Politics will drive and impede Pakistan's urban policy

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Pakistan is among the most urbanised countries of South Asia, experiencing a consistent and long-term demographic shift to urban centres. Long neglected, urban development and planning have only recently become part of the policy discourse, largely as the urban electorate has expanded significantly.

What next

The need for urban planning is gradually gaining policy traction in Prime Minister Nawaz Sharif's Pakistan Muslim League-Nawaz (PML-N) and the other main political parties. While the desire to capture the urban youth vote is likely to drive reform forward, inter-party competition will militate against deep structural reforms to spending priorities and federalism. Progress will be incremental, even as the challenges of ill-planned urbanisation grow more rapidly.

Analysis

Pakistan is urbanising faster than the rest of South Asia, its urban population growing by 3.1% per annum, compared with 2.7% in the region as a whole, according to the World Bank. Pakistan faces the possibility of achieving rural-urban population parity by 2025; as of 2014, over 38% of the population (about 70 million of an estimated 185 million people) was urban.

Karachi is one of the fastest-growing megacities in the world, with a population nearing 12 million. The main drivers of this growth are population rise and net immigration (mainly triggered by displacement by military offensives in the tribal provinces), according to a 2015 Allianz study.

However, this urbanisation is non-inclusive, unsustainable and uneven.

Poor urbanisation

Urban centres are under multiple strains.

Human capital

Pakistan is witnessing rising urban poverty: one in every eight urban dweller lives below the poverty line. Given the large youth bulge -- about 35% of Pakistan's population is aged 15 years or under -- 1 million new people enter the job market every year without clear employment prospects. Pakistani cities contribute less to the national economy than other developing countries.

Impact

- For the foreseeable future, public service delivery will not keep pace with demand.
- The counterinsurgency campaign, when expanded nationwide, risks spiking migration into cities, further stretching urban provision.
- A coherent and concerted urban policy push is years away.

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The air in Karachi is twice as polluted as that in Beijing.

Housing

One-third of Pakistanis, mostly from the low-income segment, face a dire housing shortage. This shortage is concentrated in the cities:

- By 2035, on current trends, the five largest cities in Pakistan -- Karachi (Sindh province), Lahore, Faisalabad, Rawalpindi and Multan (the last four in Punjab) -- will account for almost 78% of the total housing shortage.
- Even if the urban population remains stagnant, a shrinking household size would imply rising demand for housing.

Meanwhile, Pakistan ranks eighth among the ten countries that collectively hold 60% of substandard housing across the world.

Basic provisions

In most cities, water is supplied for only 4-16 hours/day and to only 50% of the population, according to the World Bank. The Asian Development Bank says about nine out of ten water-supply schemes in Pakistan provide water that is unsafe for drinking.

Meanwhile, traffic in large cities is rising by 12% each year, compared to the national average of 8%, according to government data, owing to lack of public transport.

Karachi is the most polluted city in Pakistan, and its air is twice as polluted as that of Beijing, says the WHO. The level of pollution in Punjab's major cities is also three to four times higher than that determined safe by the UN body.
Policy traction

Despite such deep strains, a policy mandate to improve urbanisation is only now emerging at the federal and provincial levels.

The PML-N’s ‘Vision 2025’ and 11th Five-Year Plan (2013-18) are attempting to push the urban agenda. Vision 2025 notably focuses on legal reform of zoning, commercialisation, taxation and improving urban infrastructure.

At the regional level, the ‘Punjab Growth Strategy 2018’ seeks to support dense urban centres to attract investment and boost productivity. Urban policy units in Khyber Pakhtunkhwa and Punjab are also undertaking research to inform urban policies.

The impact of these policy aspirations depends on implementation, which is likely to be mediated by political considerations.

Political incentives

There are growing political incentives to improve urbanisation:

Urban youth

Pakistan’s population is getting younger and so is its median voter (aged 20-30 years). The next census may also confirm estimates that about 40% of the total electorate is urban (see PAKISTAN: Dubious data deepen development deficit - October 9, 2015).

A critical test for the political leadership in the 2018 general election and beyond would therefore be to win the urban youth vote, for whom urban service provision is an important consideration.

Political parties are aware of this challenge:

- The Pakistan Peoples Party (PPP) appointed Bilawal Bhutto to extend the party’s appeal to the youth; the PML-N’s two up-and-coming leaders, Hamza Sharif and Maryam Sharif, will do the same.
- Pakistan Tehreek-e-Insaf (PTI) focuses on issues such as corruption that have greater traction in urban areas.

Political loyalties

Local government elections last year reaffirmed regionalisation of Pakistani politics: the PML-N retained Punjab; Muttahida Quami Movement (MQM) won Karachi; PPP held its core rural Sindh constituency; and PTI won Khyber Pakhtunkhwa.

Although this could suggest that party affiliations hold despite poor services delivery, there are some notable changes:

- The 2018 polls, which seem likely to proceed, would be the third successive democratic elections, increasing expectations of political parties.
- Young voters have become increasingly politicised owing to their access to social and international media, and targeted political campaigning by the PTI.

Structural reform
Urban policy reforms such as investment in infrastructure (housing and transport) and improvements in basic services would deliver immediate gains for any political party.

Where political will has prevailed, improvements have followed. Punjab established the first Bus Rapid Transit system in Lahore in 2013. Similar initiatives were launched in Islamabad and Rawalpindi, and more are planned for Faisalabad, Multan, Lahore and Karachi.

However, political will (even when present) is insufficient by itself to tackle the urbanisation challenge; structural reforms are as essential as they are difficult.

Altering spending focus

Urban spending is largely directed towards economic infrastructure, such as transportation and energy, at the expense of social infrastructure such as health, education and housing. Benefits of investing in health and education, for instance, are slow to bear fruit, holding little immediate political value to political parties.

Strengthening federalism

The 18th Constitutional Amendment in 2010 devolved powers to the provinces and necessitated further devolution to local governments. Yet local government laws still provide limited autonomy to local councils in terms of fiscal management and controlling service delivery and police departments.

Transferring greater financial resources and responsibility to local institutions would improve service delivery. However, there is limited appetite among chief ministers of provinces and the centrally incumbent PML-N for further devolution in the context of Pakistan’s regionalised politics; the political benefits of improvements could accrue to a different party. Consequently, improvements are easier to implement in Punjab where the PML-N is also in power at the provincial level.

As the 2018 national elections approach, political competition will trump longer-term considerations on structural reform in either of these areas (see PAKISTAN: Political, economic risks rise as polls near - February 9, 2016)