Urbanization Without Growth: Exploring the Paradox of Pakistan

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Abstract

Urbanization in an ever-growing phenomenon in the 21st century. Pakistan hardly exempts from it. It has witnessed a massive surge in its urban population in the last decades. However, the surge in cities’ growth has not delivered much in terms of economic growth and development. This brief piece intends to explore why despite being the fastest urbanizing country in South Asia, the rise of urbanization is not entailing ample economic outcomes for Pakistan.

In an effort to explore such query, this article relied extensively on the existing secondary sourced scholarly literature for backing its key arguments. The scholarly work examined indicates that cities in Pakistan are characterized by a high urban sprawl, housing shortage, politicized and flawed city zoning, and state dominance over real estate. Moreover, it is also found that urbanizations capacity to deliver growth is extremely challenged by poor urban management practices, lack of urban administrative cohesiveness, state’s widespread control over land, and ineffective city development policies. These factors have hampered the growth potential of cities in Pakistan. Given such conditions, a number of policy alternatives are outlined for Pakistan to get most from urbanization.

Keywords: Pakistan, urbanization, urban administration, city development policies, & characteristic of Pakistani cities

Introduction

Cities are a source of prosperity and prestige in the 21st century. History documents that metropolises are one of a major source of economic growth and development (Chen, Zhang, Liu, & Zhang, 2014; Henderson, 2010). In our times, an ever-growing number of people live in cities. This is true for the emerging world that is urbanizing at a higher rate since the late 1980s (Chen et al., 2014). Today, a growing majority of megacities and some of biggest centers of the world are located in the emerging nations (Jedwab & Vollrath, 2015; United Nations, 2018). The literature on urbanization and economic growth documents that cities are a consequence of economic growth (Chen et al., 2014; Turok & McGranahan, 2013). In fact, city size and urbanization rates are often utilized as empirical substitutions for the level of per capita income in the literature on cities and development (Acemoglu, Johnson, & Robinson, 2002; Dittmar, 2011).

Similarly, cities expand urban dwellers access to infrastructure and basic services ranging from public transportation, education, to healthcare. Given the population concentration, cities also make it easier for public authorities to deliver basic services and distribute the benefits of wide-ranging inclusive public services to a bulk of the population (E. Glaeser, 2011; Hea & Sim, 2015; Jedwaba & Vollrath, 2015). Yet, the process of urbanization differs significantly in the South as well as in the West. The differences are widely witnessed in terms of economic potential and outcome that the urbanization or cities offer (Jedwab & Vollrath, 2015). Thus, one of a major variable that differentiates the Southern part of the world from the Western is the economic potential that cities carry.

Nations in this context differ from each other in almost every aspect. In fact, economic modernity is somewhat equated with the rise of urbanization that is essentially the rise of modern production and manufacturing. This becomes self-evident from the existing literature that argues that urbanization forms as well as define civilization, the nature of society, and its political orientations. Furthermore, it is also argued that cities define the place that any nation holds in the contemporary globe (Haque, 2015; Kennedy, 2011).
Akin to the rest of emerging world, Pakistan with no exception has also urbanized in last decades. The urbanization has become a rapidly growing phenomenon in the country. For instance, 36.38% of 207.77 million Pakistanis live in cities (Ministry of Finance, 2017-18). It is observed that the phenomena of urbanization have not benefited Pakistan despite being the fastest urbanizing country in South Asia (Deutsche Welle, 2014; H. U. Khan, 2018).

Given the prominence of urbanization in the contemporary literature on growth and development, this brief article set to explore reasons that have led to low growth and economic benefits in Pakistan despite its ever-growing urbanization. The article is structured as follow. The subsequent section presents a brief literature review that is followed by the examination of key issues in cities of Pakistan. The next section derives some of the suggestions for Pakistan. The last section presents the conclusion.

Previous Work

The nexuses between urbanization, cities growth, and economic development are well explored in the literature. Existing work presents interesting findings concerning urbanization and growth. Studies concerned with per capita income indicate that there is a correlation between urbanization and gross national per capita income growth (Chen, Liu, & Lu, 2016; Hea & Sim, 2015). In fact, correlation is so robust that it is most often used as a proxy for income in many early studies exploring the sources of prosperity in the contemporary societies (Acemoglu et al., 2002).

Moreover, existing studies also find that urbanization is also associated with high living standards in the sense that as countries urbanize the living standards of their population improves as people get more opportunities to work and raise their income (Jedwaba & Vollrath, 2015). A leading trend that is much emphasized in such studies is that states with natural exports-oriented history are in the emerging world and are leading the urbanization process (Ibid). These insights are criticized by Turok and McGranahan (2013) as the authors argued there is no linear relationship between urbanization, growth, and city size. The study found that it all depends on the conduciveness of available infrastructural when it comes to urbanization and growth nexus.

Scholarship concerned with nexuses between economic development as an attribute as well as the outcome of urbanization also documents somewhat similar findings. Recent empirical studies indicate that there exists a virtuous relationship between economic growth and urban growth in developing nations (Duranton, 2015; E. L. Glaeser, 2013; Henderson, 2010; Jedwaba & Vollrath, 2015). A cursory look at literature also suggests that economic development and growth in cities is taken synonymously with industrialization at least in the Western part of the world (Ibid).

The Western experiences of urbanization widely delineate many forms of such causation as its well documented in Western efforts of advancements (Chan, 2010). To illustrate, relatively recent evidence of such notion is developments led by London, Paris, and New York which helped respective nations not only in accumulating capital be it human or financial but were and still are center and symbols of advancements in every aspect of modern life (Kennedy, 2011). Thus, the long-lasting legacy of growth in metropolises and resulting consequences from primeval Rome, London, to contemporary Shanghai is, in its essence a story of economic prosperity and advancement (E. Glaeser, 2011).

The aforementioned is the story of developed nations and how they have reached to a level they are now. Most of the propagators of urbanization and growth in cities are economists as they explore, analyze, and documents most of the change in the world economy. An ever-growing interest of scholar is on addressing key question such as: Why the global South is still under persistence poverty? Why it has not experienced any fundamental transformations despite higher urbanization growth rates in past decades? More specifically economists are interested to find out what is missing despite a large number of mega-cities in the emerging world that the urbanization is not delivering them any good. In this context, several efforts have been made to trace the social, political, and economic transformation of the developing nations. A classic attempt to explore systematically this paradox come from the Harvard economist namely: Edward Glaeser (E. L. Glaeser, 2013). The author finds that the challenges
that the emerging world’s cities face are the poverty and poor governance; both reduce the capacity to address the undesirable externalities that come about with density.

Similar recent systematic efforts to explain such complexities have concentrated on African states, for instance, Jedwab and Moradi (2015). While some have also focused on India (Kaur, 2011). What becomes evident from such studies is that urbanization, growth, and development is well deliberated among the scholarly community as far as the Western and some regions of the Southern world are concerned. Literature concerned with urbanization and resulting consequences in the context Pakistan is scant. Studies focused on Pakistan have explored somewhat different themes then the cause and consequence of rising urbanization and why it is not delivering any good to Pakistan.

For example, a recent study by Mustafa and Sawas (2013) analyzed the drivers of urbanization and focused on the political consequences and potential impact of it on the Pakistani polity. Similarly, (Haque, 2015) while writing for a working paper series of Pakistan Institute of Development Economics outlined flaws in the urban policies of Pakistan and traces the thinking of development in the country. It is apparent that a few systematic attempts have been made to examine the problems and prospects of tracing the causes of why urbanization is not fruitful for the state of Pakistan. Given the existing gap, the study intends to come up with some new insights while focusing on the paradox of high urban growth but low development in Pakistan.

Cities of Pakistan

Urbanization has become the most prominent feature of Pakistan. Since the late 1960s, Pakistan has witnessed a massive increase in its urban population starting with big cities such as Karachi and Lahore. As of 2017-18, 36.38% of Pakistan’s population lives in cities out of 207.77 million (Ministry of Finance, 2017-18). The estimated annual projection of urban population growth is 3% (CIA World FactBook, 2016; Ministry of Finance, 2017-18).

Alike, the history of urbanization in Pakistan is a history of unplanned and unregulated growth in cities. Despite being the fastest urbanizing state in South Asia, the political and policy elite of the nation has neglected entirely the structure transformational power of cities and resulting consequences (Deutsche Welle, 2014). Because development thinking in Pakistan is still predominantly governed by the old school of thought featuring focus on the primary sector of the economy. The political elite is still favoring policies based on the culture of subsidies and small loan for the primary sector of the economy. In fact, the ever-mounting interest of the policy elite in the state has always favored the primary sector over the territory.

For instance, at no point in time, the tax policy for the primary sector has succeeded in the state of Pakistan (The World Bank, 1999). There have always been hurdles to progressive policies and the element of prosperity. The elements of progressive thinking have always gone missing; most often in the policy agenda and discourses just because they never favor the interest of the ruling elite (A. B. Khan, 2017). A key logic that almost 70% of Pakistan lives in rural and it should be favored and prioritize over the urban one has always hampered the fate of progressive thinking. It is most unfortunate that such thinking is still subject to much of serious deliberation among the policy elite in the 21st century Pakistan.

Given such harsh social realities and living facts, featuring cities in the state of Pakistan does not seem to be a hard task. Before coming to major issues in the urbanization in general and in particular why cities are not delivering what they are supposed to deliver in Pakistan. It is in order that the essay first briefly point to the policy thinking in the state of Pakistan when it comes to urbanization.

Cities in the Eyes of State

Until recently, policy elites in the state of Pakistan have not realized the potential as well as the powers of urbanization. As pointed above, they have always debated what serves their greater interests. It was not until the last democratic government’s framework for economic growth that the word “cities” have appeared in the official agenda of state-level planning. Under the chairmanship of Dr. Jaffer Qamar, the planning commission perhaps for the first time reasoned and realized the role of
cities while devoting a chapter in the framework for economic in 2011 under the name: “creative cities” (Planning Commission Pakistan, 2011).

The creative cities plan opened new venues in the policy rationale and public actions of Pakistan while shifting the attention of growth policy from purely economic and project-based areas to organizational and incentives one (Haque, 2015). Following the legacy of previous governments plans’, the planning commission headed by Ahsan Iqbal has also paid attention to the role of cities that they play in the prosperity of Pakistan.

Nonetheless, when compared with rest of the world or even with the neighboring state, the universal consensus on the notion that progressive cities, when planned well, become the engines of prosperity and progress for any given nation is still missing from the policy thinking in Pakistan. What may explain such a complex phenomenon of relatively globalized Pakistan is perhaps the prevalence of donor-led policies which renounces national judgments if there is any in the first place and policy deliberations. To illustrate the most basic features of Pakistani cities, it very useful to consider some key aspects.

Key features of Pakistani cities
High Urban Sprawl Widespread Across the Nation

Sprawl has become a living fact for every urban dweller in Pakistan. A close observation in daily life makes it naturally apparent that almost no city in Pakistan has a downtown area. Perhaps the notion of city-center or what is commonly known as central business districts (Fogelson, 2003) in most of North America suggests an outlook of dense places featuring commercial, residential and entertainment facilities that can be accessed by citizen easily or are perhaps located at walking distance.

Unfortunately, the entire concept of downtown is reverse in the case of Pakistan where a high-value land is vested at the expense of mere living. This phenomenon is widespread even in the capital city of Pakistan. If one drive just 12 miles away from the prime minister house an observation of this phenomena is natural. This is why we have an ever-growing real estate market as rich class largely favor it. This does help to explain why urbanization is heaving becoming in Jedwaba and Vollrath (2015) words “without growth” phenomena.

Shortage of Housing for Common People

No wonder thus, that we have very high living and residential costs. This entails a market widely utilized by the landed class where the survival of the middle class is highly at stake in the sense that there is a shortage of housing. If houses are available, they are so expensive that working class find it hard to rent an ample living flat. What is most depressing is that when the common people with no connection migrate to cities from villages, it takes them months to find work even in the construction sector.

Flawed and Highly Politicized City Zoning

This phenomenon is also widely witnessed in cities of Pakistan even the most well-planned and regulated ones such as the Bahria town project. The city zoning seems to be influenced and governed by the ruling elite and related interest groups with strong political connections and vested interests. What such social ill cause is the behavior of constructing single-living/household houses. This behavior of Pakistani elite essentially excludes and socially marginalizes the middle-class Pakistanis. Thus, it is no wonder why cities in Pakistan promotes and supports a land mafia and promotes a rennet seeking behavers.

Domination of State Organs in Real Estate/ Property Functioning

It is no secret that the markets in Pakistan are far away from being competitive and laissez-faire. Even though the state officially signs many agreements with the world’s leading lenders and donors for ensuring a free market. But, the fact of the matter is that the markets be it real estate or food is largely influenced by either state itself or its organs. Now back to city context, it is normal and
natural to Pakistani society that wherever there is a good piece of land it is occupied by the military in the name of national institutions.

Thus, most key pieces of land are state-owned. This is what makes it very hard to use a good piece of land for mixed economic activities and produce benefits. The natural question that arises here is that why cities in Pakistan are so flawed and what might explain such attributes of the Pakistani cities? There can be many explanations for such fragmentation. However, this article approaches the explanations from the socio-political, cultural, and economic standpoint.

Explaining the Failure

The social conditions featuring cities of Pakistan discussed above raise many questions. Among other is a very basic query that: why the cities in Pakistan are in the way they are? How do they get where they are now? Surely, an economic explanation such as living standards, per capita income, and enrollment rates may explain why Pakistani cities are so different at least in economic terms from others. But besides pure economic explanations, why cities are not delivering fully for Pakistan one need to examine the socio-political and cultural factors which equally account for the reasons of failures to produce growth. A few predominant variables that may help to underscore the current situation in Pakistan are outlined below.

Cities Governance

Part of the problem that cities are not delivering good economic outcomes for Pakistan lies in their architecture and governance. Every city dweller in Pakistan knows the fact that city administration is a part-time business of civil servants responsible for cities governance. The more crucial aspect of the problem is that if the civil servants want to perform and wish to do something, they are highly influenced by the powerful and governing elite. The decision making is not decentralized despite the 18th amendment. A good case in hand was the local government election conducted in during the government of Nawaz Sharif. People have won the election, and some are assigned their respective posts. While other were still protesting (The Express Tribune, 2016).

The newly elected local government representatives are helpless. The ruling elite is hardly willing to releases the resources for city development. Political interests have overtaken the public merit that they acquired through elections. Another major factor that really hampers the way cities works is the community participation. When people are not allowed and asked to participate in the decisions that affect their lives, they are better positioned for making choices that best suit them. But, in Pakistan, the culture of public participation is hardly present as there are no social systems that can promote such a notion. Public participation is merely restricted to elections. Thus, managing cities is perhaps what helps to get the most out of them. This is what the experiences of the Western world suggest.

Lack of Urban Administrative Cohesiveness

As already noted that almost most of the city administration in the state of Pakistan is not free of power influences. In fact, the city administration operates as per the wishes and vested interests of influential groups and political elite. The operational political and administrative structures such as the national, cantonments as well as regional governments operate in their working area by undermines the core functions of productive cities. This is evident in the case of land ownership and control over expensive lands by the federating units and the central government in Pakistan. The development that takes place under such circumstances in the cities of Pakistan is as per the wishes of the city administration and they do not favor the core functioning of cities.

There is a culture of arbitrary development when it comes to city development and planning in Pakistan. Perhaps, this is one of the enduring legacies of the colonial masters that the 21st century Pakistan find hard to give up. The notion of arbitrary development is self-evident in the form of elite-centered leisure clubs and military academies for various training purposes as widely witnessed across Pakistan. Unfortunately, such development not only hearts the core functioning and development of cities and their administration but also systematically excludes most of Pakistanis.
The Dominance of State Sponsored Housing

The norms of housing for public servants is perhaps as old as Pakistan itself. Public sector officials have access to posh housing areas. The hubs of cities are predominantly occupied by the housing for army officials, civil servants, and judges. Thus, the public-sector officials enjoy a well-established and state-led public housing. A residence that a 16 or 17-grade officer gets in Pakistan is equated with the personal residences of premiers of other nations such as the United Kingdom whose prime minister lives in 2 room.

The problem which this culture promotes is that most of the productive pieces of land are taken under the name of national interests and a mixed-used of posh land is strictly restricted. This seriously hampers the overall city development and its core functioning. It is a result of such a perk system that the land development in Pakistan has become a public-sector business rather than becoming a commercial one. This is evident in the case of government officials who are compensated with plats by state organization such as the Capital Development Authority. This is what elucidates the fact why the land development has become a government affair.

The Ineffective and Inefficient City Development

The direct and sometimes unintended consequences of the elements outlined above are that the city development in Pakistan since the very beginning has been hampered. Sometimes by direct state involvements while other times by the virtue of its organ policies. One of the foremost challenges of such development that has paved its root profoundly in Pakistan is that the goal of city development is missing from the agendas of state. Moreover, what makes cities inefficient in Pakistan are the variable explained above.

Way Forward for Pakistan

Given the dire outcomes of highly flawed policies and plan concerning the city development in Pakistan, there is a need for urgent actions if we are to move on and avoid further misery. Based on the simple reasoning above, the paper suggests the following action;

1. Pakistan should revise its city zoning and design policies. The state may review its existing city development policies concerning zoning approaches and planning. It should accentuate further density, vertical advancement, and a mixed-use of urban land.
2. The city administration’s prejudices against cultural, social, as well as the leisure spaces must be abolished.
3. The abuse of urban management powers must be eliminated, and metropolitan administration should be allowed to work on its own.
4. The accommodation benefits for public servants should be monetized. Because the exercise of monetization is capable of freeing high valued land areas that can be used for high-level commercial developments so that the state can generate revenues from the commercialization.
5. The urban management should be reformed for supporting city development and enhancing its productive capacity.
6. Pakistan should adopt the fiscal federalism for the metropolitan development.

Conclusion

The essay reasoned why urbanization in Pakistan is not rendering good outcomes. The phenomena of urbanization in Pakistan is multifaceted. A closer look at the existing urban condition of Pakistan suggests that the state has been unable to devise profound policies for city development. The urban development is largely a self-govern phenomenon in Pakistan. With the vested interests and multiple power deficit, the citiesmanagement has largely failed to regulate urbanization. What explains the poor functioning of Pakistani cities is the fact that the urbanization is not well managed and resulting outcomes cannot be supportive.

There exist many issues in ever-growing urbanization in Pakistan. From the lack of effective management to political interests, it is self-evident that cities are restricted and are not permitted to perform at the optimal level. Given the overlapping policies, interests, and control of the state over urban land, the urbanization in Pakistan has become to feature sprawl, housing shortage, and
unfriendly zoning and design. In such a context the paper outlined several policy alternatives for Pakistan to get rid of its urban problem and to make its cities vibrant and growth-friendly. It is argued that if Pakistan is to address its social and economic problems, then it must produce an environment that is conducive for urbanization and can support well-planned urban growth.

References


