Urbanisation in Pakistan: causes and consequences

Michael Kugelman

Executive summary

Pakistan’s current population is about one-third urban. However, that figure will rise to nearly 50% by 2025. This brief analyses the drivers of Pakistan’s urbanisation, and highlights both the positive and negative implications of the country’s transition to a more urban state.

Much of Pakistan’s urbanisation is driven by migration. In past decades, Indian Muslims and Afghans fled to Pakistani cities to escape war back home. Today, rural Pakistanis are entering cities to escape war, insecurity and natural disasters, and also to seek new livelihoods and better basic services. The large natural increase in Pakistan’s total population also explains the country’s rising urban population.

Urbanisation strengthens the electoral prospects of urban-based political parties, but also empowers hard-line urban-based actors, and heightens the risk of political violence in cities. High-growth industries in cities offer hope for Pakistan’s floundering economy, but rising urban populations pose great challenges for job markets and service providers. While advanced telecommunications in cities provide great benefits to Pakistani society, new urban forms of land inequality pose threats.

Europe can help ease Pakistan’s urban transition by funding literacy and vocational training programmes in cities, by supporting the Pakistani private sector’s efforts to help provide urban basic services, and by establishing sister city partnerships.

Ultimately, Pakistan must take ownership of its urbanisation challenge. Policymakers will need to strike difficult balances between urban industrial growth imperatives and residents’ basic needs, while taking care not to neglect the agricultural sector, which has dominated Pakistan’s economy for years.

Michael Kugelman is the senior programme associate for South Asia with the Woodrow Wilson International Center for Scholars, based in Washington, DC. Much of his work focuses on resource shortages in Pakistan and India, although his portfolio encompasses a variety of political, security and economic issues across South Asia. He has edited or co-edited various books on these issues. He is a regular contributor to the Pakistani newspapers Dawn and Express Tribune, and also writes for Foreign Policy and the Huffington Post. He holds a master’s degree in international relations from Tufts University.
**Introduction**

Pakistan has long been a nation defined by its countryside. This is where the majority of the population is based; where the largest industries are ensconced; and where some of the chief political power centres are anchored.

Today, however, this tradition is imperilled. Pakistan is urbanising at an annual rate of 3% – the fastest pace in South Asia. The United Nations Population Division estimates that, by 2025, nearly half the country’s population will live in cities (about a third do today).\(^1\) Other projections – which use density-based rather than administrative definitions of urbanisation, and take into account “peri-urban” areas that lie just outside formal urban boundaries – conclude that the urban population has already reached 50%.\(^2\) For the sake of consistency, all urbanisation figures used here are derived from estimates based on the more common administrative definition, which emphasises population growth only within areas officially designated (through boundaries or other formal markers) as city space.

By 2025, Lahore’s population, currently about 7 million, will exceed 10 million. Karachi’s will be 19 million; it is 13 million today. Strikingly, the number of Pakistani cities with populations between half a million and a million will be 11 – whereas today it is only two. “What these numbers show”, according to the economist Shahid Javed Burki, “is that Pakistan is at the threshold of a major demographic transition.”\(^3\)

The next section discusses the drivers of Pakistan’s urbanisation. Subsequent sections focus on the ramifications of this demographic shift for Pakistan’s politics, economy and society. The major argument is that urbanisation is both promising and a problem: while it encourages economic growth, innovation and interconnectivity, it also risks exacerbating political violence and deficiencies of basic services and natural resources. The conclusion recommends how Europe’s donor community can help ease Pakistan’s transition to a significantly more urban state.

**Drivers of urbanisation**

Urbanisation is not a new story in Pakistan. In 1947, the year of Partition, masses of Indian Muslims (estimates range from 6 million to 8 million) crossed the new border. Many of these refugees settled in urban areas in the eastern Pakistani provinces of Sindh and Punjab. Additional migratory flows occurred in 1965 and 1971, when wars between Pakistan and India resulted in more Indian Muslims streaming into Pakistani cities (certainly these wars also sparked outflows of Pakistani Hindus into urban India). These new arrivals were mostly Urdu-speaking ethnic Mohajirs, who would later launch the Muttahida Qaumi Movement (MQM), a political party that has dominated the southern metropolis of Karachi (in Sindh province) for decades.

In the 1990s, the anti-Soviet insurgency in Afghanistan spawned a new exodus into urban Pakistan. Scores of Afghans, most of them ethnic Pashtuns, crossed the Durand Line into north-western Pakistan; as early as 1992, nearly 4 million had arrived. Initially they resided in border refugee camps, but because of economic struggles in these rural areas – the Pakistani government forbade Afghans to cultivate land – many ventured to the western Pakistani cities of Peshawar and Quetta.

Today, urbanisation continues to be fuelled by war, insecurity, and economic necessity. Pakistani military offensives in the rural north-west have induced many people to flee to cities. While most are civilians, militants – including the Pakistani Taliban – are on the move as well. According to some reports, 8,000 Taliban fighters now operate in Karachi.\(^4\) (A similar dynamic is at play in

---

\(^1\) Because Pakistan has not completed a census since 1998, the most reliable estimates of the country’s urbanisation (along with those of general demographic trends) come from United Nations population data. For this reason, unless otherwise stated, all projections in this brief are derived from UN figures.


Quetta, the largest city in Baluchistan province. Hazara Shia Muslims have streamed into Quetta at the same time as members of Sunni extremist organisations. The result, as in Karachi, has been increasing levels of violence. Additionally, many residents of rural Sindh are relocating to Karachi to escape from dacoits – bandits and thugs who take advantage of breakdowns in law and order and wreak havoc on people and their property.

Meanwhile, many Pakistanis are leaving the hinterland to seek jobs in cities. These include farmers and fishermen whose livelihoods have been shattered by water shortages – a scourge sure to be compounded in the coming years by drought, desertification and other effects of climate change. Additionally, many families in rural Sindh have opted for urban living after losing their homes to flooding. Other Pakistanis are relocating to cities because of their belief that urban areas contain better-quality healthcare, education and other basic services.

These rural–urban migrations are not the sole explanation for Pakistan’s rapidly growing urban population. A second factor is the natural increase in Pakistan’s general population. Given the country’s high rate of overall demographic growth, this natural rise is a steep one. The total population is growing by 2% every year, and if the average fertility rate (currently about four children per woman) remains constant, Pakistan’s population, now about 180 million, could number nearly 300 million by 2030 – and more than 450 million by 2050.

Two conclusions can be drawn from this discussion. First, rural–urban migrations suggest that Pakistan’s urban population is increasing relative to the country’s overall population. Second, Pakistan’s rapid overall population growth portends considerable growth, in absolute terms, in the country’s urban population in the decades ahead. By 2025, Pakistan’s rural population is still expected to exceed that of the urban population in absolute terms – though the gap will have been narrowed significantly.

**Political consequences**

The Pakistan People’s Party (PPP), which leads the current governing coalition, draws much of its power from rural landholdings. However, with the number of people, and therefore voters, increasing in cities, parties with urban power bastions are poised to enjoy considerably greater clout. This is why some political analysts theorise that the PPP is deliberately delaying the completion of Pakistan’s long-overdue national census. If completed, it would confirm the increase in the urban population (which has risen markedly since 1998, the year of the last census), and would amplify the party’s worries with elections looming in the spring of 2013. A larger urban population means more urban voters – a problem for a party that has traditionally attained more electoral success in rural areas than in cities.

Urbanisation has two major ramifications for the country’s turbulent political scene. First, it could give a big boost to the Pakistan Muslim League-Nawaz (PML-N), the nation’s chief opposition party, which is led by the former prime minister Nawaz Sharif. The PML-N’s bastions are undeniably urban, with strong support in the cities of Punjab, Pakistan’s most populous province. Nearly all PML-N parliamentarians hail from Punjabi cities, from Lahore and Rawalpindi to Faisalabad and Gujranwala. Unless other parties make major adjustments, the PML-N will be in a position for significant electoral gains by the time Pakistanis go to the polls in 2018 and 2023.

Second, and similarly, urbanisation could enhance the future prospects of Pakistan Tehreek-e-Insaf (PTI), the party headlined by the cricket legend turned politician Imran Khan. The PTI, like the PML-N, draws much of its strength from urban Punjab. While polling finds both Khan and the PTI extremely popular among Pakistanis nationwide, the party must still reckon with the PPP’s iron grip on much of rural Sindh, and other parties’ secure holds on rural areas elsewhere in the country. However, over the next decade, as Pakistani cities become a bigger political prize, the PTI’s stock, like the PML-N’s, will rise. In effect, urbanisation will oblige rural-based parties to rethink their membership recruitment strategies.
Urbanisation also has two immediate, and troubling, political implications. One is heightened unrest. Karachi’s rapid population growth has intensified competition between the MQM – the Mohajir-dominated heavyweight of Karachi politics – and the Awami National Party (ANP), composed of Pashtuns originally from Pakistan’s north-west. Such competition, fought over precious land, votes and other sources of influence, frequently results in deadly violence. In 2012, according to a Karachi citizens’ group, city violence had killed about 1,900 people by late November – the highest figure since 1994.5 Karachi’s bloody turf battles also drag in newly arriving members of other ethnicities and their affiliated political parties, such as Sindhi supporters of the PPP (which has a modest presence in Karachi relative to the dominance of the MQM; many PPP supporters in the city have recently come to Karachi in order to flee flooding in inner Sindh). Sectarian attacks, many of which target the Shia Muslim minority and are perpetrated by Sunni extremist outfits, add to Karachi’s devastating violence.

The second real-time political consequence of Pakistan’s urbanisation is the rise of new hard-line players who find ample support among urban Pakistanis. The last year has featured the rise of the Difa-e-Pakistan Council, a coalition of conservative religious and political parties whose members include the founder of the Lashkar-e-Taiba militant group and a former head of Pakistan’s spy agency. This collective has barnstormed Pakistani cities and attracted sizeable crowds at its rallies. Furthermore, established ultra-conservative outfits – such as the Hizb-ut-Tahrir (HuT), a global Islamist organisation (banned in Pakistan) that advocates non-violently for a caliphate – are increasingly recruiting members from urban college campuses, posh city neighbourhoods and, according to military court proceedings, general military headquarters in the garrison city of Rawalpindi.

**Economic consequences**

Urbanisation offers several prospective economic advantages. Above all, it has the potential to help resuscitate Pakistan’s struggling economy. Small and medium-sized enterprises (SMEs), which generate 85% of the country’s non-agricultural jobs, are mostly urban-based – illustrating how Pakistani cities are a locus of employment opportunities.6

Additionally, the crown jewels of Pakistan’s educational system – Lahore University of Management Sciences (LUMS) and Karachi’s Institute of Business Administration – are urban institutions. Their talented graduates are pouring into Pakistan’s high-growth and dynamic industries, which are also headquartered in cities. One example, information technology, has in recent years produced the LUMS professor Umar Saif (named by the Massachusetts Institute of Technology as one of the world’s top innovators), the late Arfa Karim (a 16-year-old computer prodigy who died after an epileptic seizure in 2012) and a series of international award-winning software applications.

Unfortunately, urbanisation also presents major economic challenges, with several already playing out today. An obvious example is how rising city populations, and the consequent high demand for low-income urban employment, overwhelm an already constrained job market. Additionally, swelling city populations are taxing the state’s ability to provide basic services such as housing, electricity, clean water and healthcare, even as many Pakistanis are migrating to cities for the express purpose of obtaining these services. Today, Pakistani cities suffer from housing deficits of about 3 million units (while nearly 50% of Pakistani urbanites live in slums); unsafe water kills 30,000 Karachiites per year; and city power cuts sometimes last 20 hours a day.7 Some economists argue that the public sector lacks the capacity to be an urban services provider, and contend that this function should be outsourced to the private sector.

---

5 Ibid.
Another contributing factor to Pakistan’s urban services conundrum is its preference for sprawl and other forms of horizontal urban growth. This density-averse urban planning model translates to large single-family homes and ample amounts of green space and car parks. Because residents are spread out over large areas, this model complicates efforts to deliver services promptly to large numbers of people.

Pakistani city planners eschew vertical, high-density models of growth, which emphasise high-rises and mixed-use regulations that allow the same structures to be used for commercial and residential purposes. Such models, according to urban studies analysts, could help ease Pakistan’s services crunch. This is because vertical growth allows for more high-density space (more people living and working closer together), and therefore more efficient and rapid service delivery. It also frees up more land on the ground for additional housing (not to mention schools and retail businesses).

The supply of city housing is further undercut by rental laws so unfavourable to landlords that the latter often refuse to rent out their properties (only about 5% of housing in Pakistan is rented). Because most urban dwellers are too poor to buy such properties outright, many coveted city housing units lie idle.8

Finally, urbanisation raises concerns about the neglect of Pakistan’s agricultural industry – a critical sector that has dominated the economy since independence, and that accounts for nearly half of all labour force jobs. The rise of urban industries raises several troubling questions. How will Pakistan’s powerful agricultural lobbies respond to urban growth policies, especially if such measures are perceived as threats to the agriculture-dominant status quo? If agricultural workers lose their jobs, how will they be absorbed into other sectors, particularly given the constraints of the country’s overall labour economy? If waves of unemployed farm workers try their luck in urban areas, how will authorities accommodate these new influxes when cities are already severely deficient in water, energy and housing?

**Social consequences**

Much like its economic consequences, urbanisation’s implications for Pakistani society are both encouraging and troubling. On the one hand, it is a catalyst for modernisation. As hubs of innovation, technology and communication, Pakistani cities enjoy considerable interconnectivity. Thanks to the prevalence of power grids, urbanites can enjoy modern forms of energy (when available) instead of depending exclusively on the biomass and firewood expended in rural areas. Public transport enables people to get around more easily. And telecommunications infrastructure has hastened the growth of Pakistan’s influential private media, facilitated the spread of affordable mobile technologies and accelerated Internet hook-ups – all of which are becoming hallmarks of Pakistani urban society. In these ways, urbanisation enables Pakistanis to be twenty-first-century global citizens, just like their counterparts in New York and New Delhi. In recent years, these telecommunications trends – particularly rising Internet penetration rates – have started to spread to rural areas as well.

Urbanisation also has the potential to shatter one of the most long-standing structural obstacles in Pakistani society: inequitable rural land ownership. A small minority of rich farmers owns the majority of Pakistan’s rural land, meaning that millions are landless and dependent on these wealthy landowners for livelihoods, natural resources and patronage. These powerful landlords, many of them politically connected if not actual politicians (and many of them involved in corrupt activities with politicians), repeatedly block the implementation of policies that would strengthen sustainable development in Pakistan. For instance, they obstruct land reform that would provide more equitable access to land, and keep policymakers from enlarging the agricultural tax base to increase much-needed government revenue.

As Pakistan’s urban population growth rate increases, its rural rate of population growth is projected to fall steadily until 2025, when it will become negative. Many observers believe this decline in the rural population will undermine the clout of the landowners, and help dismantle

---

8 Planning Commission. “Pakistan: framework for economic growth.”
the semi-feudal system they have enforced for decades.

Unfortunately, there are indications that this long-ingrained system will simply be exported into a new urban context. Powerful industrialists hungry for city space to accommodate their expanding enterprises, along with wealthy opportunists simply seeking profitable assets, are laying claim to urban land used (even if not formally owned) by poor city residents for housing purposes. Pakistani media reports often depict armed “land mafias” and “land grabbers” preying on squatters, slumdwellers and other low-income city-dwellers who lack clear ownership rights over their property.

The combined effect of urbanisation’s negative consequences – the intensification of political violence, the strain on service provision and employment, the insecurity of land tenure – raises the prospect of an increasingly restive and angry urban citizenry. Given the inroads made by groups such as Difa-e-Pakistan and the HuT, concerns about a radicalised urban society abound as well. Pakistan’s cities are deeply socially conservative (some argue more so than rural areas), in part as a result of the deep influence of Pakistan’s urban-based private television channels, which are avowedly conservative in their content. Some programming has featured “exposés” about unmarried couples frolicking in parks, and lovers engaged in homosexual activities. Additionally, prominent television anchors often insult liberal Pakistani politicians, including during live interviews with them.

This is not to say that Pakistani cities are overwhelmingly conservative; many of the country’s most progressive-minded citizens are urban-based, and warmly embrace the connectivity and technological hubs emerging in Pakistani cities. Yet observers of Pakistan argue that, generally speaking, the elements of Pakistani society championing tolerance have traditionally been rural-based, and those promoting conservatism have been urban-based. Unsurprisingly, according to one analyst subscribing to this view, Pakistan’s urban middle class is deeply nationalistic and pious, contemptuous of those who use English, certain that Western interests are besieging the Muslim world, and convinced that the CIA or Mossad carried out the September 11th 2001 attacks. This demographic, currently estimated at around 30 million, is expected to reach 100 million in the coming years.

The role of Europe

The European donor community can help ease Pakistan’s urban transition. It can fund literacy training programmes and vocational training centres to help prepare urban residents for the job market, and particularly for positions in the SME sector. It can also support small-scale clean water projects. One example is the distribution of water purification tablets, a necessity given that Pakistani city water supplies are heavily contaminated by industrial pollutants and chemicals such as arsenic, lead and even cyanide.

Another role for European aid providers is to strengthen the capacity of the Pakistani private sector, which will increasingly be looked upon to help the government provide basic services in cities. In fact, this sector has already made some important contributions. Private companies supply about 40% of Pakistan’s family planning services (and are responsible for 80% of condom provision), with most of this supply found in urban areas. Such robust private-sector efforts are needed in other areas as well, particularly energy and water. One model for European donors to consider is the work of Abraaj Capital, a Dubai-based equity firm. Abraaj has invested heavily in the Karachi Electric Supply Company, and is credited with improving the struggling supplier’s financial health, capacity and efficiency.

Europe can also establish sister city partnerships with Pakistan. In addition to promoting cultural exchange, pairing up cities would allow each side to share lessons, experiences and best practices in urban governance and job creation. The optimal European cities to participate would be those with


sizeable Pakistani diaspora populations such as London, Manchester and certainly Oslo.

**Pakistan’s ultimate responsibility**

As with all its challenges, however, Pakistan must take ultimate ownership over urbanisation. To its credit, Islamabad is starting to give the issue some attention. In 2011, Pakistan’s Planning Commission, a government advisory body, released a report proposing a new paradigm for economic growth, and urbanisation was a major focus. One chapter, “Creative cities”, calls on the government to revamp city zoning laws to allow for more high-rises and mixed-use buildings. Such changes, the Planning Commission argues, can generate more housing units and open up more space for schools, shops and markets, in effect increasing the supply of services while also boosting commercial activity.11

Crafting an appropriate urban policy will require both creativity and judiciousness. This is because policymakers must strike two different sets of delicate balances. One is between urban industrial growth imperatives and the basic needs of city populations. While securing urban land for new corporations is important, such pursuits should not encroach on areas used for low-income housing. The other necessary balance is more fundamental. It entails making a strong policy commitment to cities while taking care not to neglect the ongoing needs of rural areas. For all the rural labourers and communities relocating to cities, many will remain where they are – and large percentages of them are deeply impoverished, food-insecure and unemployed.

Ultimately, officials in Pakistan and the donor community alike must recognise that proper policy responses to urbanisation must go beyond simply helping super-sized cities deal with rapidly growing populations. Policy planners must take into account the complex nature of Pakistan’s urbanisation. It involves not just megacities such as Karachi (and soon Lahore), but also numerous medium-sized cities of 500,000 to 1 million people as well as large towns. It also involves the outlying peri-urban areas of large cities. Each of these urban dimensions will require different types of responses.

Some may argue that given Pakistan’s multitude of immediate problems – from extremism and polio to corruption and dysfunctional schools, now is not the time to worry about a demographic transition that remains in its early stages. Yet the potential price of ignoring this challenge is stark: teeming cities overflowing with the homeless and unemployed, ravaged by natural resource scarcity and struggling to keep a lid on angry and restless residents.

With Pakistan’s increasingly urban complexion coming into sharper focus, it is high time for the country to embrace this emerging new identity and to take the proper steps to ensure that the transition is a successful one.

**Further reading**


---