# Missing the Trees for the Forest

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## **Executive Summary**

Any discussion on urbanisation is likely to draw comments about urban sprawl, soaring land prices, unreasonable landlords, poor housing quality, congestion, pollution, traffic jams, unemployment, crime, drugs, gangs and the like. The term "concrete jungle" aptly describes the character of urban settlements. It is true that the emerging urban centres of our beautiful nation are in discord with the organic nature and growth of our traditional settlements in both spirit and material terms.

The built form of architecture and human settlements are the most tangible aspects of any culture, and it is little wonder that architects, urban designers, planners and *thromde* (municipality) officials are mostly held responsible for our current mess. Urban development is like an organism, a complex machine or an ecosystem, where individual components have specific roles, but collaborate to contribute to the whole. It is imperative to understand this, or we will miss the trees for the forest.

It is widely recognised that the organisations responsible have not been able to deliver the urban centres masterfully envisioned in Structure Plans and planning documents. Urban development is a collaborative effort and if we have failed, it is because we have not worked collectively. Everyone living, working in, or even just visiting an urban settlement is a stakeholder. Compartmentalised or departmentalised approach to urban development is not conducive to city building. Land use specific for urban development and national interests has to be similarly discussed.

The role of organisations traditionally responsible for urban development has to be reviewed to adopt a more relevant approach. This article advocates an aggressive approach driven by sound and prioritised investments. The interdependence of urbanisation, economics, policy and social change has not fully been recognised, and this has resulted in non-holistic urban centres. This article argues that the urban sector in Bhutan has not been accorded the required importance, despite its vital role in the nation's socioeconomic development. Urban development and urbanisation are not solely the responsibilities of the *thromdes*, the Ministry of Works and Human Settlements, architects, planners or engineers. The city belongs to all of us. Policy makers -- the Government at large -- must collectively plan for and manage urbanisation to ensure a quality of life that is sustainable for an increasing number of residents.

We have many things in our favour. The most important blessing is that of a Monarchy that has proved to be truly benevolent, compassionate and dedicated to the welfare of citizens. We are a small nation and problems are still very manageable. We also have many highly educated civil servants and citizens. With such positive circumstances, I believe we can still determine the direction and character of urban development in Bhutan, but only if the planning and execution is collaborative, as in the essence of the story of the *thuenpa puen zhi* (Four Harmonious Friends).

### Views of and from the Urban Jungle

In the past, Bhutanese grew up working the fields, looking after cattle, fetching water and firewood, using open-air toilets, basic water and sanitation, and nutrition, travelling on rough footpaths and roads. My parents are constantly amazed by the changes they continue to experience, especially in the way the nation is urbanising. The journey from Thimphu to Phuntsholing used to take them seven days with their mules. They can now be driven to Phuntsholing in about five hours and fly to Thailand in three. They fully appreciate that urbanisation brings many problems, but the positives far outweigh the negatives. They are definitely not nostalgic about the hardships their generation experienced. It is this positive perspective to urbanisation that I advocate.

The capital Thimphu is seen as an epitome of development and progress, with bright lights along wide streets filled with shiny new vehicles, shopping centres, restaurants, parks, sports facilities, schools and hospitals, many of which are no more than a taxi ride or a healthy walk away. There are rural folk who still have to travel much more to reach a health or educational facility. Thimphu may not be the best of urban centres but compares well with Phuntsholing which, admittedly, does better than Jaigaon, India. Visitors coming to Phuntsholing from India appreciate the Bhutanese character of the buildings, the milieu of the Zangtopelri amid the park in the town centre, and the overall order and cleanliness. Visitors flying into Paro are impressed by the manner in which urban development promotes culture and tradition. Coming home to Bhutan from overseas always reinforces the notion that we enjoy a slice of heaven here on earth. We can do better, of course.

Educated people who are well-travelled and trained specifically to address and manage issues concerning urban development, can see the larger picture of urbanisation and its facets -- the view of both the forest and its trees. However, even within this elite group, there is a lacuna of sorts and this article hopes to throw some light on it by highlighting the importance of urban development to the national economy, and how land use has longterm implications for affordable housing, inequity, and social justice.

#### Urbanisation and the National Economy

Urbanisation increases unemployment and poverty. Employment opportunities attract greater migration which, paradoxically, increases the unemployment rate, aggravating issues like congestion, pollution, and housing shortages, leading to the growth of social problems. Such perceptions reinforce a negative view of urbanisation.

The experience of the Thimphu Municipality in areas like Changzamtog, Hejo, and Taba about 25 years ago is worth mentioning. These areas were just beyond the Municipal boundary, and due to budget constraints, there were few roads, resulting in unregulated house building and urban slums. Decades later, all stakeholders -- owners, the Municipality, and the nation -- wasted enormous resources to resolve such festering issues. The concerned organisation -- the *dzongkhag* administration -- cannot be blamed entirely. Understaffed with technical personnel, it would seem that they simply closed their eyes to the problems. This happened under the noses of the Ministry of Social Services, Ministry of Finance, Ministry of Trade and Industries, etc. Few senior civil servants have used their experiences travelling extensively outside Bhutan to anticipate and plan for the growth of urban settlements in Bhutan. To be fair, in the past, few fully understood the relationship between urbanisation and economic growth. Even though we now say we understand this better, it is still not enough.

The first large-scale urban sector projects, funded by the Danish Government, were water supply and sanitation projects for Thimphu and Phuntsholing, implemented in 1996. World Bank projects to improve The Druk Journal

urban infrastructure in 10 townships throughout the country began in 2000. Recent and ongoing developments are the Local Area Plans in Dechencholing, Lungtenphug, Langjophaka, Samteling, Taba, Semtokha and Babesa supported by enormous funds from the ADB and the World Bank. This is the scale and type of investment required to build a city and should have been invested decades ago. City and town building is possible only if there is substantial and sustained investment in infrastructure within urban boundaries and around the country.

Infrastructure within urban centres releases land for development. In Thimphu, a "commercial zone" policy restricted to Norzin lam, along with delayed infrastructure development outside the core, resulted in increasing high rents for these commercial premises. Landowners seeing greater returns pressed the authorities to be allowed to build more storeys for more commercial activities, adding to the shortage of housing and increasing the value of land within the core. Amongst other things, the price of land is determined by what one is allowed to do with it. For a country with fewer than 700,000 people, today the demand for and price of land is incredible, fuelled by a perceived limited supply, because of delayed infrastructure development and land use. Investment in infrastructure outside Thimphu *thromde* and better land use will contribute to stabilising land prices in Thimphu.

The implementation of the 2002-2027 Structure Plan of Thimphu was initially estimated to cost a minimum of Nu. 1 billion, but now it will cost more than double that to transform the city as envisioned in the plan. The longer the delay, the higher the cost. With limited resources, we have to get our priorities right and set achievable goals. Civic amenities like proper footpaths, cycle paths, streetlights, public toilets, and recreational green spots for senior citizens and children should be mandatory. Limited resources should determine that medical facilities, schools, laboratories, and public utility buildings like libraries should take precedence over libraries set up by individual Ministries, offices and other ostentatious and exorbitant office buildings. Common amenities like public transport (electrified), public toilets, footpaths, cycle paths and street lighting also contribute to less traffic and pollution and improve the safety and aesthetics of a city. Timely and proper provision and maintenance of such facilities can provide employment for a growing population. The natural corollary to this argument would be: if urban development is really worth that much to the economy, are we doing enough to support it? The plight of our roads in Thimphu, the poor coverage of footpaths, cycle paths, and street lights, the condition of the public library, and lack of affordable housing for the poorest, add to the litany of issues that clearly suggest we are not doing enough.

#### Land Use, Affordable Housing, and Inequity

In the late 1960s, Tsangkhuna was a small hamlet, before it was renamed Phuntsholing. Portions of the town were taken over by various Ministries and departments for their activities. As was the case with Thimphu, individuals were allotted plots and encouraged to set up shop, as land was not an issue and the population was very low. It was not deemed necessary to reserve land for affordable housing. Industries were given highest priority, and arguably the largest tracts of land. Phuntsholing has grown, but the land use pattern has not changed much.

The use of vast tracts of once generic "government land" continues along traditional department use determined by present ownership. Therefore, land registered under various Ministries and Government organisations is used for the organisation alone. This leaves the *thromde* and the concerned organisation with little or no land to plan for the much needed housing and other civic amenities.

Housing is not the responsibility of the National Housing Development Corporation and the National Pension and Provident Fund. The *thromde* has no authority to change land use and unfortunately, the 2013 Structure Plan for Phuntsholing maintained the status quo within the old municipal boundary, and no land was earmarked for affordable housing.

In 2015, the NHDCL was allotted land at Pekarshing for housing development. However, the land was steep, as was the cost to protect and stabilise the slope, and the development was located midway between Phuntsholing and Pasakha where most residents work. High rents within the core urban settlement force the lower income group to seek cheaper accommodation shared or in basements and attics on the outskirts of town. For lower income earners living on the outskirts, transportation adds to their living costs, as the last local buses depart at 5:30 pm, and many work well beyond 6 pm. Lower house rents, along with the ease and cost of commuting (Nu 10 for a single shared ride on a three-wheeler) make living in Jaigaon a better choice for many economically disadvantaged Bhutanese.

Inequality exists in any society, although in Bhutan it is not so blatant or obvious. Inequity in salaries, advancement and training opportunities, differences in quality of living and lifestyles between rural and urban areas, and even more stark differences within urban areas, contribute to the notion of the growing divide between the privileged and those without "connections", rich and poor, urban and rural.

Housing in disadvantaged locations unsupported by adequate public transportation, contributing to higher costs in commuting for work, education, health, religious and recreational reasons, may add to this perception, reinforcing the notion that life is generally unfair and one should get more out of the system than one gives to it. Someone whose basic needs at the bottom of the Maslow pyramid (food, water, warmth, rest) are unfulfilled, may act more in self-interest than think altruistically for the greater good of the community.

Housing for the economically weakest sections of society is instinctively – almost naturally -- moved away from locations of higher value real estate and tucked away in less favourable locations. With mounting housing needs, many countries have favoured the use of landfill sites, low lying areas and riverbanks prone to flooding or landslides for such housing. This unwritten policy pushes the invisible wedge between the favoured and the unfavoured in society. Inequity must be identified and dealt with. Unfortunately, the structure plans for new townships in Bhutan have not reserved land for affordable housing.

Can land use evolve through better co-ordination and co-operation between Ministries to benefit the nation, rather than just maintain status quo land use based on organisational ownership? After all, the purpose of any Ministry or Department is to serve the nation and its people.

For Phuntsholing, the debate should be about the socio-economic benefits and aesthetics of a well-planned mixed-use development compared to the current use of land as a very low-density semi-industrial built environment that should have long since moved to the Industrial area in Pasakha. Phuntsholing does not have a public library. By the way, the public library in Thimphu is an embarrassment for the *thromde* and policymakers who talk about encouraging the young to read more yet do nothing to improve the library. These cities also have no Town hall or cultural centre to host large gatherings.

#### The Way Forward: Status Quo Urbanisation or Investment Opportunity?

The United Nations estimates that over 50% of the world's population now live in urban settlements, increasing to over 70% by 2050. The OECD puts the figures higher, the difference stemming from the use of different population bases determining an urban or rural settlement. There is no accepted global standard, but urbanisation is irreversible.

Urbanisation supported by the construction industry is not seen as a key driver of the economy in Bhutan. Is this the reason that cities and human settlements have not experienced the proper impetus and necessary financing? Economists should study and compute the correct values that related sectors add to the construction industry, to reflect their true value to the economy.

Construction is one of the most dynamic and responsive sectors in the industry, with highly visible output, and it stimulates sizeable economic growth through intersectoral linkages to other sectors, making the construction sector powerful in the economy. The construction industry makes a remarkable contribution to sustainable economic development, by satisfying some basic objectives of development, including output generation, employment creation, and income generation and re-distribution. It also has a significant role in satisfying basic physical and social needs, including the production of shelter, infrastructure and consumer goods. To know how the construction sector responds to changes in other aspects of the economy is therefore very important.

As 19.1% of the country's population live in Thimphu, within its 26.13 sq km, its density of 4,444 persons per sq km is not low by any means. It has the highest per capita density of buildings, cars, and educated and affluent Bhutanese. The positive aspects of the Thimphu-centric development model can be replicated.

On a broader level, there is a need to seriously revive the concept of balanced regional and rural development. One way to implement this would be for relevant Ministries and Departments to adopt towns away from the capital. Policymakers and champions of the environment and rural development complain of rural to urban migration and the problems of the city yet justify living and working in the capital. They need to walk the talk.

For starters and for discussion purposes, Bajothang and Loebesa appear appropriate for adoption by the Departments of Agriculture, Forests and Park Services. Consider factors like the climate, existing infrastructure and institutions like the Research and Development Centre and the NRTI. In a similar manner, departments like Roads, Trade and Education can be headquartered more regionally. Global cities talk about improving their competitiveness to attract capital -- finance, human and social. Ministries and Departments can adopt towns to boost their development and promote more balanced regional development. Thriving regional urban centres can contribute to a more equitable distribution of human resources, increase investment opportunities in the local economy and in the long run decrease inequity.

Social scientists and economists argue that relative differences in economic wealth are more important than absolute deprivation. Inequity is more significant in determining human quality of life and has important consequences for social and economic policies. For instance, can poverty be eliminated simply by raising total wealth, or do egalitarian and cross-cutting measures work better? In the long run, giving extra money to economically disadvantaged sections for transportation works less effectively than increasing the coverage of public transport. A good public transport network, like electric buses, reduces the burden on urban infrastructure and improves the urban environment. Vehicular traffic, congestion, parking needs and pollution can be reduced. Parking spaces can be reclaimed for landscaped vistas and improved cycle paths that encourage walking and cycling, creating a healthier urban environment and population.

Inequality can cause a variety of socials ills. I believe that perceived inequality most perniciously and subconsciously undermines people's fundamental moral capacity of respect for others and self-respect.

As urbanisation is inevitable, we must prepare for it collectively and invest in it, or there will be even greater inequity in society. With the rare blessings of a benevolent leadership in our Monarchy we have the right ingredients to make ours a success story of an "inclusive society where everyone benefits from the nation's progress and has a sense of belonging and a real chance to move up".<sup>1</sup>



<sup>&</sup>lt;sup>1</sup> Lee Hsien Loong's quote from his inaugural address to the Singaporean Parliament Oct 2011 as Prime Minister elect.