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# Limits to Institutional Isomorphism

## Examining Internal Processes in NGO–Government Interactions

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Neo-institutional approaches to the study of nongovernmental organizations (NGOs) suggest that as more NGOs cooperate with the state, they become isomorphic in their structures and processes. Such cooperation is expected to threaten inventiveness of the NGO sector, including its spontaneity, variety, and unpredictability. This article analyzes the internal institutional processes of three leading housing NGOs as they each implemented cooperative strategies with the state in Mumbai, India. It finds that, contrary to customary apprehensions, NGOs use different tactics in response to the same public policy environment. The article argues that pervasive isomorphism is constrained by path dependency and variability in resource environments.

**Keywords:** *isomorphism; nongovernmental organization; government; partnership; slum housing; India*

Interorganizational arrangements, such as partnerships between nongovernmental organizations (NGOs) and governmental organizations (GOs), are increasingly regarded by policy makers as critical to effective social sector development. This is particularly true in the arena of housing provision for residents of slums and squatter settlements (Adusumilli, 1999, p. 17; Government of India, 1994; Sanyal & Mukhija, 2001, p. 2043; World Bank, 1999). The recent pursuit of collaboration between NGOs and government housing agencies in an urban agglomeration such as Mumbai, India, marks a significant shift from the adversarial climate that previously characterized NGO–GO interactions. In other words, NGOs engaged in housing issues appear to be changing from “housing rights advocates” to “housing developers.” However, very little research has examined how organizations (NGOs) that routinely

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use confrontational strategies manage a shift to more cooperative interactions with the state.<sup>1</sup>

As more such NGOs come under pressure to cooperate with the state, neoinstitutional theorists have informed us that it would be reasonable to expect that organizations (NGOs) will become more homogeneous, or more similar in their “structure, culture and output” (DiMaggio & Powell, 1991, p. 64). This is referred to as *isomorphism*. Why is such uniformity in structures and processes problematic? Observing a massive growth in government reliance on nonprofit organizations for service delivery, Smith and Lipsky (1998, pp. 135-136) identified a tendency toward greater conformity among nonprofits. Such conformity to governmental priorities, they noted, threatens the inventiveness of the nonprofit sector including its “spontaneity,” “variety,” and even its “unpredictability.” Organizational isomorphism is noted to limit the extent of pluralism that DiMaggio and Powell (1991) described as “a guiding value in public policy deliberations” (p. 80). Policy makers concerned with pluralism, they noted, “must consider the impact of their programs on the structure of organizational fields” (p. 80). Their concerns were not without more generic precedence. There is ample evidence in research in organizational theory that supports the claim that “organizations are structured by phenomena in their environments and tend to become isomorphic with them” (Meyer & Rowan, 1991, p. 47). During the past decade, as the reach of “new institutionalism in organizational analysis” has extended across a variety of topics, a substantial volume of research focusing on tendency of increasing homogeneity among nonprofits has developed (Abzug & Galaskiewicz, 2001; Bidwell, 2001; Cooney, 2006; Kanter & Summers, 1987; Morrill & McKee, 1993; Riiskjaer & Nielsen, 1987).

Contrary to prevalent fears, this article argues that a minute examination of how each NGO responds to isomorphic pressures reveals a more heterogeneous landscape of responses than is implied in most macroinstitutional analyses of isomorphism (Zucker, 1977, 1991).<sup>2</sup> Such a macro approach, according to Zucker (1977, 1987, 1991), treats institutionalization as a state and is less attentive to the actual *process* of institutionalization comprising, for instance, the creation and transmission of institutions and their maintenance and resistance to change. Using a micro-level approach, the article identifies two factors that constrain or, at the very least, delay homogenization across NGOs: path dependency and the variability in NGO resource environments.

This research examines three leading NGOs working among slum and squatter dwellers in Mumbai, India: Nivara Hakk Suraksha Samiti (NHSS),<sup>3</sup> Youth for Unity and Voluntary Action (YUVA), and the Society for the Promotion of Area Resource Centres (SPARC). For each NGO, the article focuses on critical incidents in their histories, particularly as they relate to interactions with State government agencies over housing slum and squatter dwellers.<sup>4</sup> The research pays special attention to these incidents or “key housing interventions” during the 6 years from 1997 to 2003, a period during which each of the NGOs explored collaborative relationships with governmental agencies.<sup>5</sup> The three case studies, highlighting one key housing intervention in

each NGO, draw on in-depth semistructured interviews, impromptu group interviews, archival research of NGO and government records, and participant observation of NGO–community interactions between August 2002 and August 2003.

I commence below with a review of institutional isomorphism. This section presents the need for a more micro-level conceptualization of isomorphism, with particular attention to organizational *structures* (hierarchies, departments, and technologies) and organizational *processes* (strategies, tactics). This is followed by a brief overview of the policy context shaping NGO–government interaction during the 1990s in Mumbai. I then examine three cases of NGO–government relations in a key housing intervention in each NGO, discussing the extent to which isomorphism was apparent in NGO efforts to cooperate with the state. I conclude by suggesting variation in tactical responses among NGOs and their implications for institutional differentiation rather than isomorphism. This variation is explained by the constraining effects of path dependency and variability in NGO resource environments.

## Revisiting Institutional Isomorphism

Two sets of institutional theorists, Meyer and Rowan (1977) and DiMaggio and Powell (1983), proposed that “by incorporating institutional rules within their own structures, organizations become more homogeneous, more similar in structure, over time” (Scott, 1998, pp. 212-213). Following Hawley (1968), they labeled sameness in organizations operating in a field as *isomorphism*.<sup>6</sup> However, a closer examination of the portrayal of isomorphism by Meyer and Rowan, on one hand, and DiMaggio and Powell, on the other, brings to the fore a critical distinction between how and where they observed isomorphism.

Meyer and Rowan (1977) traced “the origins and elaboration of formal organizational structures” to rationalized myths “which make formal organizations both easier to create and more necessary” (pp. 345-346). These rationalized institutional myths comprising professions, programs, and technologies spread rapidly, compelling participants to organize and reorganize along prescribed lines. The pressure to follow such prescriptions leads to homogeneity in organizational structures, or what they labeled *isomorphism*. Meyer and Rowan discussed specific processes that generate rationalized myths of organizational structure and therefore isomorphism: relational networks, legal mandates, and leadership in organizations.

According to Meyer and Rowan (1977), isomorphism with an institutional environment affects organizations in three important ways: (a) it causes organizations to incorporate formal structural elements that are externally legitimated rather than those based solely on efficiency; (b) organizations seek to minimize inspection and evaluation and to protect their formal structures, and organizations “decouple” elements of their structure from activities; and (c) it causes organizations to begin maintaining face and creating an aura of confidence by relying on the confidence and good faith of their internal and external constituents. Throughout their article, the

emphasis is on the impact of institutional environments on the structural features of the organization expressed as its impact on the labels in an organizational chart and an organization's vocabulary (Meyer & Rowan, 1977, p. 349).

DiMaggio and Powell (1983) built on the foundational work of Meyer and Rowan (1977) and, in doing so, extended discussion of isomorphism beyond analysis of rationalized myths and ceremonies and focused instead on how these myths and ceremonies arise. DiMaggio and Powell identified three clusters of processes that produce isomorphic change in organizations: (a) coercive isomorphism, (b) mimetic isomorphism, and (c) normative isomorphism. They probed the different processes through which isomorphic change occurs and how each such process creates its own set of antecedents in organizations. Discussion of structural change is therefore complemented by discussion of "more subtle and less explicit imposition of organizational models on dependent organizations" (DiMaggio & Powell, 1983, p. 151).

The contribution of the cases below to our understanding of isomorphism is that they demonstrate that isomorphic change processes can be observed not merely through examination of structural features of organizations but also manifest themselves in internal decision-making processes and behavioral features. My analysis of isomorphic change among participating NGOs pays attention to both the *means or processes* (strategies and tactics)<sup>7</sup> adopted by NGOs to carry out housing-specific activities and the *structure* of NGOs as observed in organizational hierarchies, technologies, departments, positions, and roles. Prior to delving into details related to specific NGO responses to changes in the policy environment of the 1990s, the following section provides a brief overview of the housing policy context during that decade.

## Housing Policy Context of the 1990s

The government of India launched a major series of economic reforms in 1991. The adoption of a structural reform package and the accompanying push toward privatization ushered significant developments in several policy arenas, including housing policy implementation. In housing, the change was fundamentally shaped by a new policy thrust advocated by the World Bank (1993, 1999) called the "enabling strategy" to housing. In essence, the World Bank, with support from the United Nations Centre for Human Settlements, deemed it essential to withdraw governments from their role as providers of housing and instead to redirect their function as "enablers" by supporting and facilitating the provision of housing through the private, for-profit sector (World Bank, 1993). To allow market delivery of housing, the strategy recommended removal of demand-side and supply-side distortions and maintained that markets could be made to work for all, including those residing in slums and squatter settlements (Pugh, 1994, p. 358; World Bank, 1993, p. 2).

The 1980s also witnessed the emergence of "democratization" as a key theme in development discourse worldwide (Clark, 1991; United Nations Development Programme, 2002; World Bank, 2000). Building on this discourse, the enabling strategy

supported involvement of different stakeholders as a necessary prerequisite for realizing the strategy's goal of reducing "institutional monopoly of government over the lives of the urban poor" (Sanyal & Mukhija, 2001, p. 2043). As early as 1991, most countries began integrating the goals of the enabling strategy in their respective national housing policies (United Nations Centre for Human Settlements-Habitat, 1991, pp. 7-8). The National Housing Policy of India encouraged private sector participation and stressed that the role of government agencies was to create conditions for expansion of housing supply through removal of legal and regulatory constraints and to support appropriate infrastructure investments. It also aimed at increasing access of poorer households to housing and other basic services (water supply and sanitation) and mobilizing additional financial resources by establishing linkages among the formal sector, NGOs, and community-based financing institutions (Government of India, 1994).

Echoing changes in the international and national policy context, the ruling Congress Party of the State of Maharashtra, of which Mumbai (formerly Bombay) is the capital, inaugurated the Slum Redevelopment Scheme (SRD) for the greater Bombay region in March 1991. The scheme was markedly different from earlier ones in that it was expressly designed to attract private developers who could provide cross-subsidized, on-site housing to slum dwellers and also earn profits from redevelopment by selling the extra allowable floor space at market rates. Under SRD, each eligible slum family was entitled to a fully built tenement at a total cost burden of no more than INR 15,000.<sup>8</sup>

The SRD was soon succeeded, in 1995, by its more ambitious counterpart, the Slum Rehabilitation Scheme (SRS). During a new round of State elections in 1995, the opposition party, the Shiv Sena, launched a massive propaganda campaign promising "free housing" for slum dwellers. The Shiv Sena won the State elections in March 1995 and immediately prepared to fulfill its promise. A "high powered study group" (Government of Maharashtra, 1997, p. 2) was put together to recommend ways to

evolve a suitable, fair and objective scheme so that the finances of the Government are not unduly burdened and judicious utilization of land values is realized, at the same time due benefits are passed on for subsidizing the cost of tenements on slum dwellers. (Afzulpurkar, 1995, p. 2)

These goals had to be realized within the stringent, politically dictated parameters of keeping homes entirely free of cost for all slum dwellers. The 18-member group, formed in April 1995, comprised 12 government representatives, 2 private developers, 2 architects, 1 representative from a private sector housing finance corporation, and 1 NGO representative (the director of SPARC). The group formulated a slum housing policy for Mumbai by relying on the high real estate prices in the city, which reached a historical peak in 1995. The SRS removed limits on the profits that a developer could make on investments in the scheme and also introduced the concept of transferable

development rights. Each family listed on the State's electoral rolls taken on or prior to January 1, 1995, was assured a home measuring 20.9 square meters. In a slum or pavement settlement, 70% of the residents were to submit their approval to join the scheme. This allowed a builder-developer to submit a housing proposal to the Slum Rehabilitation Authority (SRA). The SRA, a State government authority, was formed to sanction and monitor all SRS projects. Interesting new participants in the milieu of actors who were expected to scuttle toward redeveloping slums were nongovernmental organizations (NGOs).

### **NGO response to policy developments: Movement toward Isomorphism**

The policy developments of the 1990s marked the beginnings of a shift in the nature of NGO-government (NGO-GO) relations. During the 1980s, the participating NGOs identified state control of the housing process as the central problem in their diagnostic frames. In these founding years, both NHSS and YUVA valued creation of collective identity as the first-order means to preserve and defend the rights of the poor. Furthermore, they considered provision of safe, secure, and affordable housing to be a prerogative of the state. NHSS concentrated its early efforts on mobilizing slums and squatter dwellers in antidemolition protests and worked toward generating public awareness around housing rights using street plays, slogan shouting, and films. YUVA, on the other hand, primarily engaged in lobbying the state through participation in advocacy campaigns and organized youth training camps and leadership development programs among women and children in slums and sidewalks. On a somewhat different formative note, SPARC was keen to explore the possibility of sharing an equal footing with the state. Their strategies and tactics in the years until the mid-1990s (1981 to 1996) are summarized in Table 1.

Starting the 1990s, however, confrontation began to wane as the defining NGO-GO housing strategy. It was called into question not just by dwellers keen to acquire tenure as promised by the altered policy environment but also by internal (NGO) demands to experiment with alternative housing strategies.<sup>9</sup> What follows is an analysis of the strategies and tactics against each key NGO-led housing intervention during the time frame of 1997 to 2003. This analysis is followed by an examination of NGO response to isomorphic pressures, that is, the pressure on NGOs to implement and stabilize strategic change in their respective interactions with the state.

#### **NHSS and Sanjay Gandhi National Park, 1997 to 2003**

NHSS began work in Mumbai as an “*ad hoc* body of committed individuals engaged in firefighting operations for the rights of slums” (NHSS, 1997). NHSS is best identified with the strategy of collective protest, which it uses to realize its goal

**Table 1**  
**NGO-Government Interactions, 1981-1995/96**

	NHSS	YUVA	SPARC
<b>Founding Year</b>	1981	1984	1984
	<b>--Supreme Court Judgment: The Olga Tellis Case--</b>		
Primary NGO-GO strategy	Confrontation	Confrontation	Complementarity
Dominant NGO tactics	Mass mobilization and anti-demolition protests	Organizing advocacy campaigns and leadership training	Building strategic alliances with government and community based organizations
Preferred End	Exerting pressure upon state and creating collective identity	Generating collective, city-level response to demolitions; seeking alternatives to demolitions	Establishing broad-based legitimacy in the housing field
	<b>--Slum Redevelopment Scheme (SRD)--</b>		
<b>1991</b>			
Primary NGO-GO strategy	Confrontation	Confrontation/Complementarity	Complementarity
Dominant NGO tactics	Media campaigns; Active dissuasion	Education and awareness generation; legal intervention; professionalizing internal capacities; coordinating housing delivery	Challenging government plans and statistics; setting precedents; mobilizing delivery finance; influencing state housing solutions
Preferred End	Promoting community-managed, horizontal, low-rise development; more state involvement; and, eliminating private sector involvement	Balancing community empowerment with delivery; facilitating high-rise housing solutions with the State	Controlling and Managing high-rise housing solutions

Note: The use of the term *strategy* draws from Najam's (2000) "Four-C's Model" of NGO-Government relations. I use the term *tactic* to operationalize the concept of organizational "strategy." In other words, tactics are actual interventions (action-forms) that fall within the broad category of a strategy.



of defending the housing rights of the poor. In the early 1990s, when Mumbai adopted the policy of slum redevelopment, NHSS vociferously dissuaded slum dwellers from endorsing it. NHSS held that the policy would be exploited by private, for-profit developers who would “sell off the commercial units, grab the proceeds, and make off leaving the slum-dwellers high and dry” (Singh & Das, 1995, p. 2481). However, NHSS’s work in Sanjay Gandhi National Park, described below, marked the beginnings of a shift in its housing strategies.

NHSS began work in the slums of Mumbai’s Sanjay Gandhi National Park in 1992-1993. Slums covered a large part of the peripheral areas of this park. In 1996, a year following a petition (public interest litigation) filed by an environmental NGO, the central government declared it a national park. The environmental NGO contended that “illegal encroachments and unauthorised constructions had ecologically disastrous effect which had led to massive deforestation.”<sup>10</sup> At that time, the State Forest Department estimated that 78,000 to 86,000 tenements were within the park, with a population of 390,000 to 430,000 people.<sup>11</sup>

In response to the public interest litigation, the State High Court suggested a series of measures to halt encroachments and destruction of forests in the park area. All slum residents whose names appeared in the State electoral rolls were to be relocated just outside the boundaries of the park within a stipulated time frame. The homes of those not found in possession of State-issued residency cards were to be demolished and their belongings confiscated. This relocation proposal was supported by other groups, including NHSS, on grounds that it would cause minimum displacement to the lives and livelihoods of slum residents. However, the proposal was disputed by forest officials and, in due course, annulled by the court.

Accepting the inevitability of mass demolitions, NHSS and other NGOs, along with State and forest officials, began working on plans to resettle and rehabilitate potential evictees in alternate sites. Their collective efforts yielded no results. NHSS fought to keep the issue of ongoing demolitions on the media’s front burners. It invited an independent human rights commission and organized protests and rallies—all of which achieved little in the face of the steadfastness of the State and forest officials to carry out demolitions. NHSS finally decided to take the plunge, carefully justifying it as a “tactical interim adjustment.”<sup>12</sup> A lead member of NHSS described the organization’s shift to delivery in the following terms:

We could no longer gather the critical mass necessary to protest and stop demolitions. The people [whose homes were demolished] were disappearing and settling in other areas. It was time for something concrete. . . . How could we as an NGO ignore the plight of 33,000 eligible families? Besides, you must understand . . . she [president of NHSS] had to move beyond her image from an agitationist to someone doing a concrete intervention in development.<sup>13</sup>

Frustrated, NHSS began a process of formalizing and departmentalizing its hitherto ad hoc structure. In 1997, NHSS held its first General Body Meeting and elected a

president (also a popular Bollywood film actress and a member of the Indian Parliament) and vice-president (a well-known Mumbai-based architect). The new leadership envisioned moving NHSS beyond a mass advocacy organization to one capable of delivering housing solutions.

The opportunity crystallized in November 2001, when the State housing minister invited NHSS to meet with a private developer. The developer was eager to use 80 acres of former stone quarries to house slum dwellers. The booming real estate market of Mumbai offered the developer a golden opportunity to make a profit with an otherwise undesirable stretch of land. The land could accommodate about 12,000 slum families and, as of July 2003, had potential to generate an estimated US\$92 million (INR 4 billion) in transferable development rights.<sup>14</sup>

The scale of the project did not guarantee smooth sailing for NHSS. Its members had all along, from 1991 to 2001, chided the SRS for “institutionalizing private profiteering from public funds” and promoting business interests in real estate (Das, 1995, p. 174). NHSS therefore had to use a variety of tactics to defend its new position and justify its real motives. Primary among the tactics was use of the celebrity status of its president to influence governmental priorities. Fearing that the private developer could compromise on housing quality for higher profits, NHSS also negotiated to be the project’s architect. NHSS had to cajole slum dwellers and the general public to disbelieve rumors regarding NHSS’s profiteering motives. Not only did it post notices informing people about the project, but NHSS’s lead members also chaired meetings in the slum to display plans of the proposed rehabilitation scheme and to clarify doubts raised by slum dwellers. It made additional efforts to exhort its own cadre of supporters (slum youth) to cover the length and breadth of the park to communicate the benefits of the scheme among slum dwellers and to bring back news from the field about “new” rumors and doubts. By the time I left the city in July 2003, fewer than 5,000 slum families had filed their consent to procure housing in the project. Its embeddedness in founding housing routines of collective protest and community mobilization and, indeed, its well-established and widely known opposition to slum redevelopment appear to have made the transition to a delivery agent a slow and difficult one. I discuss NHSS’s path-dependent constraints in greater detail below.

### **YUVA and New Bhabrekar Nagar, 1997 to 2003**

Unlike the strong and direct action flavor of NHSS’s formative tactics, YUVA, formed in 1984, is identified with mobilizing and organizing housing rights advocacy campaigns and empowering slum and pavement communities through leadership training. In 1991, YUVA, like NHSS, disapproved of the new housing policy of slum redevelopment but gradually came under pressure to deliver tangible housing outcomes. One “objective factor,” identified by YUVA’s founding director, was the demolition of a pavement settlement in south Mumbai, where YUVA ran a school

program for pavement children. “In six months during 1989,” he recalled, “their homes were demolished 90 times! Clearly, what we were doing was not enough.”<sup>15</sup> The experience, he added, created the need to extend work to a “broader, more meaningful level.” This need led to a major organization-wide evaluation and consequent redefinition of work. The reorganization, led by an external consultant, began in 1989 and lasted until the altered organizational structure was inaugurated in January 1991 under the banner “Bombay City Project.” In essence, YUVA sought to combine its work in community mobilization and rights-based advocacy with the creation of a new cadre of professionally qualified employees who would plan and implement tangible housing outcomes in cooperation with the state and market. YUVA thus set up a new Housing and Infrastructure Development Unit that briefly and unsuccessfully cooperated with the state in the area of slum redevelopment. By the late 1990s, work in the slum of New Bhabrekar Nagar, described below, was among the last few platforms for YUVA to demonstrate its ability to carry forward its strategic vision to deliver tangible housing outcomes.

A sprawling, well-consolidated settlement, Bhabrekar Nagar was first settled in the early 1970s and was home to more than 12,000 families. The slum stood unscathed on government-owned land for nearly 20 years. This changed in June 1997, when Bhabrekar Nagar suffered brutal demolitions authorized by the state government. The resulting media coverage caught YUVA’s attention. YUVA invited the Habitat International Coalition, a nongovernmental counterpart to the United Nations Conference on Human Settlements, to survey the site and record human rights violations committed by the State. The persistent lobbying and advocacy yielded results: The State government allocated a piece of land, a few kilometers away from the original site, for on-site infrastructure provision. YUVA accepted the role of a “key implementing agency” of the state housing authority and took responsibility to construct housing and infrastructure (YUVA, 2002, p. 17).

YUVA, however, encountered a host of different challenges. The land offered by the State was a swampy stretch with no infrastructure. It was designated a No Development Zone and, as such, had to be cleared by the municipal government before YUVA could legally commence any work in the area. The State housing authority that contracted YUVA refused to take responsibility to obtain necessary clearances. To add to the uncertainty, funds allocated by the State proved grossly insufficient for the extent of work required on the site. Through much of the late 1990s, YUVA lost many of its critical, senior staff. A majority of those who exited were familiar faces in government offices and had, over the course of their work in other projects of YUVA, developed a good understanding of how the State thinks and works.

Realizing the need for technical inputs and funds, YUVA’s founding executive director invited a popular consulting engineer known for his idea of “slum networking.”<sup>16</sup> Using the popularity of the concept, YUVA successfully mobilized funds from

the United Nations Development Programme and assumed the additional role of a subcontractor to the central (federal) government. But work could not commence without site clearance from the municipal government. Hence, in 1999, YUVA did what other participating NGOs had already set in motion: It hired a recently retired bureaucrat to influence state priorities and obtain vital project-related concessions. The official had held several high ranking positions in the municipal government and retired as vice-president of the same State agency that was funding YUVA's work as a contractor for New Bhabrekar Nagar. Although his personalized intervention set the ball rolling, the procedure of getting land converted took 3 years of his tenure in YUVA. The land was finally converted to a Residential Zone via a government notification in March 2002.

No sooner did the approval of land-use conversion arrive than YUVA was informed that the land was in need of a coastal regulation clearance from the central government! Between 1997 and June 2003, as YUVA sought to get clearances, it engaged in a host of development interventions at New Bhabrekar Nagar, including setting up a preschool center, initiating savings and credit groups, starting a livelihood program, starting a solid waste management program, mobilizing a youth group, and mobilizing water user groups, among several other interventions. In the face of extreme anxiety among residents over getting permanent housing and infrastructure, many of these interventions met with variable levels of success. Widespread anxiety was not only because housing related work was yet to begin but also because YUVA underwent a period of high attrition in its senior staff and technical staff specific to its housing unit. From 1997 to 2003, New Bhabrekar Nagar had eight different project coordinators, most of whom were young architects, urban planners, engineers, and other professionals. YUVA also struggled with balancing twin strategies of open defiance and compliance. A former employee of YUVA, project coordinator for New Bhabrekar Nagar (June 2002 to August 2003), had this to say:

When I joined YUVA in June 2002, I understood its core competencies to lie in housing rights and empowering communities. They still are its core competencies. However, somewhere in its efforts to elicit participation, housing as a product was lost. . . . As a project coordinator [of New Bhabrekar Nagar] and urban planner, I am struggling with understanding how best to balance these competencies in a single team—can you work to deliver a product with the government and also effectively work with the community?<sup>17</sup>

Among members in YUVA, most of whom included grassroots workers, advocacy tended to mean “demanding for a right” through collective means. During its formative years, YUVA frequently framed its intervention in housing with a similar lens. By contrast, the relatively new professional cadre (including its advisor, a retired government official) wanted to try formal collaboration.

## **SPARC and the Kanjur Marg Experiment, 1997 to 2003**

Unlike NHSS and YUVA, SPARC began work in Mumbai by weaving an intricate web of relationships with a number of different stakeholders. In doing so, SPARC brought a range of participants—former State bureaucrats, members of the community, and donor agencies—within its decision-making structures. Starting the late 1990s, SPARC also began to shift all its housing-related transactions to a new nonprofit company headed by SPARC’s director. SPARC had built a diverse financial base (McLeod, 2000) and boasted its presence in nearly 40 towns and cities in five States of India. Few other interventions demonstrate SPARC’s dogged determination to be recognized as a key citywide housing player than its work at Kanjur Marg described below.

The Kanjur Marg experiment involved a contractual relationship between SPARC and the government of Maharashtra in one of the “biggest urban transportation projects undertaken with World Bank assistance.”<sup>18</sup> The transportation project called the Mumbai Urban Transport Project II (MUTP II)<sup>19</sup> aimed to ease traffic and transportation problems in Mumbai. The project was expected to involuntarily displace 14,479 households living in insecure and unsafe shelters within inches of Mumbai’s railway tracks.

In the early 1990s, when the World Bank began discussions on MUTP II, the Bank was under unrelenting pressure from critics worldwide to improve its resettlement operations and outcomes. In 1994, the Bank undertook substantive policy review and changes by integrating NGO agendas—of resettlement, information disclosure, environmental impact assessments, and poverty assessments (Nelson, 1995). As a result, resettlement and rehabilitation (R&R) under MUTP II had to incorporate community participation in R&R preparation, planning, and implementation (World Bank, 1994).

The Urban Development Department, the State agency leading World Bank negotiations on MUTP, approached the federal Railways to start work on a pilot initiative (Patel, 2003). The State invited SPARC to coordinate the task of a small precedent. As part of this pilot effort, SPARC persuaded 160 families to shift more than 30 ft. away from the tracks and, using its own funds, constructed a 920 ft. wall separating the tracks from the new settlement. The feat received attention of the World Bank visiting Mumbai at the time.

Procedurally, Bank directives demanded an exhaustive R&R plan to be put in place before funds could be sanctioned and any engineering work on MUTP II could commence. The Bank advised the State government to set up a task force consisting of an assortment of State government officials, NGOs, representatives from the railways, legal advisors, architects, and representatives from private sector institutions. The task force was to prepare a framework for an R&R policy and also assist the State in determining institutional arrangements and implementation strategies necessary for R&R. SPARC was one among three city NGOs that participated in the

task force. In fact, SPARC was the only NGO that was represented in two vital policy making committees at nearly the same time—the R&R committee and the special committee appointed to frame the SRS.

Simultaneously, the State government invited NGOs to conduct a baseline survey of those likely to be affected by the proposed road and rail projects. Recognizing that “very few NGOs actively engaged in . . . shelter related activities” and also adding that “SPARC is outstanding amongst them,” the State government and the federal Railways contracted SPARC in June 1995 to conduct the survey (Mumbai Metropolitan and Regional Development Authority, 2002). Vesting responsibility of selecting project beneficiaries, a potentially sensitive and controversial procedure, on a solitary NGO such as SPARC was a rarity. For SPARC, its selection was the natural and inevitable consequence of its influence in slum settlements (Burra, 1999, pp. 13-14).<sup>20</sup>

In early 1996, the railways urgently needed a piece of land cleared to lay two new rail tracks. SPARC identified a large plot of land in an area called Kanjur Marg (in Mumbai’s northeast suburbs) as a likely site to temporarily relocate slum dwellers. In the baseline survey that SPARC was compiling, 1,440 slum families were found to fall within 30 ft. of the railway tracks. A decision to use the yet-to-be-approved R&R policy was taken so that retroactive financing could be arranged if and when MUTP-II was cleared. For all concerned, Kanjur Marg was a decisive showcase in a much larger case in R&R. SPARC suggested that if the state gave land (free of cost) and the federal Railways arranged to pay for off-site infrastructure (water, electricity, and sewerage) and bear the cost of shifting people, SPARC would manage the relocation of slum dwellers in phases and also undertake construction of transit homes for slum dwellers. The Chief Minister accepted the proposition.

Plans were made to utilize the same plot of land to permanently resettle (under the SRS) nearly 900 families who had been grouped by SPARC and National Slum Dwellers’ Federation (see note numbered 20 for details on the Federation) into 27 cooperative housing societies. A sum of INR 13.8 million was offered by the Indian Railways for provision of off-site infrastructure. SPARC used INR 1.5 million of its own funds and also directly approached the Housing and Urban Development Corporation,<sup>21</sup> a government housing finance agency, for a loan of INR 14 million for construction of 700 transit homes. The construction proceeded smoothly, and the nearly 900 families were relocated. It was an impressive feat. The land beside the tracks that was encroached on was returned to the railways, and work of laying new tracks began.

The Bank, however, found the size of the 120 sq. ft. transit homes too small and expressed its reluctance toward the two-stage resettlement option. Having invested a substantial proportion of their resources (with the hope of getting it reimbursed), both SPARC and the State persuasively sold the proposal of a “two stage resettlement” strategy on the grounds that “had the project waited for buildings to be completed, there would have been a delay of 2 or 3 years and project costs would have escalated” (Burra & Patel, 2001).<sup>22</sup>

At Kanjur Marg, SPARC relied on its strong ties with bureaucratic elites, its influence over several thousand slum families, and its similarly well-built ties with international donor agencies. SPARC had learned well that wedding the choice of its projects to the needs of the State (and, in this case, that of a mammoth multinational bank) is essential to ensuring that its opinions are heard and acted on. For SPARC, which endorsed and actively engaged in the formulation of the SRS of 1995, government solutions were the only way for the city's urban poor to get access to otherwise unaffordable land and subsidies. SPARC's relative success with housing interventions reinforces the constraints that NGOs such as NHSS and YUVA struggled to overcome. These include their embeddedness in founding conditions and the extent of variability in their resource environments.

### **Case Discussion: Variation in Tactical Response to Isomorphic Pressures**

The three case studies detail three NGO-led housing interventions from 1997 to 2003. This was a period best characterized by institutional change in NGO interactions with the state. NGO leaders appear to make “sense” of evolution in NGO–GO strategies by insisting that closer engagement with the state (and market players) was necessitated by the failure of the state to fulfill its delivery responsibilities and was therefore a “natural” NGO response to the urgent housing needs of their clients (NHSS and YUVA). Various NGO leaders responded to my queries asserting that “we took up the position that we have to move beyond [the street advocacy approach],”<sup>23</sup> that “it is not a position by choice . . . tell me what you would have done as an [housing rights] activist,”<sup>24</sup> or that “the communities wanted us to stay with them. . . . We were responding to their demands.”<sup>25</sup>

Their shift in strategies was shaped both by the prevailing housing policy context and by the NGOs who actively shaped the context to reflect this vision (e.g., SPARC and NHSS).<sup>26</sup> During this phase, NGO–GO relations are understood to have evolved from one dominated by confrontation to a primary and pervasive interaction style of cooperation (Najam, 2000). To achieve scale and maintain or create legitimacy as housing providers, the NGOs and particularly their leaders willingly sought and managed closer cooperative interactions with the state housing apparatus (see Table 2).

This evolution raises several interesting questions: How does a predominantly confrontational NGO, such as NHSS or YUVA, develop its core practices to work in cooperation with the state? Could such a pervasive evolution in housing strategy—from state confrontation to cooperation—imply a threat to the diversity in NGO strategies? To answer these, the article builds on the well-established notion that “once disparate organizations in the same line of business are structured into an actual field . . . powerful forces emerge that lead them to become more similar to one another” (DiMaggio & Powell, 1983, p. 148).



**Table 2**  
**Emerging Isomorphism in NGO–Government interactions, 1997 to 2003**

NGO	Preferred Strategy (Primary Strategy)	Dominant Tactics (Isomorphic Response)	Preferred End
Nivara Hakk Suraksha Samiti	Cooperation	Capitalizing on an influential internal constituent; negotiating for greater control over delivery	Establish “new” legitimacy as a housing provider
Youth for Unity and Voluntary Action	Cooperation	Importing influential constituents; acceding to work as a delivery agent for the state	Offer comprehensive housing solutions
Society for the Promotion of Area Resource Centres	Cooperation	Capitalizing on established network of relations with bureaucratic elite; Using its “monopoly” position to shape governmental & donor criteria	Provide large-scale housing and infrastructure services

In keeping with the notion of isomorphic transformation, participating NGOs started to present uniformity in their tactics of engagement with the state. When the state housing policy context in the 1990s made it possible and financially attractive for NGOs to engage in housing delivery, even NGOs seemingly embedded in confrontational tactics (NHSS and YUVA) began reorienting their primary strategies to facilitate smoother and more efficient cooperation with the state. There was an element of normative and competitive pressure on NGOs to engage in delivery and many began the now fairly common tactic of hiring a former government bureaucrat to help manage delivery related responsibilities. While Meyer and Rowan (1977) may point to the structural nature of these changes, DiMaggio and Powell (1991, p. 66) might, instead, focus on the conditions and processes (“the politics and ceremony”) that shape the origin of similar practices across NGOs, namely a combination of coercive, normative, and mimetic pressures. Developments in housing policy encouraged NGO participation, and NGOs, for their part, were driven to create specialized units and hire personnel that helped them gain support from clients (slum dwellers) and from donor organizations including the state, national, and international funding agencies (coercive isomorphism). A concomitant source of isomorphic organizational change was normative and stemmed from professionalization (normative isomorphism). In other words, NGOs such as NHSS and YUVA that hitherto relied



on community development workers and activists imported technically trained professionals and government officials who could decode the technical-financial vocabulary of state policy and negotiate for vital project-related concessions. These new hires played important bridging and boundary spanning roles. There was an element of normative pressure on NHSS and YUVA to engage in delivery, and they began (consciously or otherwise) mimicking the now fairly common tactic (well developed in SPARC) of hiring a former government bureaucrat to help manage delivery related responsibilities.

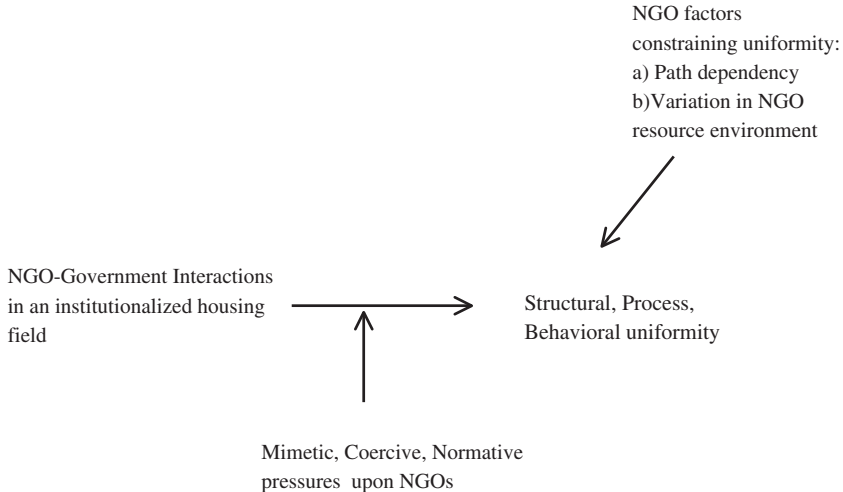
In outlining the subtle yet significant distinction in how Meyer and Rowan (1977) and DiMaggio and Powell (1983) treated isomorphism, I am attempting to highlight that isomorphic change processes not merely can be observed through examination of structural features of organizations but also manifest themselves in internal decision-making processes and behavioral features. It must be noted that I do not analyze the housing field as a whole but focus, instead, on individual NGOs as they relate to governmental agencies. As such, the observations in this article cannot speak in detail to the nature and content of isomorphic change processes but are limited to an examination of those observed in NGO strategies and decisions *vis-à-vis* the state in selected housing interventions.

With slight variations, all participating NGOs actively sought and accepted appointment as delivery agents of the state; they hired new and/or used existing personnel to influence governmental decisions and priorities; they pacified and bargained with bureaucratic and political elites; and they employed centralized decision-making processes related to delivery. This evidence of isomorphism is summarized in Table 2.

A closer look at specific organizational interventions or tactics presents a less uniform pattern of organizational adaptation. In implementing change, participating NGOs, particularly NHSS and YUVA, faced different sets of challenges, and they each responded to the challenges utilizing dissimilar tactics. The challenges faced by the NGOs as each implemented new cooperative roles with the state can be grouped into two sets of factors, namely path dependency and variability in NGO resource environments, depicted in Figure 1.

Path-dependent factors include (a) organizational commitment to founding values and (b) entrenchment in tried and tested housing routines. These constraints are compounded by internal political struggles (between those in favor of a more or less confrontational strategy) and the extent of leadership commitment toward realizing delivery-related goals. Variability in the resource environment of the NGOs, on the other hand, includes employee turnover and the variety of different mechanisms that NGOs deploy to overcome financial constraints. Both of these constraints, which limit the possibility of institutional isomorphism among participating NGOs, are explained below.

**Figure 1**  
**Constraints to NGO Isomorphism**



### Path Dependency

The notion of “path dependence” has particular relevance in explaining constraints faced by NGOs in realizing a shift in their predominant housing strategies with the state (Levi, 1990; March & Olsen, 1989; March, Schulz, & Zhou, 2000; North, 1990; Pierson, 2000). Path dependence implies institutional persistence and suggests that institutional arrangements are not flexible; they cannot rapidly change in response to disturbances in the environment (Krasner, 1984; Skowronek, 1982). Path-dependent processes make it difficult for organizations to explore alternative options. New forms and ways of doing things do arise but are typically described as processes wrought with constraints—a major one being the embeddedness of the organization in its founding conditions (including founding values, technologies, knowledge, and other supporting structures and resources) (Romanelli, 1991; Stinchcombe, 1968; Westney, 1987).

The founding values of each NGO, as discussed earlier, along with distinct repositories of existing knowledge and the history of housing routines, influenced the “attention structures” of NGO leaders as they considered the option of implementing delivery with the state (Cyert & March, 1963; March, 1994, p. 10; Ocasio, 1997).

For example, when NHSS trod the path of working with a private developer alongside its routine activities of decrying the SRS, it faced enormous public suspicion and opprobrium. NHSS's attempts to "decouple" its organizational activities proved problematic because the choice of cooperating with a private developer ran against its founding principles that valued its role as a watchdog rather than partner of the state. Propelled by the desire to make a highly publicized and controversial project work, NHSS made an equally well-publicized attempt to defend its decision by stating not only that its involvement would ensure housing to several thousand slum dwellers but also that its participation in a market-financed project would ensure that the project develops into an outstanding housing solution for the poor.

YUVA faced a slightly different set of path-dependent constraints. YUVA's entrenchment in tried and tested housing routines—of conscientizing communities of their rights and training them to help build capacities to self-manage their housing futures—appears to have precluded delivery of a tangible housing product. This constraining factor was however further complicated by internal political struggles caused by bureaucratic delays. These struggles emerged between those who valued YUVA's work as a vocal street-level advocate and a relatively new breed of technical staff who preferred to overcome delays by patiently negotiating with letters and repeat requests for bureaucratic clearances.

Like the others, SPARC's housing repertoires were identified by a series of tried and tested routines in housing delivery. Unlike the others, SPARC was at no point in its lifetime averse to working within the framework of state-suggested solutions. In fact, SPARC's formative philosophy included implementing solutions that work for the city *and* for slum dwellers. This philosophy dictated the choice of many of its interventions. All its housing interventions have followed a consistent pattern of challenging the state with competing statistics and asserting superiority of its own design. Demonstration projects are then used as levers to elicit support for grander schemes, either as partners with or as contractors of the state. These extended, product-driven routines have found strong support among the State's bureaucratic elite who see SPARC as a politically safe and savvy medium to clear valuable slum encumbered land and thus to meet the state's housing objective of providing housing to all eligible slum and squatter dwellers and to bring in a range of international financial donors.

Embeddedness in founding conditions (comprising such factors as their core values and beliefs, the past experiences of their leaders, their housing philosophies) have either delayed or forestalled the efforts of NGOs to make a complete shift toward service delivery roles with the state. This was more the case with YUVA and NHSS than with SPARC. These are complicated by the extent of leadership commitment to delivery-related goals and internal political struggles. Thus, although new delivery routines do emerge and are implemented, the process of making a transition appears to be mired in path-dependent constraints, particularly among NGOs implementing a shift from predominantly confrontational to cooperative strategies

with the state. Thus, variability in their founding conditions is likely to limit the possibility of overall uniformity in structures and processes across NGOs.

## Variability in Resource Environments

A second key constraint on isomorphism is the resource environment. During the course of their housing interventions, participating NGOs have faced primarily two types of resource uncertainties: (a) turnover in critical and senior staff and (b) finding sufficient and timely funds for their housing endeavors. These efforts were further complicated by the extent of commitment of the leadership toward delivery-specific routines (an aspect explained by path dependency). Among the three NGOs, YUVA encountered high attrition rates among its technical and professionally qualified staff. Senior staff are typically replaced by new, younger staff. Even among the new crop, the rate of attrition is disturbingly high. YUVA consoles itself by stating that for “any dynamic organization, change is inevitable” (Pimple, 2000, p. 1).

However, attrition in human resources frequently surfaced as a critical issue in managing relations with the state and with client communities. The situation for YUVA was likely to get more tenuous with the departure of its founding executive director, who stepped down as “YUVA’s Chief functionary” in 2002 (Pimple, 2002, p. 5).<sup>27</sup> Turnover in staff is yet to emerge as an issue in SPARC or NHSS, but their heavy reliance on the networking, negotiating, and community mobilization skills of select organizational leaders is likely to pose similar challenges in the years ahead.<sup>28</sup>

Besides staff turnover, the other resource-related constraint faced by the NGOs pertains to the adequacy and timeliness of funds. By its very nature, the prevailing state housing policy of slum redevelopment is a high-risk strategy for all concerned, particularly the slum and pavement dwellers. “Redevelopment is capital intensive and the investors of financial capital . . . control the projects” (Mukhija, 2003, p. 11). Paucity of funds has delayed or even precluded construction and has significantly added to uncertainties associated with NGO engagement in implementation. Each of the participating NGOs coped with this uncertainty differently. NHSS attributed its delay in choosing to engage with the state to its distaste for private, for-profit sector involvement in housing delivery. Then, largely in response to the need to maintain legitimacy and relevance, NHSS made a “tactical interim adjustment” and partnered with a private developer and simultaneously centralized all decisions related to project design and planning within its own ranks. YUVA, on the other hand, could not raise financial resources for its projects under the same policy environment and abandoned the effort to work to improve and upgrade a slum in partnership with the state and an international development funding agency. SPARC managed the risks and uncertainties associated with slum housing by participating in formulation of and becoming a member of the very authority that administers and monitors the same policy. SPARC also created a sister agency to mobilize a variety of national and international funds. SPARC had also worked over the years and persistently

negotiated to win a large contract for implementing slum R&R work under the World Bank–financed urban transport project.

## Conclusions

In summary, the three participating NGOs all began work in the early 1980s on a similar platform, to defend the rights of the poor to retain residence within the city. Even though confrontation characterized NGO–government interactions during the 1980s, each participating NGO deployed a distinct set of contentious tactics to defend housing rights of the poor. This diversity in NGO tactics appears to have gradually waned when, in the 1990s, Mumbai’s housing policy focus evolved from one dominated by clearance and in situ improvements to slum redevelopment and rehabilitation. The State opened up the housing field to NGO and private sector participation. As a result, routinely confrontational NGOs began to face significant pressure from within their own ranks and from their slum and squatter clients to reconsider their strategic position and invest in the new housing policy environment. All three participating NGOs began to display uniformity in routines and structures and hence the beginnings of isomorphic change among NGOs. Despite this emerging isomorphism in structures and processes, a closer look at specific organizational interventions suggests a less uniform pattern of organizational adaptation. In implementing change, participating NGOs were found to each face a unique set of constraints to homogenizing forces. These are best summarized to comprise (a) path-dependent factors and (b) variations in resource environments.

Path-dependent factors include (a) organizational commitment to founding values and (b) entrenchment in tried and tested housing routines. Furthermore, these factors are enmeshed in internal political struggles (between those in favor of a more or less confrontational strategy) and the extent of leadership commitment toward realizing delivery-related goals. Furthermore, each NGO is found to face a different set of resource constraints and to respond to these constraints differently. This variability in resource environments is evidenced by (a) turnover in critical and senior staff who help maintain NGO–client relations and also play key bridging and boundary spanning roles for the NGOs and (b) efforts to find sufficient and timely funds for their delivery endeavors. Turnover in staff and access to resources are again complicated by the proclivity in NGO leadership to realizing delivery-specific routines. The article thus suggests that each NGO uses different tactics in response to the same macro-level environment. The key point is that variation in tactical response to a similar institutional environment can bring about differentiation rather than isomorphism or, at the very least, places limits on the extent of isomorphism in the NGO sector.

Knowledge of the challenges encountered (and an understanding of the strategies deployed to circumvent them) by NGOs in housing partnerships is particularly important at a time when NGOs are increasingly recognized by governments and aid

agencies as indispensable vehicles to realize the goal of safe, secure, and adequate shelter for the world's slum and squatter residents.

## Notes

1. Throughout the article, I use the term State to refer to an administrative unit of the government and state to refer to an institutional sector distinct from NGOs and the market. In doing so, I follow Sen (1999, p. 327) who distinguishes between the use of State and state as follows: "For the purpose of clarity, the term 'state' is employed here to discuss the theoretical phenomenon, while 'State' is used to refer to the political, territorial, and administrative units in India."

2. The heterogeneous nature of organizational responses to institutionalizing pressures is the focus of several works (e.g., Lounsbury, 2001; Lune & Oberstein, 2001; Oliver, 1991). Oliver (1991) developed a typology of strategic responses that organizations enact as a result of the institutional pressures toward conformity that are exerted on them. These range from passive conformity to active manipulation. Lune and Oberstein (2001) argued that it is important to understand NGO-state relations by giving careful consideration to how an organizational field develops. They identified three different types of NGOs: those with direct relations with the state system, still others that develop mediating relations with the state apparatus, and a third labeled outsider NGOs. These forms of "embeddedness," they noted, determine an organization's constraints and opportunities. Lounsbury (2001) examined how variations in staffing patterns in organizations arise as a result of their linkages to field-level organizations. I build on the insights provided in this and other institutional research by studying how NGOs respond to institutional pressures to cooperate with the state. In particular, I identify specific NGO factors that hinder or, at the very least, delay institutional change toward greater cooperation with a particular set of actors in the housing field, namely state-level housing agencies.

3. In Hindi, this translates as Committee for the Protection of Housing Rights.

4. In this context, I examined a number of government housing agencies, including five state- or city-level housing authorities: the Slum Rehabilitation Authority, the Mumbai Metropolitan and Regional Development Authority, the Municipal Corporation of Greater Mumbai, the Shivshahi Punarvasan Prakaalp Limited, and the Maharashtra Housing and Area Development Authority.

5. The article draws on my dissertation research, which involved a historical analysis of nine key housing interventions between 1981 and 2002 and data collection between August 2002 and August 2003. All three NGOs had begun work in Mumbai during the early 1980s. Nivara Hakk Suraksha Samiti (NHSS) was born in 1981, and Youth for Unity and Voluntary Action (YUVA) and Society for the Promotion of Area Resource Centres (SPARC) were registered and began operations in 1984.

6. Isomorphism is expected to take place in an "organizational field" defined as "a system of organizations operating in the same realm as defined both by relational linkages and by shared cultural rules and meaning systems" (Scott, 1998, p. 129).

7. In detailing the strategy of the participating NGOs, I draw on Najam's (2000) four-C's model of NGO-government interactions. The model is based on a "theory of strategic institutional interests" and classifies NGO-government relations to be cooperative, confrontational, complementary and co-optative. The relationship is cooperative when the government and NGO have similar goals and deploy similar means to achieve them. Confrontation, on the other hand, implies a disparity in both goals and means. Complementarity and co-optation are further likely situations, with the former occurring when the government and the NGO want to achieve the same end but do not share the same strategies or means to achieve the goal. A relationship is co-optative when there is agreement over means or strategies but a disagreement over intended goals. I use the term *tactic* to operationalize the concept of organizational "strategy." In other words, tactics are actual interventions (action forms) that fall within the broad category of a strategy. For example, a strategy of confrontation may entail use of a variety of different tactics that range from challenging government's action in a face-to-face meeting to holding a public demonstration or mobilizing a nationwide campaign.

8. INR stands for Indian rupees. At the prevalent exchange rate (as of January 21, 2005, US\$1.00 = INR 43.64).

9. The immediate NGO response to policy developments was one of continued differentiation in activities: YUVA chose to experiment with state delivery but had to revert to distancing itself from the state. SPARC, realizing the need for strong and active state support, not only secured a place in the States' Slum Rehabilitation Authority (a State planning authority formed to sanction and implement schemes under Slum Rehabilitation Scheme [SRS]) but also initiated a distinct sister agency that could act as an independent housing developer. Unlike YUVA and SPARC, NHSS continued along its formative path of strong dissent against state policies. At this stage of their lifetimes (in the early 1990s), the three NGOs appear to be taking distinct paths of engagement with the state—an active dissenter (NHSS), a cautious deliverer (YUVA), and a willing partner (SPARC). Their immediate response to policy developments is best described by the pull of each NGO's formative conditions or "path dependency."

10. Judgment passed by the Bombay High Court on the 15th September 2003, on Writ Petition 305 of 1995 Bombay Environmental Action Group vs. A.R. Bharati and Others.

11. Bombay Environmental Action Group vs. the State of Maharashtra & others (May 7, 1997, pp. 2-3).

12. Interview held on September 11, 2002, at the NHSS vice-president's office in the Prabhadevi area of Mumbai.

13. This was a series of reasons given by a leading and founding member of NHSS to my question regarding NHSS's interests in offering a resettlement and rehabilitation option to the people (conversation on the May 25, 2003, in Mumbai en route from the Malad office of NHSS to my residence [women's hostel or dormitory] in Andheri). Similar views were voiced in conversations with other lead members of NHSS.

14. The SRA issued the first official letter, in principle, approving the use of land for resettlement and rehabilitation of 11,598 slum dwellers. This letter was issued on November 26, 2002. During the duration of my stay in Mumbai until August 2003, the terms of this letter changed several times. This letter issued in November, however, constitutes the sole official document on the basis of which I can compute the extent of transferable development rights (TDR) likely to be generated from the project. The calculation is as follows:

$$\begin{aligned} \text{Gross built-up area for rehabilitation} &= 337,960.00 \text{ m}^2 \\ \text{Total built-up area for market sale} &= (3,37960 \times 1.33^*) = 449,486.80 \text{ m}^2 \\ \text{TDR (market sale)} &= 432,386.80 \text{ m}^{2**} \end{aligned}$$

\*Ratio of rehabilitation and market sale is 1:1.33. In Mumbai, the floor area ratio is calculated on the basis of the net built-up area (i.e., gross built-up area minus area toward staircases and such common areas as community welfare center, a preschool center, and an office for the residents association), but the extent of market-sale area in SRS projects is determined on the basis of the gross built-up area for rehabilitation.

\*\*The balance sale component of 17,100 m<sup>2</sup> was proposed to be consumed on the site.

During 2003, the prevailing market value of a development right certificate (the TDR certificate) ranged from INR 8,600 to INR 9,150 per square meter (i.e., INR 800 to INR 850 per square foot). As such, the sale price of TDR likely to be generated stood at approximately INR 4 billion (INR 8,600 × 4,32,386.80 m<sup>2</sup>). After deducting for costs related to payments to the Municipality and payment toward corpus fund for future maintenance expenditures, the developer still stood to gain more than INR 3 billion in profit.

15. Telephone interview with YUVA's founding executive director on September 8, 2004.

16. In brief, slum networking aims to improve the infrastructure of an entire city by using a slum as part of the urban network and not an isolated area. In it, NGOs play the role of motivating the communities, mobilizing resources from them, and integrating their efforts with inputs from local government and other city-level stakeholders.



17. Conversation on January 14, 2003, over dinner in Andheri, Mumbai. Verified over personal communication with the participant via e-mail on December 13, 2004.

18. Telephone interview with senior social development specialist of the World Bank–India staff on July 11, 2003. It was with reference to the large number of those affected by the project (called Project Affected Persons) that he used the phrase “biggest urban transportation project with World Bank assistance.”

19. The Mumbai Urban Transport Project II was preceded by the First Bombay Urban Transport Project (BUTP I). This project (1977 to 1984) was completed with loan assistance from the World Bank and aimed to improve the city’s bus transport and consisted of procuring buses, constructing flyovers, installing traffic signals, and so on.

20. Early in its life cycle, SPARC established strong links with a federation of slum dwellers called the National Slum Dwellers’ Federation (NSDF). Founded in 1974, NSDF’s founding president was known as a firebrand activist who worked against forced evictions, including fighting a legal battle over the demolition of his own slum settlement. He subsequently abandoned use of confrontational tactics, believing that he wanted to persuade the government that “poor people can be competent and responsible collaborators” (Ramon Magsaysay Award Foundation, 2000). Within a few years of its formation, SPARC built a strong, symbiotic relationship with NSDF. This relationship allowed SPARC to extend its reach among a host of slum and pavement settlements in Bombay and cities across a large part of urban India. For SPARC, its selection in the R&R work was therefore an inevitable consequence of NSDF’s long-term presence among railway slum dwellers who had formed their own federation called the Railway Slum Dwellers Federation (Burra, 1999).

21. The Kanjur Marg project relied heavily on bridge finance from two international donors: (a) Bilance, a Dutch donor, and (b) a capacity building grant from Homeless International, cofinanced by the Department for International Development. Both of these helped SPARC finance administration and overhead costs associated with Kanjur Marg.

22. A second opportunity to demonstrate the utility of a two-stage resettlement process opened up in February and March 2000, when the railways, acting on orders from the high court, began demolishing what SPARC asserted were homes and structures it counted to be eligible for resettlement and rehabilitation (R&R). SPARC reacted by blocking trains, filing affidavits in the court, intensively lobbying to get the railways to halt the demolitions and, of more interest, offering to speedily construct transit homes for nearly 2,000 homes whose residents were evicted in the demolitions. The proposal to construct transit homes was endorsed by the bank in a board-level decision in Washington, D.C. Between April 2000 and June 2002, a total of 6,000 families were resettled temporarily in transit camps, and by October 2000 the Bank agreed to award SPARC with a sole source contract for US\$939,000 to undertake all aspects of R&R for all project affected households on railway land.

23. Telephone interview with the president of NHSS on August 17, 2003.

24. Personal communication via e-mail with the member–journalist of NHSS on Thursday, May 12, 2005.

25. Interview with the founding executive director of YUVA on the July 1, 2003, at YUVA’s training center in Khargar, Mumbai.

26. As mentioned earlier, SPARC was the sole NGO that participated in two critical policy-making bodies: (a) the committee that formulated the SRS and (b) the task force that formulated the R&R policy for those residing along Mumbai’s railway tracks. NHSS, on the other hand, actively sought insertion as the project’s architect and in the course of such negotiations, actively shaped the terms and conditions of the project.

27. He has withdrawn from day-to-day administration and currently (as of December 2005) resides in New York and works as executive director for Peoples Movement for Human Rights Learning. However, he holds a position as secretary and chair of YUVA Consulting, one of the five independent YUVA entities formed in 2002.

28. The article’s findings, I reiterate, are limited (a) to the time frame in which the NGOs were observed and (b) to the selective nature of housing interventions analyzed. It is therefore likely that, with the passage of time, as the NGOs, for instance, begin to face similar resource constraints, isomorphic processes may set in, causing similarity in structural and process-related features.



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