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All editorial correspondence and subscription enquiries should be addressed to the Editor, Urban India ([editorurbanindia@niua.org](mailto:editorurbanindia@niua.org)) Published by : National Institute of Urban Affairs, 1st Floor, Core-4B, India Habitat Centre, Lodhi Road, New Delhi - 110003. Phone : 011-24617543, Fax : 011-24617513

# urban INDIA

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Vol. 30

January – June 2010

No. 1

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A Journal of the  
National Institute of Urban Affairs  
India Habitat Centre  
New Delhi

### **Editorial**

We are pleased and proud to present the thirtieth anniversary issue of Urban India in a new design and format, for the reading convenience and pleasure of our readers and contributors and hope that you will appreciate the staid urban journal's new and fresh look. We wish everyone a happy and harmonious 2010 and thank all of you for the continuing support and encouragement to make Urban India successful.

India's progress is closely interlinked with its cities and towns and this progress needs a solid bedrock of core ideas that will shape the foundation of its future. This issue of Urban India covers a wide variety of urban issues, ranging from urban policy, governance, reforms, and strategy for effectively managed growth, slum development, environmental degradation, and rural – urban linkages in the context of economic interdependencies, among other critical urban challenges.

In their seminal paper on “Thirteenth Finance Commission and Urban Local Bodies – Towards Good Urban Governance in India”, D.Ravindra Prasad and V. Srinivas Chary examine some critical aspects related to operationalisation of recommendations of the 13th CFC, which have far reaching significance for strengthening municipal finances and governance in India. Welcoming the Commission's suggestion of linking grants to ULBs to improved urban performance and governance, the authors argue that implementation of the suggested reforms would strengthen the urban governance framework and move towards good urban governance.

Anil Rai in his paper on “Urban India : Issues and Challenges” argues that the country is not equipped to tackle the existing and unfolding massive urban challenges of the future. It is crucial that the vast potential of cities is recognized; critical urban issues identified, and pro – active reforms and policy directions put in place. In this context, the paper suggests that an effectively managed urban strategy is immediately required, to facilitate and promote cities, to play their positive development role as real agents of inclusive, harmonious and sustainable growth, and highlights the contours of this urban strategy.

In a perceptive paper on “Urban India Moving Towards Reforms Pathway” Urmilla Bagga analyses the status of JNNURM Reforms and presents situational analysis relating to the performance and progress of state governments and mission cities relating to implementation of reform agenda. The existing issues and challenges under the Government of India's flagship urban renewal programme

have also been considered in her paper.

A.K. Jain in his paper on “Towards Making Indian Cities Slum Free” focuses attention on the Rajiv Awas Yojana, the Central Government's Rs One lakh crore scheme to make Indian cities slum free during the next seven years. The paper argues that scheme poses a huge challenge, not only in terms of finance, but also more in terms of developing a fresh outlook, new ideas and roles evolving a comprehensive participatory approach, using land and community as the major resources.

Swarnima Singh in her paper on “GIS Application in Urban Heat Island: Crusading Anthropogenic Driver to Climate Change” has focused on Urban Heat Islands and the relative factors. Anthropogenic drivers such as the urbanization and economic dependence have been a major force shaping urban landscapes. The paper analyses use of remote sensing and GIS techniques to identify the various land uses, their various transformations over the a period of 30 years and to measure the rate of urban expansion and loss of vegetation cover in the study area.

In her paper on “Bridging Urban-Rural Hinterlands: Constraints and Opportunities” Nilanjana Dasgupta Sur considers rural – urban linkages, and undertakes an in – depth analytical study of the key issues of institutional capacities, spatial dimensions and economic interdependencies, highlighting experiences from both national and international levels.

In a detailed paper on “A Core Swallows the Periphery: Study of Chandigarh Periphery Zone” Pawan Kumar Sharma tests the efficacy of Periphery Control Act, which was meant to retain the overwhelmingly rural character of the tract. It analyses the spatio-temporal changes in the demographic and land use scenario of the Chandigarh Periphery Zone. The paper looks into the nature, extent and spatial pattern of any of the violations of the Act, and examines their impact on the landscape.

A Comprehensive Project Note prepared under Indo – US FIRE (D), “Delhi Local Area Plans” has been included in this issue. Local Area Planning is a FIRE (D) innovation for addressing the unplanned and illegal urban development rampant in Indian cities. It encourages variations in the building byelaws across the city so that the regulatory system better matches market potential. Local Area Planning fits into a broader effort to reform Delhi's entire building byelaw system including procedural, planning, and building performance components. This note has been prepared by Shikha Shukla and Stephen Matzie.

In the Case study section this issue presents a detailed study on “Retrospect and Prospect of Water Supply in Shimla” by Haripal Singh, M.R. Sharma, Quamural Hassan and Naved Ahsan. The authors have analysed the availability and accessibility of water supply in Shimla and also proposed viable and acceptable interventions for the improvement of water supply in the city.

We are happy to publish the summary proceedings of the Metropolis Commission 2 Meeting on “Managing Urban Growth” held at National Institute of Urban Affairs (NIUA). This was the first meeting of the Commission, which was jointly hosted by the NIUA and Metropolis. The main thrust of the presentations was on new technologies and e-transformation in the urban sector; strategic planning, integrated transport and liveability of cities; social inclusion and poverty alleviation; funding infrastructure; reforming governance systems; and the role of government.

The present issue includes a Discussion Paper on “Nobel Laureate Ostrom's Body of Work and it's Relevance” by Dibyendu Samanta which aims at total understanding of the pathbreaking work of Ostrom and it's underlying significance.

In the Book review section, Chetan Vaidya and Poornima Singh critically review the book “Costs and Challenges of Local Urban Services: Evidence from India's Cities” by Kala Seetharam Sridhar and Om Prakash Mathur. The authors describe urbanization as a key indicator of economic development which should be seen as a positive factor for overall development of a country. They argue that India has to improve its urban areas to achieve objectives of economic development.

As a value addition for readers, the present issue contains an updated Index of Contents, arranged according to title and author, of all papers, reviews and notes published in Urban India since its inception to the present. This has been compiled by our Librarian, Umesh Garkoti.

We are glad to announce that from this issue of our journal, eminent urban expert and planner, Om Prakash Mathur has joined our Editorial Board as member and we hope to benefit from his knowledge and sagacious advice.

Please enjoy your reading and we welcome your comments and suggestions.



Anil Rai

<arai@niua.org>

### **Thirteenth Finance Commission and Urban Local Bodies Towards Good Urban Governance in India**

*D.Ravindra Prasad\**

*V. Srinivas Chary\*\**

#### **Abstract**

The Thirteenth Finance Commission's recommendations have far reaching significance for strengthening municipal finances and governance in India. The Commission substantially increased the allocations to urban local bodies and divided the grants into two components - general basic grant and general performance grant. The former can be accessed by all the local bodies and the latter only by those who comply with the nine conditions relating to constitution of property tax board, establishment of local body Ombudsman, strengthening state finance commissions, accounting and audit reforms, service level improvements through benchmarking, etc., stipulated by the Commission. The authors examined some critical aspects related to operationalisation of recommendations like absence of mechanisms to ensure compliance of recommendations at state and local levels, autonomy of local bodies, absence of adequate funding to improve service delivery, capacity building needs etc. They feel that both future central finance commissions and state finance commissions would take a leaf from the 13<sup>th</sup> FC recommendations and link grants to improved urban governance. The authors argue that the implementation of the conditions/reforms suggested would strengthen the urban governance framework and moves towards good urban governance.

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The Thirteenth Finance Commission's recommendations have far reaching significance for strengthening urban governance in India. Through its General Performance Grant, the Commission made it imperative both to state and local governments to bestow time and attention to strengthen the organisation and functioning of the local government institutions. Its recommendations meant that unless the reforms are initiated and implemented within a year, the states cannot access to the funds recommended by the Commission under the General Performance Grant. The conditions or the reforms suggested by the Commission can be ignored by the state and local governments only to their

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## Urban India: Issues and Challenges

*Anil Rai\**

### Abstract

The challenge of urbanization in India in the 21st century is unprecedented. Urban population has rapidly increased in recent years and the impact of this population growth has been largely adverse, with most cities and urban settlements in India, irrespective of size, being characterized by critical shortfall in housing and water supply, inadequate sewerage, traffic congestion, pollution, poverty and social unrest, thus making urban governance a difficult and onerous task. While the 'urban explosion' in India is a matter of concern for planners, policy makers and institutions involved in managing urban affairs, cities have emerged as the new 'engines of growth' with considerable resilience and growth potential. They play a critical in driving the transition to an inclusive, harmonious and sustainable urban development. However, Indian cities, irrespective of size continue to face critical issues and immense challenges in areas of reforms, governance, planning, finance, management and capacity building of the urban local bodies. This paper studies key issues and challenges of urbanization in India, holistically, and argues that urban development needs to recognize the vast potential of cities with pro – active reforms and appropriate policy directions.

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### Introduction

Cities around the world are playing an ever increasing role in creating wealth, enhancing social development, attracting investment and harnessing both human and technical resources for achieving unprecedented gains in productivity and competitiveness (UN-Habitat,2006). At the same time cities play a critical role in driving the transition to sustainable development and promise better access to improved social amenities (health, education, culture and recreation among others) and a range of

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*\*Anil Rai (arai@niua.org) is a Senior Faculty Member of NIUA and Editor of **Urban India** journal. Comments and suggestions by Prof. Chetan Vaidya and Prof. V.K. Dhar on earlier draft of this paper are gratefully acknowledged.*

## Urban India Moving Towards Reforms Pathway

*Urmila Bagga\**

### Abstract

The reform agenda under JNNURM is a culmination of many initiatives taken by the government during the past two decades for reforming the municipal system and bringing them into the country's main development stream. It has opened up an unparalleled window of opportunity for the State Governments and Urban Local Bodies to avail the Central assistance by implementing the Reform Agenda to take up urban infrastructure improvement and up gradation programmes on a sustainable basis. The endeavor, however demands that the Government of India, the State Governments and the city administrations need to work together sincerely to implement the reform agenda and provide the enabling support systems, including infrastructure and services which will help the cities and towns to realize their full potential. The paper presents situational analysis relating to the performance and progress of state governments and mission cities relating to implementation of reform agenda. Various steps taken up by the GOI for handholding the slow performing cities / states as well as the operational challenges and existing issues under JNNURM have also been presented in the article.

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The urban India with over 285 million people residing in 5161 cities and towns constitute the world's second largest urban system. Around 1/3rd of the country's population already lives in urban areas. It is estimated that nearly half of the population of the country would shift to urban areas in the next few decades. However, most cities and towns are severely stressed in terms of infrastructure and service availability. The escalating demand for basic services in urban centers is resulting in serious deterioration of service quality across housing, water supply, sanitation, roads, healthcare, transport etc. According to 2001 census, 42.6 million people are living in slums of cities having population of 50,000 or more and a significant proportion of it is without access to even the most basic civic services. The inner areas of cities face widespread dereliction, decadence and neglect with significant negative economic consequences.

Our cities have not been able to cope with the pressures of industrial development and the growth of

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## Towards Making Indian Cities Slum Free

*A.K. Jain\**

### *Abstract*

The Central Government is developing an ambitious Rs one lakh crore scheme to make Indian cities slum free during the next seven years. Known as Rajiv Awas Yojana, the scheme poses a huge challenge, not only in terms of finance, but more in terms of developing a fresh outlook, new ideas and innovative resources. The success of the programme is contingent upon the abandonment of conventional concepts and roles and evolving a fresh comprehensive, and participatory approach, using land and community as the major resources. The inclusive and equitable access to land, shelter and infrastructure service need to be achieved by way of the concepts of “reservations” and 'city social responsibility'. It is also necessary to redefine the 'public purpose', 'affordable shelter', 'tenure', 'land use' and 'subsidy'. The cities will have to change their planning paradigm to increase the productivity, to generate jobs and to make best use of land and other resources. There is a need to adopt differential densities and development control norms for sustainable, smart and compact growth. Private sector participation in slum housing and collective community rehabilitation should be incentivized, where instead of the community expected to participate in the public sector slum housing programmes, the government authorities prepare themselves to participate in the community initiatives.

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Central Government is contemplating an ambitious Rs one lakh crore scheme to make Indian cities slum free during the next seven years. Known as Rajiv Awas Yojana, the scheme poses a huge challenge, not only in terms of finance, but more in terms of developing a fresh outlook, new ideas and innovative resources. This is to be viewed in the context of overall housing shortage and needs. According to the Ministry of Urban Housing and Poverty Alleviation (2007), the total housing shortage in India (as per 2001 Census) was about 24.71 million Dwelling Units (DUs), out of which 21.78 million DUs relate to the Economically Weaker Sections (EWS), while 2.89 million DUs are required for Low Income Group (LIG). The housing shortage during the 11<sup>th</sup> Plan period (2007-12) is expected to be 26.53 million DUs, out of which just 40,000 DUs will be in High Income Group (HIG) and Middle Income Group (MIG). As per 2001 census, about 62 million people (13 million

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**GIS Application in Urban Heat Island:  
A Crusading Anthropogenic Driver to Climate Change**

*Swarnima Singh\**

**ABSTRACT**

Anthropogenic drivers such as the urbanization and economic dependence have been a major force shaping urban landscapes. The history of mankind is long and diverse series of steps by which he has achieved ecological dominance. Urban area is no exception, as cities add roads, buildings, industry, and people, temperatures in the city rise relative to their rural surroundings, creating a heat island. These urban heat islands may be up to 7-12°F under optimum conditions. With increasing urban development, heat islands may increase in frequency and magnitude. Delhi, Mumbai and Kolkata, for example, have been approximate 1°F hotter every decade for the past 60 years. These heat islands have impacts that range from local to global scales and highlight the importance of urbanization to environmental change. These are all symptoms of the environmental crisis which is already upon us. It is not something to be vaguely concerned about as some distant future possibility but a contemporary reality. It is not a lament over the disappearing idyllic or pristine beauty, but a direct cry for survival. This paper analyses use of remote sensing and GIS techniques to identify the various land uses, their various transformations over the a period of 29 years (1980-2009) and to measure the rate of urban expansion and loss of vegetation cover in the study area.

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**1. Introduction**

There is an unequal urban growth which is taking place all over the world but the rate of urbanization is very fast in the developing countries especially in Asia. In 1800 A.D, only 3% of the world's population lived in urban centres but this figure reached to 14% in 1900 and in 2000, about 47% (2.8 billion) people were living in urban areas. India no longer lives in villages and 79 million people were living in urban areas in 1961 but it went up to 285 million in 2001. In India and China alone, there are more than 170 urban areas with populations of over 750,000 inhabitants (UNDP, 2001). Statistics information shows that India's urban population is second largest in the world after China, and is

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## Bridging Urban-Rural Hinterlands: Constraints and Opportunities

*Nilanjana Dasgupta Sur\**

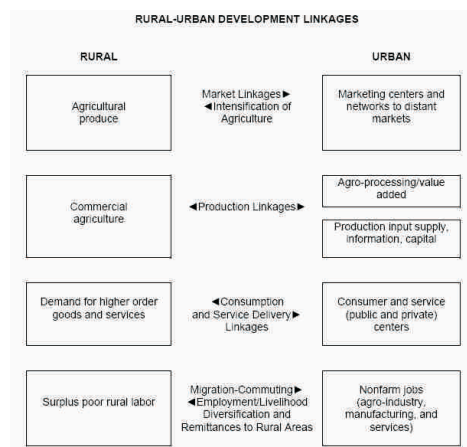
### Abstract

This study forms part of a wider research concerned with understanding of the rural – urban linkages in India and developing the knowledge gaps, challenges and opportunities present in bridging the two spatial areas. There are a number of key issues for development, policy and practice. However, in this study the issues of institutional capacities, spatial dimensions and economic interdependencies have been taken up for in-depth study and analysis with experiences from both national and international levels.

Part 1 of this paper, provides some background information on the institutional, spatial and economic linkages between urban and rural areas. Part 2, discusses the constraints and opportunities present in this area in respect to the above–mentioned three dimensions. Part 3, highlights the good practices that acts as solutions to the three dimensions considering the constraints and opportunities present that can be further studied and replicated.

### Part I: Bridging Urban and Rural

The relationships between towns and rural areas, and between towns and large cities, have been classified in many different ways. Rural market towns and their surrounding areas have mutually reinforcing interdependencies that imply supply and demand functions at both ends of the linkages. In addressing the issue of rural development, is the lack of concepts and visions about the future of villages. The table below shows a relatively complete rural – urban development linkages chain that may serve as a checklist for a regional analysis.



Source: TAR: OTH 37156, Technical Assistance For rural, urban, and sub-regional linkages, September 2003, Asian Development Bank.

\* Nilanjan Das Gupta Sur ([nsur@niu.org](mailto:nsur@niu.org)) is a Research Fellow at NIUA. The author wishes to thank Prof. Ravi Srivastava for his comments on earlier draft of this paper.

**A Core Swallows the Periphery:  
Study of Chandigarh Periphery Zone**

*Pawan Kumar Sharma*

**Abstract**

The paper tests the efficacy of Chandigarh Periphery Control Act 1952, amended in 1962, which was meant to retain the overwhelmingly rural character of the tract up to 16 kilometers from the project site of the city. The intention was to provide a green envelope to the city of Chandigarh and protect it from unsavory appearance of an urban sprawl. Analysis here is based on the perusal of government documents and relevant literature, processing of the secondary data for the years 1951-2001, extensive field observations, and discussions with the stakeholders. The intended rural character of the Periphery Zone could not be conserved; it has gradually been turned into an expanding modern urban sprawl. By 2001, the Zone got dotted with 12 towns/urban agglomerations as compared to four at the time of demarcation; urban area marked a sharp increase from 10 to 140 sq. km. during 1951-2001; and now a majority of the population in the Zone is residing in urban areas. This is now an irreversible process. Under the prevailing populist political culture and indifferent bureaucracy, the provisions of the Act were grossly violated not only by the people at large but equally by the government itself. In the context of the emerging scenario it may be worthwhile to go in for a new Periphery Zone around the extended urban conglomerate of Chandigarh, S.A.S. Nagar and Panchkula. The present periphery has already become a part of the core through the spatial diffusion of the urbanization process.

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Howard (1898) can be credited with the idea of a controlled periphery around a city. He advocated the idea of ensuring the continuity of the rural green character of the countryside around the grey landscape of a city. He observed that, "town and country must be married and out of this joyous union will spring a new hope, a new life and a new civilization" (Khurana, 2002). His ideas found form in the shape of the Greater London plan of 1944 which provided for a green belt of eight kilometers all around the city to contain the sprawl of London (Reps, 2002).

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## FIRE (D) PROJECT NOTE

### Delhi Local Area Plans

*Shikha Shukla and Stephen Matzie\**

Local Area Planning is an Indo-US FIRE (D) Project innovation for addressing the unplanned and illegal urban development rampant in Indian cities. By combining neighbourhood-level data with stakeholder participation, a Local Area Plan promotes more realistic and cohesive development alternatives. It encourages variations in the building byelaws across the city so that the regulatory system better matches market potential. Local Area Planning fits into a broader effort to reform Delhi's entire building byelaw system including procedural, planning, and building performance components.

#### Introduction

Despite being the capital of India, Delhi is plagued with unplanned and illegal development. With 40% of its buildings illegally constructed, the city struggles to provide adequate infrastructure, collect taxes, or even identify all the properties in its building stock. Growing numbers of commercial buildings located in residential areas have created serious congestion and land use compatibility issues, prompting litigation in the High Court of Delhi and the Supreme Court. In 2005 the courts ruled that the government<sup>1</sup> failed to effectively regulate construction and land use, ordering all illegal non-residential properties to be sealed and all illegal construction demolished.

This confused situation arose from complex and inadequate building and planning regulations that actually incentivised illegal development rather than facilitated organized growth. The short supply of land and rapid urbanization of the city produces high property values that accommodate high-density development. But when the building and planning regulations fail to respond to prevailing market conditions, the incentives for illegal construction increase. The consequences of unplanned growth can range from over congestion and inadequate infrastructure, to unsafe buildings and unregistered properties. The city Master Plan exemplifies the problem by providing only a broad and top-down

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## Retrospect and Prospect of Water Supply in Shimla ( Himachal Pradesh)

*Hari Pal Singh<sup>1</sup>, M R. Sharma<sup>2</sup>  
Quamural Hassan<sup>3</sup>, Naved Ahsan<sup>4</sup>*

### Abstract

The rapid urbanization has led to the massive growth in the demand of physical infrastructure, which could not keep pace with the increasing size of towns and cities, resulting in straining of already scant infrastructure. There is a tacit understanding that humans are living beyond planet's means and global patterns are unsustainable. The situation seems to be alarming, as the deteriorating urban environment coupled with deprivation of basic services has led to social frustration and urban insecurity. The provision of urban infrastructure, thus, requires a careful handling at different levels. The paper reviews and analyses the availability and accessibility of water supply in Shimla city and identifies the complex problems of existing water supply and proposes viable and acceptable interventions for the improvement of water supply of Shimla.

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### Introduction

The increasing urbanization demands effective service facilities .The UN projected that half of the world's population would live in urban areas at the end of 2008 (UN:1993). Though the rate of urbanization in India is lowest in the world even than urban population in India has increased significantly from 62 million in 1951 to 286 million in 2001 which is 28% of the total population (Census. of India, 2001) and it is estimated to grow further to around 540 million by the year 2021 which will be about 50% of our nations population (World Bank 2005).

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The authors are grateful to Irrigation and Public Health Department of Himachal Pradesh for providing the data and other help during the study.

## Discussion Paper

### Nobel Laureate Ostrom's Body of Work and it's Relevance

*Dibyendu Samanta\**

The Nobel Prize in the study of the Economic Sciences for 2009 has gone to two US citizens: Elinor Ostrom and Oliver E. Williamson. In this 'Discussion Paper', we will engage ourselves totally to understand Ostrom's work and it's underlying significance.

#### Introduction

The Nobel Memorial Prize in Economic Sciences, commonly referred to as the Nobel Prize in Economics is an award for outstanding contributions in the field of economics and is generally considered the most prestigious award in that field. The official name of the award is the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel. It is not one of the five original Nobel Prizes established by the will of Alfred Nobel in 1895, and started from 1901. The Prize in Economics, as it is referred to by the Nobel Foundation, was established and endowed by Sveriges Riksbank, Sweden's Central Bank, in 1968 on the Bank's 300th anniversary, in memory of Alfred Nobel's 1895 will. Like the Nobel Laureates in Physics, Chemistry, Medicine, Literature and Peace – the five original disciplines in which the Nobel Prize were awarded, Laureates in Economics are selected by the Royal Swedish Academy of Sciences. All Nobel Laureates receive a sum of money, a medallion (on which an impression of Nobel's face is inscribed), and a certificate. It was first awarded in 1969.

#### The Study of Institutional Economics

Ostrom and Williamson have worked throughout their careers in a realm of economics known as the 'Institutional Economics', or the study of 'Economic Governance'. In fact, Paul Krugman, last year's Nobel Laureate has termed this year's Nobel to be an 'Institutional Nobel.'

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