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Bombay, now renamed Mumbai, was and is a city of migrants.[1] Since the time it was established in the eighteenth century as a colonial town, it has attracted migrants from different regions and language groups in the subcontinent, continuing to attract them to the present. Today, the city houses groups with affiliations to varied castes and communities, in addition to those from different regions and distinct language groups as well as those affiliated to ethnic and religious identities. The pluralistic character of identities germane to the subcontinent is present and reflected in the city.

Bombay, a city of 14 million, is also known as India's most modern city. It hosts the best of India in terms of art, style and finance, and yet it is the place where a large number of the population lives on the margins of existence. Bombay is the financial capital of India and the locale of India's premier film industry. And like any other mega city in the South, it evokes images of decline of infrastructure, that of manufacturing and of law and order. With more than fifty per cent of its people living in slums or shanties, where they have little access to water and sanitation, the name Bombay also conjures the seamier side of life, that of crime, gang warfare, drugs and prostitution. In 1992–93 it witnessed India's worst post-independence communal (religious) riots. Its politics are controlled by an organisation that has chauvinist and fascist-like ideologies.

In this paper I discuss how a city of many tongues, many arts and many literatures became a site today for the growth of a movement that initially defined itself as nativist and has now resurrected itself as a religious chauvinist movement. More specifically, the paper asks two broad questions. What is the nature of the inequality and social exclusion in Bombay today and how does this inequality and exclusion structure the organisation of space and in turn social groups and movements in the city? Secondly, what factors led to the growth of nativist and chauvinist politics in the city and how does this interface with the contemporary processes of inequalities and exclusions?

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1 Henceforth I will use the names Bombay and Mumbai interchangably.

I answer these questions by assessing the historical development of the city in three phases. This historical development assessed by analysing the way global, national, regional and local forces are combined and integrated in its formation. In the first phase – from the late nineteenth century to 1940s, that of colonialism – the city's orientation changed. While it previously had a supra local character, it developed first into an entrepot, and then into a manufacturing city. In this phase, the colonial economy determined the city's spatial growth and as well as created spatial divisions between communities. During the second phase, from the 1940s to the 1970s, the post-colonial period, the city was integrated into the national market and came to express and represent the autarky policies expressed by the Indian state. Simultaneously, it also opened to regional interests and their demands. Between the local and the national, a new actor – the regional – now started intervening. In the third phase, i.e. from the eighties onwards, the city became linked once again to the world economy, transforming itself into its present service-orientation. However, though it traversed these developments, Bombay has not ever transcended completely any of the economic, technological and organisational characteristics of each of these phases. The lack of organic connection between old and new economies and their technologies has organised space and communities within the city in an uneven manner, fragmenting identities and structuring inequalities within the city. In this context, identity politics has shaped and defined the city's political landscape.

Bombay in the Colonial Period

Theorists have argued that global cities represent cosmopolitanism. In Bombay, however, historical evidence suggests that two kinds of cosmopolitanism emerged. Both of these flourished as social movements, the first being an expression of nationalism by the indigenous elite and the second an expression of the working class movement against the colonial and indigenous capitalists in the city. What were the processes that created this cosmopolitanism? Below, I explain the way the colonial economy created a dependent industrialisation of the labour-intensive textile industry and narrate how the politics of anti-colonialism and anti-capitalism organized a cosmopolitan culture of immigrants divided in terms of language, ethnicity and religion.

Three key features define the growth of the economy and spatial organisation of communities. The first was the role Bombay played as an entrepot for the extension of trade organised around the colonial economy, the second was the growth of a textile industry as part of the colonial economy; lastly the immigration of individuals

and groups first from nearby regions and then from far off regions to service the new economy.

Till the early nineteenth century, Britain used Calcutta as its main port but Bombay became increasingly significant with the development of foreign shipping, which exploited the city's closer location to Europe. An initial boom and increase of wealth followed the extension of the railway line to cotton-growing areas in the hinterland of Bombay; the rise of world cotton prices as a result of shortages caused by the American Civil War; and the opening of the Suez Canal in 1869.

The establishment of the British base in the city lured migrants from the North, mainly Parsee and Gujarati traders, who constituted the indigenous partners and collaborators of imperialist business interests while poor peasants from regions south of Bombay migrated to work in the ports and other transport facilities being developed. It also attracted distress migration that resulted from famines and floods in the Marathi and Gujarati speaking regions. Soon, the city that had become the center for cotton exports from the hinterland developed from an entrepot to a manufacturing city. Indians channeled the profits from trading into setting up mills, thus encouraging another wave of migration, that of mill workers. By the end of nineteenth century, Bombay's population had grown to slightly under 800.000.

The inter-war period was an important moment in the city's growth, when colonial ties loosened and the textile industry developed a domestic market. During this period, this labour-intensive industry attracted its highest work participant rate (Morris 1965). Profits doubled and then trebled. While a part of these were reinvested in the textile industry, a significant amount went into the newly emerging, capital-intensive industries of food processing, pharmaceuticals and drugs, and small and medium-scale engineering. The development of manufacturing did not completely reverse the service orientation of the city. Some of the surplus was also invested in promoting the various arts, whether theater, dance, painting or cinema. In other words, the city – while primarily a port city with extensive networks in the hinterland and links to imperialist interests – also became the headquarters of financial and corporate houses as well as the stock market (Chandravarkar 1994).

In spite of attempts by the colonial state to control the formation of collective intervention by the middle class and workers, the inter-war period saw the growth of the nationalist movement on one hand and a working class movement led by the Communist trade union on the other. Spatial processes played a major role in creating the conditions for this collective political intervention.

Bombay was constructed by filling up[2] land of the seven islands attached to the mainland. The city's population lived cheek by jowl in small spaces as the city grew

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2 For a contemporary interpretation of the working class movement in Bombay and its discourse in the early twentieth century, see Chandavarkar (1994; 1998).

to encompass the elongated space of the islands and into the mainland. Spatially, the city was divided between the whites (occupying the southern sections of the city) and the natives who settled outside these areas. Within this space, a working class neighborhood called Girangaon developed. The exclusion practiced by the colonial masters forced the various castes, regional and language communities migrating into the city to develop social relationships and networks. Limited private space (most people lived in one or two-tenement homes) led to their private life spilling over into public space. Additionally, a critical role in this integration was played by the way popular and indigenous elite culture was organized in public space (Gokhale 1995; Adarkar/Menon 2004).

Bombay in the Post-Colonial Period

Three processes characterize this period. The first was the economy. The second was demographic and the third was administrative.

In the two decades from the forties onwards, the economy of the city changed radically. A city which combined industrial and commercial activities in its physical heartland had been reshaped into a commercial and service center surrounded by restructured industrial production dispersed to ever more remote locations. This was also the time that the city experienced enormously high immigration. Between 1941 and 1971, two-thirds of the city's residents had been born outside the city. This spurt made Bombay a haven for migrants of all kinds, upper castes and deprived castes from Maharshtra, now from the backward regions, as well as from other regional groups, from the Punjab as well as the other northern, eastern and southern states. When the partition occurred, migrants from Sindh and what is now Pakistan flooded the city.

Though the municipal government had created a measure of services by now, migrant groups of all kinds had to depend on their own resources in order to manage not only their housing but the mobility of their own communities as well. Hence the expansion of the city space into various settlements: on the one hand into deprived housing colonies, later called slums, and on the other, into colonies consisting mainly of regional groups such as Sindhis and Punjabis who settled in Khar or the eastern suburbs, of the South Indian settlements in the northeast suburbs such as Chembur and Mulund, and of new Gujarati migrant colonies in Vile Parle (West) and Ghatkopar The poor living conditions and ethnic diversity of the labour market along with the relocation of industries resulted in the weakening of the bargaining power of organized and unorganized labour (Patel 2003).

The early twentieth century Bombay's economy was organically connected to the fate of the textile industry, yet after independence this relationship started disintegrating rapidly. The post-independence autarky policies promoted a new range of import-substitution manufacturing units in the city. In this phase, the Indian government embarked on a massive industrialization programme and began investing in the emerging capital-intensive industries of food processing, petrochemical and engineering industry, to the relative neglect of the consumer goods industry, including textiles. The profits accruing through the boom in the textile industry during the inter-war period were reinvested in capital-intensive industries and a small but important capital-intensive sector developed to slowly cut the city's umbilical chord with the textile industry (Harris 1995). As a result, the cosmopolitan elite's vision now turned towards the nation-state and its markets as well as its politics and cultural concerns. This trend was reinforced with the formation of nation-state based political structures and institutions.

On the other hand, Bombay also became the site for the growth of a regional movement around the identity of language. This movement was led mainly by big and small peasant agriculturists who wished it to become the capital city for a new region based on a language, Marathi, and whose agenda would be agricultural development. When this happened (the state of Maharashtra was formed on May 1st 1960, with Bombay as its capital), it created fractions within the city's elite, now divided between the nation and province and between cosmopolitanism and affiliation to regional issues language identity. On the other hand, the working class, who was mainly Marathi speaking and aligned with the communists, supported the regional movement. Henceforward, regional issues and identities started being critical to the city rather than local concerns. The city's two-pronged ›cosmopolitanism‹ gave way to strong regional influences and fragmented cultural constituencies now divided along linguistic and regional-national lines.

Bombay in the Era of Globalisation

The developments of the earlier decades led to a sea change in Bombay's profile. Its economy has changed from dependence to labor-intensive production systems to capital-intensive ones. In this context, the city opens itself to global markets and pushes onwards a service orientation that had already started earlier. As a result, there is a change in the nature and structure of the working class when a combination of processes such as displacement, casualisation and expansion of the ›informal‹ sector makes an unorganized group fragmented undisciplined. Simultaneously, there is spatial dispersal as the city grows inwards into the main land with the establish-

ment of new industries and as settlements have spread into new areas. As a result, the city's center has now shifted from the southern tip to the northern parts of the seven islands. Lastly, a chauvinist nativist movement, the Shiv Sena, now determined its politics. Let me elaborate this process in detail.

The Decline of Textile Industry and Spatial Reorganisation of the City

From the late 1970s onwards, the city was again enmeshed in the world market, albeit in a complex pattern. The complexity relates to the differential links that the city's economies – both formal and informal – as well as its communities are able to forge with the global economy. Its inflated informal economy, its weak industrial base and the crisscrossing of cultural identities are forging a form of ›cosmopolitanism‹ different from earlier versions. This particular form is heavily propelled by consumerism and is manifested through starkly inequitable distribution of the means of livelihood. It is a particular form of ›cosmopolitanism‹ that is driven through regional politics of identity.

Sassen (1991) has argued that de-industrialization and spatial de-concentration is a special feature of modern capitalism. In the case of Bombay, this process happened in a context including the nation state's policy of developing small-scale industrialization and decentralized units in industrial estates spread over the hinterland and rural areas of the region and thus the country. The encouragement for restructuring relates also to the state's concern over issues for governing overgrown cities from the 1960s onwards. From the seventies onwards, the state set up metropolitan bodies (such as the Mumbai Metropolitan Region) to encourage decongestion and spread industrialization beyond big cities. It is also during this period that New Bombay, a twin city to Bombay was planned so that it can become a counter-magnet and assist in the deconcentration and decentralization of the city.

As a large number of textile mills closed, what changed was where cloth and yarn was produced, by whom and on what terms. On the other hand, given the symbolic value of the textile industry, a non-viable sector was kept in existence by state policy. As a result, the industry became divided and differentiated in terms of a modern profitable sector with expanding investment and production and a growing small-scale sector, often producing under subcontract to larger units. The latter became characteristic of the entire spectrum of Mumbai industry.

These changes were reflected by the structure of the labour force. Until the seventies, manufacturing represented 40 percent and those employed with textiles accounted for almost half, but were slowly declining. The wave of sustained economic growth in the post-independence period came to an end in the mid-sixties. Industrial growth on an all-India basis averaged 7.7 percent per annum from 1951

to 1965, but slumped to an average of 3.6 percent per annum from 1965 to 1975 (Patel 2003).

The process of differentiation in the textile industry was heightened in and through the textile strike of 1982–1983 that occurred in the context of the slowing of industrial production, the decentralization of the textile industry and the shift of interest of the capital and the state to capital-intensive industry. During and after the strike, the power-loom sector began to grow particularly rapidly when mill owners sent yarn to places like Bhiwandi and Malegaon (towns outside Bombay) for weaving. The strike saw the mass retrenchment of workers – more than 100.000 workers were displaced and several mills were closed. There was a simultaneous transfer of mill functions into the unorganized sector. The unorganized workforce began to expand as retrenched mill workers also began to sink into the unemployed or under-employed categories (Chhachhi/Kurien 1982).

This segmentation was reinforced through spatial relocation of various decentralized units of industries within the city. Much of the shift from formal sector production to informal and small-scale sector was part of a process of specialization. At one end, there was relocation of those industries from Bombay, where the particular demands of their process of production made improvements in labour productivity difficult to achieve. Industries like footwear and garment manufacturing required large amounts of semi-skilled labour and thus lent themselves to de-skilled, fragmented and dispersed operations in order to maximize profits by reducing the overall costs of production, including the costs of paying and controlling labour, cheaper real estate, government subsidies, less congested services and infrastructure and so on. Expansion into new labour markets also brought down the price of labour (Sherlock 1996).

A kind of deindustrialisation was also sponsored by capital-intensive consumer goods based multinational companies' subsidiaries in India like Hindustan Lever Limited and Bata. The need for production of high-volume low-value goods made it move out part of production, which was then outsourced to subcontractors, while at the same time retaining high-value production in the city because of the superior resources of skilled labour.

The central (southern) areas of the city became less important as manufacturing centers, and production moved into the suburbs to satellite centers such as Thane, Kalyan, and Navi Mumbai – areas outside Greater Bombay but within the Mumbai Metropolitan Region. Other production moved still further to nearby cities such as Pune and Nasik. With this shift, the older precincts in and around the island city, with the exception of sick textile mills, have instead become increasingly devoted to

Mumbai's burgeoning service industries, including finance, tourism, retailing and entertainment.[3]

Mumbai is becoming like most cities in the developing world, one based on services and the flow of information with dispersed manufacturing located in specialized areas (Banerjee-Guha 1996). This was encouraged in 1966, when the Maharashtra Regional and Town Planning Act was amended to allow for any private company registered under the Companies Act of 1956 to function as a ›Special Planning Authoriy‹ (SPA) with the approval of the State Government. This legislative step opened the way for the private sector and international finance to be decisive in the governance of the region and its direct involvement in the making of a global market.

The restructuring of production in Mumbai had profound effects on the labour market and on the bargaining power of workers in the city. For labour, the important element of these changes was the breaking down of large workplaces such as textile mills, and the growth of small-scale units in both the service and manufacturing sectors and a rapid growth of employment in casual positions and the informal sector. This has lowered the ability of most workers to improve their living and working conditions or even defend their existing standard of living. On the other hand, smaller numbers of workers benefited from the growth of specialized services and manufacturing. The reality for most workers however, has become insecure employment in small, often unregulated and informal units in spatially dispersed locations.[4]

Thus, despite its capitalist modernity, Bombay did not replicate the classic stratification system, that of pyramidal form, associated with other cities in the first world, where the continued growth of labour-intensive manufacturing together with the establishment of working class movements led to increases in real wages and other benefits for the workers.[5]

I have traced above the uneven and contradictory nature of the growth of Bombay's economy as it evolved from a port town to a modern manufacturing city, in the course of which the city's industries changed their orientation from labour-intensive to capital-intensive. These developments emerged as a response to the policies of the nation state. Paradoxically, the decline in manufacturing took place when the city's population was increasing, causing greater demands for more jobs,

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3 In 1961, the Island city (that is south Bombay) housed 66.7 percent of the city's population. In 1991 this was reduced to 32 percent.

4 Between 1961 and 1980, 32,000 labourers employed in the textile industry had been displaced due to modernisation (Tulpule 1982; Sherlock 1996).

5 Bombay's experience runs parallel to other cities in the case of the displacement of women workers from manufacturing. This displacement started in 1891 and by the mid-twentieth century there were hardly any women workers left in the industry.

housing and services. This decline was accompanied by two political developments: fragmentation in the trade union movement on one hand and the growth of the sons-of-soil movement. (Patel 2003) From the late sixties to early eighties, the city had to cope with economic and political challenges. In that moment, the city's economy – already driven by service orientation – became increasingly pulled into the new global economy as the Indian nation-state initiated export-led growth in the eighties and adopted liberalization policies in the early nineties.[6] Bombay was the first city to organize itself to take this opportunity.

A Restructuring Economy and Regional Identity Politics

The new global economy reorganized Bombay's economy, which was facing a generalized crisis, and gave it a new direction with both positive and negative results. In the early 1990s, Bombay saw an increase in jobs associated with producer services related to globalization. By 1994, Bombay handled 41 percent of domestic air traffic. Its airport handled 75 percent of the country's imports and 64 percent of exports. Employment in financial and business services had increased by 43 percent between the 1970s and 1980s. Bombay collected 25 percent income tax revenues and 60 percent of custom revenues of the country. Its banks controlled 12 percent of national deposits and a quarter of the country's outstanding credits. The number of new issues listed on the Bombay stock exchange grew from 203 in 1991/92 to 694 in 1993/94, and the amount of fresh capital in old and new companies increased from Rs 54 billion to 213 billion between these years (Harris 1995; Deshpande 1996).

The growth of the financial sector and of trade in stocks and bonds, and the entrance of international financial groups in Bombay's Stock Exchange led to ancillary developments such as the increase in investments in the communication industry, real estate and expansion of other services, including those providing for lifestyle maintenance. This trend became significant by the mid-nineties, after Bombay became the hub of the telecommunication industry. The total number of those employed in the financial sector increased at 2.66 percent per annum between 1992 and 1997 (Fact Book on Bombay: 22). This led to a marked growth in businesses that produce goods related to information technology, banking, insurance and other financial services as well as in travel, tourism and in hotel trade and an expansion of the related service industries, specifically the film and music industry.

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6 See Coorbridge and Harris (2002) for an overview of changes in India's economic policies and its hesitant adoption of liberalisation.

In July 1994, the runaway success of the film, *Hum Aapke Hain Kaun* (Who am I of Yours?) established the importance of the overseas market for Indian movies. A quarter of the revenues of this film came from the overseas market. Given the synergistic relationship between the film and audio industry, globalization of the film industry led to a boom in the audiocassette industry. As a result, today many audio companies are increasingly producing films. With an average of 140 Bollywood releases and exports per year, the economics of the film and audio industry radically changed. These changes in turn gave a further fillip to those service industries already experiencing an upward economic swing – such as the travel, tourism, and hotel trade as well as advertising, cable and television (Fact Book on Bombay: 46).

The increase of the service sector together with the expansion of these economic activities has led to the growth of a new class linked to the world of international finance and producer services. On the other hand, the decline in the manufacturing sector, now supported through the globalising process, has led to an increase in unemployment – between 1981 and 1996 the total number of unemployed increased by more than two times – and has intensified inequities, escalating economic and social distance between the new upper class and the workers, most of whom now survive in the non-organized sector of the city. As mentioned above, this decline in manufacturing has paralleled the drop in the numbers of the organized working class in the city as well as the weakening of the influence of the trade unions associated with the workers movement since the twenties and thirties. (Fact Book on Bombay: 22).

In 1976, 27 percent of the city's organized workforce found employment in the textile industry. By 1991, this figure had dropped to 12.5 percent. In absolute terms, employment in the textile industry has fallen from 600,000 in 1981 to 400,000 in 1991 (Bakshi 1986). Statistics show that over the same period there was a growth of unregistered units with downgraded technology. A substantial part of the manufacturing was also contracted out to increase the so-called »informalised« processes of manufacturing. Thus it is no surprise to note that the tertiary sector increased from 39 percent in 1951 to 60 percent in 1991, while formal employment in the private sector declined.[7]

With little possibility of finding other factory jobs, the retrenched textile workers found themselves forced to survive by associating with informalised modes of

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7 The work participation rate of males has decreased substantially from 57.7 percent in 1971 to 54.3 percent in 1991. Consequently, there has been a feminisation of the economy with an increase of the work participation rates from 7.7 percent in 1971 to 10.5 percent in 1991. Also, private employment dominated public employment in 1961 and 1971. It lagged behind in 1981 but fell drastically declined by 2.4 percent – and thus employed fewer people than public-sector employment in 1991 and 1996. See Table 26, Fact-Book on Mumbai: 21.

manufacturing and service occupations. In 1981, the informal sector or non-wage employment would not have exceeded more than a quarter of the workforce (Deshpande 1991). Deshpande also make a second estimate using data culled from the Establishment Census. The total number of persons employed in the informal sector increased to 27 percent in 1970 and 33 percent in 1980. If self-employed without premises are added, the percentage further increases to 35 percent. On the basis of a third estimate, calculated from the Employment Market Information Programme, they assert that those employed in the informal sector constituted 49 percent in 1971 to 55 percent in 1981. Current figures confirm this trend. One estimate computed from Employment Market Information states that there was an increase in the workers of the informal sector from 49 percent in 1961 to 65.6 percent 1991. Another estimate suggests an increase from 27.4 percent in 1970 to 46.3 percent in 1991 of the number of units employing less than ten workers (Fact Book on Bombay: 20).

Sudha and Lalit Deshpande (2003) have argued that there is a very slight increase in the income of workers and a slight reduction of poverty. On the basis of computations they did from data acquired from an expenditure survey conducted in 1958/59 and later in 1981/82, they argue that average family income has increased by 0.88 percent per annum, though income per member decreased by 0.78 percent in the 23 years. They also show that the real wages of the factory worker increased only by 2.68 percent during the period 1975–77 to 1985–87.

Even when income and earnings have risen, basic conditions of work and living environment have not changed for many of Bombay's citizens. Most commentators, including Swaminathan (2003), now suggest that the issue of deprivation and poverty have to be evaluated not only in context of income and earnings but in terms of access to land and housing, health and education, environment and population density and occupations of the dwellers. In Bombay today, whether in manufacturing or in services, employment of a large majority of workers is unregulated in respect of wages, working conditions, security of tenure or rights to health care and retirement pay. Most of the workers in this mode of activity not only use their own labour but also their residence and infrastructure, e.g. electricity and water for the manufacture of goods and services. Critical to gaining employment is a need for labourer to have access to housing.[8]

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8 For instance, in the Dharavi slum of central Bombay where there are 400 leather processing units. The air and water pollution these units generate determines the living conditions of the people there (Sharma 2000).

Poverty, Space and Deprivation

Bombay is now a city of extreme contrasts. More than half the city's population of ten million inhabitants lives in slums, on pavements, under bridges or near railway tracks. A large number of them do not have legal tenure over the land they occupy. In 1971, the slum population was about one and a quarter million. Data collected in 1985 suggested that they constituted more than half of the city's population while they occupied only 2.525 of its 43.000 hectares of land. Today, more than a decade later, 6 percent of Bombay's land houses more than 50 percent of its population. Another 12.000 hectares of 43.000 is used for private residential housing. The 1985 data indicate that there were 10.000 hectares of vacant land in possession of private builders and about ninety landlords owned 55 percent of this vacant land (Patel 2003).

Two factors, concentration of ownership and property price reinforces inequities in land and housing. These also make for fictitious scarcity, speculation and capital accumulation through rent. Prices in south Bombay, on and around Marine Drive, were 27 times higher than in the northern Bombay suburb of Bhayander. In 1993/94, real estate prices in south Bombay were higher than in downtown Tokyo and Manhattan/New York. The provision of services has gone hand in hand with class determinants; thus adequate-to-better services are made available to residents of housing colonies and upper class apartment blocks. Spatial concentration of commercial areas and upper class residential areas has led to the concentration of transport networks leading to the rich being subsidized by the poor even in this matter (Patel 2003). Land has always been a marketable commodity in Bombay and it has been the private-public collaboration that created a superfluous scarcity. This gave an opportunity for the latter to hike up prices of built apartment blocks. Most of these slums are built on encroached land of private landlords (50%), State government land (25%) and municipal corporation land and the rest on central government land. Additionally, nearly one million live on pavements and two million live in old run down building structures known as *chawls*.

Living quarters in the slums are overcrowded and without proper ventilation.[9] Given the extremely skewed distribution of space, it is possible to find many different strata of income groups living in the slums and utilizing various locally available building materials, including saris and other clothes. In some slums, as Swaminathan (2003) shows, the space available is four feet by five feet – just enough to seat four to five members of the household. Even access to sanitation remains unequal. Again, Swaminathan draws our attention to a survey that noted that in 174 of the 619 notified slums, there were no public toilets. The city also produces large

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9 In 1991, 72.9 percent of households lived in one room (Fact-Book on Mumbai: 85, table 133).

amount of wastes including 5.000 tons of garbage. There is no adequate provision to biodegrade this garbage. Additionally, many slums have reported high morbidity rates. A number of surveys also indicate that half of Bombay's slum dwellers or less fall below the generally accepted poverty line. This fact, together with the ones mentioned above, exemplifies the deprivation suffered by the city's inhabitants who live in these slums.

The lack of legal tenure on the space where the populace lives and works has made the issue of right to land and physical space a critical one in the city and has changed the politics of the populace radically in recent years. A large part of the population struggles to obtain and then maintain a space to live and have a modicum of amenities. It would not be an exaggeration to state that a majority of workers and labourers lives a life on the margins – both figuratively and metaphorically. This situation has evoked a culture of deprivation. Being part of the informalised modes of manufacturing and services means having an unsteady, unprotected and unregulated work life. Neither work nor access to housing integrates this populaton into a rhythm of organized discipline. Instability together with cultural and economic deprivation rules their lives.

Data from the 1991 census suggests that over 50 percent of migrants have settled in the city within the last twenty years. Though they have broken their bonds with the community life defined by villages, they have not yet become part of the urban industrial culture. Their life is restricted both culturally and geographically to overcrowded dense areas where there is constant struggle to live and reproduce physically and culturally. In this context, the need for an affirmation of the »village community« gets translated into an affiliation for the members of the small slum community, the slums being organized in terms of clusters of regional, ethnic and religious groups. Identification with the microscopic local dominates their consciousness. This is the context in the city for the growth of identity movements such as the Shiv Sena, a political party and movement with chauvinist and fascist tendencies. In the late sixties and seventies it expressed a sons-of-soil politics; from the eighties onwards it has mobilized the populace in terms of religious identity (Hansen 2002; Eckart 2003).

Presently, their attitude is to use the population in slums as a ready-made constituency for garnering votes, allowing new settlements to take place, then protesting against an increase of the city's population, suggesting a cut-off date for legalising slums and when there is a protest against eviction, the politicians have made these illegal settlements legal ones. This has guaranteed rights of stay for people but not better housing or better services. There have been two cut off dates till now: 1986 and 1995.

Conclusion

In this paper, I have traced the conflicting and contradictory processes that frame inequalities in the city and shown how these become the backdrop for a set of new regional and religiously oriented chauvinist and fascist movement to grow. In many ways, because of its history and the way it represents the contradictory strands of the global economy, Bombay presents an interesting case to examine the specific form the globalising process takes in India.

Bombay's growth as a colonial city with its manufacturing oriented to exports, with financial and corporate headquarters, and after independence, a national market for its products together with a developed media and film industry and a multi-ethnic entrepreneurial group, made it more apt to accept the new global economies. And yet the synergy developed by the globalising process did not engulf the city's entire economy.

In this paper, I have shown that Bombay's population remains employed in production and service processes employing archaic and pre-global technology. This unevenness in the internal structure of the economy manifests itself in the way inequalities in the city are structured. These inequalities relate to the lack of integration and organic connection between old and new economies and are not representative of the features of the fully developed global economy. Within the city this has meant an unusual interest by business groups in short-term profits, especially in activities such as real estate, leading to highly skewed distribution of land use. This has further aggravated the inequalities already increasing as a result of structural adjustment policies.

In this paper I have explored the above features, including the decline of manufacturing and the growth of service industries, locational issues and reorganisation of space, and related them to new forms of marginalisation and inequalities in the context of specific political processes. I argued that the economic and political features have to be understood in the way the local, regional, and national political processes have interfaced with the global processes to restructure the economy of cities such as Mumbai. More particularly, it is not the external economy that has oriented the city to globalisation but the national policy of the government and the way political processes have organised the democratic aspirations of the populace. In this city, globalisation is distinctly different from that manifested elsewhere.