

Cities and Urban issues in Pakistan

Wasim Shahid Malik

PIDE's Research Focus

- Importance of domestic commerce
- Governance and Institutions
 - * Law and economics
 - * public service efficiency
 - * Public choice
 - * Markets and regulation
 - * Decentralization and devolution
- Cities and urban issues in Pakistan

Cities and urban issues in Pakistan

■ Issues

- * definition of a city
- * characteristics of a healthy city
- * international experiences
- * setup of Pakistani cities
- * problems identified
- * reforms

Definition

- No specific or agreed upon definition
- Locality of a person defining city matters
- e.g. a certain number of inhabitants. But different across countries
- Size of the city. Again varies across countries.

Definition.....

- Common characteristics in different definitions

- * people come to cities to find something, like, career, education, identity, wealth etc.
- * have famous history, so tourists come
- * lot of places for all people for different activities; parks, community centers, cinemas, theatres, libraries, museums, concerts, shopping malls (almost all material things one wants to have).

- * have extensive infrastructure and local connections with in easy reach.
- * A city is also to be judged on the degree to which it involves its citizens *in decision making* and is responsive to its demands (Kaufman et al., 2006)

Definition.....

City:

A centre of population
and
culture;
a town of significant size
and
importance.

Def.....

(Kamil Khan Mumtaz)

- The modern city is the very symbol of modernization: an engine for economic growth; a ready market for goods, services and labor; opportunity for social mobility; cultural boiling pot; a bastion of political power. Cities are also the highest consumers of non-renewable resources, and the highest polluters of the natural environment.

Characteristics of a healthy city

■ Fixed transit

- * easy to get around on foot
- * walking city
- * no need for parking

■ Mixed-use Neighborhoods (City Centers)

- * intermingling commercial, residential and civic functions
- * reduce dependence on automotive transport
- * denser development without reducing living spaces
- * increase in tax collection and reduction in demand for government expenditure. So either government can reduce taxes or increase expenditure on amenities like parks, concerts etc.

Characteristics.....

- * it promotes walking and discourages driving, that: enhances community feelings, good for health, discourages crimes, creates interaction.....
- * lively downtowns are filled not only with office buildings and shopping malls but also with apartments where people live.

■ Mixed-income neighborhoods

- * simply cities for all
- * increases urban variety
- * promotes cohesiveness
- * societies grow rapidly where members exchange ideas

Characteristics.....

- Immigrants moving in from and out to other cities
 - * incubator of ideas
 - * just like a college
 - * economic growth---- spreads knowledge.
- Street trees and roof top gardens
 - * save money and energy
 - * give pleasure
 - * rooftop gardens provide insulation from extreme temperature

Characteristics.....

- Working farms adjacent to city limits
 - * low cost of transportation
 - * Lesser demand for government expenditure on infrastructure.
 - * better taste
- Lot of places for relaxing;
parks, theatres, cinemas, community centers, concerts, etc.

Cities in Economic growth

(Dr Nadeem and Dr Durr-e-Nayab)

- Denser economic activities create economies of scale
- Larger market size increases productivity
- Knowledge spill over
- Big cities have been the birthplaces of new ideas, inventions and creativity
- People with different experiences, classes and professions share ideas.

Cities in Pakistan

(Dr Nadeem)

- No city centers (even cities are not circular)
 - * no mixed-use
 - * long commutes
 - * excess demand for offices

Results: auto cities, traffic rush, shortage of houses in Islamabad

Residential area: 55%,

Roads/streets: 26%

- Still there is shortage of houses (about two third of the existing houses)
- Yet traffic conditions of roads are getting worse
(Ayaz Ahmed)

Cities in Pakistan.....

- Not enough community spaces like community centers, theatres, parks, museums, concerts.....

Results: lack of creativity, increasing crimes etc

- No domestic commerce
scarcity of shopping malls, warehouses,
wholesale markets, offices etc

e.g. in islamabad, commercial area including
parking: 5%(Ayaz Ahmed)

Result: lower economic growth rates

Lesser tax collections

People feel discomfort while shopping

Cities in Pakistan.....

- Not for all
 - * zoning favors large housing
 - * high rise buildings are not allowed so poor cannot find residence
 - * People from different classes cannot share ideas and feelings
- Urban sprawls
 - cities are not circular (even shapeless)
 - at the cost of agricultural land
 - (TASNEEM SIDDIQUI).... Jobless and homeless immigrants from rural to urban areas become part of urban sprawls

Cities in Pakistan.....

- No migration across cities
 - * fresh blood does not come in
 - * no exchange of ideas
 - * lack of knowledge spillover
- (Reza Ali and Sara Fatima Azfar)
 - * only 0.9% of urban growth is explained by immigration
 - * even this migration is unidirectional

Why?

- Government ownership of prime land (city centers)
- Financial resources with federal and provincial governments
- Public has no say in decision making: amenities for the rich.
- No clear rules and property rights
- City development became rent seeking activity
- Cantts in cities occupying prime land

Financial resources with federal and provincial governments

(Tanawwur Ali Hyder)

- ✓ TMAs responsible for municipal services:
but TMAs **NOT** delivering these services
- Because they have
 - inadequate resources
 - Provincial government failing to transfer finances and human resources

- Low Autonomy

- Provincial government interfering in TMA business – administrative impediments, budget limits, tied transfers

RESULT

Service Delivery remains
poor and confusion
persists

Public has no say in decision making: amenities for the rich.

(Khusro Mumtaz)

- In the Greek idea of citizenship, as expressed by Aristotle, citizens had the right to participate in both the legislative and judicial functions of their political community.
- Recent trends in Pakistani cities has seen the average citizen not only being divorced from his rights but also from his obligations.
- for instance, the new mega waterfront project being planned by the Defence Housing Authority in Karachi (\$623m)-----for rich
- But what is demanded by Karachi's poor

No clear rules and property rights

(...)

- Excess demand for commercial area because property rights are not clear
- Commercialization is a sin here
- Four types of payments for commercialization
 - * fee @20% of value of commercialized land
 - * hidden cost in the form of additional payment to get things done
 - * building by-laws.... Extra height charges
 - * additional payment in the form of utility bills

No clear rules and property rights....

- Results:

- disincentives for the owner of land to commercialize it

- So

- * there is excess demand for commercial land
- * cost of doing business increases that is transferred to the consumers.
- * business activity at small scale and hence less contribution of the city in GDP.

Housing problems in Pakistan

(Shabih-ul-Hassan Zaidi)

- overall housing deficit in Pakistan has reached above 5 million
- The urban areas in Pakistan are facing an acute shortage of planned housing stock, especially for the low and middle income groups.
- What are the factors regarding this issue

Factors.....

- The Housing Policy and its Implementation
- The Gap between the Housing Cost and Affordability
- Lack of Soft Loans Facility for Housing
- Public Sector Withdrawal from the Housing Sector
- Lack of Higher Order Physical Infrastructure and Public Facilities in the Private Sector Housing Schemes
- Downward Raiding of Higher income People on Low Income Plots
- Delayed Construction Causing Wastage of Land and Utility Services
- Un-Planned Commercialization
- Environmental Degradation in Slums and Katchi Abadis
- Absence of Self-help and People's Involvement in Housing

Housing problems in Pakistan.....

(Tasneem Siddiqui)

- ISSUES WHICH DO NOT GET ATTENTION IN PUBLIC SECTOR HOUSING SCHEMES
 - AFFORDABILITY
 - TARGETING
 - TIME-LAG BETWEEN ALLOTMENT AND HANDING-OVER POSSESSION
 - CUMBERSOME PROCEDURES LEADING TO CORRUPTION AND DELAYS
 - AVAILABILITY OF SOCIAL SECTOR SERVICES IN LOW-COST SETTLEMENTS

Reforms

(Dr Nadeem Ul Haque)

- Focus of policy, research and thinking on the role of cities as engines of growth
- Empowerment of city government in public service delivery and financial matters
- Development of city centers for dense mixed use
- Decision making by open consultative process (community involvement)
- Places for cultural and educational activities