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Population and Urbanization

JOHN ADAMS

Rapid population growth in modern Pakistan contributes to political stress, and complicates present and long-term problems of economic management. In the 40 years since independence, the population has tripled, and now numbers over 100 million. In broad terms, the output of the national economy has risen six-fold and per capita income has doubled. This economic expansion has taken place in an ecological, cultural and institutional setting that features a number of marked rigidities. The country's stocks of water and arable land are essentially fixed. Regional and ethnic rivalries have long been a feature of the nation's politics. Elite groups of landlords, senior bureaucrats, military officers and big industrialists have been persistent political actors, and have maintained and at times extended their control over the nation's private and public resources and assets.

The widening currents of population growth are flowing into a cultural and institutional matrix that has shown little change in the past four decades. Ethnic and regional divisions continue to serve as a basis for political action and group membership remains a passkey to material gains in such forms as jobs or land. Property institutions that reserve control of agricultural, industrial and

commercial assets to a privileged few make it difficult for new entrants to the burgeoning labour force to find jobs. Consequently, rural employment in agriculture is harder to find and many migrant urban workers are being deflected into the informal sectors of the economy.

Shackled by dependence upon elite participation, Pakistan's governments generally have been unable to enact policies that would more equitably distribute jobs, incomes, assets and public goods such as roads and schools. An outcome has been the failure of social indicators to keep pace with economic advancement. Literacy, education, infant mortality and adult longevity are laggard. There are substantial regional disparities in development. The rapid growth of cities has exceeded the nation's capacity to provide housing and urban amenities. Unrest, especially in Karachi, is one consequence of the multiplication of city populations in an environment of service shortages, political inertia and ethnic rivalries.

Fertility rates have remained high largely because the roles of women in society have not evolved. Most women do not work outside their homes or family compounds and less than one-tenth are educated to the point of literacy.¹ A few highly visible women with university education hold posts in the professions, especially in teaching and medicine, in television news, and at the apex of national politics. Also, at the other end of the social gradient, the poorest women in the cities and countryside are motivated by economic exigency to participate in the labour force. As family incomes rise, it is common for women to leave the public labour force and enter some form of purdah. Thus insulated, Pakistani women are immunized from the social and economic forces that have driven down fertility rates and moved other societies through the profile of demographic transition. Without changes in female labour force participation rates, male attitudes and female literacy rates as well as a greatly expanded national family programme, it is unlikely that fertility rates will decline in the near future, even though per capita income is rising.

POPULATION TRENDS

It is essential to understand the profile of past trends. Table 10.1 provides population estimates for 1951 and later census years and

TABLE 10.1
Population and Urbanization, 1951-2011

	1951	1961	1971 ^a	1981 ^b	1991 ^c	2001 ^c	2011 ^c
1. Population	33,740,000	42,888,000 ^d	63,407,000	83,782,000	111,430,000	148,202,000	197,109,000
2. Decadal change (%)	19	27	47	32	33	33	33
3. Urban population	6,000,000	9,700,000	16,111,000	23,739,000	35,609,000	53,413,000	80,119,000
4. Decadal change (%)	—	62	66	47	50	50	50
5. Rural population	27,740,000	33,180,000	47,296,000	60,043,000	75,821,000	94,789,000	116,990,000
6. Decadal change (%)	—	20	43	27	26	25	23
7. Urban share (%)	18	23	25	28	32	36	41
8. Karachi	1,068,000	1,913,000	3,195,000	5,103,000	7,655,000	11,099,000	15,539,000
9. Decadal change (%)	145	79	67	60	50	45	40
10. Lahore	849,000	1,296,000	2,028,000	2,922,000	4,237,000	6,016,000	8,303,000
11. Decadal change (%)	26	53	56	44	45	42	38

Notes:

- Data backcasted from the 1972 census.
- Figures are provisional.
- Estimates by the author.
- Probably a substantial underestimate.

gives projections through 2011. At independence in 1947, there were 34 million people in what was then West Pakistan. By mid-1987, Pakistan's population passed the 100-million mark. At the current rate of growth of 3.1 per cent, population will double again by about 2012. With no deceleration, Pakistan's population will number about 600 million in 2050. This will be a twenty-fold increase in population since 1950.

On first impression, hypothesizing a population of 600 million persons for Pakistan in 2050 may appear unrealistic, since the figure is predicated on no reduction in the present growth rate of 3.1 per cent per year. The World Bank estimates that Pakistan's population growth rate will actually rise to 3.3 per cent during the period 1987 to 2000, and that population will reach 156 million at the end of the century, which is higher than the estimate in Table 10.1. If fertility rates decline early in the twenty-first century, a steady-state population of 513 million is estimated for 2040.²

Rapid population growth is usually accompanied by a widening of the base of the population pyramid, as the proportion of young people in society rises. In Pakistan today, about 45 per cent of the population is below 15 years of age and 55 per cent is under 20 years of age. So long as the demographic expansion continues along current paths, the society will face steadily mounting demands for housing, schools, jobs and health services.

The balance between the urban and rural populations will tilt towards the former, but the rural population will continue to expand. Over the 60-year horizon of Table 10.1, urban populations are assumed to grow at 50 per cent a decade, while rural populations grow by about 25 per cent a decade. Between 1951 and 1981, the proportion of people living in towns and cities rose from 18 to 28 per cent. By 2011, 4 out of every 10 Pakistanis will live in urban areas. So, despite rapid urbanization, in the first quarter of the twenty-first century most Pakistanis will still be villagers—by a ratio of 3:2. In fact, the rural population will just about double between 1981 and 2011.

Karachi's population will rise from one million in 1951 to over 7.5 million in 1991. It is likely that the city's population will double to 15 million in 2011. About 6.5 million people live in Lahore and its environs, and smaller cities like Rawalpindi, Multan, Faisalabad and Hyderabad have experienced explosive growth in the past two decades. Migration is responsible for about one-half of urban growth. Table 10.2 presents some census estimates of the sizes and

TABLE 10.2
Sources of Urban Migration, 1980s

	Pakistan	Karachi	Lahore	Hyderabad	Rawalpindi	Nawabshah
1. Total immigrants	6,590,000	1,576,000	323,000	246,768	131,049	78,645
2. Immigrants (%)	8	44	9	12	20	7
3. Other countries (%)	61	51	83	71	33	55
4. Punjab (%)	13	26	—	16	—	37
5. Sind (%)	6	—	3	—	5	—
6. NWFP (%)	12	21	13	9	60	3
7. Baluchistan (%)	2	1	.1	2	2	5

Source: *The Herald* (Karachi), November 1988; based on official census data.

compositions of the migrant populations of five cities. Karachi has the largest number of immigrants and they comprise 44 per cent of the city's population. This does not include immigrants from rural Sind. Many of Karachi's immigrants have origins in India; internally, the chief sources are Punjab and NWFP. The other cities also have mixed immigrant populations and these numbers represent underestimations of the quantity of immigrants and their diversity.

With these notions of demographic growth and structure in mind, let us now look more specifically at the interaction of population, resources and power in the agricultural and industrial sectors of the economy.

AGRICULTURAL RESOURCES

Agriculture generates one-quarter of Pakistan's national product, but employs 49 per cent of the labour force. In 1987, 32 per cent of national product originated in agriculture and the sector employed 54 per cent of the labour force. The structural transformation of the labour force is thus fairly advanced. Depending on which crops are included in the index and the period selected, Pakistan's agriculture is estimated to have grown at about 3 to 4 per cent a year in the 1970s and 1980s. The country is now more or less self-sufficient in wheat, and rice is a major export. Cotton is the pre-eminent commercial crop, serving as an input for the spinning and textile industry. Raw cotton, yarns, textiles and cotton clothing are important exports. Sugarcane, oilseeds and coarse grains are other important crops.

Pakistan's total land area is about 80 million hectares, of which about 19 million are cultivated. Roughly three-quarters of the land area is unproductive, mountainous terrain and arid plateaux. Excluding fallows, only 19.5 per cent of the land is actually cultivated; of this, in turn, just one hectare in every five is used to grow more than one crop a year. Few parts of Pakistan receive enough rainfall to support agriculture, so 71 per cent of the cropland is irrigated—three-quarters of this being canal-served.³ The irrigated acreage is regionally skewed: 68 per cent is in Punjab, 22 per cent in Sind, 5 per cent in NWFP and 4 per cent in Baluchistan.⁴

Land and water are the most important assets in agriculture and their ownership is a crucial determinant of a family's wealth, income and security. Together, land and water comprise four-fifths of rural assets by value. The development of the canal system under British rule created opportunities to practice settled cultivation. Migration and population growth have, a century later, raised the man-land ratio past the point where there are, or could be with redistribution, enough farms for all potential cultivating households. Even following an egalitarian land reform, predicated on creating viable family farms, the landless would still be numerous and would increase disproportionately, since all future rural population growth would feed into the pool of landless families. Land redistribution cannot, therefore, remove the divide in rural society between landed and landless households.

The *Report of the National Commission on Agriculture*, 1988, states: 'There has been virtually no change in total cultivable land since 1960-61: rather it has gone down as a proportion of reported area from 60 to 54 per cent. Even the net sown area has stabilized at about 15 million hectares since 1975-76.'⁵ About 75 per cent of Pakistan's cultivated area is irrigated, the highest proportion of any large country in the world. The *Report* notes that water supplies from canals and tubewells are approaching full utilization: 'The scope for further expansion from both sources is very limited: in canals because of the virtual exhaustion of supplies in the river system, and in tubewells because underwater sources of sweet water are running out.'⁶ It thus appears that future gains in agricultural output will have to be based on more efficient use of water and soil resources, in conjunction with new technologies, seeds and modern inputs. The issue is whether landholding patterns, hierarchical relations in rural society, and other institutional factors will be permissive of such an intensification of cultivation.

Attempts at land reform have not been successful. The failure to implement tenurial changes that would reshape the agrarian structure illustrates very well the success elites have had in opposing measures that would reduce their control over productive resources and wealth. Comprehensive redistributive land reforms would be desirable for the classic reasons: to create viable family farms, to give more families land ownership rights, to abolish tenancy and sharecropping, to open avenues for broad extension programmes, and to facilitate rapid technological progress. Although data on

landholding are not reliable, those available depict a skewed and hierarchical tenurial pattern that may be worsening. It is said that about two-thirds of the rural households have access to land as owners or tenants and one-third are landless agricultural labourers. Between 1972 and 1980 the share of land held by the poorest 40 per cent of farm households fell from 11 to 10 per cent of the total, while the share of the top 20 per cent rose from 55 to 57 per cent. The rural income distribution moved in the same adverse direction.⁷

Table 10.3 provides additional information about landownership in its columns 1 through 4. Farms comprising more than 12.5 acres constitute 26.4 per cent of all farms but cover 65.6 per cent of the total farmed area. Columns 3 and 4 show a high prevalence of tenancy, especially in the middle size ranges typical of family farms. A very large proportion of Pakistan's farm families cultivate lands that they do not own. Column 5 demonstrates that farm holdings are divided into many separated plots.

In comparing landholding patterns and landlessness in the subcontinent, it seems that landless agricultural labour households increased from 10 per cent to around 20 per cent of all rural households in Pakistan between 1961 and 1972, and this fraction has probably continued to rise. Indeed, 'land distribution in Pakistan is the most unequal in the subcontinent.'⁸ On the other hand, rural Pakistanis more commonly work in artisanal and household activities than elsewhere in the subcontinent excepting north-western India.

Since the late 1960s, when farmers began adopting high-yielding wheat seeds, modern inputs have become increasingly important in agriculture. The small farmers cultivate more intensively (column 6), using traditional manuring along with some chemical fertilizer (column 7). They may have their fields plowed by tractors, perhaps because their farms are too small to justify supporting bullocks. Middle-sized farms are the most likely to have fertilizers applied and less frequently use tractors. The largest farms are the least intensively farmed and fewer use fertilizer or manure. They employ insecticides and tractors, and have better access to credit. They are owner-managed and hire agricultural labour. Large farmers devote more attention to commercial crops than do small farmers.

The picture is not uniform, but the patterns of landholding, water use and control over modern inputs suggest that those farm families with large holdings own and control a disproportionate share of the nation's agricultural assets. Village and local studies

TABLE 10.3
Land Tenure, Farm Size and Technology

(0) Farm size (acres)	(1) Per cent of total farms	(2) Per cent of farm area	(3) Owner- operated %	(4) Tenant- operated ^a %	(5) Fragmen- tation (no.)	(6) Cropping intensity index	(7) Fertilizer use %	(8) Manure use %	(9) Insecti- cide %	(10) Casual labour %	(11) Have debt %	(12) Tractor use %
0.0-1.0	8.0	0.2	90	10	2.5	164	20	26	1	40	16	46
1.0-2.5	9.2	1.7	79	21	3.0	151	35	15	3	44	16	46
2.5-5.0	16.8	5.1	68	32	3.4	144	42	9	3	43	18	37
5.0-7.5	16.8	8.5	65	35	3.5	135	44	7	4	43	20	32
7.5-12.5	22.6	18.8	51	49	3.6	129	45	6	5	44	22	33
12.5-25.0	17.3	24.7	59	41	3.9	120	39	5	5	49	24	36
25.0-50.0	6.5	17.7	66	34	4.5	113	33	5	6	54	26	45
50.0-150.0	2.3	14.7	77	23	6.1	108	30	4	10	59	31	59
150.0-	0.3	8.5	86	14	11.4	100	29	3	18	66	36	73

Source: Pakistan Agricultural Census Organization, Statistics Division, *Pakistan Census of Agriculture*, 1983. Author's calculations.

Note: a. Includes sharecropping.

depict ownership, tenurial and resource-use patterns consistent with these aggregate conclusions. Concentration is a particular feature of Sind, but is also common in Punjab and NWFP. Over time, the disparities may widen, as sharecropping declines and the average size of the largest farms rises. The existence, even enhancement, of wide unevenness in the control of land, water and modern inputs requires explanation. Several factors work strongly in the opposite direction: rapid population growth, division of holdings because of inheritance and family quarrels, official attempts at land reform, and the higher productivity of small and middle-sized farms, which have the most efficient and attractive scale of operations.

These forces operating to create a more egalitarian distribution of land and other assets are offset by a countervailing tendency: the political skill of the landed elite. Rural magnates have enjoyed political success at both the local and national levels. In their domains, they control entourages of retainers by offering access to land, food, work, security, houses and credit. Large landowners use these entourages to sustain their influence over rural resources and as vote banks in elections. Nationally, since independence, the landlords have been major players in most political parties, in all provincial and national assemblies, on policy-shaping committees and in public administration. They frequently have close family and personal ties to members of the military, civil service and industrial elites. They are thus enabled to thwart the imposition of agricultural taxes, secure input subsidies, subvert land reform and obtain high farm support prices.

Credit and modern inputs are expandable of course, but increments gravitate to the control of the rural magnates, especially because the government is not committed to ensuring equitable distribution. Education would make it possible for the property-less to secure an intangible productive asset—human capital—except, again, access to schooling is limited by social origins and not guaranteed by government. Expansion of rural industries would create local employment possibilities, since capital is an extendable resource, but this process too has not moved with any pace.

The combination of tight ownership of rural assets and rapid labour force growth has predictable consequences. Strong push factors must therefore operate to drive migrants towards urban labour markets. So long as they are unchallenged by other elite or

mass political forces, the big landowners' position will remain strong as a consequence of the role they play in local and national politics. They stand astride the principal flows of agricultural inputs into their sector and of farm products outward. The landlords are situated as the chief prop of the state, acting from their rural redoubts in Sind and Punjab, and behave as key economic actors, since their raw materials and foodstuffs are essential for industry, exports, urban workers and foreign exchange savings.

INDUSTRY AND EMPLOYMENT

One study of the structure of ownership of private industry in Pakistan in 1968 reported a high degree of concentration. Forty-three families controlled 54.4 per cent of private industrial assets in what was then West Pakistan.⁹ It was argued that their position was sustained by a complex network of tariffs, foreign exchange controls and licensing that barred entry and regulated expansion. When Zulfikar Ali Bhutto came to power in 1972, he took steps that reduced the role of the private industrial houses in the economy. Private large-scale industrial investment shrank from 15 per cent of total investment in 1971–72 to only 5 per cent in 1977–78 (see also Table 9.1 in the previous chapter). This does not mean, of course, that the concentration of ownership in the private sector was reduced, only that the sector as a whole was under pressure.

After 1972 a proportionate shift in ownership of industrial assets occurred from the private to the public sector. This happened in part because of the wave of nationalizations under Bhutto, but mostly because of a dramatic tilt in favour of public investment. The ratio of public to private gross investment rose from 1.05 in 1972–73 to 2.31 in 1977–78, then declined to 1.65 in 1983–84. Most of the rise was due to investment in heavy industries, especially the Pakistan Steel complex. After Bhutto, public investment has remained in the neighbourhood of 60 per cent of total investment, although within the public sector investment in large-scale enterprises dropped as the big Bhutto-era projects were completed.¹⁰ The continuing momentum of public investment in the 1970s and 1980s has expanded the share of the nation's industrial assets

controlled by elite bureaucrats and apex politicians. It is said that, under Zia ul-Haq, senior army officers, active and retired, found it attractive to move into management positions or serve on the boards of the state enterprises.

Pronouncements about privatization and liberalization in the late 1980s had little or no impact on the balance of public and private investment and ownership. Within the private sector the share of investment going into large-scale enterprises has risen a bit in recent years but remains below that of the average for 1950 to 1972. The public sector remains vigorous: public investment expanded at an average rate of 12 per cent a year in 1985–86 through 1987–88. Since the same rate governed private investment growth, there has been no significant change in the public–private investment ratio. Sales of public sector firms grew by 16 per cent in 1987–88, and by slightly more if Pakistan Steel's sales are included. A list of Pakistan's largest firms shows an admixture of public, private and foreign corporations, coexisting in a fairly stable ranking.¹¹

If there has been a shift in the distribution of ownership of private industrial assets, it has been towards smaller enterprises. About four-fifths of total private investment is made outside the large-scale sector and it is here that there has been the strongest growth. In the small-scale and medium-scale sectors investment has contributed to appreciable employment growth, in contrast to the stagnation of employment in the large-scale public and private establishments. In the old-line textile industry and within the large-scale private sector the dominance of family groups is probably as great as it was 15 years ago.

The movement of workers from the rural to the urban areas is paralleled by a shift in the sectoral structure of employment: the share of agricultural employment has fallen while that of industry and related sectors has risen. Table 10.4, part A, summarizes these structural changes. From 66 per cent in 1951, agricultural employment fell to 51 per cent of the labour force. As labour shifted from agriculture, it went into manufacturing, construction, transport and commerce, and other services. The share of manufacturing employment has, however, remained static at 14 per cent of the labour force since 1961. Additions to the labour force have been increasingly absorbed into construction, transport and commerce, and other services. The share of large-scale industrial employment

TABLE 10.4
Employment and Wages

	A. Sector employment ^a (%)					B. Employment growth ^b (%) per annum		C. Real wages ^c (1970 = 100)								
	1951	1961	1971	1981	1985	1972-1979	1979-1985	1970	1975	1980	1981	1982	1983	1984	1985	1990
1. Agriculture	66	61	57	53	51	1.8	1.8	100	127	145	191	186	215	225	230	240
2. Manufacturing	10	14	13	14	14	4.8	1.1	100	112	161	165	171	180	191	200	230
3. Construction	2	2	3	5	6	8.6	4.8	100	114	154	149	146	143	129	125	125
4. Transport and commerce	9	10	15	17	17	4.9	2.5	100	—	—	—	—	—	—	—	—
5. Other services	13	13	12	11	13	2.7	5.3	100	—	—	—	—	—	—	—	—
Total	100	100	100	100	100	3.1	2.5	100	—	—	—	—	—	—	—	—

Notes:

a. Data are from census sources and probably are accurate.

b. Data are international agency estimates based on official sources.

c. Data are collected estimates, the author's forecasts and rough guesses at best.

in total manufacturing employment has declined from 17 per cent in 1971 to only about 12 per cent. By one calculation, employment in large-scale manufacturing fell absolutely between 1976-77 and 1980-81. Negative elasticities of employment were reported with respect to output in textiles and other industries, and this condition has probably persisted.¹² It is possible that employment in the large-scale sector has actually continued to rise, since firms may be shifting to hiring off-book and part-time workers. This enables them to evade government wage, benefit and job security requirements and reduce their labour costs; they may also be able to increase the number of non-union workers in their workforces. Still, these kinds of practices are probably not sufficient to account fully for the officially reported stagnation in employment in the large-scale sector.

Part B of Table 10.4 shows sectoral employment growth rates. All of them decreased since the period 1972 to 1979, except for the amorphous category, other services. Employment growth in manufacturing took place only because of gains at medium and small firms. These shifts imply some important things about the composition of Pakistan's rapid post-1977 growth. First, the share of the labour force in agriculture fell too rapidly because of inadequate rural employment generation. Secondly, much of the boost to non-industrial employment can be attributed to the spending of remittances from the Middle East and, perhaps, to streams of black money emanating from smuggling, drugs, arms and spillovers from international aid to the resistance forces in Afghanistan. Income and employment gains were driven much more by a consumption multiplier than by an investment multiplier. Thirdly, the small-scale, informal and underground sectors had to absorb an increasing numbers of workers. As part C of the Table 10.4 shows, construction wages—the only sub-sector for which a pertinent index of informal wages is available—fell significantly in real terms in the 1980s.

Pakistan's aggregate labour market is increasingly beset by supply and demand imbalances in its different segments. The excess supply of labour is being exacerbated by the net return flow of migrants from the Middle East. On the demand side, conditions have been summarized by saying that there has been '... a significant reduction in the economy's labour absorptive capacity'.¹³ It appears that the capital-labour ratio has risen in many industries, especially for

the large-scale ones. The labour unrest and preferential legislation of the 1970s, and continuing urban unrest in the 1980s, have encouraged industrialists to substitute machines for workers where feasible. The role of the public sector in employment generation has been disappointing, despite its large share of national investment. Certainly, the elite civil service, technocrats and some army officers have found lucrative and influential positions in public sector organizations. At lower levels, too, public sector jobs are an attractive form of patronage. Despite these pressures, the unwillingness of the government during the 1980s to undertake important new large-scale projects has limited the scope for employment growth, as has the generally lethargic pace of total public sector investment.

On the private side, the continued domination of large-scale firms by a small industrial elite has constrained expansion of employment opportunities. Rising capital-labour ratios may be associated with attempts by this elite to reduce their companies' exposure to union pressures and labour unrest and indiscipline. Private industrial assets in Pakistan are, in addition, certainly vulnerable to seizure or taxation by contrary interests: the civil and military elites or mass political movements. This risk dampens the propensity to invest; occasional assurances and the sporadic and gratuitous provision of incentives by the government have done little to motivate a surge in private investment commitments. For similar reasons, foreign investment in Pakistan remains negligible.

URBAN UNREST

The rapid expansion of population, the widening migration flows and the rampant growth of the cities are strong forces that are driving change in modern Pakistan. They impel considerable stress, and this in turn generates political reactions. This would be true even if Pakistan were a homogeneous nation composed of persons sharing uniform values and speaking a common language. But Pakistan is anything but a homogeneous society, and forging a common culture and nation-building have been compelling tasks for its intellectuals and rulers. Attempts to use Islam as a social

glue have probably fomented as much tension as they have resolved. Thus, the demographic variables act within and upon an extremely complicated and variegated social matrix, which magnifies their political valences. When ethnic, linguistic, regional and economic cleavages coalesce along the same fault lines, political unity, consensus and territorial integrity is difficult to sustain. In Pakistan, the primary manifestations of this phenomenon are fears of Punjabi cultural and political hegemony, persistence of Baluch separatism, calls for Pathan autonomy and unrest in rural Sind.

Until perhaps 1970, Pakistan's major ethnic groups did not frequently rub up against one another. Now that rapid population growth has reduced the space, land and resources available, and currents of migrants are moving towards the cities, interactions among ethnic groups have become more frequent and intense. In the cities there is now daily confrontational competition for jobs, housing, and local power. Weak and underfunded city administrations are unable to provide the amenities and services demanded by the rapidly expanding urban populations.

A striking development has been the appearance of urban 'mafias'. These are ethnically based neighbourhood organizations, gangs, factions or urban entourages. They flourish by offering jobs, security, credit, housing and shops. On the dark side, they foment crime; extort money; control taxis, jitney buses and trucks; and some are involved in smuggling, the arms trade and drug dealing. These organizations comprise a kind of informal government, paralleling and interacting with the informal economy. Many migrants work in informal and illegal activities, and live in kachchi abadis (slums). Since they seek no contacts with officials or police, the support of kin and kind is crucial. Although one does not want to exaggerate the influence of these organizations, it is undeniable that they compete successfully with city governments in the provision of services to and control over urban communities.

The interaction of urbanization, ethnicity and conflict over increasingly scarce jobs, amenities and resources is nowhere more evident than in Karachi. Public transportation, sanitation services, water supplies, schools, hospitals, and parks and recreational facilities are woefully inadequate. The city administration is inept and impoverished. The city council was supplanted by the Sind government in 1987 and the mayor arrested. In turn, central authorities have criticized Sind's handling of Karachi's chronic riots and urban

terrorism and periodically intervened. Tensions have been especially high between Muhajirs and Pathans. The availability of weapons enables each side to arm against the other, and against the authorities. The police are cowed, bribed or simply ineffective. Those responsible for looting, rape, arson and murder are almost never arrested and tried, despite heroic public statements by posturing and safely remote politicians. Violence, curfews and plant shutterings may have cost the economy \$175 million in early 1987 alone. Kidnapping businessmen for ransom had become frequent in the late 1980s. The insecurity in Karachi and its industrial suburbs has discouraged investment in the region and there are reports that some firms have relocated in Punjab.

The scope for bilateral group conflict is extensive. Battles between Sunnis and Shiites, between Biharis and Pathans, and Sindhis and Punjabis have been reported. Nor is conflict limited to Karachi: disturbances have broken out in Hyderabad and other cities and in rural Sind. As one observer says: 'Each group whether ethnic, sub-religious, sub-nationalist or biraderi (kinship brotherhood) has an intense emotional charge rooted in primordial loyalties and a high degree of firepower derived from the contemporary arms market.'¹⁴ Strong economic growth creates new income-earning opportunities—a form of intangible assets to be brokered and controlled; immigration provides fresh recruits, and the mafias serve as intermediaries. In the absence of effective administration and credible authority, they flourish. These informal political structures then form symbiotic alliances with local, regional and national parties, which in turn reinforce their popular legitimacy and enhance the role they play in allocating the spoils of power.

REGIONAL DISPARITIES AND SEPARATISMS

Regional imbalances have dogged economic development for many years; these regional economic differences have been a significant factor in the hostility towards Punjabi domination and calls for regional autonomy and separation. Punjab, Sind, NWFP and Baluchistan have intrinsically different resource endowments: water and arable land are concentrated in Punjab and Sind. Transport, power and communications are more advanced in Punjab

and Sind than in NWFP and Baluchistan. Table 10.5 provides some measures of regional development. Column 1 indicates that the great bulk of new private investment went into Punjab and Sind during the Sixth Plan, despite policy incentives to invest elsewhere. On a per capita basis Sind attracts the lion's share, but this is because of Karachi. The figure for Baluchistan is inflated by the proximity to Karachi of an industrial park that is eligible for concessions. Manufacturing output in Sind is higher than the other provinces, including Punjab, but this is also due to Karachi. According to one study, Punjab had 46 per cent of Pakistan's large-scale industrial assets in 1980–81; Sind had 45 per cent, but 26 per cent of the total assets were in Karachi and only 19 per cent in the rest of Sind.¹⁵

Sind's rural backwardness is suggested by the high incidence of sharecropping (column 3). Baluchistan and parts of Punjab lag in village electrification (column 4) and agricultural credit per acre (column 5). Punjab has, however, 84 per cent of the country's tractors and 82 per cent of the threshers and power-driven blades. The rate of adoption of modern technology in agriculture is apparently higher in Punjab than elsewhere. The regional distribution of durable goods, outside Karachi, is quite uneven. NWFP, Baluchistan and rural Sind have fewer automobiles, motor cycles (column 6) and television sets (column 7) per capita than Karachi and Punjab. Limited as they are, medical services are fairly evenly spread (column 9).

Total and female literacy rates (columns 10 and 11) are favourable to Karachi and Punjab. School participation rates parallel the literacy rates. The content of education is biased towards Muhajir and Punjabi history, personalities and culture, and this disturbs the other groups.¹⁶ The emergence of a common culture shared by all Pakistanis is confounded by fears of Punjabi or Muhajir pre-eminence in putting forward their hero-figures as the nation's, or in dominating textbook histories and classroom teaching to the neglect of Pathan or Baluch idols and traditions.

There is uneven development in Punjab and Sind, while regions around Quetta in Baluchistan and Peshawar in NWFP are relatively advanced. Districts with important secondary cities often stand out from largely rural districts. There is thus a triple-tiered pattern of regional underdevelopment: across provinces; within provinces, between rural and urban areas; and, in the rural areas, between progressive and backward districts.

TABLE 10.5
Regional Development

	(1) New private invest- ment (%)	(2) Manuf. output/ person (Rs.)	(3) Share- cropping (% area)	(4) Villages electri- fied (%)	(5) Agric. credit (Rs. 000/acre)	(6) Motor- bikes (per 10,000)	(7) TV sets (per 10,000)	(8) House- holds w/elec- tricity (%)	(9) Hospital beds (per 10,000)	(10) Literacy rate (%)	(11) Female literacy rate (%)
Pakistan	100	1,524	29	51	152	48	142	na	6	26	16
Punjab	42	1,015	29	44	142	45	143	29	5	27	17
Sind	42	3,649	37	73	192	73	235	36	8	31	22
NWFP	3	327	25	81	209	14	52	33	8	17	7
Baluchistan	12	na	17	19	77	25	35	14	6	10	4
Karachi	na	9,657	na	na	na	217	680	66	na	55	49

Sources: *The Herald* (Karachi), November 1988; based on official census data. Column (1), *Pakistan and Gulf Economist*, 4-10 April 1987, first three years of Sixth Plan.

Differences in regional resource endowments, industrial investment, infrastructure and public services intensify the political pressures that arise from rapid population growth and mounting competition to secure economic advantages. Many commentators have noted the interactions among these economic inequalities, hostility to Punjabi supremacy, and the fervour of regional political movements.¹⁷ In many political systems, state action would work in the direction of reducing regional and social inequalities, but Pakistani governments have done very little to offset centripetal economic forces. Policies of ethnic preference have had little impact on minority participation in public institutions.¹⁸ The composition of the army, the bureaucracy and business leadership remains heavily imbalanced in favour of Punjabis. Pathans have some weight within the army and Muhajirs are heavily over-represented in business and commerce in Karachi and the towns of Sind. Muhajirs are also disproportionately found in the civil service, by a ratio of about four times their share of the population.

THE 1990s

Pakistan's politics will continue to be driven in the 1990s by the interaction of demographic and economic forces in a setting where the proprietorial command of public and private resources and assets is in the hands of narrow elite interests: landlords, industrialists, bureaucrats and the army. Partly countering these proprietorial elites will be a popularly elected government. The restoration of democracy, if it persists, may thus mark an important turning point in the country's post-independence history. Pakistan's experience with democracy is limited and it is evident that elite interests have continued to play significant roles in government.

A central weakness is that the government lacks the capacity to raise sufficient fresh financial resources to cope with these difficulties. The tax base has actually been eroding and evasion is pervasive. Over half the central government's tax revenues come from Karachi, which has been a Muhajir stronghold. Political leaders have been forced to acknowledge the military's supreme position and old-line bureaucrats and technocrats have held on to senior positions, including the presidency. Democratic governments have

thus far been unable or unwilling to challenge the existing distribution of economic resources and assets.

What makes the position of the elected government so precarious in the long run is that many of the groups that are the most adversely affected by the destabilizing long-term trends are precisely those from which it must draw support. Large mass groups with few asset claims such as small farmers, landless labourers, urban labour, petty merchants, white collar workers and students must inevitably look towards a responsive and redistributive government as their best hope for an improvement in the availability of jobs, public goods and social services. Yet, raising more revenue from the business or landlord elites by imposing new taxes on industry or agriculture will be a difficult task. Equally difficult will be cutting back on the military's claims on public spending.

Still, there is room for hope in a democratic Pakistan of the 1990s. The successful conduct of democratic elections has opened the long-closed doors to reforms. Elections have brought forward into the political arena many younger, newer faces in all parties.