh privately, but was billed for only 11,462 MkWh, giving a system loss of 22 percent. This was better than DESA's system loss of 40 percent but poorer than REB's 17 percent (Smith 2004). In the absence of standard procedures, Bangladesh has system losses of about one-third of the total generation of electricity, which in monetary terms comes to a loss of around Taka 13,840.00 million (US$ 247 million) per year (Alam et al. 2004). While technical losses can be reduced by making adjustments in the system, it is very difficult to monitor and control non-technical losses which mainly occur due to electricity theft.

These may be theft and pilferage by metered legal consumers and by unmetered customers, illegal connections, incorrect operations of meter and illegal use and manipulation by utility personnel. The use of these illegal electricity connections are often visible in the slums where 95 percent of electricity connections are not metered according to our survey. Further investigation in Korail slum revealed that these illegal connections were accessed through gatekeepers in formal government institutions themselves.

Figure 16: Electricity Providers in Slum and Non-slums
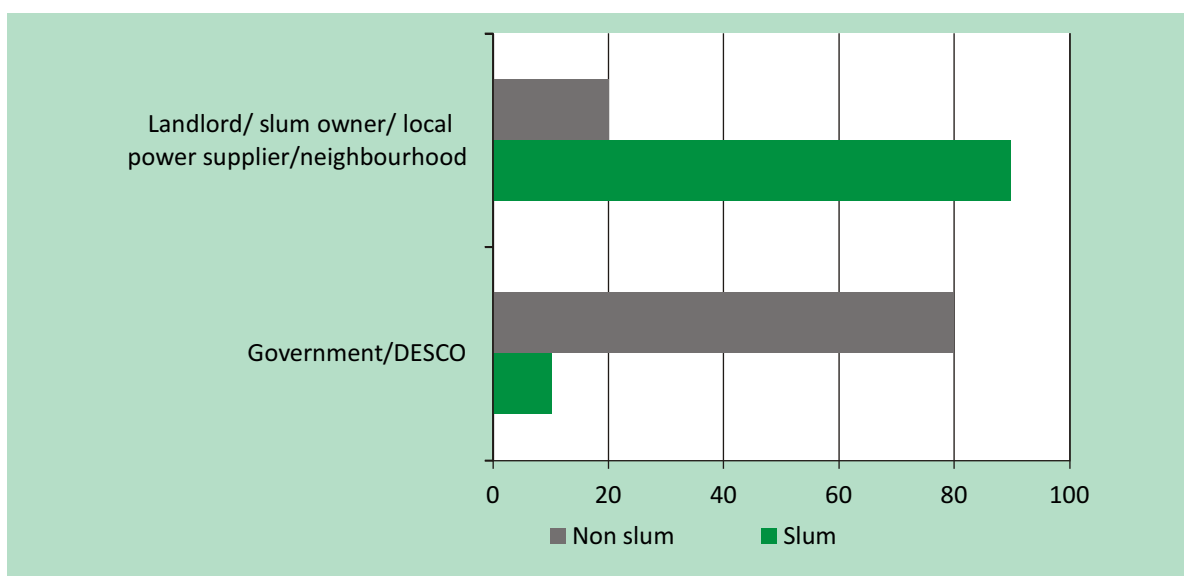
Source: IGS Service Delivery Survey 2011

In the face of disappointing government services, the upper and middle class households use private means to deal with electricity inadequacy. Most commercial buildings in Dhaka and many middle class households now have backup sources of power in the forms of IPS, generators, charger fans and lights to deal with government planned power cuts or 'load shedding'. The survey shows that the use of back-ups is very common in all households though the options vary according to socio-economic backgrounds. As such, most citizens are equipped in managing their personal requirements irrespective of the state and its repertoire of statutory rights and entitlements.

Figure 17: Back-up Options Used by non-slum Households during Power-cuts
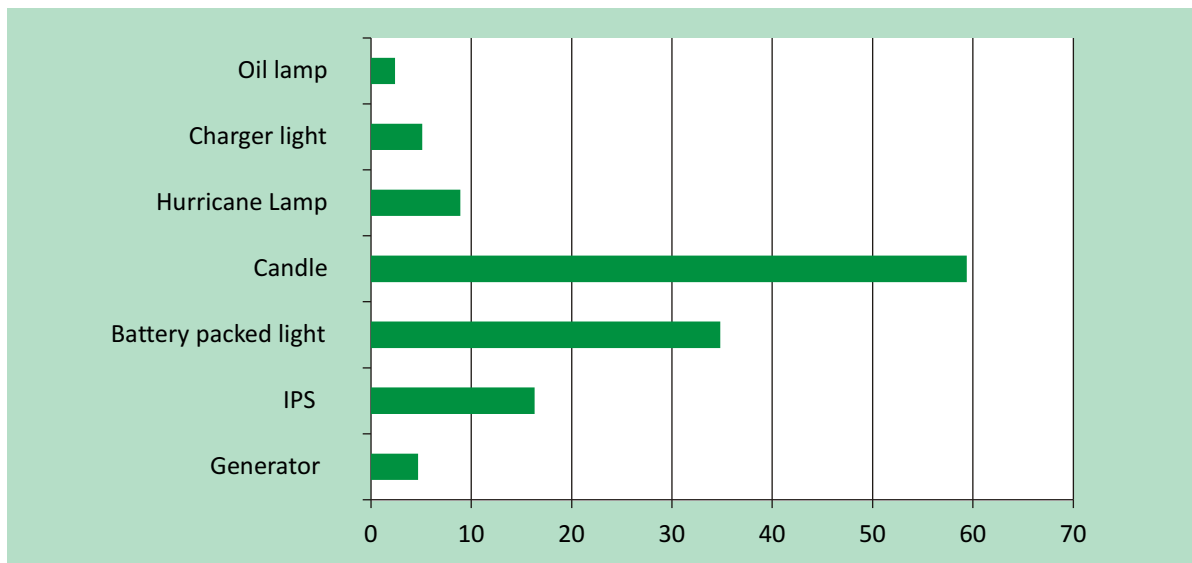
Source: IGS Service Delivery Survey 2011

Most middle class households also complain of inaccurate billing based on false readings of meters and corruption within the system. DESCO has countered these charges by arguing that customer service is their first priority. Excessive bureaucracy and a lack of formal channels of negotiating with the state means that most middle class families have a middleman who, in exchange for a fee, solves their problems, thus bypassing Government red tape. Favours can also be 'bought' from the power sector in the form of lower meter readings and reduced billing. Most middle class households, through engaging with informal intermediaries and exiting public service, diminish prospects for instituting channels of accountability and responsiveness.

In slums, which are seen as illegal settlers on government land, electricity is provided through 'points' and is distributed by local intermediaries or powerful people. One point refers to one electric device (one bulb for example). These intermediaries, with help from the gatekeepers of formal government institutions, rig lines from the power source (Gulshan and Mohakhali T&T in the case of Korail slum for example) to slum households by bypassing a meter. This practice is often accepted by power managers as a fact of life in the poorer communities. Korail has multiple illegal connections such as these, and when there are power cuts, households that choose to take two connections, usually switch from one line to another. Sometimes, power supply may be cut, and often the only way for slum dwellers to repair a severed line is to bribe their local distributor, who in turn, bribes the government official. Corrupt practices have therefore become institutionalised through a complex network involving local distributors, brokers and street level officials from the service providing company, so much so that employees regard illegal payments as part of the job. Usually local distributors collect bills from the slums on a monthly basis. Clients are given 20 days to pay their bills, and lines are cut if they cannot pay on time. Other times, they may be beaten up and terrorised by these distributors. Left with no other 'Exit' options, or chances to negotiate, the only way to get by in the slums is to remain Loyal to the supplier. The bargaining power of the residents lie with the relationship forged with the local power distributor. Good patron-client relations may guarantee concessions in the monthly bills or even a

cheaper metered service. Many of these local distributors or *mastaans* may be supported by local political leaders who also reap the benefits of a rent-seeking system that extends all the way to higher reaches of political parties and the state administration (the informal arrangements existing between *mastaans* and politicians has been further detailed in chapter 4 of this Report).

The irony is that although formal institutions claim to be constrained by legal measures from supplying electricity to illegal settlers in slums, government officials are the ones who provide such connections through electricity theft, making slum dwellers pay more than the subsidised government rate. This huge untapped revenue is lost to the Government as it is siphoned into channels of intermediaries connected to officials in formal institutions. Lost earnings for the Government can result in lack of profits, loss of funds for investment into the power system, and a necessity to expand generating capacity to cope with power losses.

6.2   Water

Dhaka's water supply in urban settlements has been described as "complex, inefficient and non-transparent" with "severe deficiencies in both access and quality" (Ahmed 2010). The reasons for this are many, with depleting ground water, a rising population and poor governance, much as in the case with electricity. In this section, the informal arrangements filling in for the gap left by a lack of government provided services are exposed. As these informal arrangements have become increasingly prevalent, there is concern of a diminishing accountability between elected central and local Government representatives and citizens.

6.2.1   DWASA: The organisation and its constraints

Dhaka Water Supply and Sewerage Authority (DWASA) has the sole responsibility of providing water, sewerage and storm water drainage services to Dhaka citizens. Dhaka WASA was established in 1963 as an independent organisation under the East Pakistan ordinance XIX. In 1989, responsibility for the drainage system of Dhaka city was handed over to DWASA and in 1990 its jurisdiction was expanded to include neighbouring Narayangonj. Due to geographical expansion and population growth over the last two decades, DWASA's activities were further reorganised by the Dhaka WASA Act, 1996, which gave the institution the power to manage its facilities and operate with a high degree of autonomy. The management of DWASA is answerable to a Board of Directors appointed by the Government of Bangladesh.

However, DWASA is constrained in fulfilling its functions to the public because it still lacks day-to-day autonomy, mainly due to two major factors: (i) dependence of DWASA on government financing and guarantees, and (ii) incomplete implementation of the WASA Act 1996, including the lack of relevant detailed rules and regulations which would clarify the responsibility of sector and institutional actors and encourage transparency and accountability. The institution is challenged with severe inefficiencies in delivering good-quality water, recovering user charges, controlling losses and in the overall management of the institutions. The situation is further aggravated by inadequacy of resources to finance investments. At the root of these problems are a sheer lack of commercial orientation and low tariffs that lead to inefficient operational practices and unsustainable financial status of these agencies.

DWASA coordinates with the Local Government Division (LGD) under the Ministry of Local Government, Rural Development and Cooperatives (MLGRDC), which bears the statutory responsibility for the sector. At present, Dhaka WASA covers more than 360 sq. km area to serve a population of about 125 million. The services of DWASA extend to Mirpur and Uttara in the North and to Narayangonj in the South. For better operation, maintenance and customer care, the total service area of DWASA is divided into 11 geographic zones: 10 in Dhaka and 1 in Narayangonj. There is an office for each zone and the office has the overall responsibility for engineering operations as well as revenue collection. According to one statistic, DWASA supplies 1900 million liters of water every day against the backdrop of a demand of 2200 million liters (Begum and Ahmed 2007).

6.2.2 Water and the rules of engagement

DWASA provides piped water to citizens living on registered areas. Even then, there is no certainty as to the frequency and quality of the water flowing through legal channels and piped systems. Similar to the case of electricity, large quantities are estimated to be lost through leaking pipes and theft of water. Recent data puts the system loss of DWASA to around 38.78 percent (The Daily Star 2010c). Other issues in supply include DWASA's ageing pipelines, most of which are in need of replacement and contribute to high water and revenue losses.

Location has a strong correlation to the quality and frequency of water supply. Some areas might get 24-hour supply while other areas get water only once or twice in a day or for certain periods of time. Neighbourhoods such as Rampura, Moghbazar, Bashabo and Khilgaon have been found to be the worst off with intermittent water supply. People from Dhanmondi have also raised concerns about occasionally receiving smelly and dirty water. Accidents such as a wedged motor pump, road repairs or problems at the local DWASA lead to a stoppage in water supply for the surrounding areas for several hours or even days. Seasonal scarcity is also an issue with more than half of the respondents from our survey claiming that they faced severe water shortage every year from January to July. The general consensus is that the areas with the best quality of water are Gulshan, Baridhara or Banani where water pumps have been recently installed and which are the seat of the wealthy and powerful in Dhaka.

In light of inadequate services by DWASA, 'water vending' has become a popular 'Exit' strategy. Water vending is now often taken as a symptom of failure in piped systems (Kjellen and McGranahan 2006). Even though there are legal constraints and services are mostly informal, the private-sector involvement in water supply has increased substantially over the last few decades (Kjellen and McGranahan 2006). A rapidly emerging business is that of bottled or pre-packaged water. This is, however, a luxury most people cannot afford on a daily basis. Home-produced (presumably boiled) water sold in plastic bags on the streets is an option used by many suffering neighbourhoods. One such private enterprise is the Tiash Water Supply in Old Dhaka where piped water supply is not only irregular, but also unsafe for household purposes.

Operating since 1997, the company pumps 9,000 litres of water every day from a well constructed outside the city. Delivery personnel in rickshaw carts and on foot do the rounds to deposit a pre-determined amount at each stop. Tiash sells water to homes and offices at prices that are so competitive that it is unable to keep up with increasing demand. While rates are much higher than those charged by DWASA, they are more affordable than the price of bottled mineral water.

Figure 18: Water Providers to Slums and Non-slums
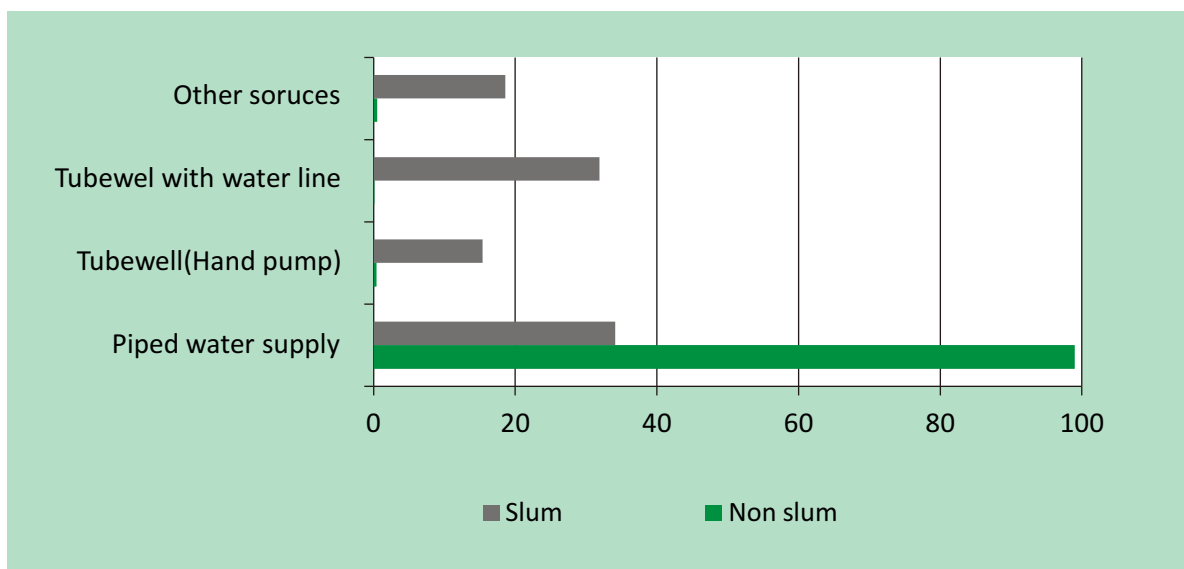
Source: IGS Service Delivery Survey 2011

Meanwhile, in the slums, illegal black-market services and the business of water theft have emerged due to a lack of legal channels. Much as in the case with electricity described above, vendors often perform a parallel service with help from government officials, drawing water from higher-pressure main lines and conveying it along the piped network into slum areas. Water 'kiosks' are set up through which clients may collect water in jars, bottles and vases and are charged by the minute. Data from our survey shows that only 34 percent of slum residents have access to piped water supply in their own households while 21 percent collect water from public sources such as motors or hand operated bore wells. 70 percent of the residents reported unmetered connections and the payment of a fixed amount to their landlords. Although there might be several water vendors within a slum, there is a mutual understanding amongst them, making it difficult for clients to change suppliers without damaging their precarious relationships with these power brokers.

Good relations with local water vendors give the added bonus of concessions in rates or a prolonged time to collect water without the extra charge. It has been claimed that some vendors have been involved in vandalism as a means of suppressing the competition from the piped system and/or NGOs. With no Exit options, slum dwellers are all but forced to purchase water from these illegal connections at a rate much higher than the government one. A World Bank estimate (2007a) shows that, on an average, the price is 15 times higher than the government provided rate. To improve this situation, in 1992, Dushtha Shasthya Kendra (DSK), a local NGO, gave legal connections to a few slums after negotiations with DWASA on condition that any unpaid bills be settled by the NGO. DSK organised the slum dwellers into water committees responsible for management, collection of charges, maintenance, and bill payment to DWASA. Slum dwellers in these areas now have access to a regular water supply at a much lower rate.

6.3   Waste Management

Waste generation rate in Dhaka ranges from 0.325 to 0.485 kg/cap/day. Of the total wastage produced, 78 percent is from the residential sector, 20 percent from the commercial sector, 1 percent from the institutional sector and the rest is accumulated from other sectors (Rahman and Rahman 2011). But there is no independent law in Bangladesh to address problems of solid waste management (SWM) and responsibility for this lies with local government bodies or Dhaka City Corporation (DCC) in the case of the capital city.

1.3.1   DCC: An overview

Management of solid waste within the DCC lies with the Conservancy Department. The Department has 5,200 conservancy staff and 135 supervisors for this purpose. They also supervise the garbage trucks along with the Transport Department. As an ever-growing population produces even more waste, almost half of rubbish produced is not collected by the city authorities and is left to fester on roadsides and drains posing serious health hazards to city dwellers. This is said to be due to lack of financial and technical resources. However, with 165 garbage carrying trucks, 140 de-mountable trucks, 3000 handcarts, 5,200 cleaners and a budget of over taka 95 million, there have been little improvement over the years (Rahman and Rahman 2011).

Since DCC's inception, only two major developments have taken place in the area of waste management: the replacement of bullock carts with open trucks in 1982 and the introduction of night collection in 1989. In a study of waste collection of Mohammadpur Thana, it was found that the total production of waste was 180,890 kg/per day/per capita. The collection capacity of the DCC was calculated to be 85%, but in reality, the City Corporation collected only 116,250 kg of the total in the studied Thana (Rahman and Rahman 2011). Although the Dhaka City Corporation Ordinance 1983 has a provision for the removal of municipal waste from all public streets, public latrines, urinal drains and dustbins for collection and disposal, the reality is that the DCC is ineffectual in its duty.

1.3.2   A private-public partnership: The scenes behind SWM

In the face of inadequate and unsatisfactory waste collection system by the DCC, private sector involvement in this sector is fast becoming popular throughout the city. Though the door-to-door waste collection is still not fully adopted by the population, the idea is gaining steady ground, especially with the help of NGOs and local committees. According to our survey, 67 percent of households still throw wastes either on roads, drains and vacant spaces but 33 percent use door-to-door collection services. This is especially true for non-slum dwellers, 85 percent of whore use the door-to-door collection facilities. Residents report being very content with this privatised service which is reliable and regular. At a monthly stipend of only 30-50 Takas (US$0.37-0.61), most residents have this system of door-to-door garbage collection by garbage vans which then load their waste in the DCC dustbins stationed around the neighbourhood.

Because they receive no formal services from the government, waste collection is done entirely privately in slums. People are hired who are responsible for door-to-door collection of garbage and for sweeping the pathways in front of shops. Most of the waste collected is then dumped into the nearby

lakes. The other means of private waste collection is via the NGOs who provide a garbage collection van for members of its Community Based Committees (CBCs) which ultimately dump the wastes on to DCC garbage collection points. The monthly fees collected from the households are then utilised to improve other aspects of life in that area. It was observed however, that while the DCC has its problems with mal-governance, corruption and inefficiency, CBCs have their own set of setbacks as well- with staff problems, service charge collections, evasion, timing of DCC trucks, lack of suitable sites for keeping waste collecting vans and budget problems (Rahman and Rahman 2011). The third group of slum dwellers uses neither service, instead dumping waste indiscriminately onto roadsides, lakes and open spaces.

Figure 19: Waste Collection Facilities in Slum and Non-slum
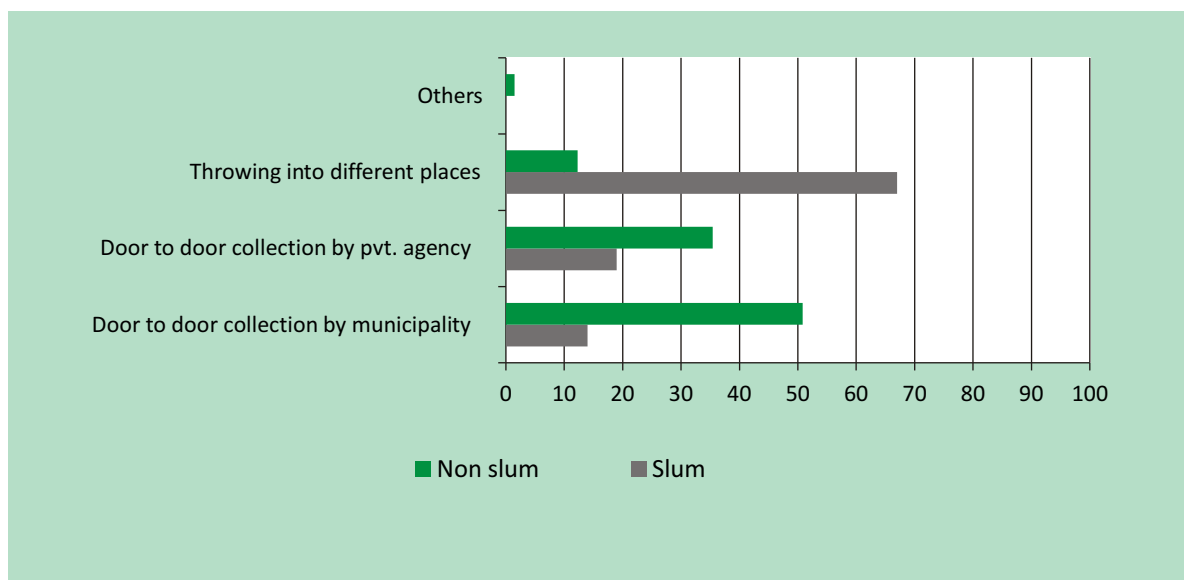
Source: IGS Service Delivery Survey 2011

Furthermore, when it comes to waste management, there is no official guideline for the dumping of clinical waste which may lead to environmental pollution and deadly infections. The authorities give low priority to the checking and monitoring of dumped hazardous materials. Household, commercial, medical and institutional wastes are all dumped in the same waste collection bins located in the streets. While the local waste management committees collect waste during the day, DCC trucks only collect them at night, leaving open waste festering for long hours in the tropical heat of Dhaka city. There are no local authority campaigns to create awareness among households of the importance of waste separation at source. There is as yet no official recycling policy from the DCC.

In most developed countries, household waste is separated at source which results in waste reduction, recovery, recycling and reuse. This is made possible due to citizens' high level of environmental awareness promoted by the local councils as well as a certain degree of penalisation brought in when recycling norms are breached. In Dhaka, due to the lack of any government directive, much of the inorganic waste (such as plastic, metal and glass) dumped by households in the city and DCC trucks are mostly recycled by informal sectors while NGOs take the lead in composting the organic portion on a

limited scale. It was observed in a report that about 55 percent of the recyclable wastes (6 percent of the total wastes) were collected by the informal sector in Mohammadpur Thana (Rahman and Rahman 2011).

The informal sector works mostly through the following groups of people:

The *ferrywalas* (hawkers) are people going from door to door buying and selling miscellaneous products. Some *ferrywalas* who specialise in buying recyclable waste from households provide an important incentive to separate waste at the household level. Most *ferrywalas* target the middle-income neighbourhoods who are the most conscientious about separating recyclables and whose recyclables offer a higher value than those of low-income neighbourhoods.
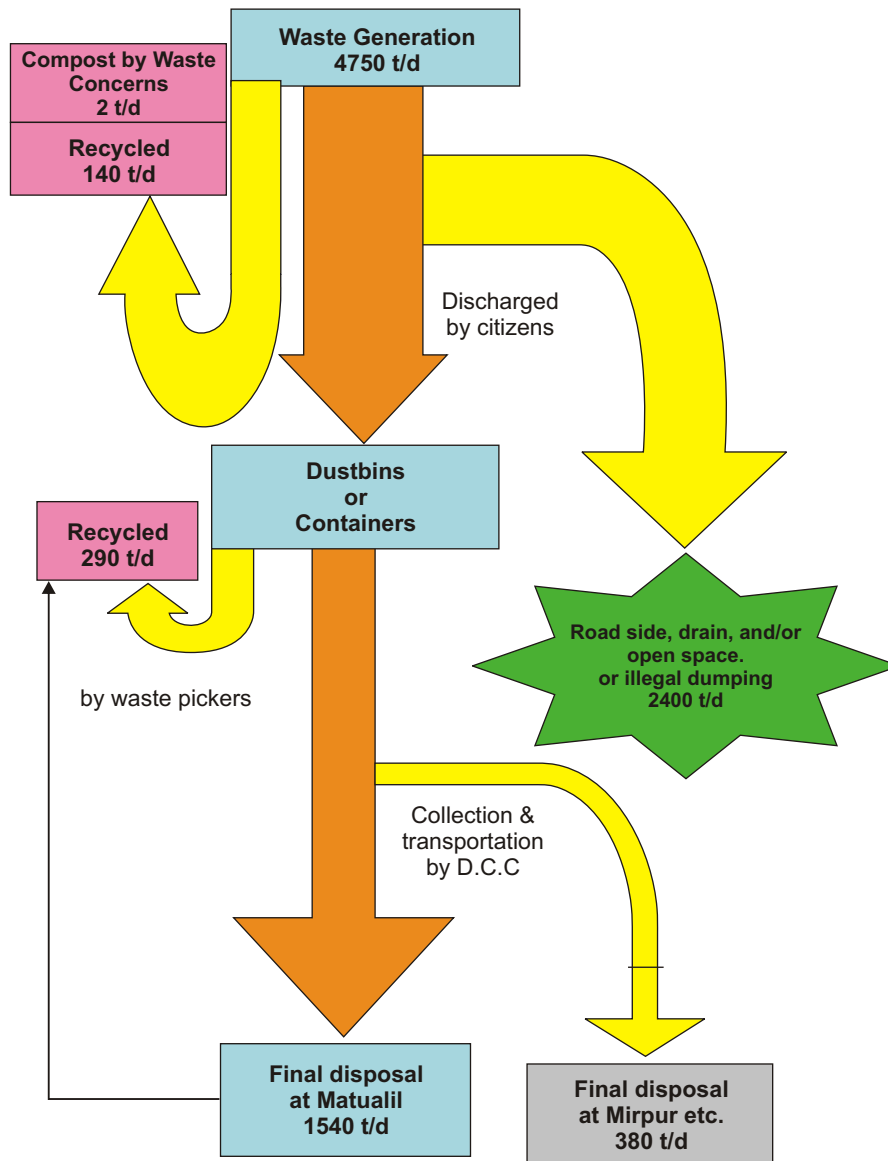
The other group that makes up the informal sector are the *tokais* (waste pickers). The *tokais* collect materials from waste bins, roadsides and dumpsites and are visible throughout Dhaka. They come from nearby slums and form the lowest stratum of the waste recycling industry. There are two types of *tokais*: waste bin *tokais* and the dumpsite *tokais*. The waste bin *tokais* mostly work in residential areas' collection points where households deposit garbage whereas the dumpsite *tokais* work at the dumpsites where the municipal workers and DCC trucks dump the waste collected from dustbins around the city. The dumpsite *tokais* sometimes even assist the municipal workers with the trucks in unloading and piling up garbage. Of all the informal waste pickers, the dumpsite *tokais* work in the most hazardous conditions. The mix of organic and inorganic wastes and the time required to reach the dumpsites from the primary collection points (often days) makes the piles of garbage dangerous and often unbearably malodorous. The dumpsite *tokais* work in these conditions without any protective clothing, often barefooted and with uncovered hands, noses and mouths (Sinha and Amin 2005).

Collection crews, who are employees of the DCC, are the only formal sector visibly engaged in the city's waste disposal system. Although they compete with *tokais* and the informal waste pickers, they still support the operation of all informal categories of waste recycles since their role substantially reduces the collection crews' workload. They also sell the materials collected at the end of each working day to the *vaangari dokans* near the dumpsites. This provides them with an extra income over their regular salary.

Almost all the recovered trash is sold to the local *vangari dokans* located near the primary collection points of garbage or nearby slums. *Vangari dokans* are shops which buy scrap materials from *tokais* and other collectors and then sell these to wholesalers, brokers or manufacturers. Most transactions are very informal with no accurate sums calculated or accounts maintained.

Together, these groups form an integral part of the informal recycling sector of the city and provide an 'Exit' recycling service to citizens due to the lack of formal ones. This informal system shows that "waste has value" (Enayetullah 2005)

Figure 20: Solid Waste Stream in Dhaka City

Waste Generation 4750 t/d

Compost by Waste Concerns 2 t/d

Recycled 140 t/d

Discharged by citizens

Dustbins or Containers

Recycled 290 t/d

by waste pickers

Road side, drain, and/or open space. or illegal dumping 2400 t/d

Collection & transportation by D.C.C

Final disposal at Matualil 1540 t/d

Final disposal at Mirpur etc. 380 t/d

Source: Menon 2002

Another significant issue connected to the disposal and recycling of wastes of Dhaka city is that of environmental pollution. Everything from industrial products to household items contributes to the massive wastage problem that Dhaka can't treat properly due to inadequate dumping zones and unplanned urbanisation. In addition, as mentioned already, not all wastes make it to the dumping ground, instead ending up in nearby water bodies and roadsides, causing serious concern to environmentalists. Waste Concern is one NGO that has come up with miniature schemes to compost waste. Since most of Dhaka's garbage is biodegradable and organic, Waste Concern arranged for some of it to be collected and taken to one of several processing centres where it is turned into compost. In a concentrated effort in improving environmental awareness, Dhaka City Corporation also organises a

weeklong 'Clean Dhaka' movement every year. They also announced the use of 100 environmentally friendly garbage trucks supplied by the Japanese Government to reduce pollution and carbon emission in the capital. Of the vehicles, 35 are trash compactors with a capacity of up to five tons, 20 are arm-roll carriers with a capacity of seven tons and 45 are containers with a capacity of five tons (Iraj 2010). The DCC claims that they will be able to achieve the target of providing a clean Dhaka by the year 2015. In order to achieve this however, the DCC needs to maintain control through regulations, monitoring, inspection, and encouraging community participation.

6.4 Conclusion: Revisiting the Question of Exit, Voice and Loyalty

The citizens of Dhaka, having a desperate need for services amidst a weak social structure of a limited welfare state, are compelled to enter into all kinds of behaviour and strategies in their pursuit of security. This has been illustrated in the above sections when discussing the three household services: electricity, water and waste management. Dhaka citizens have coped with the inadequacy in services by forming their own private means of provision, usually through informal, community-led innovations. The inequality in the provision and availability of services between the poor and rich has been a fact widely circulated in media reports and commentaries.

For Dhaka's 'haves,' there is a new sector of privatised services and spaces. They move in a world of private schools and healthcare, high-rise shopping malls, parking garages and private security guards. But the 'have not's are plunged into a world of scarcity because they are still dependent on weak public institutions incapable of delivering adequate services. The slum dwellers are particularly vulnerable, as many service providers cannot work in these areas given that they are seen as illegal settlers on government owned land. This creates an unfortunate paradox: "those with the greatest need to claim risk averters are in the weakest position to do so given the social origins of the state" (Wood 2006).

Does availability of an Exit option, however, diminish the propensity to use Voice? Under what conditions will Voice be used, even if the 'Exit' option is available? These are significant issues because 'Voice' (or protest) provides corrective feedback that may help get faltering institutions back on track. From what we have seen during our interviews/survey/focus group discussions conducted amongst Dhaka citizens, the two reactions when faced with disappointing public service are apathy and/or 'Exit' in favour of a more privatised service. The slum dwellers also devise their own ways of obtaining services through community-led initiatives and/or illegal means. In short, 'Exit' is seen as a definite solution while Voice is termed as a longer, less certain business, the effectiveness of which is readily discounted in advance.

As such, most citizens, slum and non-slum, opt for an 'Exit' strategy through privatised services rather than go the longer route and employ Voice or fight for their rights. As previously shown, due to frequent power-cuts, most people now have back up sources of power at their own houses and because of intermittent water supply in some neighbourhoods, water vending and storage has become a significant Exit strategy. Waste management is built around a private-public partnership of formal and informal relationships from the time of waste collection to waste dumping and recycling, which is also mostly done by the informal sector.

At the bottom of this demographic, are the slum dwellers, who possess few, if any meaningful resources, virtually no statutory rights or voice and hardly much choice and are therefore caught in a precarious cycle where they are completely dependent on the resources within which they are placed. They are less able to manipulate problematic institutional arenas to their advantage. Because the poor are not in a position to employ Voice (i.e. representation, protest and struggle), the only other options that remain are Exit or Loyalty. Risk management for the present involves 'Loyalty' to institutions and organizations that presently work to deliver their livelihoods, whatever the longer-term cost may be. Under these conditions, poor people with agency try to find social protection through informal relationships and institutions, which work more predictably for them in the absence of statutory ones provided by the state. They become engaged in patron-client relationships and are dependent on the direct agency of those bound to them by some sense of morality and community to offer social protection through informal arrangements.

Our case studies and field research exposed this importance of maintaining informal networks: in the relationships forged with the local musclemen or *mastaans* who in turn liaise with the gatekeepers of formal institutions to provide public services through illegal connections. This relative weakness in one arena (e.g. in their encounters with the state) forces the poor to have an increased reliance and dependence upon another arena (e.g. the local providers in this case) "where their revealed powerlessness exposes them to exploitation" (Wood 2006). Many *mastaans* are reported to have links with politicians, municipal authorities and police in the area and are therefore quite powerful and intimidating. Politicians rely on these links with *mastaans* for electoral support. The *mastaan's* power is further cemented if his links are with a political party from the ruling government. Thus, 'rent-seeking' is an activity that extends all the way into the upper echelons of government.

Men and women, in both slums and non-slums, are dominated by "dysfunctional time preference behaviour", in which "the needs for immediate security places them in relationships and structures which then displace the longer term prospects of a sustained improvement in their livelihoods" (Wood 2003). It makes more sense to think in present terms, to get through the present day than think of the following weeks and months. This is especially true for the poor who face more uncertain futures. By not using Voice to correct ailing public institutions, and by forming informal relationships and Exiting through private means, Dhaka's citizens are forsaking hopes of any long-term privileges and rights in order to benefit from present insecurities. This is illustrated visually in the diagram below:

Figure 21: The Social Framework of Exit, Voice and Loyalty

Weak on non-existent relationship

| VOICE | Not exercised | → | → Poor service delivery |

Higher income Group → EXIT →

Citizens ← - - - - - - - - → Authorised service providers

Lower income group → LOYALTY

Subject to political change

Power theft

Slum dwellers ↔ Landlord Slum owner ↔ Providers in slums ↔ Gatekeepers in service-providing organisations

Facilitated by *mastans* & political middlemen
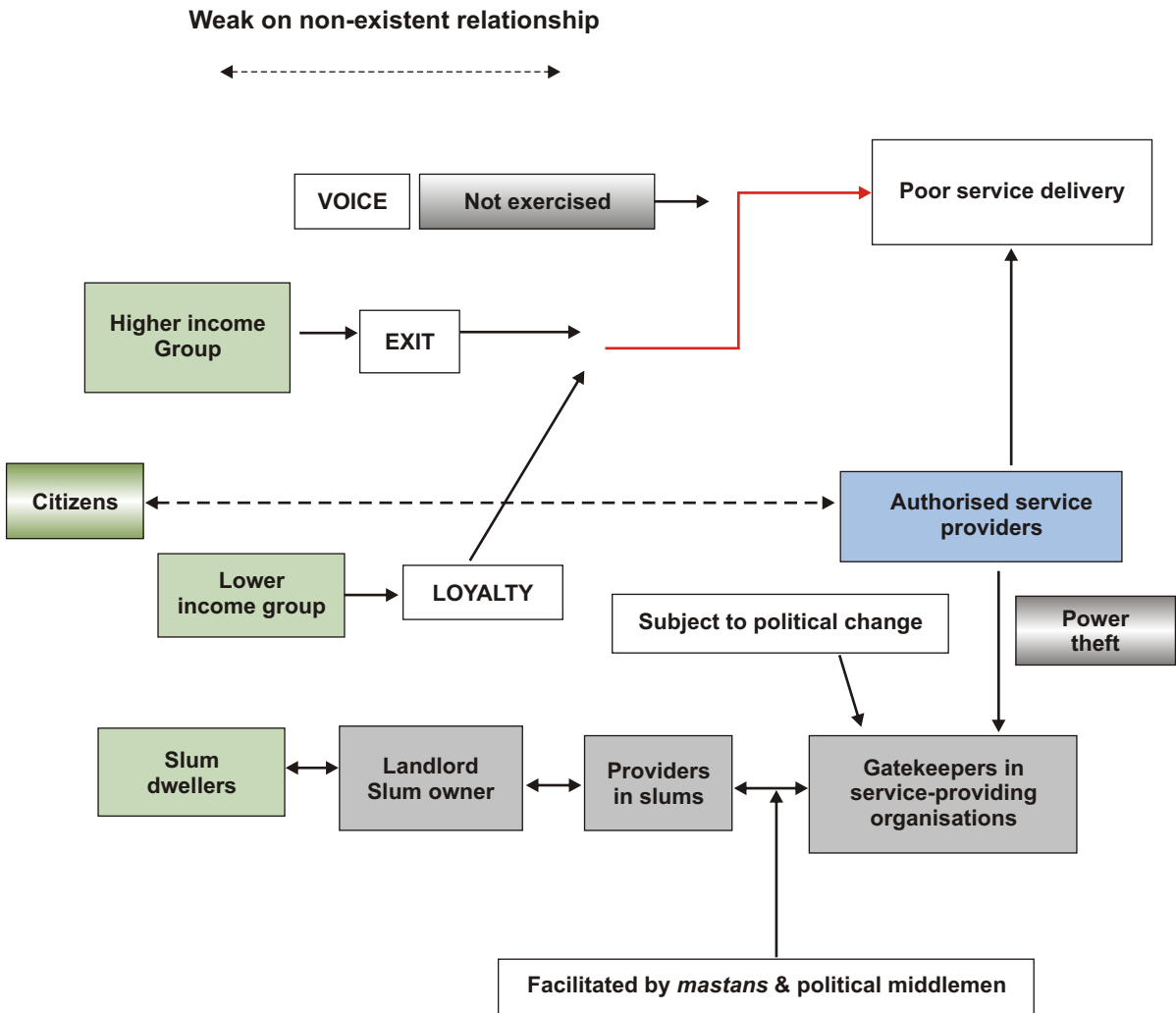
Source: Fieldwork, IGS 2011

The obstacles to improving basic services provision to households seems to be largely institutional, rather than technical. A diagram, developed by The World Bank for its 2004 Report, emphasises the role of negotiations in ensuring quality services to citizens. The framework focuses on the relations between 'clients/citizens', 'providers' and 'the state'. It distinguishes between two routes of accountability: the short route, which mainly involves the clients and the providers, and the long route, whereby clients/citizens influence politicians and policy makers who, in turn, influence the providers.

Figure 22: Short route vs. Long Route to Accountability
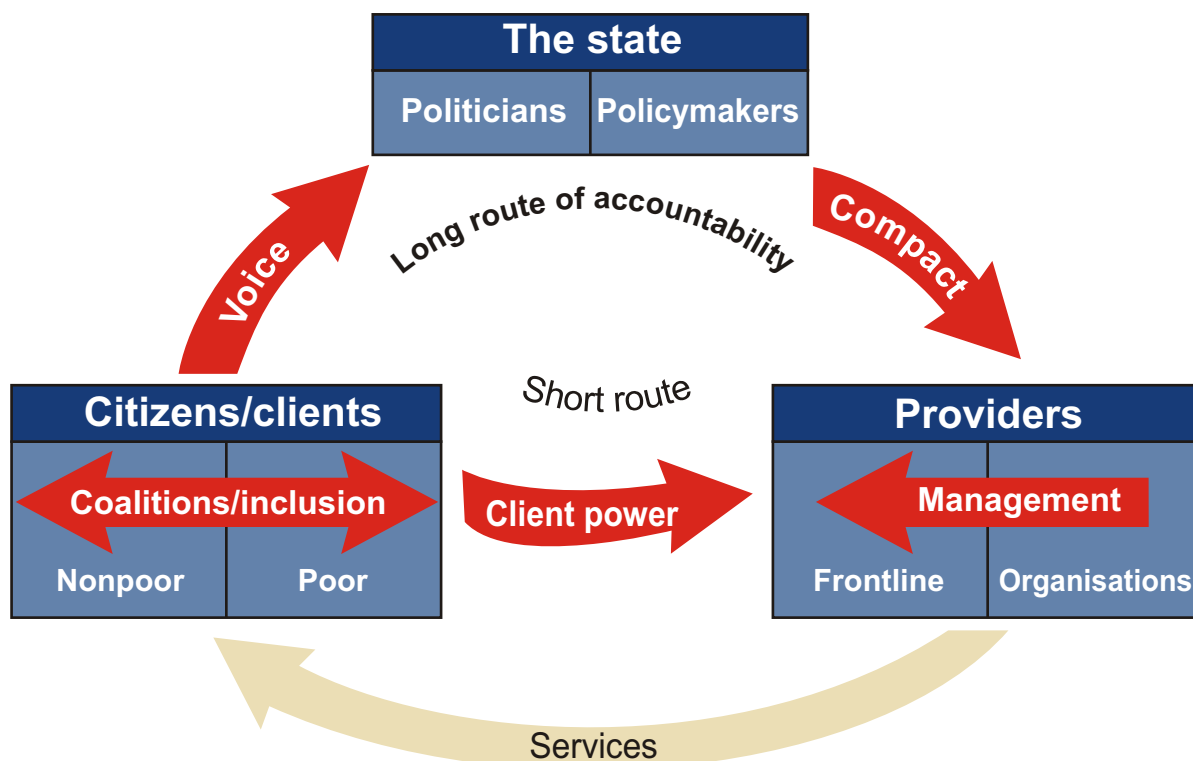
Source: World Bank 2003

Currently, urban service delivery is in the hands of clients and providers, with the state excluded from this exchange. While this may result in coping mechanisms for immediate relief, it is only through employing the longer route and by involving the state and citizens that accountability can be brought into the system. While this certainly raises more questions than it answers (for example, how the poor can increase their political voice *vis à vis* the state, or increase the client power *vis à vis* providers), the issues brought forward are central to the issue of governance and how it may be utilized to improve urban service delivery in Dhaka city.

6.5 Improving Service Delivery: Some Policy Recommendations

In order to keep pace with the other mega cities around the world in an age of cities, the city of Dhaka needs to seriously consider the issues of service delivery. Services are delivered by a mix of central and local agencies with limited resources, weak administrative capacity and little coordination. Most public institutions are dependent on the central government for financial grants and staff appointments and few have relative autonomy in day-to-day affairs.

The lack of an explicit policy for urban poverty reduction is a major constraint. An effective policy could provide a strategy for addressing poor areas, including the mandate and specific guidance for prioritising the delivery of services to the urban poor and dealing with the issue of legal land tenure. The insecurity of land tenure leads to major barriers to effective service delivery not only for slum

dwellers, but for implementing agencies as well. With the constant threat of evictions, Government agencies, NGOs, and donors are reluctant to invest capital in erecting permanent structures if they stand to lose them if the slum gets evicted.

Vast improvements are needed in every sector. The most effective programs for service delivery appear to be those built on partnerships between NGOs, Local Government, Donors and the Private Sector. Ensuring the enforcement of the rule of law for those illegally providing services is also essential. Finally, clarifying and thereby empowering the roles and responsibilities of local institutions will enable them to tackle the challenges of service delivery as is done in other countries.

Policy recommendations for improving lives of citizens have been given countless times before, and we end this chapter by re-iterating some of the more salient points to improving urban service delivery in Dhaka:

Strengthening the responsible government institutions

From the level of institutional arrangements, some necessary measures need to be taken. First, it is necessary to build technical capacity of the government institutions that are responsible for providing basic services to the local people. There is a shortage of manpower within the government institutions and government officials need to be trained for managing services for which they are responsible. When considering the financial side of things, the process of budget allocation is clumsy and delayed. The institutions should have competency and efficiency to take decisions and necessary measures if required. There are some overlapping functions among different government institutions, for example, both the DCC and Dhaka WASA provide water supply to the Dhaka metropolis. At the same time, multiple bodies working under different line ministries make it difficult to coordinate with each other, resulting in inefficiency, delay in completion and loss of resources. In such cases, all the involved institutions can be brought under a bigger umbrella to improve the overlap. This idea is commonly known as 'mission convergence' initiated by the government in Delhi. In order to bring individual activities of different departments engaged in implementing welfare schemes and delivering basic services to the vulnerable and marginalised people in Delhi, 'mission convergence' was introduced to ensure better coordination and avoid duplication of activities (see Box 5). Monitoring and evaluation also improved as a result.

Box 5: Rationale and points of convergence: *Samajik Suvidha Sangam*

> Avoiding duplication of efforts;
> Sustainability of efforts;
> More effectiveness by building on one others' strengths; and
> Combining of resources (financial and human) so that optimum benefit accrues to the poor

Source: *Operational Guidelines: Mission Convergence -http://sss.delhigovt.nic.in/pdf/1.pdf*

Strengthening accountability and oversights in service delivery

The institutions should have proper monitoring and evaluation measures to back-check the implementation phase of their services. Independent and effective monitoring is an important criterion for effective accountability. The capacity building of local bodies in monitoring and evaluation frameworks and practices is critical in this regard. Independent third party monitoring processes like social audits and community scorecards will also bring in new and critical perspectives.

Currently there are few incentives for municipalities and other service providers to improve the supply of services and to manage demand for services. The structure of incentives facing the individuals and organisations that are responsible for delivering services needs to be changed. Many of these agencies lack resources, do not have clear performance-related goals, lack operational autonomy, are frequently subjected to political interference, and are seldom held accountable for results. Poorly paid staffs feel no motivation to try and improve the quality of services they are offering. In addition to low wages, there is also a general absence of merit-based recruitment.

Empowering local councils

Currently many basic services are run by Central Ministries who are not always able to respond to needs at the local level. In recent years there has been a growing international trend towards decentralisation, based upon the belief that the proximity of local governments to their constituents enables them to better reflect local priorities in their expenditure allocations and improve the coverage and quality of service provision.

Improve participation from civil society

The Civil Society, who is now providing some relief, can play a key role in influencing the government institutions to take a revolutionary decision to give legal connections of services in the informal settlements. They can work as a pressure group to demand formal arrangements from the Government on behalf of the poorer community. The civil society can also encourage the non-slum area residents to use their voice and protest against the inadequate services sponsored by the state.

Ensure free flow of information and raise awareness among the people

Using the *sue moto* disclosure provisions within the Right to Information Act, all relevant information of institutions, their responsibilities in local offices, irrespective of whether they are uploaded to websites, should be free for disclosure to citizens. In addition, it has to be ensured that they are presented in an easy and comprehensible manner. The manner and method of complaints should be made clear and responsible government officials should monitor these regularly. The medium of communication should be in Bangla. This can encourage people to use their voice rather than avoiding the issue. At the same time, as argued earlier, civil society and rights based NGOs can work to mobilise and organise low income groups, including slum dwellers, to raise their voices in an organised manner to improve their access to services. Publicly posted prices can help customers hold officials to account for misquoting and overcharging the prices. This is increasingly starting to happen as tariff rates for electricity, gas and water are generally publicised. Generating public demands for reform in service provisions and process of delivery are key points to improving the overall status of service delivery.

Conclusion and Next Steps

7.1 The Contribution of the *State of Cities: Urban Governance in Dhaka*

Of the contributions that *State of Cities: Urban Governance in Dhaka Report* attempts to make, one of the most emphatic ones is that putting 'urban' to 'governance' is not simply achieved by redefining the concept of governance in the face of the multi-faceted problems a developing city like Dhaka faces. Such an enquiry would keep the problems as well the concept of governance as fixed and uncontested and would not advance original, innovative and inductive approaches to understanding the urban phenomenon and the ways in which various dimensions of urban life are mobilised and governed. By focussing on key arenas of urban life in Dhaka city from the legacy of municipal governance, to political relations and democratic practices at the local level, to the social and political organisation of the rickshaw sector and access to urban services, this Report has advanced a comprehensive and multi-faceted analysis of how the governance process is mobilised, shaped and maintained in the city. Indeed, the Report shows that to understand urban governance we need to look into the formal institutions that are charged to manage the city such as the municipal corporation and the Urban Planning Department and equally we need to look where we do not expect to see governance or at what we often judge as symptoms of weak governance, i.e. those informal inter-personal spaces where state and society come into contact via intermediaries.

The city is a complex and dynamic space, a contested political arena, a process of change and transformation, and a socio-economic system and thus it is difficult to capture and understand the city fully. Typically, urban scholarship positions the city somewhere between global flows of capital and trade on the one end and national and regional political institutions and economic systems on the other. It is difficult to tease out exactly how global and national political and economic forces manifest and shape the growth, development and politics of a city, although we are increasingly aware that cities are globally interconnected and that they are subordinate to national political and governmental settings, which determine the extent of autonomy and resources a city government can command. In

the context of Dhaka, this Report has focussed on very local settings to understand how everyday, through a range of coping mechanisms, people respond to changes and challenges brought about by the larger and abstract global and national forces and how through these very coping mechanisms the process of governance is mobilised and shaped.

Although each chapter in this Report is positioned in a particular urban setting and has its own analytical perspective, they all contribute to a continuous narrative on the governance process in Dhaka city. Chapter 2 on the 'History of Governance in Dhaka City' showed how the need to extract revenue from city dwellers as well as the rural hinterland to provide public services and establish a stable political and social setting for economic growth, led to the establishment of an autonomous municipal government and shaped the state-society relations between city dwellers and their municipal government. Chapter 3 on the 'Political Economy of Dhaka City' focussed on some of the general characteristics of Dhaka city such as its rapid population growth and its vast informal settlements, to explain how governance or rather deliberate political and policy choices in fact produce what are often explained as the unplanned and unexpected manifestations of the growth of modern Dhaka.

Chapter 4 on the 'Politics in Urban Governance: City without citizens' looked deeper into how Dhaka City Corporation and ward level elected local bodies are politically managed, highlighting the extent to which patronage relations influence the autonomy exercised by the City Corporation and how these relations set dynamics of exclusion and inclusion among citizens into play. Chapter 5 on 'Governing Transport in Dhaka City' showed how transport and road policies reflect the lifestyle choices of middle class and upper income groups thus illuminating how a coalition of interests or stakeholders operate in a particular policy domain. The chapter also showed how access to livelihoods, in this case the rickshaw sector, is managed by syndicates and the effect this has on the well-being of the rickshaw puller and the operation of the labour market more generally.

Finally, chapter 6 on the 'Governance of Urban Services' explained how by negotiating terms of access to essential services such as electricity, water and waste management, urban inhabitants in informal settlements and middle class neighbourhoods enter into relationships with intermediaries, private brokers or middlemen and public officials which determine the extent to which they can voice their demand for better services or simply bypass the state by finding ways of coping privately or remain within loyalty structures which limit their avenue to hold public institutions accountable.

These chapters focus on the 'real' picture of governance, on how it actually operates on the ground, where formal and informal channels interact, state and society mediate and shape each other, where partisan based patronage relations run deep and indeed where, within the context of a weak and under-resourced welfare state the process of intermediation become more pervasive and organised as people negotiate various ways of accessing services and livelihoods necessary for survival in the city. This is the overall picture of urban governance that *State of Cities: Urban Governance in Dhaka* report reveals as the basis of our understanding of how the urban governance might be improved.

7.2   Cross-cutting Findings and Governance Implications

A cursory reading of the 'state of the municipal corporation' and other specialised agencies charged with the role of managing Dhaka city, would conclude:

> that they are under-resourced;

> that they lack the autonomy and decision-making powers to influence development decisions for the benefit of the citizens locally;

> that there is immense fragmentation and lack of consultation between urban institutions leading to inefficient and haphazard development;

> and that they are ill-equipped to respond to powerful lobby groups like real estate developers and political parties who colonise the urban space at the cost of compromising larger public interests.

All of this rings true, but as the chapters in this Rreport show, what we have in Dhaka city is a weakened decentralised governance system in the context of pervasive and organised patronage based partisan politics which penetrates right down to the ward level.

In line with the above, an overarching finding is that a patronage system in the form of informal institutions and personalised channels of access to local power positions, livelihoods services and urban land is well organised and powerful. This politically motivated patronage system produces short term positive outcomes (such as securing access to services that otherwise would not be available to an inhabitant of a slum) or is at times blatantly opportunistic and narrowly aimed at private gains of a few (such as real estate development on land that is critical to environmental protection of the city).

This system of patronage which cuts across all spheres of public life is common knowledge to those who live in Dhaka and elsewhere in Bangladesh, but it is a crucial reminder of how governance in the city actually works through personalised channels, and how in one way or another, these relations feed into the larger framework of partisan based politics. Political parties ensure that right down to the ward level, to the neighbourhood in which one lives, party activists are able to control power relations such that support for the party in power is maintained and allocation of local development resources are controlled to the extent that those involved extract rent from their position in a hierarchical order. While such behaviour can be construed as corruption and rent-seeking, it is also the way the city is politically managed and governed. That the Dhaka City Corporation or RAJUK, for instance, have limited resources and even less autonomy to make decisions independently is because they are subject to and part of this very well integrated and systematically managed political framework.

So, what does this imply for those who aspire to strengthen effective inclusive and decentralised public authority in the long run? Straight away, it is evident that if the starting point for progressive change is to establish formal rules-based institutions which will overcome this patronage system, that approach will not be effective. This has been proved in Bangladesh before, with the experience of the Anti-Corruption Commission for instance, and IGS, too, in previous SOG reports, has argued that donor-led direct interventions for rules based governance have to be carried out in more incremental and indigenously owned and citizen led ways.

This Report, suggests therefore that in the context of urban governance reform the focus should be on strengthening citizens' ability to hold their local elected institutions accountable. Some of the journalists and municipal officers we met during the research for this Report suggested that slum inhabitants should not be allowed to vote as they are likely to bring these 'illegal local distributors' into power. However, if municipal elections were held regularly, and all city dwellers had the right to vote, party activists and local power holders of whatever political affiliation would be under pressure to show visible development outcomes at the local level. And while they were out of office, activists from the opposition party would be mobilising to demonstrate their ability to deliver development goods locally. In this scenario, a local power holder would be as dependent on the support of his/her local constituency to secure a position in a local body as he/she would be to those higher up in the party ladder. In the current scheme, loyalty to those higher up matters more, and at times is put to devastating effects such as when the same local power holders facilitate eviction from slums or illegally grab public land for real estate developers.

Strengthening representative local bodies through regular and inclusive electoral practices could strengthen accountability mechanisms within existing patronage relations at the local level. Some would argue, however, that urban governance should be strengthened through rules and regulations which strengthen citizens' ability to hold their local governments accountable and through civil society pressure groups rather than the messy world of electoral politics. Good governance should enable the distribution of public goods, not through personalised and selective patronage relations, but as guaranteed rights and entitlements to citizens who can effectively demand these from their government regardless of whom they voted for, or which party is in power. However, if we consider 'intermediation' as part of a process of transition in a limited welfare state, where access to services, employment opportunities and even protection is brokered through personalised channels of kinship and informal intermediaries, thus producing local representatives who wield power and also respond to local needs by negotiating and forging relations with public officials - then accountability mechanisms have to be gradually strengthened through democracy and participation for elections to local bodies.

There are further findings from our Report which support the above suggestion:

Regional settlement of Dhaka

Different parts of Dhaka and certain occupations are colonised by the regions of Bangladesh (see Chapter 5). This regionalisation maintains patron-client relations[13]. When a migrant comes to the city for the first time they make contact with a relative or a friend from their village or ethnic community a known network - who in turn introduces him or her to a broker who helps get a job and later a room to rent and so on. This becomes a *de facto* governance structure enabling social mobility but also producing loyalties and party affiliations. In contradiction with earlier modernisation literature, a city like Dhaka is not a space where people are freed from their traditional identities and can exercise their

---

13.   We are grateful to Geof Wood for identifying this feature of Dhaka and how this impinges on citizenship and accountability.

citizenship in anonymous and autonomous ways. Regional networks, patronage, and loyalties matter and are a crucial determinant for how livelihoods, social mobility and urban services are accessed and therefore determine how relations with the state and accountability mechanisms are forged.

Citizens look to public institutions as guarantor of rights and entitlements

In a context like Bangladesh where Civil Society, NGOs in particular, have played a crucial role in providing welfare services and development goods to their clients, especially the vulnerable and excluded, the IGS Survey on service delivery 2011 in line with the Governance Barometer 2010, nevertheless found that citizens still believe that public institutions should be responsible for guaranteeing and ensuring their access to entitlements. Although the welfare state is weak, and the limits of rights based access to public goods is regularly overcome through private personalised channels, there is a widely held public opinion on the role of public institutions and what they should be held accountable for. Furthermore, in line with other research on urban governance in Bangladesh, during the research for this Report we found that local representatives (including ward councillors and local distributors) are considered as the key agents for resolving day-to-day problems in the locality and are regarded as the representatives of the local community.

Role of civil society

The role of media and civil society is somewhat simplistically recommended as a way forward for mobilising public agendas on urban issues and applying pressure on public institutions to perform their functions more effectively. This is sometimes regarded as a 'demand side' approach. There is also a general view that where urban governments are under-equipped to provide services, these functions should be contracted out to private investors and NGOs. A plausible suggestion, but on a note of caution, sub-contracting what should be delivered as public good to private companies or voluntary providers, could inhibit accountability mechanism between state and citizens and could reduce the prospects of ensuring that public goods are distributed as right based entitlements. While private and voluntary providers have played an important role, and should indeed be allowed to continue to do so, it should be mediated through stronger state-citizenship relations, facilitated by regular elections and a transparent tax system.

7.3   Issues for Future Research

The *State of Cities: Urban Governance in Dhaka* is IGS's first step towards what we believe should be a long-term research agenda. Through this report we have attempted to take Urban Governance out of technical, de-politicised discourses on reform to more in-depth, locally informed political analysis. This, however, is one small step to a longer journey for urban research not just for Bangladesh but for developing cities in general. We see therefore the need for more comparative research between South Asian cities, and expect that this would be accomplished in some measure through the *South Asia Urban Research Network* launched by IGS. There is also equally need in future to take urban scholarship towards stronger empirical research combined with more nuanced analysis such as critical political economy, urban anthropology and cultural studies, which would open up new frontiers of thinking on urban governance and development.

Bibliography

Asian Development Bank (ADB), 1995. *Bangladesh Urban Sector Strategy Study.* Asian Development Bank.

Afsar, R., 2001. Sociological Implications of Female Labour Migration in Bangladesh. *In*: R. Sobhan and N. Khundker, eds. *Globalisation and Gender: Changing Patterns of Women's Employment in Bangladesh.* Dhaka: Centre for Policy Dialogue and University Press Limited, pp. 91-165.

Ahmad, M. G. and Islam, N. A. K. M., 2011. Electricity Consumption and Economic Growth Nexus in Bangladesh: Revisited Evidences. *Energy Policy,* 39, pp. 6145-6150.

Ahmed, K.A., 1980. *Traffic Problems in Dhaka City.* Dhaka: Local Government Institute.

Ahmed, S., 2010. Making Dhaka Livable, *Forum: The Daily Star* [online], 3 March. Available from: http://www.thedailystar.net/forum/2010/march/makingdhaka.htm [Accessed 31 December 2011].

Ahmed, F.E., 2004. The Rise of the Bangladesh Garment Industry: Globalization, Women Workers and Voice. *NWSA Journal,* 16(2), pp. 34-45.

Ahmed, N., 2009. Sustaining Ready-Made Garment Exports from Bangladesh. *Journal of Contemporary Asia,* 39(4), pp. 597-618.

Ahmed, S., Ahmed, J. K. and Mahmud, A., 2007. *Making Dhaka Livable.* Dhaka: University Press Limited.

Ahmed, S.U., 2010. *Dhaka: A Study in Urban History and Development 1840-1921*. Dhaka: Academic Press and Publishers Library.

2008. Evaluation of Some Artisans, Craftsmen and Professional Classes of Dhaka and their Settlements. *In*: D. Hassan, ed. *Commercial History of Dhaka*. Dhaka: Dhaka Chamber of Commerce and Industry.

2007. Urbanisation and Urban Classes. *In*: S. Islam, ed. *History of Bangladesh: 1704-1971: Social and Cultural History*. Dhaka: Asiatic Society of Bangladesh, pp. 123-149.

Ahmed, S., 2010. Strategic Water Supply and Management Model for the Poorest of the Urban Poor in Mega City Dhaka. *In*: *Better City Better Life*, Dhaka: Institute of Planner and Centre for Urban Studies, pp. 53-58.

Ahsan, R.M., 2009. Changing Patterns of the Commercial Area of Dhaka City. *In*: S.U. Ahmed, ed. *Dhaka: Past Present Future*. Dhaka: Asiatic Society of Bangladesh.

Akther, M.S., 2009. A big no to flyover and subway in Dhaka. *The Daily Star,* 15 November.

Alam, M., Mainuddin, K., Sharif, M.I. and Rahman, A., 2002. *Technological Intervention in Urban Transport in Dhaka city Global and Local Environmental Benefit.* Dhaka: Bangladesh Center for Advanced Studies.

Alam, Md. J. B. and Habib, K. M. N., 2003. Effects of Alternative Transportation Options on Congestion and Air Pollution in Dhaka City. *Journal of Civil Engineering,* 31 (2), pp. 165-175.

Alam, M.S., Kabir, E., Rahman, M.M. and Chowdhury, M.A.K., 2004. Power Sector Reform in Bangladesh: Electricity Distribution System. *Energy Policy,* 29, pp. 1773-1783.

Ali, T., 2011.Transport Infrastructure. Altering its skewed pattern. *The Daily Star* [online], 31 March, pp. 25-27. Available from: http://thedailystar.net/suppliments/2011/anniversary/part6/pg6.htm. [Accessed 17 September 2011]

Amin, A.T.M. N., 2009. 2nd ed. Dhaka's Informal Sector and Its Role in the Transformation of Bangladesh Economy. *In*: S.U. Ahmed, ed. *Dhaka Past Present Future*. Dhaka: Asiatic Society of Bangladesh, pp. 482-506.

Anam, M., 2003. Why do we elect Mayors, and then deprive them of powers to do anything? *The Daily Star Magazine* [online], 18 July. Available from: http://www.thedailystar.net/magazine/ 2003/07/03/wmusings.htm [Accessed 17 August 2011]

Aziz, S. and Graner, E., 2011.*Governance Barometer Survey 2010.* Dhaka: Institute of Governance Studies, BRAC University.

Bangladesh Bank, 2008.*Recent Employment Situation and Labor Market Developments in Bangladesh.* Dhaka: Bangladesh Bank.

Bangladesh Bureau of Statistics (BBS), 2011. *PHC Preliminary Results* [online]. Available from: http://www.bbs.gov.bd/WebTestApplication/userfiles/Image/BBS/PHC2011Preliminary%20Res ult.pdf [Accessed 4 November 2011].

Banks, N., 2006. *A Tale of Two Wards: Political Participation and the Urban Poor in Dhaka City* [online] . CGS Working Paper Series (CGS WP 2), Center for Governance Studies (Currently, Institute of Governance Studies), BRAC University and Research and Evaluation Division (RED), BRAC, Dhaka. Available from: http://www.igs-bracu.ac.bd/UserFiles /File/archive_file/aTTWPPatUPoor_in_Dhaka_City.pdf. [Accessed 4 November 2011].

Bari, M. and Debra E., 2005a. *Rickshaw Bans in Dhaka City. An Overview of the Argument For and Against. Dhaka: Roads for People* (mimeograph).

Bari, M. and Debra, E., 2005b.*Transport Policy for Poverty Reduction and Social Equity.* Dhaka: Roads for People.

Barter, P.A., 2000. Urban Transport in Asia. Problems and Prospects for High-Density Cities. *Asia-Pacific Development Monitor*, 2 (1), pp. 33-66.

Baubock, R., 2003. Reinventing Urban Citizenship. *Citizenship Studies*, 7 (2), pp. 139-160.

British Broadcasting Centre (BBC) Sports, 2011. Cricket World Cup Grand Ceremony Launches Tournament. *BBC Sports*. 17 February.

Begum, D. A. and Ahmed, K. M. T., 2010. Water Quality Aspects in and around Dhaka City. Paper Presented at *International Conference on Environmental Aspects of Bangladesh* 2010, 4 September. Japan: Kitakyushu, Kitakyushu University, pp. 175-178.

Beverley, E. L., 2011. Colonialism, Urbanism and South Asian Cities. *Social History*, 36 (4), pp. 482-297.

Bhuiyan, S.H., 2009. A Crisis in Governance: Sustainable Urban Solid Waste Management in Bangladesh. *Nepalese Journal of Public Policy and Governance*, 24 (1), pp. 63-80.

Bhattacharya, D. and Rahman, M., 2000. *Regional Accumulation Facility under EC-GSP: Strategic Response from Short and Medium-Term Perspectives*. Dhaka: Centre for Policy Dialogue, Occasional Paper Series 9.

Centre for Policy Dialogue and Centre for Urban Studies, 2001. *Report of the Task Force on Urban Governance* [online]. Dhaka: National Policy Forum. Available from: http://www.cpd.org.bd/html/policy%20brief/sub%20folders/PB01/task_force_reports/Urban%20Governance.PDF [Accessed 4 November 2011].

Chatterjee, P., 1986. The Colonial State and Peasant Resistance in Bengal 1920-1947. *Past and Present*, 110 (1), pp.169-204.

Chowdhury, A. I., 2004. *Bangladesh Case Study in Instruments of Local Financial Reform and their Impact on Service Delivery, Case Studies of India and Bangladesh.* Dhaka: Centre for Urban Studies.

1994. Urban Administration and Finance in Bangladesh: A Review of Research. *In:* N. Islam, ed. *Urban Research in Bangladesh: Review of Recent Trends and An Agenda for the 1990s*. Dhaka: Centre for Urban Studies.

Chowdhury, C., 2010. Reducing the Horrendous Traffic Congestion. *The Daily Star*, 23 February.

Centre for Urban Studies (CUS), National Institute of Population Research and Training (NIPORT) and MEASURE Evaluation, 2006. *Slums of Urban Bangladesh: Mapping and Census, 2005.* Dhaka, Bangladesh and Chapel Hill, USA.

Daily Sun, 2011. 'BGMEA Bhaban faces demolition'. *Daily Sun* [online], 4 April. Available from: http://www.daily-sun.com/details_yes_04-04-2011_bgmea-bhaban-faces-demolition_177_1_1_1_0.html. [Accessed 18 August 2011]

Dani, A.H., 2009 (1962). *Dhaka: A Record of its Changing Fortunes*. Dhaka: Asiatic Society of Bangladesh.

Das, T.K., 2003. *Culture of Slum Dwellers: A Study of a Slum in Dhaka*. Dhaka: Gatidhara.

Democracywatch, 2001. *Transportation Problems of Dhaka City Findings from a Opinion Survey.* Dhaka: Democracywatch.

Department of Environment, Ministry of Environment and Forest Government of the People's Republic of Bangladesh, 2005. *Dhaka City: State of Environment 2005*. Dhaka: Department of Environment, Ministry of Environment and Forest Government of the People's Republic of Bangladesh and United Nations Environment Programme.

Dhaka Metropolitan Development Planning, 1997. *Dhaka Metropolitan Development Plan 1995-2015: Structure Plan, Master Plan and Detailed Area Plan for Dhaka City 1*. Dhaka: DMDP Project, RAJUK, Government of Bangladesh.

Etzold, B., 2012. Selling in Insecurity – Living with Violence: Eviction Drives against Street Food Vendors in Dhaka and the Informal Politics of Exploitation. *In*: N. Ha and K. Graaf, eds. *Urban Street Vending: A Global Perspective on the Practices and Policies of a Marginalized Economy*. New York: Berghahn Books.

Enayetullah, I., 2005. *Household Waste Management in Dhaka* [online]. Dhaka: Tearfund International Learning Zone. Available from:`//tilz.tearfund.org/Publications/Footsteps+51 60/Footsteps+59/Household+waste+management+in+Dhaka+Bangladesh.htm[Accessed 17 September 2011].

Fernandes, L., 2004. The Politics of Forgetting: Class Politics, State Power and the Restructuring of Urban Space in India. *Urban Studies, 41 (12), pp. 2415–2430.*

Flora, J. , 2001. Management of Traffic and Urban Environment. *In*: M. Freire and R. Stren, eds. *Transportation and Metropolitan Growth. The Challenge of Urban Government Policies and Practices.* Washington D.C.: World Bank Institute, pp. 383-394.

Gallagher, R., 1992. *The Rickshaws of Bangladesh*. Dhaka: University Press Limited.

GOB/BBS, 2008.*Report on Labour Force Survey 2005-06*.   Dhaka: Bangladesh Bureau of Statistics, Government of Bangladesh.

GOB/BBS, 2010. *Report on Monitoring of Employment Survey 2009.* Dhaka: Bangladesh Bureau of Statistics, Government of Bangladesh.

GOB/Ministry of Communication, 2004. *National Land Transport Policy 2004*. Dhaka: Government of Bangladesh.

GOB/Immigration Police, Home Ministry, 2008*. City Guide* [online]*.* Dhaka: GOB. Available from http://www.immi.gov.bd/city_guide.php [Accessed 17 September 2011].

Gopakumur, K. and Balakrishnan S., 2000.Enhancing Accountability and Responsiveness in Public utilities: Exploring the Potency of Public Feedback. *Global Business Review*, 1 (1), pp. 91-100.

Guha, R., 2007. Scottish Internationalist. *The Hindu,* 21 January.

Guitink, P. , 1996. *Strategic Planning for Non-motorized Mobility.* Washington D.C.: World Bank.

Haider, A., 1967. *Dacca: history and Romance in Place Names.* Dacca: Dacca Municipality.

Hoque, K.S., Nazneen, F., Mahmood, S. M. S., Rahman. S. and Shamim., M. M., 2010. Change of the Integration Core with Urban Economy: A Study on Khulna City. *Bangladesh Research Publications Journal,* 4 (2), pp. 133-141.

Hirschman, A. O., 1970. *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States.* Cambridge: Harvard University Press.

Hodgkinson, D. and Walton-Ellery, S., n.d. Strengthening Bangladesh: Transport, Sustainability and Better Lives. Australia: Hodgkinson Group Crawley.

Hoque, Md. M. and Hossain, T., 2005. *Augmentation of Mass Transit Mode in Dhaka, Bangladesh*. Dhaka: *Bangladesh University of Engineering & Technology (BUET), Department of Civil Engineering.*

Hossain, I. and Gülen, G., 2007. Lifecycle analysis of different urban transport options for Bangladesh. *Energy Policy*, 35 (10), pp. 4909-4918.

Hassan, D., 2008. *Commercial History of Dhaka*. Dhaka: Dhaka Chamber of Commerce and Industry.

Hossain, S., 2008. Rapid Urban Growth and Poverty in Dhaka City.*Bangladesh e-Journal of Sociology,* 5(1).

2011. *Urban Poverty in Bangladesh: Slum Communities, Migration and Social Integration.* Basingstoke: Palgrave Macmillan.

Hossain, Z., 2011. *Export Diversification and Role of Export Processing Zones in Bangladesh.* Dhaka: Report prepared for Bangladesh Export Processing Zone Authority.

Institute of Development Studies (IDS), 2010. *An Upside-Down View of Governance.* Brighton: Institute of Development Studies, University of Sussex.

Iraj, S., 2010. Dhaka's Waste Management Issues, *Weekly Independent,* The Independent.

Islam, I., 2011. Deluge in Dhaka: Are the hopes being flooded away? *The Daily Star*: 20th Anniversary Special. 7 April.

Islam, M. S., 2003[1]/2008[2]. Rickshaw Art of Bangladesh. *In*: N. Zaman, ed. *Of Rickshaws and Rickshawallahs.* Dhaka: The University Press Limited, pp. 83-92.

Islam, Q. Z., 2011. WC off to wow start, Bangladesh face India in tomorrow's opener of the 14-nation cricket fiesta. *The Daily Star,* 18 February.

Islam, N., Khan. M. M., Nazem, N. I. and Rahman, M. H., 2003. Reforming Governance in Dhaka, Bangladesh. *In*: P. L. MaCarney and R.E. Streneds. *Governance on the Ground: Innovations and Discontinuities in Cities of the Developing World.* Washington: Woodrow Wilson Centre Press.

JICA, 2010. *Preparatory Survey Report on Dhaka Urban Transport Network Development Study (DHUTS) in Bangladesh.* Dhaka: Japan International Cooperation Agency.

Kabir, A., 2010. 'Relevant issue of power sector development'. *The Financial Express* [online]*,* 13 April. Available from: http://fe-bd.com/more.php?news_id=97576&date=2010-04-13. [Accessed 19 September 2011].

Kalabamu, F. T., 1987. Rickshaws and the Traffic Problems of Dhaka. *HABITAT*, 11 (2), pp. 123-131.

Karim, A., 1963. *MurshidQuli Khan and His Times*. Dhaka: Asiatic Society of Pakistan.

Karim, E., 2010. RAJUK Should Leave Land Business. *Industry: Exclusive Economic Weekly*, 19 (43).

Khan, M. A., ed., 1967. *Problems of Municipal Administration.* Conference Proceedings from the Conference on the Problems of Municipal Administration. Organised by National Institute of Public Administration, Dhaka; Basic Democracies & Local Government Department, Government of East Pakistan, Dhaka. Dhaka: National Institute of Public Administration.

Khan, A. Z. H. and Rasheduzzaman, 2007. *Performance of the Power Sector of Bangladesh: Governance Failures and Remedial Measures*. Dhaka: Transparency International Bangladesh, pp. 9-23.

Khan, M., 2010. Bangladesh: Partitions, Nationalisms and Legacies for State Building. *Working Paper.* London: School of Oriental and African Studies (SOAS).

Khan, M.M., 1997. Urban Local Governance in Bangladesh: an overview. *In*: N. Islam and M.M. Khan, eds. *Urban Governance in Bangladesh and Pakistan.* Dhaka: Centre for Urban Studies.

Khanum, N., 2009. Provision of Civic Amenities in Dhaka 1921-1947. *In*: S. U. Ahmed, ed. *Dhaka: Past Present Future.* Dhaka: Asiatic Society of Bangladesh.

Kim, Y.H. and Short, J.R., 2008. *Cities and Economies.* London and New York: Routledge.

Kjellen, M. and Mcgranahan, G., 2006. *Informal Water Vendors and the Urban Poor*. International Institute for Environment and Development, Human Settlements Discussion Paper Series, Theme: Water-3, pp. 3-29.

Lasnier, F., 2001. *Rickshaw Art in Bangladesh.* Dhaka: University Press Limited.

Loo, B. P. Y., 2009. Urban Transport. *International Encyclopedia of Geography*, Cambridge: Cambridge University Press 11. pp. 465-469.

Mannan, M. S. and Karim, M. M., 2001. Current State of the Mobility of the Urban Dwellers in Greater Dhaka. Paper presented at the *94th Annual Conference and Exhibition of Air and Waste Management Association*. Orlando, Florida.

Marshall, P. J., 2007. General Economic Conditions under the East India Company. *In*: S. Islam ed. *History of Bangladesh 1704-1971, Economic History*. Dhaka: Asiatic Society of Bangladesh, p. 56-76.

Menon, M.A., 2002. *Solid Waste Management in Dhaka, Bangladesh Innovation in Community Driven Composting* [online]. Available from: http://kitakyushu.iges.or.jp/docs/demo/ dhaka_bangladesh/spdhaka.pdf. [Accessed 5 July 2011].

Mondal, M. A. H., Wulf, B. and Manfred, D., 2010. Future Demand Scenarios of Bangladesh Power Sector. *Energy Policy,* 38, pp.7416-7426.

Montu, K., 1994. A Postmortem of Elections. *Holiday*, 4 February.

Mukherjee, S., 2006. *Migration and Urban Decay: Asian Experiences.* New Delhi: Rawat Publications.

New Age, 2011a. 'HC orders BGMEA building pull down'. *New Age* [online]*,* 4 April. Available from: http://newagebd.com/newspaper1/archive_details.php?arcid=14168. [Accessed 5 July 2011].

> 2011b. 'President need not rush into signing DCC split bill'. *New Age* [online]*,* 1 December. Available from: http://newagebd.com/newspaper1/editorial/42002.html. [Accessed 7 July2011].

> 2011c .'Five hurt as DCC people clash over split'. *New Age* [online]*,* 2 December. Available from: http://newagebd.com/newspaper1/frontpage/42082.html. [Accessed 5 August, 2011].

Odhikar, 2010. *Dhaka City Corporation elections delayed, Human Rights Monitoring Report,* 1-30 November. Dhaka: Odhikar.

Panday, P.K. and Jamil, I., 2010. Challenges of Coordination in Implementing Urban Policy: The Bangladesh Experience. *Public Organization Review,* 11, pp. 155-176.

Panday, P.K. and Panday, P.K., 2008. The Development of the Urban Government System in Bangladesh: Does Coordination Exist? *Local Government Studies,* 34(5), pp. 559-575.

Pirrie G. H., 1995. The Rickshaws of Bangladesh: R Gallagher University Press Dhaka (1992). *Journal of Transport Geography*, 3 (2), pp. 148-149.

Prothom Alo, 2002a. City Corporation Shomuher Nirbachon. *Prothom Alo, 2* April, p. 7.

> 2002b. City Corporation nirbachon ki debe deshke? *Prothom Alo, 22* April, p. 8.

Rahman, M., 2011.*Rapid Urbanization and Environmental Degradation: The Case of Mega City Dhaka*. Unpublished Dissertation. Sweden: Center for East and South East Asian Studies, Lund University.

Rahman, S.M.S., Shams, S. and Mahmud, K. 2010. Study of Solid Waste Management and its Impact on Climate Change: A Case Study of Dhaka City in Bangladesh. *International Conference on Environmental Aspects of Bangladesh 2010*, 4 September. Japan: Kitakyushu, Kitakyushu University, pp. 229-233.

Rahman, M., 2010. Factors of Economic Transformation in Sub-Urban Areas of Rajshahi City, Bangladesh. *Journal of Life Earth Science* , 5, pp. 47-55.

Rahman, S. and Rahman, S. H., 2011. Application of GIS Techniques in Urban Solid Waste Management in a Part of Dhaka City: Mohammadpur Thana. *Journal of Sustainable Development and Environmental Protection,* 1 (2), pp.76-88.

Razzaque, A., 2005. *Sustaining RMG Export Growth after MFA Phase Out: An Analysis of Relevant Issues with Reference to Trade and Human Development*. Study Conducted for Ministry of Commerce, Government of Bangladesh and United Nations Development Programme, mimeo.

Richards, J. F., 1981. Mughal State Finance and the Pre-modern World Economy. *Comparative Studies in Society and History* , 23 (2), pp.285-308.

Rostow, R.R., 1960. *Stages of Economic Growth.* Cambridge: Cambridge University Press.

Salway, S., Rahman, S. and Jesmin, S., 2003. A Profile of Women's Work Participation among the Urban Poor of Dhaka. *World Development*, 31 (5), pp. 881-901.

Shafi, S. A., 2010. Implementation of Dhaka City Master Plan. *The Daily Star*, 10 February.

2010a, *Urban Crime and Violence in Dhaka.* Dhaka: University Press Limited.

Sharmin, N., Bunker, J., and D'Este, G., 2011. *Prospective bus rapid transit scenarios for pilot corridor in Dhaka. Paper presented at the 1st International Postgraduate Conference on Engineering, Designing and Developing the built environment for sustainable wellbeing (EDDBE2011),* 7-10 February. Brisbane: Queensland University Technology.

Sharp, E. B., 1984. Exit, Voice, and Loyalty in the Context of Local Government Problems. *The Western Political Quarterly*, 37 (1), pp. 67-83.

Siddiqui, K., Ahmed, J., Awal, A. And Ahmed, M., 2000.*Overcoming the Governance Crisis of Dhaka City.* Dhaka: University Press Limited.

Siddiqui, K., Ahmed, J., Siddique, K., Huq, S., Hossain, A., Doula, S.N. and Rezawana, N., 2010. *Social Formation in Dhaka,* 1985-2005: *A Longitudinal Study of Society in a Third World Mega City.* Farnham and Burlington: Ashgate.

Sinha, M. A.H.M. and Amin, A.T.M. N., 2005. Dhaka's Waste Recycling Economy: Focus on Informal Sector Labour Groups and Industrial Districts. *Regional Development Dialogue*, 16 (2), pp. 173-195.

Smith, T. B., 2004. Electricity Theft: A Comparative Analysis. *Energy Policy*, 32, pp.2067-2076.

Sobhan, R., 1979. The Politics of Food and Famine in Bangladesh. *Economic and Political Weekly*, 14 (48), pp.1973-1980.

Stren, R., 2001. Transportation and Metropolitan Growth. *In*: M. Freire and R. Stren, eds.*The Challenge of Urban Government, Policies and Practices.* Washington D.C.: World Bank Institute, pp. 379-381.

Taifoor, S.M., 1956. *Glimpse of Old Dhaka*. Dhaka: Pioneer Printing Press.

Tawhid, K. G., 2004. Causes and Effects of Water Logging in Dhaka City, Bangladesh. *TRITA-LWR Master Thesis* (Supervised by Jan-Erik Gustafsson), Department of Land and Water Resource Engineering. Stockholm: Royal Institute of Technology, Stockholm.

Taylor, J., 2010 (1840). *A Sketch of the Topography and Statistics of Dacca.* Dhaka: Asiatic Society of Bangladesh.

Tiwari, G., 2002. Urban Transport Priorities: Meeting the Challenge of Socio-economic Diversity in Cities: A Case Study of Delhi, India. *Cities,* 19 (2), pp. 95-103.

The Louis Berger Group Inc and Bangladesh Consultants Ltd, 2006. *The Strategic Transport Plan for Dhaka* [online]*.* Available from: *http://www.pmo.gov.bd/pmolib/legalms/pdf/draft-urban_transport_policy.pdf.* [Accessed 31 December 2011]*.*

The Daily Star, 2007. Editorial: Slum-dwellers' eviction: Rehabilitation is obligatory. *The Daily Star* [online]*,* 2 February. Available from: http://www.thedailystar.net/2007/02/02/d70202020226.htm [Accessed18 August 2011]

The Daily Star, 2011. A blunder – Splitting DCC into two. *The Daily Star* [online]*,* 1 December. Available from:http://www.thedailystar.net/newDesign/news-details.php?nid=212329. [Accessed 18 August 2011]

The Daily Star, 2010a. Editorial: Let the DAP be implemented in full: No compromise on its essential details, please!. *The Daily Star* [online]*,* 25 June. Available from:http://www.thedailystar.net/newDesign/news-details.php?nid=143991. [Accessed 18 August 2011]

The Independent, 2011a. SC stays BGMEA Bhaban demolition order for 6 weeks. *The Independent* [online]*,* 5 April. Available from: http://www.theindependentbd.com/national/42958-sc-stays-bgmea-bhaban-demolition-order-for-6-weeks.html. [Accessed 18 August 2011]

The Independent, 2011b. Current EC unable to hold newly-split DCC polls: CEC. *The Independent* [online]*,* 12 December. Available from: http://www.theindependentbd.com/national/84338-current-commission-unable-to-hold-newly-split-dcc-polls-cec.html. [Accessed 18 August 2011].

The Daily Star, 2010b. 800 More Buses to Hit City Roads. *The Daily Star* , p. 7.

The Daily Star, 2010c. *System Loss of Dhaka WASA 38.78 Percent*. *The Daily Star,*22 June, p.2.

Traffic and the Urban Environment. n. d. *In*: M. Freire and R. Stren eds. *Transportation and Metropolitan Growth.The Challenge of Urban Government Policies and Practices.* Washington D.C.: World Bank Institute, pp. 395-401.

UN-HABITAT, 2008. *State of the World's Cities 2008-2009: Harmonious Cities.* London, Sterling: Earthscan, United Nations Human Settlement Programme.

UN-HABITAT, 2011. *State of the World's Cities 2010-2011: Bridging the Urban Divide.* London, Sterling: Earthscan, United Nations Human Settlement Programme.

Vasconcellos, E., 2001. *Urban Transport, Environment and Equity: The Caseor Developing Countries.* London: Earthscan.

Walle, S. V. and Scott, Z., 2011. The Political Role of Service Delivery in State-Building: Exploring the Relevance of European History for Developing Countries. *Development Policy Review*, 29 (1), pp. 5-2.

Ward, K., 2004. The Effects of Global Economic Restructuring on Urban Women's Work and Income-Generating Strategies in Dhaka, Bangladesh. *Critical Sociology,* 30(1), pp. 63-102.

Wood, G., 2009. Situating Informal Welfare within Imperfect Welfare Regimes. Paper Presented at Conference on *Politics of Non-State Welfare, 8-9 May*. Cambridge, MA: Harvard Academy for International and Area Studies, Weatherhead Centre, Harvard University.

 2006. Using Security to Indicate Wellbeing. *Economic and Social Research Council (ESRC)*, Working Paper 22, pp. 2-40.

 2003. Staying Secure, Staying Poor: The Faustian Bargain. *World Development,* 81, pp. 455-475.

 2000. *Desperately Seeking Security*. Working Paper, Centre for Development Studies. Bath: University of Bath.

White, C., Gordon, A. and Gray, P., 2001. *Economic Appraisal of Multimodal Transport Investments: The Development of TUBA.* A report prepared for the Department of Transport, Local Government and the Regions. London: DOT.

World Bank, 2002*. Cities on the Move. A World Bank Urban Transport Strategy Review.* Washington D.C.: World Bank.

World Bank, 2003. *Making Services Work for Poor People.* Washington D.C.: Oxford University Press, p.162.

World Bank, 2005a. *Bangladesh Growth and Export Competitiveness.* Dhaka: World Bank.

World Bank, 2005b*. Dhaka Urban Transport Project*. Main Document. Dhaka: World Bank.

World Bank, 2007a.Dhaka Improving Living Conditions for the Urban Poor. *Bangladesh Development Series 17.* Dhaka: World Bank Office.

World Bank, 2007b.Bangladesh Strategy for Sustained Growth. *Bangladesh Development Series 18.* Dhaka, Washington: World Bank.

World Bank, 2009. *Bangladesh: Transport Policy Note.* Transport Unit, Sustainable Development Department, South Asia Region. Dhaka: World Bank.

World Bank, 2009*. Implementation completion and results report for power sector development policy.* Dhaka: World Bank.

Yaker, I. F., 2001. Transportation in Bogota Problems and Solutions, Management of Traffic and the Urban Environment. *In*: M. Freire and R. Stren, eds. *Transportation and Metropolitan Growth.The Challenge of Urban Government Policies and Practices.* Washington D.C.: World Bank Institute, pp. 395-401.

Yong, W. and Xiaojiang, L., 1999. Targeting sustainable development for urban transport. Paper presented in *Workshop on Urban Transport and Environment*. Beijing: CICED.

Zaman, N., 2008. *Of Rickshaws and Rickshawallahs.* Dhaka: University Press Limited.

The Institute of Governance Studies, established in 2005, is an Institute of BRAC University, a private institution of higher education in Dhaka, Bangladesh. The University, established in 2001, has a goal to provide a high quality, broad-based education with a focus on professional development to equip students with the knowledge and skills necessary for leading the country in its quest for development.

The mission of the University is to foster the national development process through the creation of a centre of excellence in higher education that is responsive to society's needs and able to develop creative leaders and actively contribute to learning and creation of knowledge.

BRAC University
66 Mohakhali C/A, Dhaka 1212
www.bracuniversity.ac.bd
Tel: +88 02 8824051
Fax: +88 02 8810383

Institute of Governance Studies
GP-JA-4, Level 5-7, TB Gate
Mohakhali, Dhaka-1212, Bangladesh.
Tel: +8801199810380, +88028810306, 8810320, 8810326
Fax: +88028832542
Website: www.igs-bracu.ac.bd

As a capital of a unitary state, Dhaka was destined to be a primate city. This is further fortified by its central location. Free market oriented public policy and absence of an urban decentralisation strategy ensured its high primacy in the urban structure of Bangladesh. Dhaka's mega city status however is a direct consequence of the combined effects of the country's demographic and economic fundamentals. The city has expanded beyond its municipal areas for which no governance structure exists. The governance system also has not been able to cope with the social and political changes. It is in this background, that this Report provides a comprehensive assessment of the historical, political, economic and social dynamics which shape various arenas of urban life and governance in Dhaka city. Its analysis includes urbanisation impact of the growth of garments & real estate sectors, unplanned development, informal economy & settlements, rising urban crime, disempowerment of Dhaka City Corporation and non empowering of ward as an institution for service delivery. Severe shortage of public transport and basic urban services are analysed from an institutional perspective. The Report should be useful to students and researchers in urban field and policy makers having a role in improving urban governance.

ATM Nurul Amin, PhD
Professor and Dean
Department of Environmental Science & Management
School of Engineering and Applied Sciences
North South University (NSU)