



Collision Of Globalisation On Urban Housing Issues And Challenges: Policy Framework And Way Forward

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Abstract

Globalization impacted all levels of governments in the name of fiscal discipline and macroeconomic stability. The economic framework suggested by the International Monetary Fund and World bank influenced the both local as well as foreign investments. Urban areas like metropolitan regions are recognized as engines of development and growth in nation-building, and the urban areas became a place for innovation and capital generating. The cultural change, which is shaping the perspectives of urban politics towards the neoliberal's ideas, promoted the competition between public and private entities. The present Review paper elucidate to globalisation and impact on housing in the Urban areas of Developing Nations' looks into the transforming patterns of 'housing' in the developing countries, discuss about the significant changes and influential factors contributing towards these changes in the dwellings of all classes of society. This review paper is to illustrate how urban areas are being influenced by globalization The study objective is 'Housing in the Urban areas of Developing Nations' looks into the transforming patterns of 'housing' in the developing countries, examine about the significant changes and influential factors contributing towards these changes in the dwellings of all classes of society.

Keywords: Economic, Globalisation, Housing, Infrastructure, Policies and Urbanisation

1. Introduction:

Impact on Globalisation

- After 1990 gradually dismantling the trade barriers and devaluation of money in India is one such example. After the constitutional 74th amendment act which gave more authority and responsibility to the local urban bodies not showed healthy development in infrastructure and urban production and yet, mostly urban production had limited to few areas (major cities), which led to more crises like immigration of people (rural-urban) mostly industrial areas.
- Increase in population led to an increase of slum, uneven construction, environmental and health crisis (Ansari, S, 2017)
- Urban areas like metropolitan regions are recognized as engines of development and growth in nation-building, and the urban areas became a place for innovation and capital generating.
- The cultural change, which is shaping the perspectives of urban politics towards the neoliberal's ideas, promoted the competition between public and private entities. Regardless of ideology, urban areas try to focus on a pragmatic solution for development.
- The Rapid growth of urbanization gave more ascendancy to the actors such as multinational corporations, local politicians, and regional private organizations in the policymaking process. Multinational corporations try to acquire several home bases in different urban areas, mainly not being confined to a specific region to utilize more resources of different regions.
- Urban areas are considered as large consumption and production in various fields like knowledge, information, communication and skill.
- Urban areas have better infrastructure faculties, frequent migration of people in search of opportunities and ample spaces for the labour market.
- First urban areas are recognized as industrial areas in the meantime; they emerged as a centre for innovation, decision making, government negotiations, cultural interaction and tourism. With structural changes and technology in the world economy, the urban areas moving towards rigidities and on its way to specialization led to rejuvenation of their economic activities for an extended time (Pradhan, K. 2017)

2. Review of Literature:

'Mark Findlay (2005)' in his article "Globalisation and Urban Crime: Mean Streets or Lost Suburbs" analyse that notions of contemporary globalisation and the manner in which crime and globalization interrelate.

'Somsook and Thomas Kerr (2015)' throws a light on understanding the key conditions and potentials, it is possible to plan support programmes to open up possibilities for new large-scale development by people.

'Matt Nohn (2015)' asserts that Networks of urban poor communities that are federated across local, national and international levels effectively change policies in favour of the urban poor. The benefits of

networks are not limited to members, but also accrue too many non-members, for example through negotiated minimum wages for all.

“Piyush Tiwari and Jennifer Day (2016)” analyse the various developments that happened in different paradigms of the developing nations and also BRICS countries which are Brazil, China, Russia, South Africa and India. Most of the developing nations show a significant population growth in past few decades over a few years BRICS nations contributed fifty percent of global economic.

“Shahid M. Shahidullah (2017)” in his work “Modernization, Globalization, and the Emerging Challenges to Criminal Justice in South Asia” explores in the areas of justice and crime in south Asia by exposing the local peculiarities – most of the factors which tend to do crimes and crimes are in internal in nature, and mostly crime are linked with political and social histories, religion, creed and culture. Author analyse impact of globalization and modernization on the local issues that a becoming reasons for committing crime and justice system to resolve the crime and try to identify reforms made by the local legislatures regarding justice and law to the norms of international standards, and compared south Asia advanced criminal justice and criminology with the west (Shahidullah, S. M. 2017).

Sami Ansari (2017) in “Modernization and Advances in Crime Measurement and Crime Classification in India: A Critical Review” critically views that how crime is measured or measurement of crime in India.

Binti Singh and MSethi (2018) in “The Divided city Ideological and Policy Contestations in Contemporary Urban India” describes that cities that perpetuate caste, religious and gender-based inequalities from the past and new extensions of class-based inequalities become hotbeds of inequalities, and by extension violence and crime.

L. Wynne and C. Riedy (2018) in “Precinct scale Innovation and the Sharing Paradigm” view that much positive outcome can be achieved if people participated individually in city building, people who have the real potential to sharing paradigm will realise the importance of environment building at the scale of city level or whole city.

The whole emphasis of review research paper is based on a descriptive study. The study has been carried out with the help of both historical and analytical source the present work based only secondary data which include NNS data in various round and survey reports, journals from articles, books and government reports and records (Quigley, J. 2013).

- The hypothesis of this study formulated when tries to understand the background and major events which has influenced urban areas mostly after the post-colonial era through the process of globalization.
- In urban areas there is a frequent conflict between the regional and foreign investors over the region and both of then tries to influence the policy making process. Moreover, in developing nations like India, Bangladesh, and African nations, Over the last few decades’ foreign institutions like world bank and International Monetary Fund (I.M.F) players a crucial role in restructuring economic and urban policy making.

- The hypothesis of this study examines the policy formulation in fewer areas of urban areas like housing policy, environment, crime, local government institutions, and public-private partnership (PPP). In urban areas mostly in metropolitan cities there are different kind of patterns to formulate the policy mostly depends on geo-politics of that region, Examples like Mumbai, Kolkata, Dhaka, and Harare (Hess, D. J. 2007).

Methodology of the Study:

- The whole emphasis of research is based on a descriptive study. The study has been carried out with the help of both historical and analytical source the present work based only secondary data which include NNS data in various round and survey report, article, books, journal, news report and web source its special focus on survey report in government data.

Objectives of the Study

- To understand the historical background of policy making in urban areas related urban housing and why policies are different in various urban area
- To study major events led to rapid urban development and global impact on urban housing
- To examine the regional political goals and global political goals, examine the race between the local governments and global race for resource.

3. Political Economy and Policies:

Political economy of national government policies of the developing nations has influenced by global economic forces and urban areas in the developing nations have moved four phases such as colonialism, pre-colonialism, nationalism and globalism. In these phases role of urban cities has changes which is now suitable to the global political economy. According to the world bank report 2013 number of populations who settled in sub-urban and urban areas have increased nearly one and half billion to in 1990 to three and half billion in post 2010. Due to globalization, urbanization has increased drastically in developing nations and their Gross Domestic Product (GDP) growth accelerated in recent decades. Even though urban share increased in GDP but mostly of the population still depends on agriculture and allied activities in developing nations like India. Failure of debt management and overburdened financial problems widens the gap between the policy framework and its implementation. Policies made by the local government to support the local industry mostly limited to the survival of local manufacturers instead providing good to compete with the global industry, the gap between the supply and production and local infrastructure is poor managed by the respective authorities (Nath, P. G. 2006). Even though urban areas took advantage of globalization in the same platform of business infrastructure, service-based industry, private wealth acquisition but that advantages have limitations when compared with Infrastructure facilities like housing, roads, water supplies in urban areas. Structural changes in The economies of developing nations are rapid but not a sudden change it might involve in the Few stages of agreements and disagreements between global institutions and National Governments in this process First stage focus on the

interdependent economic terms, and perceptions like getting more economic opportunities to governments, more and more increase trans-border trade and investments etc. Changes that occur because of globalization are mostly same in many developing nations and in their policies. Trade and capital flow towards the developing nations and integration of world economies through multi-national corporations. Slowly policies made by the National governments are in the favor of global institutions and international trade policy made by them (Findlay, M. 2005).

- Thirty one percentage of urban population in India to reach nearly forty percent by 2031 structural challenges of urbanization and unplanned urbanization are prevailed.
- The approaches made by Indian city managements are unsatisfactory and mostly not sustainable in Nature.
- The Process of urbanization is low or varies and mostly depends on the geographical areas and the socio economical structure of the society.
- The society or people of the certain areas may not able to adopt the modernity or accept the modernity at a quick phase, and the contribution of the urban areas to the economy is partly low in some of the developing nations like India in the process of Globalization.
- In India Zakaria Committee (1963) made recommendations on increasing the expenditure made by Government should be increased in the fields of social infrastructure and the local goods. But the recommendations came to limelight after 1992.
- When India adopted the series of economic reforms with the guidance of the World Bank on the Asian Development Bank and Number of polices and reforms were adopted by the Local Governments.
- In 1996 Indian Governments estimated that annually U.S. \$60 billion dollars were needed in next 10 years for the betterment of urban infrastructure unto reduce the gap between demand and supplies. Few recommendations are made by urban development planning 1996 is to gradual reduction of traditional funding and to commercialization of Urban Development.
- Moreover, those recommendations demanded that involvement of private players. Private partnerships were encouraged. In the Urban Development infrastructure building at Municipal levels, tax free municipal bonds and increasing the tax rates in the Local Governments. This type of urbanization with the ideals of decentralization, privatization and liberalization of Local Government looks like Homogenization and mostly westernization.

4. Modern Technology and Corporate Capital:

Modern Technology and Corporate Capital are Major Forces in Globalization. Multinational Corporations tries to locate themselves in the suitable conditions were Governments aspects their own terms for their own profit maximization. In this scenario some people may become deprived of locally manufactured goods and by privatizing of the local goods people will be paying high prizes when compared with the locally made goods. Attention to the regional (local) Government economic policies is needed

because they are affecting macroeconomics of the National Government. Lack of regional policies led to debt which causes the unprintable and in balance nature in the macro economy of developing nations. (Konbur) (B.N. Gosh Page 84.)

Rapid Urbanization and Globalization not only impacted economy of the developing Nations but also the increasing in the population growth and their settlements in the urban areas. In the late 20th century mainly after the 1980s the concentration of urban population has increased which led to the population crisis and urban problems, local urban bodies faces many challenged in providing the better housing, water facilities, education, health and sanitation etc. This type of growth can be seen in Asian and African nations in early 20th century. When talking about the urbanization in African Nation. They adopted and followed certain development patterns and policies from the Asian Region. Asian Countries China is the one which having high GDP in few years after adopting the new economic policies (recommended by Global platforms) The GDP has grown from 91 billion USD to 5.9 trillion USD by 2010. This increased approximately to 6,400 percent. But in many of the Asian Nations economy has slow growth (sometimes back lashed) at the time Asian Financial Crisis 1997. Some countries like Vietnam and Iran's GDP can be seen after 2005. South Africa is a major country which is having highest GDP in the African Continental. But the average GDP of the African National is low when compared with the Asian Nations. The population growth is highly increased in Asia and African Regions after 1960. It is estimated that 60 percentages of populations had increased in the World the concept of Human resource and human capital were widely for developing the economic and political gain etc. This population can be used by nations through importing the specific working skills to the population.

Port cities in the developing Nation have Major role in urban development. Port cities are high ramification of the Trans nation trade. Due to the Trans-nation trade and investments there are high chances to transform the port cities as Global Cosmopolitan cities. Wealth transfer is high in the trade, Oil trade and Diaspora plays a major role. Unbound towns are linked with the Ocean trade, the process of urbanization is known to the urban cycles followed by sub-urbanization, dis-urbanization and re-urbanization (Klassen 1981). In the lens of anthropomorphic it can see as the cycles of natural life and death as cities are transition phase between tradition and modern series of development takes place in the form of commercialization, post – industrialization, cultural interaction etc. (Nijhar, P. 2009).

5. Financial Crises of Local Governments:

Due to globalization, the regional governments are facing financial crises when they are competing with foreign private players; in some cases, local governments made huge debts, revenue loss, prevailing corruption in the developing nations, and failure of welfare projects made governments sell the bonds and public property (Jarrett Blaustein, N. a. 2018).

- Failure of the local government to provide infrastructure like roads, electricity, water supply, economically advantaged space worsens the situation of the native manufacturers to compete with foreign-made products.
- Inaccurate income tax policies made by the politicians for voter gain gave rise to more crises and privatizations in the long run.
- Heavy industries and multinational corporations, whose primary goals are returns, locate themselves in the environment which is best suitable for production, flexible labour laws, favourable tax policies, job insecurity of employee.
- The government services which are favourable to the heavy industries and MNCs may not always be in support of public importance.
- Globalization played a crucial role in transforming the ways of public and private sector operates in the production of goods and services, which gave rise to more decentralization and privatization.
- Government plans regarding the urban areas have a significant say of the global players and responsibility of government working towards the public sphere gradually decreasing in the welfare programmes because of globalization (Ansari, S. 2017).

6. Challenges of Local Governments:

The challenges faced by the municipalities have increased due to nexus between the globalization and urbanization. It can be said the globalization played a vital role in strengthening the local bodies;

- Local governments were under the pressure for the improvement of infrastructure to accommodate the migraine population who moved to the urban areas for new opportunities.
- Demand for the good governance, transparency, political accountability, better services, reduction of poverty, housing infrastructure, availability of water and crime reduction were continuously increasing.
- To frame the policies that fits or satisfies the needs of all levels of hierarchal governments which are local, regional, national, and global and as well as all sections of societies.
- Globalization is affected by the political agendas and ideals of local traditional needs. Due to global interference the loss of local monopoly of local merchants and industrialists, fare of cultural humanization and competition with effect global players gave raises to localization against globalization (Piyush Tiwari, J. R. 2016).
- Foreign Direct Investments in the developing nations gave raise to widening of their exports and trade, increasing manufacturing goods which could compete with the industries of developed Nations which increases the demand and supply gave raises to invention of new products and increase choice of consumer platform.
- Due to the increasing competition some of the industries in the developing nations also emerged as the Multi-National Corporations which can influence developed nations and their economy.

- The constant agreements, disagreements and unpredictable market economies raised the question of legitimization of power. The web of economic which acts as link received more than regional agreements and new kind of agreements emerging between neighbouring economies.
- To stabilize the national economy some of the developing nations like Taiwan, Hong Kong, devalued their own currencies at the time of crisis (Asian crisis) foreign direct investments played a major role in developing 'Greater China growth Triangle'. Greater China economic circle played a major role in development of urban area through foreign direct investments and sharing of skills, finances, Technology and Information.

7. Planning and Policy Implementation:

- Planning and policy implementation regarding housing is the responsibility of the federal government, responsibilities which include subsidy and funding. National housing policy actualizing the rules, preparing the plan of strategy, areas to more focus and decided by the ministry of cities. Executive of ministry additionally oversees, screens, assesses strategies, projects defined with open offices engaged with the urban turn of events. In urban areas executive ministry which deals with cities upheld important and deliberative committees. Some of the establishments who are in charge of the ministry are democratically elected administrators of the urban deployment body and sometimes this assumes as job of consultative. 'U.N Habitat 2013' different societal settlement pattern takes an interest in the dynamics of issues of urban and housing settlements by deliberative council. CAIXA is one of the significant government banks which issue the loans for construction of houses, other than its different exercises. CAIXA represents 73 percent of lodging credit in the nation. NGOs and CBOs have assumed a significant job in Brazil and have been liable for urban change development, which prompted the establishment of housing as a privilege in the constitution. NGOs and CBOs have likewise taken an interest in lodging arrangements for low-salary family units with the assistance of legislative credit offices and projects. The private segment has given housing to higher and centres salary gatherings, especially in urban areas. Be that as it may, as of late they have likewise started to take into account lower-salary families by building reasonable housing. In spite of the fact that contract infiltration has expanded fundamentally begins from 1.3 percentages since 2004, which can excessively less through gauges have important effect on availability of houses. Loaning institution for constructing houses is commanded in open part establishments which represent around seventy three percentage credits. Legitimate, specialized, and institutional capacities have been advanced and improved with the goal that well-known interest currently assumes a more prominent job in the correct assignment of assets for poor people. Every one guarantees that the societal housing settlement strategy now increased emphatically contributing in way of upgrading day to day environments in the nation, going about distributive course reducing financial-societal disparities with in nation.

8. Conclusion:

- Housing is one of the major issues in the urban area of all over the world.
- As defined house is single physical unit which gives a security which is physically and economically for the well-being of the people who resides in it. Most of the nations around the world trying to provides better housing facility and provides infrastructure for the housing construction yet not fully succeeded.
- Though many steps were taken to construct the better housing for poor and reduction slums (informal settlements) in the developing nations but targets to achieve by them are far away to reach. Globalization also played a crucial role in housing sector and impacted in many ways while formulating the housing policy

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