

# ESSAYS ON URBAN CHANGE :EXPLORING THE ROLE OF POLITICS AND POLICY

ALTHAF S.

## Abstract

About one-third of the Indian population now lives in urban areas. India's service-led growth has resulted in moving more people to its cities. The informal labour force which arrives to support the urban economy finds shelter in the slum settlements. Such an urban change has the potential to shift the social, economic and political trajectory of the country. The democratic and political processes will undergo a shift with this new geographic pattern. There are three critical problems which this urban change is bringing about: crimes, hygiene and urban amenities. I try to study each of them separately in this thesis. The link between urbanization and crime is well established (Kanbur and Zhuang [2013], Bourguignon [2000] and Fisher [1987]). My first chapter explores this largely urban phenomenon: the increase in criminal activity and accounts for the role of political competition, poverty and urbanization in this. In the second chapter, I explore whether public programs which address settlement level sanitation conditions in the towns could fill the hygiene gap. In the third chapter, I try to understand how governments are catching up with the rapid urbanization and managing to provide urban amenities for the growing number of urban citizens. The first chapter explores the links between elections, political competition and crimes. Anecdotal evidence suggests that elections in India are immediately preceded by periods of increased criminal activities. This is not a surprise given the extent of criminalization of Indian politics. In this paper, I test the link between criminal activities and electoral cycles. I use annual data from 1981 to 2007 on crimes and match it with electoral competition data from the parliamentary elections in India during the period controlling for poverty and inequality, both known to be correlated with crimes. Using a difference-in-differences design, I find that election years have significantly higher incidence of violent crimes. This effect is magnified in districts that had tight winning margins in the previous election rounds. The placebo regressions using economic and property crimes show a decline or no-effect due to the election years. The second chapter looks at public and private efforts in averting morbidity in urban slums. This chapter investigates how public efforts to tackle the problem of flies and mosquitoes have enhanced the protection of the slum households in India against hygiene related diseases. I also study how slum households vary their private efforts in averting such diseases. I use data from the 2012 wave of the National Sample Survey (NSS) on Housing Conditions. I find that, as the level of public investment in vector control programs rises, the likelihood of both stomach disorders and malaria declines among slum resident households rather than comparable non-slum households. Thus, this work suggests that social policy trying to alleviate the stresses and strains from urbanization should specifically consider vector control programs and programs to improve hygiene. Not only do these have a direct impact on health that is stronger in slum resident households, it also provides coverage to households who are less likely to invest in private efforts to disrupt disease transmission channels. The study uses propensity scores to address the problems of

confounding and find significant treatment effects for such public programs. In the third chapter, I explore the effect of political competition on provision of public goods in urban areas. This becomes one of the first attempts to look at the determinants of provision of a different set of public goods e.g. public health infrastructure, public water and sanitation and electrification unlike the village-level amenities explored at length in earlier studies. I test the hypothesis whether constituencies that are more actively pursued electorally have a different allocation of urban public goods compared to those that are considered politically safe. I find that for urban public goods, the effects of political competition on provision of public goods is most salient for schools and to lesser extent for civic amenities. I find that competition is not important for the level of healthcare services. Observing the patterns emerging from the results, I conjecture that politicians use public good provision as campaign tool to influence voter's decisions. But resources are limited, so as to expect that they will provide all public goods is erroneous. If they are strategic, then I would expect them to allocate more funds to the goods that are more often on the political agenda. The results show this selection where I see politicians choosing largely secondary education, electricity at the cost of hospitals and water.