

URBAN SPRAWL, INFRASTRUCTURE DEFICIENCY AND ECONOMIC INEQUALITIES IN KARACHI

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ABSTRACT: *Karachi is the most urbanized city in the Pakistan. The unplanned urbanization poses serious challenge because of institutional inefficiency and governance failure. The main theme of this paper is to analyze the growing urban sprawl, its trends, its effect on urban infrastructure and growing urban divide. The objective of this study is to identify the urban issues and connect it with policy failures due to which service delivery of institutions has been badly compromised resulting economic divide in the city. The study is an exploratory and causal comparative in nature with extended literature review and scholarly investigations through secondary data. The paper provides essential guideline to policy makers for current and futuristic needs of the citizens. The government must conceive the urban vision and work in tandem with all stakeholders for setting the goals of sustainable urban development. The city's development must ensure the participation of marginalized communities and reduce the economic gap between urban rich and poor. The paper concludes that urban experience in Karachi is turning out to be real farce because of crippling infrastructure, below par service delivery and unequal distribution of economic benefits.*

Keywords: *Urbanization, Infrastructure, Economic Inequalities, Karachi, Pakistan*

INTRODUCTION

The cities across the world have been major attractions for the people seeking better opportunities, education, trade, commerce and healthcare. Urbanization has always posed serious challenge to the policy makers. The compounding growth of inward migration compels policymakers to plan properly and ensure the proper service delivery.

Karachi is the big metropolitan city and is undergoing massive urbanization. The growing urbanization on one hand, provides enormous opportunities and can pose serious threats on the other hand if not tackled with proper planning. The major drivers of urbanization in Karachi are a proximity of location due to seaport, seeking employment opportunities because city is hub of major industries, natural disasters in rest of the country and adequate educational and health facilities.

There is no denying to the fact that urbanization is strongly linked to economic growth. But, at the same time, rapid urbanization poses severe challenges to developing countries, as cities in these countries are ill equipped to deal with this increase in population. Without adequate planning and control, rapid urbanization may lead to the development of informal and unauthorized settlements; shortages of housing; poorly serviced and designed residential areas; excessive pressures on the available services; and the resultant problems of sanitation, air pollution, inadequate access to safe drinking water, over-crowding and social problems.

Pakistan being a developing country facing the wrath of urbanization since many decades, but the country's policy makers and institutions clearly lack vision and articulation to counter the challenges of urbanization due to which country's urban centers and particularly Karachi are crippled with urban related chaos.

The Karachi with more than 20 million population has been consistently growing with people from all over the country for better lives. The policymakers never countered the needs of the huge influx of people, whether inward migrants or refugees from neighbouring countries.

The ever growing urbanization and diverse needs of the urban population need to be properly analyzed and catered. The

city's poor infrastructure and dwindling municipal resources may simply lead towards catastrophic situation. The urban planning is the hotbed of modern policy making and it needs an institutional framework for effective management of the affairs.

The city's weak and ineffective institutions lack vision, dynamism, leadership and enforcement. The political intervention has further weakened the capacity of the institutions. The worsening socio-economic discourse, law and order, poor living standards in rural suburbs of the country will result into messy urbanization coupled with inadequate infrastructure will produce economic inequalities.

The pattern of urbanization is directly linked to the available economic opportunities in the cities. The Asian Pacific cities, particularly Hong Kong, Singapore, Tokyo, manila grew enormously during the 70s and 80s turning into hub of transshipment, services and aviation.

The developing countries in the Asian and African countries will witness a sharp rise in the urbanization as compared to European, North American countries which are already highly urbanized as more than two-third of their population live in urban areas. In case of developing countries the dependence on rural economy because of agriculture has slowed the pace of urban migration but with changing climatic conditions, desertification of agriculture lands, and lack of employment opportunities will fasten the process of urban migration.

However, the urban centers in developed countries are far more organized, well facilitated with the presence of sound infrastructure, digitalized, and presence of strong institutional framework in form of decentralized local governments, rank higher as compared to the developing countries where urbanization is mostly city centric, lagging behind in basic amenities, and comprised of weaker regulatory environment.

Karachi, being the most populous and hugely expanded city in short span of time considering it had merely 0.3 million at the time of independence is a city of around 20 million residents to date. The sharp rise in population confirms that city is hotbed of urban trends in the country.

According to the Hussain [1] no country has grown to middle income status without industrializing and urbanizing. None has grown to high income without vibrant cities. The urban growth rates significantly have a positive impact on economies of scale, but neither automatic nor guaranteed as urban management is pre-requisite for such progress to materialize.

RELATED LITERATURE

Pakistan along with Bangladesh and Sri-Lanka apply administrative criteria to assess whether the settlement is urban or not. The areas are declared urban if they come under the jurisdiction of metropolitan corporation, municipal corporation, municipality, town committee, urban council and cantonment. However, in global urban environment the factors of population size, density and non-agriculture workforce is also given consideration beside administrative assessment [2].

The urbanization is the vertical and horizontal growth of urban areas due to modernization, industrialization and rationalization. The urban development is being seen as geographical consequences of the evolution of capitalism [3]. The process of urbanization at initial stage forces agriculture workers to move from agricultural jobs to manufacturing and services jobs. As it goes along it causes deficiency in the delivery of basic services [11-12].

The one branch of international growth theory maintains that institutions determine growth in the long-term. The institutions are governed by set of rules and regulations. The ability of institutions to deliver depends on their jurisdiction, authority, independence and autonomy. The institutions flourish once if freed from political biases and connected with all stakeholders. The growing urban population needs to be supported by strong institutional governance to redress the compounding issues through innovative means [4-5-6].

The migration from rural to urban areas initiates in the surrounding suburbs of the cities, but grows and multiplies with every passing day. This is a transitional phase for migrants to bring meaningful changes in their lives and status [7].

The ever expanding cities in the modern era have compelled urban social scientists to find out the answers of some fundamental questions [8]. They have posed the important questions: Who are these new dwellers? Where will they

live? How can services for them best be financed and supplied.

The successful urban centers need to have provision of jobs, quality education and health care, safe and clean neighborhoods, effective transportation, and welcoming space for all residents [9]. The poor cities of the developing world are the showpiece of economic and cultural activities, but are ecologically unsustainable and at times unlivable [10].

ANALYSIS AND DISCUSSION

Urbanization Trends in Karachi

The urban population in Pakistan is around 35% of the total population and it grew at the rate of 3.4% as compared to average of 2.8 in the south Asian countries from (1990-2005) according to the report of world population by world Bank [13].

The Karachi population was around 10 million as mentioned in census report of (1998). But according to the latest estimates as well as the UN's calculations that estimate the current figures to have exceeded the 18-million mark in a space of just 15 years.

The speed of the urban population growth in Karachi is so exponential that from being 12th on the list of fast-growing cities [population-wise] in 2000 that it's on the fifth place according to the UN latest statistics. The major drivers of growth in urban population are reduced mortality rates, rapid rural migration and tendency of rural population to have large families for economic benefit. The economic population of urban population and their contribution towards GDP is far ahead than rural counterparts [14].

Pakistan is urbanizing at the rate of 3% annually arguably the fastest in the South Asia. The city of Karachi grew alarmingly around 80% from 2000 to 2010 [15]. It is projected that by 2025 almost half of the country's population will reside in the urban centers overburdening the Karachi as well. On the one hand it provides immense opportunity to the state to turn around this human resource, asset by investing them, which will bear fruitful results in near future or it could turn out to be another lost era.

The mushroom growth in the city's population has never been natural in the case of Karachi but it has always been driven on the behest of external and internal wars largely supplemented by Afghan crisis since 1979 and internal insurgency led by Taliban in the frontier province for prolonged periods.

The statistics of population growth in Karachi are as under;

Table: 1 Population Growth in Karachi

Year	Population	Increase or decrease %	No. of years in survey	Increase or decrease%	Average annual growth rate
1941	435,887	135,108	10	44.90	3.70
1951	1,137,667	701,780	10	161.00	11.50
1961	2,044,044	906,377	10	79.70	6.05
1972	3,606,746	1,562,702	11	76.50	5.00
1981	5,437,984	1,831,238	9	50.8	4.96
1998	9,802,134	4,540,422	7	86.29	3.52

Source: Census Reports, Government of Pakistan various issues

Table: 2 Population of Slum Areas

	1974	1986	2000
Population	709000	1036000	1064400
No. of households	109077	164000	148000

Source: Sindh Katchi Abadis Authority (2002)

Table: 3 District Wise Slums Distribution

District	No. of slum areas
Central	119
West	191
East	105
Malir	63
South	61
Total	539

Source: Sindh Katchi Abadis Authority (1998)

Table: 4 Urban Transport in South Asian Cities

Cities	Private transport%	Public transport%	Motorized transport%
Lahore	24	16	60
Karachi	27	23	50
Delhi	18	40	42
Mumbai	18	60	22
Kolkata	5	78	17

Sources: Japan International Cooperation Agency (2012)

Table: 5 Access to water and Sanitation in Pakistan in 2010

	Urban (36% of population)	Rural (64% of population)	Total
Water	96%	89%	92%
Sanitation	72%	34%	48%

Source: World Health Organization (2011)

Table: 6 Trends in Gini Coefficient

Years	Pakistan	Rural	urban
1983-85	0.38	0.35	0.38
1985-86	0.36	0.34	0.35
1986-87	0.35	0.32	0.36
1987-88	0.36	0.32	0.37
1990-91	0.40	0.42	0.37
1992-93	0.39	0.36	0.39
1993-94	0.38	0.36	0.36
1996-97	0.35	0.35	0.36
1998-99	0.41	0.37	0.45
2001-02	0.41	0.37	0.46

Source: Anwar (2005)

Table: 7 Urban Income Share Accruing to different groups

Year	Poorest 20%	Middle 60%	Richest 20%
1990-91	6.76	48.20	45.05
1992-93	6.59	46.71	46.70
1993-94	7.04	48.67	44.29
1996-97	7.52	47.82	44.66
1998-99	6.62	41.73	51.65
2001-02	6.77	40.42	52.81

Source: Various Issues of Economic Surveys, Government of Pakistan

Table: 8 Average Monthly Household Income by Quintiles & Areas (In Rupees)

Quintiles	2010-11		2011-12	
	Urban	Rural	Urban	Rural
1 st	11970	11265	13845	13221
2 nd	16482	13613	17674	16578
3 rd	17383	16618	21307	19342
4 th	22996	19922	26755	23204
5 th	40876	33933	51484	33978

Source: Household Integrated Economic Survey 2013

Table: 9 Average Monthly Household Expenditure per Household (In Rupees)

Quintiles	2010-11		2011-2012	
	Urban	Rural	Urban	Rural
1 st	12102	11379	13778	13123
2 nd	15182	13994	17413	16412
3 rd	16803	16427	20421	18901
4 th	20422	18211	23084	21741
5 th	33509	25554	40509	34774

Source: Household Integrated Economic Survey 2013

The statistics in **table 1** reveal that the city has a stiff challenge to meet the needs of the growing population due to unplanned urbanization. The experts state that since the last population census, the city population is almost doubled and now Karachi is the home of almost 20 million people. These figures have been projected at the growth rate of 6% per annum, which isn't a positive sign for the dynamics of the city.

Urban Infrastructure and Challenges

Urbanization is the hottest trend of the 21st century. The main reason behind that is increasing number of people are making urban centers as their permanent livelihood. The modern cities require innovative procedures and processes to address the urban sprawl. The needs of urban population as compared to rural population are different and diverse [17].

It is being projected that by 2030, Pakistan urban population will grow massively by 140%, which will add another 80 million into the urban population and the total urban population will become 130 million. The Karachi is home of 21% of urbanites in the country and any further rise in figures will explode the already worsening situation.

The city dwellers demand infrastructure development, innovative solutions for water and sanitation, affordable housing, standard education and health facilities, improved law and order, and the sustainable green environment. The alarming growth in the population should be compensated with an efficiency of infrastructure, delivery of municipal services, but it needs a lot to be desired from decision makers.

Urban Housing

The growth in urbanization will significantly raise the demand of housing and residence. It is estimated that the country has backlog of six million housing units and two-third of this deficiency belongs from urban areas. Karachi division is spread over 3400 square kilometers area and of which 1300 square kilometers falls into urban mass [18].

The city land is managed and governed by 13 different institutions at the same time. This leaves little room for comprehensive urban housing framework based on a modern housing framework followed across the globe in the metropolitan regions.

The mushroom growth in the katchi abadis generally in the country and particularly in the urban areas isn't positive sign for overall equitable development across the societies. The statistics presented by All-Pakistan katchi abadis association present a bleak picture as it reports of year 2003 state that around 36 million people are inhabitants of katchi abadis making it roughly one fourth of the overall population of the country. The majority of these settlements are in urban vicinities. The katchi abadis are mostly considered as safe havens for criminals and gangs as they are squatter settlements and are proper hide out from law enforcement agencies.

The land of Karachi is distributed unevenly as 62% of the population live in 8% of the residential area, thus ballooning the rate of densification in the city and whereas 38% of the population are settled in 92% of the area mostly residence of urban middle, elite class, bureaucrats and politicians.

Table 2 shows increasing residents of shanty towns and slums will aggravate the gap between rich and poor classes and its cost will be borne by society in the long run. The following table gives detailed overview of slums spread across the Karachi.

Table 3 shows the urban housing in the city has turned into different shapes depending upon income groups, net worth and purchasing power parity. The residences are classified as: Slums, Goths, katchi abadis, Apartments, Houses, Schemes, Cantonment areas.

Urban Transportation

The urban transportation plays very leading role for the economic development and environmental sustainability of the urban centers. The city of Karachi has been deprived of efficient and modern public transportation system at par with other urban centers across the globe, indicating a failure of the authorities responsible for the provision of this utility. The studies indicate that city's private transport is growing at the whopping rate of 9% per annum. This growth is the main contributory factor for the heavy trafficking and prevailing congestion in the city's roads.

The city district government Karachi and other relevant authorities at the times have partially offset the traffic woes by constructing signal free corridors, underpasses, overhead bridges and widening the roads but these efforts lack value in

long term because these facilities not necessarily resolve the problems of those who travel on public buses and two wheelers. The personalization of vehicles in the cities compounds the miseries of the traffic system [19].

The two cities of South America Bogota Columbia and Curitiba Brazil are successful models for bus rapid transit. The road conditions in Bogota were similar like in Karachi. Private transport was the preferred mode of commuting over public transport. The roads were heavily congested and long delays were routine at any given day.

The elected mayor from 1998-2000 Enrique Penalosa took the bold initiative to launch bus service on elevated tracks totaling 41 kilometers with estimated 660000 passengers travelling per day and supported by fleet of 470 buses. The mayor had a strong political and public support to make this project a true success story. Many cities are working on creative strategies and are continuously adding public transportation to get people out of their cars [20].

The Ex-mayor of Bogota clearly states that congestion and traffic problems can't be resolved without an integrated system of the Bus Rapid transit system. The World health organization [21] report states that road accidents are directly linked to the volume of traffic and weak implementation of traffic laws. The policy makers at the helm of affairs have preferred construction of road network over public transport showing complete waste of public money. The study of Tiwari [22] concluded that privatization of public transport increases the operational efficiency, improves service delivery and reduces the government subsidies.

The CDGK [23] document stresses the revival of Karachi Circular Railway, Bus Rapid Transit and Light Rail Transit for the provision of modern transportation to its citizens by 2020.

Table 4 shows fast rise in the private transport will be a major cause of delays reaching into the destination, wastage of precious time besides lowering the economic productivity, polluting the environment, overcrowding the roads, causing accidents, injuries and stress among the citizens.

Water and Sanitation

The proper supplying of water to urban population is another major challenge of urban institutions in the Karachi. The provision of water is a basic responsibility of Karachi water & Sewerage Board. It is formal institution vertically integrated to supply, transmit and distribute water. It is responsible for waste water collection, treatment, drainage and sewerage. The entity is separate from KMC and its annual budget is approved by government of Sindh.

The continuous demand of the utility has brought in the tanker mafias to intervene and provide it to the citizens with inflated costs. The mafias provide these services through illegal water hydrants by involving concerned officials through kickbacks. The water service provided by mafias is unhygienic and prone to diseases because of sub-soil water mixing.

The recent studies of the World Bank on urban centers of Latin America and Africa indicate that presence of informal sector entrepreneurs have significantly improved the services of water and sanitation to the poor masses with affordability

and flexibility . In case of Pakistan the water utility organizations have been operating under the umbrella of publically owned enterprises with greater inefficiency, outdated policies and under political clout.

The staggering 40% of the water is estimated as non-revenue water in South Asian cities, according to the reports of World Sanitation [24]. This indicates an institutional incapacity as a large chunk of potential revenues are lost along with non-provision of essential utility for the consumers. The WSP puts emphasis on the use of benchmarking tools to evaluate and analyze the performance of water service providers in order to address the service gaps and ensure broader reforms whenever needed.

Table 5 shows that the economic impact of inadequate sanitation is estimated as \$5.7 b which is nearly 5% of the country's GDP. The productivity losses, increase in mortality rates, high rise cost of bottled and canned water and environmental degradation are some immediate effects of non-availability of proper sanitation.

There are numerous innovative approaches piloted by private sector and NGOs for the fulfillment of water and sanitation facilities in their respective communities. The Orangi Pilot Project initiated by Akhtar Hameed Khan and Lodhran pilot project are great contemporary examples in this regard. These innovative projects were funded by the communities themselves and are based on component sharing model.

Solid Waste Management

The growth in city's population has significantly enhanced the production of solid waste with estimates of around 10000 tonnes of waste generated per day. The Karachi Metropolitan Corporation is responsible for the disposal of solid waste. The figures suggest that KMC is only able to cater half of the waste and is dumping into its two landfill sites located in Gond Pass and Deh Jam Chakro. The rest is being dumped into streets, open plots, public amenities turning city into full of garbage, filth and litter.

The solid waste treatment in the city of Karachi isn't efficient and isn't being collected, transported and disposed of, according to international standards of at least 75% waste disposal by municipal institution. The scavengers, kabbaris, middlemen and sweepers are considerable involved in the waste disposal, recycling business which has quite turned out to be lucrative in recent times. The city being the commercial and industrial hub, comprises of all types of solid waste.

The KMC has been operating in the environment of financial constraints. It is imperative that novel solutions be sought for discharging basic duty of waste removal giving some sort of sanctity to the urban residents. The KMC has to make new infrastructure investments and has to add landfill sites at regular intervals to encounter the growing waste of the city.

Urban Policing

The rapid urbanization has created the serious law and order situation in the metropolitan city. The city is hotbed of target killings, kidnappings, murders, vandalism, theft, extortions, vandalism and robberies. The increasing crime rates being witnessed in the city is closely linked with inward migration of the people. The city is commercial and economic hub

provides ample opportunity to the criminals to strive for their dirty ambitions.

The hierarchy of the police in the city falls under the domain of capital city police officer (CCPO) and final authority is vested on provincial interior ministry. The police has basic and prime responsibility to restore and maintain the law and order situation in the city. The law and order situation over the past decade has been gruesome and needs punitive actions for any drastic improvement.

The urbanization in the city is linked with emancipation of better economic opportunities as figures demonstrate that city contributes nearly 20% of the country's overall GDP. The rogue elements, criminal elements, professional gangs for the pursuance of their evil goals have moved in large numbers and made the city hotbed for their criminal activities.

The UN studies of 13 largest cities reveal that city has staggering homicide rate of 12.3 per 100000 making it the highest among the largest studies. This confirms slackness from law enforcement agencies attributed as politically patronized, wrecked and incapacitated.

The authorities have miserably failed to stop the blood bath in the city in forms of target killings, gang wars, sectarian killings, multiple crimes in shape of kidnappings, extortions, bhattas, bank robberies, street crimes, cyber-crimes simply endless list of crimes perpetrated on the streets of innocent citizens of metropolis.

According to Inskeep [25-32] despite ongoing violence it is worthwhile to observe the city's tolerance, vitality and thriving civil society and culture of charity. He appreciates the resilience of people and their spirit to live in harmonious culture and denounce the violence in any manner whatsoever. The Karachi city has undergone into major demographic shift in last two decades, which has produced a catastrophic effect on the ethnic and communal harmony of the city. The terrorism in the KP, economic deprivation in rural Sindh and insurgency in neighboring Baluchistan has contributed significantly for this metamorphosis.

The all major ethnic groups are engaged in the political rivalry to gain maximum control of city's scarce resources. These political manifestations and ambitions have exploded and created the continuous strife and infighting.

The research studies demonstrate that socio-economic disparities lead towards crime and chaos in cities, leaving a big question mark on urban policy makers. The rational development and economic empowerment could be handy tools to curb the growing nurseries in disadvantaged and backward areas of the city.

The criminal outfits in the cities are thriving on the back of illegal economy, corrupt elite and mafias thus making mockery of city's institutions responsible for observance of law and order. The credible studies pinpoint that city's black economy is worth \$8 million per day makes it all difficult to contain because of high stakes and people behind illicit economic activities are backed and patronized by political elite.

The police reforms are badly needed in these testing times as zero tolerance towards crime may provide meaningful solitude. The police reforms in form of autonomy, zero

political interference, reward system linked with performance, modern equipment, and scientific intelligence and monitoring, effective investigation and prosecution could be initiated to revolutionize the rotten structure of urban policing. The training on modern lines must be imparted in police officers to counter the terrorists who conduct their activities with the help of cutting edge technology.

The urban policing model can be replicated from London metropolitan policing system. The system works on unified code, command and structure and is equipped of encountering multiple challenges of investigation, quick response and technical tasks.

Economic Inequalities

The wrath of urbanization in developing countries has widened the economic inequalities because of unequal patterns of income levels and consumption. The urban divide in the developed countries is comparatively low because of improved governance and strengthened institutions. The urban rich is well equipped to benefit from private sources, whereas poor classes with limited resources, no access to basic amenities dig deeper into poverty trap and are socially isolated causing social unrest in the urban life.

Pakistan, ranked 141 of 182 in the United Nation's Human Poverty Index, faces complex development challenges and is characterized by major inequalities in income and access to basic services. The fruits of urban migration in Karachi have not been realized because of institutional decay, rampant corruption, policy failures and multifold growth in the informal economy on behest of domestic and foreign vested interests.

The persistence of economic inequalities has serious consequences on the economy as it hampers the economic growth by decreasing the demand for goods and services. The income inequalities pave the way for prolong social tension and imbalances the social cohesion. . Inequality causes envy and unhappiness and thus affects the overall wellbeing of the people. The growing complexities in urban Pakistan are a direct consequence of economic disparities.

According to economists Hirschman and Rothschild, inequality in the development process is like a traffic jam in a tunnel. It can create turmoil if vehicles in one lane are allowed to move freely and are stalled in another lane. Drivers in stalled lane will get frustrated and can get dangerous. Inequality is itself costly because there may be a direct and significant economic cost of maintaining unequal structures. Inequality also leads to lower growth and higher poverty.

Income inequality has increased sharply during the last 30 years and the trend continues unabated despite tall claims of poverty reduction from official quarters. The distribution of assets is the main determinant of income and wealth inequalities in Pakistan. The access to state resources and creation of wealth by elite has significantly contributed for widening the gaps between haves and have not. The wealth of the nation is confined to a few families.

The rich class of the society is greatly exploiting the system in their favor because of their ability to manipulate the system politically, seek tax exemptions, get access to banking sector

and use corruption as a tool to broaden their wealth and eventually become rent seekers. The elite class is a classified tax evaders due to which country's tax to GDP is significantly lower as compared to regional averages and hovering around mere 10% of GDP.

The country's dependence on indirect taxes form of regressive taxation is alarming as 60% of national tax is collected through indirect means. The weakening of the state and power of elite in urban areas is a major bottleneck for upward social mobility. The shrinking middle class and increasing poverty levels will make the way for militancy and instability in the city. The city's worsening law and order along with the expansion of mafias doesn't augur well for stable, peaceful and prosperous Karachi.

According to Anwar [26] the inequality has increased in Pakistan during the period of 1998 to 2001-02. The study utilized Pakistan Integrated Household Survey (PHIS) data for analysis and the wise Gini coefficient are given in the table 6.

Table 6 shows the increasing trend in Gini coefficient confirms the urban divide and it has continuously moved in upward trajectory since 1993. The latest projections of experts reinstate the argument that urban rich is growing with every passing day whereas poverty levels are turning out to be chronic in the city.

Table 7 shows the richest 20% in the urban areas are encroaching the income of middle and lower middle classes, which in turn would badly hurt the consumption patterns of the majority population as statistics confirm that the income levels of the urban poor has stand still for a considerable period of time and current estimates are neither encouraging as well.

The statistics in **table 8** indicate that 1st quintile the poorest urban dwellers have a nominal increase in income levels as compared to the previous year, whereas the richest urban population, which is 5th quintile has an increase of 21% in their income as compared with the previous year.

Table 9 shows the consumption pattern of the poor class needs a lot to be desired as even with modest inflation the two-third of their income is financed to meet the food and rental expenses leaving little income to be invested on social welfare of their children. The richest class with continuous rising income can easily afford luxurious life and can continue to exploit the system.

The empirical data and the latest projections confirm that Pakistan is dangerously exposed to poverty risks as monopolization of assets, regressive taxation and inequitable distribution of resources are contributing for social, cultural and political exclusion of the disadvantaged urban poors. The increasing poverty has created a new class of urban beggars badly tarnishing the ambience of the city, but at the same time leaving a lot of questions for policy makers.

CONCLUSION

The paper has in detail highlighted the urban trends and discussed at length the plight of urban dwellers in Karachi. As a concentration of people and related activities take lead, a city can turn into mess if it is inadequately planned or poorly

governed, or when distributional policies are lacking or dysfunctional.

The study pinpoints that accounting for urban infrastructure is essential for accurately estimating the demands of the urban population and make the city livable. The continuous influx of the people will create the demand and supply gap on provision of basic services which could only be bridged with smarter solutions coupled with technological advances and holistic approach required from the authorities.

The study finds that urban institutions are politically patronized and badly compromised, offering no hope to down trodden classes of the urban society. The institutional slackness and non-conformance with continuous migration has cost the city dearly. The city of Karachi once known as "city of lights" has turned into cluster of crimes, litter, pollution and illicit activities. The governance failure and abdication of state services in the city has not only dented the availability of basic amenities, but facilitated the mushroom growth of the informal sector as well.

We find evidence that economic inequalities are stark realities of urban phenomenon in Karachi. The city needs to bridge the urban divide otherwise destruction of urban society would be inevitable. Inequality is neither predetermined nor destined but it is a result of policies, preferences, choices and power interplay within a society. It must be tackled by making structural adjustments and reshaping socio economic policies by investing on impoverished people and making them part of an egalitarian society.

It is found that city's crippling infrastructure, lack of investment, dearth of internal resource mobilization has made the city vulnerable to economic shocks and could turn into a nightmare if left unaddressed. The growing urban poverty may have significant implications on various social aspects. The poor is very weak and is always exposed to the unforeseen circumstances. It is wise to devise policies for urban poor and improve their lives as it is essential from the aspect of social security.

It is mentioned that in the context of urbanization, the decentralization and empowered local governments are better placed to address the compounding miseries of the urban dwellers. The local governments prioritize the demands of the local population, formulate the strategies and come up with practical solutions.

The leapfrog urban development in the Karachi throws a serious challenge to the policy makers as rural areas are under developed, prone to frequent natural disasters, unabated terrorism and lack of industrial activities. Accordingly, government needs to revisit its policies 1) need to work on urban growth strategy 2) address the financial constraints of the metropolitan city 3) need to work with all stakeholders for prosperous and inclusive city 4) must frame the policies for urban poor in order to make a difference in their lives.

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