

# **SEVEN REPORTS ON HOUSING**

**Government Policies and Informal Sector and Community Responses**

**ARIF HASAN**

**A publication of the OPP-RTI (Orangi Pilot Project - Research and Training Institute for the Development of Katchi Abadis), 1-D/26, Daulat House, Orangi Township, Karachi.  
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### **About the Author**

Arif Hasan was born in Delhi (India), in 1943, and migrated with his parents to Karachi (Pakistan) in 1947, where he has lived since then.

He studied architecture at the Oxford Polytechnic, UK, from 1960 to 1965; worked in architects offices in the UK, France and Spain from 1965 to 1968; and established an independent architectural practice in Karachi in 1968.

Arif Hasan is the architect of a large number of important residential, commercial and educational facilities in Pakistan. He has been consultant to the Orangi Pilot Project since 1982. In addition, he has been a consultant to various community action groups, NGOs, government institutions and international agencies including the Asian Development Bank, World Bank, various UN agencies, and the Aga Khan Foundation. From 1979 to 1989 he conducted the Comprehensive Environmental Design Project at the Department of Architecture and Planning at the Dawood College, Karachi.

In 1983 Arif Hasan's work received one of the Best Building Awards of the Karachi Development Authority, and in 1990 he received the International Year for the Shelterless Memorial Award of the Japanese government. In 1987, at the Congress of the Union of International Architects (UIA) in Brighton, he was one of the "celebrity speakers." He has been a Technical Reviewer of the Aga Khan Award for Architecture and is currently a member of its Steering Committee. He is also a member of the executive boards of the Habitat International Coalition and the Asian Coalition of Housing Rights.

His published works include contributions to a number of books on human settlements and ecology, and regular articles on housing and development for Pakistani and international journals.

## ABOUT THIS BOOK

This book is a publication of the Orangi Pilot Project's Research and Training Institute (OPP-RTI) for the Development of Katchi Abadis (squatter settlements). It consists of seven reports on housing selected from the writings of Arif Hasan, consultant and advisor to the OPP since 1982. The selected reports, which were originally prepared for various national and international development agencies, have been reproduced unedited. They critically analyse government policies, informal sector and community responses, and important projects, within the social, economic and political reality of Pakistan in general, and of the lower income groups, in both rural and urban areas, in particular.

Report One, **Government Housing Policies for Karachi and the Informal Sector in Housing**, and Report Five, **Illegal Subdivisions: A Case Study of Yakooabad**, were prepared as part of a larger study for the UNESCAP on "Informal Metropolitan Fringe Development in Karachi." The study was completed in April 1987. Paper Two, **The Informal Land and Housing Market in Karachi**, was prepared for NESPAK, consultants to the Karachi Metropolitan Corporation (KMC), as part of the KMC sponsored "Karachi Urban Land Management Study." It was completed in February 1990. Report Three, **Community Development Groups in the Urban Field in Pakistan**, was prepared for the Swiss Development Corporation (SDC), Islamabad, and was completed in August 1989. Report Four, **Housing Conditions, Directions and Statistics: A Case Study of Karachi**, was prepared for the UNCRD's Third International Training Seminar held in Nagoya in March 1991. Report Six, **A Case Study of the HDA's Khuda-ki-Basti Incremental Housing Scheme**, was prepared in 1990 for the House Building Finance Corporation (HBFC), and Report Seven, **Issues in Rural Housing**, is a paper which was presented by the author at a seminar on "Rural Development in Housing and Village Planning", organised by the Aga Khan Housing Board in December 1988 in Karachi.

There is no report or paper on the Orangi Pilot Project in this collection, although the OPP is undoubtedly an important squatter settlement rehabilitation programme through community participation, in Pakistan. This is because OPP-RTI intends to publish Arif Hasan's writing on the OPP in a separate volume, hopefully by the middle of 1992.

It is hoped that this publication will help create a better understanding of housing related issues in Pakistan, especially with respect to the problems faced by lower income groups and the appropriateness or otherwise, of the solutions offered to them by the various sectors involved in housing in this country.

PERWEEN RAHMAN  
Director OPP-RTI  
Karachi

December 1991

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## Abbreviations

ABES	:	Adult Basic Education Services
ADB	:	Asian Development Bank
ADP	:	Annual Development Programme
AERC	:	Applied Economic Research Centre at the University of Karachi
AFCW	:	Academy of Female Community Workers
AKRSP	:	Aga Khan Rural Support Programme
ASB	:	Anjuman Smaji Behbood
ASC	:	Administrative Staff College
ATDO	:	Appropriate Technology Development Organisation
BCCI	:	Bank of Credit and Commerce International
BHU	:	Basic Health Unit
BOR	:	Board of Revenue
BRC	:	Building Research Centre
BUSTI	:	Basic Urban Services for Katchi Abadis
CAG	:	Community Action Group
CBR	:	Central Board of Revenue
CDKA	:	Community Development in Katchi Abadi
CIA	:	Crime Investigation Agency of the local police
CLF	:	Civilian Labour Force
CSDO	:	Cantonment Slum Development Organisation
CSS	:	Catholic Social Services
DC	:	Deputy Commissioner
DCET	:	Dawood College of Engineering and Technology
DG	:	Director General
DIG	:	Deputy Inspector General
EPI	:	Expanded Programme for Immunization
FDA	:	Faisalabad Development Authority
FDR	:	Fixed Deposit Receipt
FIR	:	First Interim Report
FMC	:	Faisalabad Municipal Corporation
GI	:	Galvanized Iron
GNP	:	Gross National Produce
GKRP	:	Greater Karachi Resettlement Project
GoS	:	Government of Sindh
HBFC	:	House Building Finance Corporation
HDA	:	Hyderabad Development Authority
HEAL	:	Health Education And Literacy
HMC	:	Hyderabad Municipal Corporation
IDA	:	International Development Agency
IG	:	Inspector General of Police
IHS	:	Incremental Housing Scheme
ISD	:	Illegal Subdivisions

KAIRP :	Katchi Abadi Improvement and Regularisation Programme
KDA :	Karachi Development Authority
KESC :	Karachi Electric Supply Corporation
KIT :	Karachi Improvement Trust
KKB :	Khuda-ki-Basti
KMC :	Karachi Municipal Corporation
KMP :	Karachi Master Plan
KWSB :	Karachi Water & Sewerage Board
LDA :	Lahore Development Authority
LDP :	Lyari Development Project
LHV :	Lady Health Visitor
MLO :	Martial Law Order
MNA :	Member, National Assembly.
MPA :	Member, Provincial Assembly
MPD :	Master Plan Department
NA :	Not Available
NESPAK:	National Engineering Services Pakistan
NGO :	Non-government Organisation
NGOCC:	Non-government Organisation Coordinating Council
NOC :	No Objection Certificate
NUF :	Non-utilisation Fee
NWFP :	North-West Frontier Province
OPP :	Orangi Pilot Project
ORS :	Oral Rehydration Salts
PCSIR :	Pakistan Council of Scientific and Industrial Research
PDA :	Peshawar Development Authority
PILER :	Pakistan Institute of Labour Education and Research
PMC :	Peshawar Municipal Corporation
PVHNA:	Pakistan Voluntary Health and Nutrition Association
PWD :	Population Welfare Department
PWP :	Peoples Works Programme
RCC :	Reinforced Concrete Construction
RCD :	Regional Cooperation for Development.
	This organisation was established between Turkey, Iran and Pakistan in 1962
RTI :	Research and Training Institute
RTI :	Regional Training Institute
SBCO :	Sindh Building Control Ordinance
SDC :	Swiss Development Cooperation
SHO :	Station House Officer (head of a police station)
SITE :	Sindh Industrial Trading Estate
SLBO :	Sindh Local Bodies Ordinance
SP :	Superintendent of Police
SRTC :	Sindh Road Transport Corporation
SWD :	Social Welfare Department
UBS :	Urban Basic Services
UNICEF:	United Nations Children's Fund

WASA :	Water and Sewerage Agency
WCF :	Walled City Foundation
WAPDA:	Water and Power Development Authority
YGCWA:	Young Grex's Combined Welfare Association

### **Local terms/names**

abadkari	: development
abad karo	: get settled, build houses
rehaish karo	
adda	: den. In this case a teashop where people meet
anjuman	: association
badmashi	: unfair pressure
Baloch	: a person from the province of Balochistan
banse	: bamboo
basti	: settlement
barani	: rain-fed land
bazar	: market
begar	: forced labour
Biharis	: refugees from former East Pakistan
bishti	: person who carries water
bisi	: a monthly lottery among friends or committee neighbours
bhatta	: a regular illegal gratification
bhagridars	: shareholders
chacha	: paternal uncle
chai-khana	: tea shop
chai-pani	: tea water. This term means informal payments to facilitate work
challan	: payment, a fine
charpai	: bed
chatai	: straw or rush mat
chowkidar	: caretaker
choona	: lime
crore	: 10 million
dallal	: a middleman. In this case, the land-grabber/developer
dera	: camp. Here it means temporary bachelor quarters where new migrants, usually Pathans, live in the initial stages of their life in Karachi
dhanda	: business
dhobi	: laundryman
falah-o-	: welfare work
behbood	
gowcher	: cow-grazing
guniya	: right angle
hesab	: calculation
hukoomat	: government
izzat	: respectability (honour)
jalsa	: gathering, meeting
jhuggis	: shacks

katcha	: unbaked, non-permanent
katchi	: squatter settlements: now term used for abadis those settlements which have been marked for regularisation
khata	: records - in this case, revenue records
khichi jati	: gets stretched
hai	
lakh	: a unit of one hundred thousand
lepai	: mud plastering
madrassah	: religious school
mamoo	: maternal uncle
marla	: measure of land
mohajir	: refugee
mohallah	: neighbourhood
naqsha	: plan
nullah	: gulley, natural water channel
parchi	: paper slip
partition	: the partition of India which resulted in the creation of Pakistan
patta	: contract, lease
pir	: holy man
pucca	: permanent, well-baked
pugree	: seed money paid in advance
pardah	: curtain, screen, segregation
purana log	: old residents
qabza	: possession
qawwali	: religious chant
rupees	: Pakistani currency. 100 paisas to a rupee
saaman	: materials/goods
semi-pucca	: here it means a house of block masonry, with GI sheet roof and inadequate finishes
shahgird	: apprentice
shamlaat	: common property
shifa	: pre-emption
taqaza	: demand
thalla	: a building component manufacturing yard
thallawala	: one who owns a thalla
thana	: police station
urs	: birthday of a pir (holy man)
ustad	: master, teacher
zakat	: religious tax (charity)
zameen	: land

## **Report - One**

# **GOVERNMENT HOUSING POLICIES FOR KARACHI AND THE INFORMAL SECTOR IN HOUSING**

## **A. KARACHI: A BRIEF HISTORY**

### **1. KARACHI'S POSITION IN PAKISTAN**

Karachi is Pakistan's largest city and its only inter-national port. It has a population of 8.2 million, which means that 6 per cent of the total and 22 per cent of the urban population of the country live in this city. Its rate of growth is 5.6 per cent per year, 3 per cent due to natural growth and 2 to 3 per cent due to migration from other parts of the country. This is much higher than the 3.2 per cent growth rate for the whole of Pakistan. Karachi provides 25 per cent of the federal revenues and 15 per cent of the gross domestic produce of Pakistan. In addition, 50 per cent of the country's bank deposits and 72 per cent of all issued capital is from Karachi (1). Given these statistics, it is easy to understand the importance of the city in the political and economic life of the country.

### **2. THE BAY OF KARACHI IN HISTORY**

In 1728, the estuary of the Hub River, which then formed the port of Kharak Bunder, silted up due to heavy rains. Its Hindu merchants were thus forced to search for another port. In 1729, they chose the bay of Karachi, 18 miles east of Kharak Bunder, and established a small town in its vicinity. This town came to be known as Karachi.

Although the city of Karachi was established in the early eighteenth century, its bay has been mentioned in historical accounts, and in its immediate vicinity are ancient places of pilgrimage. Thus, the temple of Mahadeva, now in a suburb of the city, is mentioned in the Hindu epic, Ramayana (1000 BC). The heroes of the epic, Ram and Sita, are supposed to have spent a night in the Ram Bagh gardens, which are now in the city centre. The bay of Krokala, where the navy of Alexander the Great of Macedonia sought refuge from a storm on its journey home in October 326 BC, has been identified with the Karachi bay by a number of historians. The bay is also mentioned in medieval Arabic works on navigation in the Arabian sea, as a port of refuge from storms in the region. In addition, the shrines of Abdullah Shah Ghazi (763 AD), Yousef Shah (768 AD) and Pir Mango (1221 AD) are now within the city's metropolitan area and continue to be important places of pilgrimage both for the Muslims and Hindus of Sindh province.

### **3. THE GROWTH OF KARACHI**

The anarchic conditions in northern India in the 18th century made the traditional trade routes from India to Central Asia unsafe. Thus, goods were sent to Karachi by sea from the Indian peninsula, and then overland through Baluchistan and Kabul to Herat, Samarkand and Bukhara. Due to this Central Asian trade, Karachi became an important port and its merchants expanded their zone of

operations as far as China in the east, Zanzibar in the south, and Kiev in the west. The Russian expansion towards the Arabian Sea in the early 19th century threatened British interests in the region, and so, in 1839, the British occupied Karachi and used it for landing troops and armour for their Afghanistan campaigns to contain the Russians. In 1843, they annexed the kingdom of Sindh to their empire, and made Karachi the administrative centre of Sindh.

#### **4. KARACHI 1843 TO 1947**

After 1843, Karachi expanded rapidly. As the new administrative centre of Sindh, new buildings were added to it and its population increased from 15,000 in 1843 to 56,000 in 1870. The establishment of the railway network in the 1870s linked Karachi to the agricultural areas of the Punjab. In the 1890s, when perennial irrigation was established in that province, Karachi became the export route for an enormous amount of agricultural surplus, and by 1922 its population had increased to 203,000. In addition, Czarist, and then Soviet pressure on the western frontier of British India increased Karachi's importance, and it became a strategic naval base and military cantonment. During the Second World War, it was used again as a landing place for troops and materials for the eastern front, and expanded as a result. In 1941, its population was 435,887. In August 1947, the British Indian empire was partitioned and as a result, the new state of Pakistan was created. Karachi was made its first capital.

### **B. HOUSING FOR THE SHELTERLESS: EVOLUTION OF GOVERNMENT POLICIES**

#### **5. THE REFUGEE CRISIS: GOVERNMENT POLICIES BETWEEN 1947 AND 1957**

##### **5.1 The refugee influx**

In 1947, when Karachi became the capital of Pakistan, its population was just above 400,000. Between 1947 and 1951, over 600,000 refugees from India moved into the city. The vast majority of them were poor and destitute. They occupied all open spaces in the city centre, including parks, playgrounds, school buildings and cantonment lands. The services of the city were overtaxed and health and sanitation problems multiplied.

In addition to the refugee influx, a number of civil servants also moved to the new capital, along with people from the northern areas who came in search of jobs. However, the latter migration was no more than 5 per cent of the total influx.

##### **5.2 The response of the government to the influx**

**The initial response:** Initially, the government permitted the squatters to occupy all available land and vacant public buildings in the city. Some buildings were later vacated, and the residents moved into open areas in the cantonment. There, between the army barracks which had been given as accommodation to the new administration, they were allowed to squat. The government spent 70 to 80 million rupees (US\$ 388,888) (2) during this period on providing water and sanitation infrastructure for the squatters.

**The Greater Karachi plan:** In 1950, the Karachi Improvement Trust (KIT) was established to tackle



the problems the city was faced with. KIT was later upgraded to become the Karachi Development Authority (KDA) in 1957. In 1952, KIT, with the assistance of a Swedish firm of consultants (MRV), prepared a master plan for Karachi, known as the Greater Karachi Plan, or the MRV plan. The plan envisaged the creation of a new administrative area which would be linked to the old town by fast roads. The resettling of refugees in 10 storey flats on the land that they occupied in the city centre was also proposed so that they would be close to their places of work.

**Housing for government servants:** In addition to providing infrastructure to the refugee colonies the government also undertook the construction of housing units for the refugees employed in government jobs. However, this development was on so small a scale that it did not in any way affect the housing situation in Karachi.

Thus the government response between 1947 and 1959 failed completely to tackle the housing crisis that the city was faced with, and in these 12 years the supply of houses lagged far behind the demand.

### **5.3 The causes for the failure of government policies**

**Political factors:** The period between 1951 to 1959 was one of considerable political instability in Pakistan, and a decision on the implementation of the MRV plan could not be taken. It was felt in government circles that the high-rise heavy density housing in the city centre proposed by the plan should only be permitted if a new administrative centre away from the old town was created. Alternatively, the poor should be removed to colonies outside the city.

**Lack of data:** An adequate data base was not established for the preparation of the MRV plan, and the research necessary for development and implementation of the concept was not carried out. Consequently, the MRV plan was designed on the assumption that Karachi's population in the year 2000 would be 3 million, a figure which was reached in 1969!

**The problem of finances:** The planners of the 1950's could only think in terms of building houses for the poor, complete with all services. In addition, the development of 60,000 housing units for Karachi's poor was unfortunately linked with the creation of a new administrative centre. The finances required for this undertaking were beyond the resources of the new state.

## **6. HOUSES FOR THE POOR: GOVERNMENT POLICIES BETWEEN 1958 and 1964**

### **6.1 Political change and decision making**

In 1958, a martial law government was established in Pakistan and since it was not accountable to anyone, it took a number of decisions which were to have a major effect on the demography and housing policies for the poor in Karachi. These decisions were:

- i) A new administrative centre for the city was not to be established: This decision was followed by the decision to shift the capital from Karachi to Islamabad.
- ii) The poor should be moved out of the city: The President was very disturbed at the ugliness of the squatter areas in the city centre, and on more than one occasion said that with such a volatile

population in the vicinity of the centre of power, it was not possible to rule effectively.

iii) Pakistan should industrialise rapidly: The decision to industrialise was taken along with a decision to promote mechanisation and the use of fertiliser and new varieties of seeds in agriculture. Further, it was agreed that Karachi was the natural place in which to put up the new industries. These decisions pushed a lot of people off the land in the rural areas and migration into Karachi increased the city's growth rate to over 7 per cent per year in the 1960s.

## **6.2 The Greater Karachi Resettlement Plan: appointment of Doxiades**

In 1958 the Government of Pakistan appointed Doxiades Associates of Athens as consultants for what came to be known as the Greater Karachi Resettlement Plan. The new consultants established a data base for Karachi through various surveys and were able to project more accurately than their predecessors the growth pattern of the city.

**The results of surveys:** The 1959 survey of Karachi established that there were 119,000 homeless families in Karachi living in the city centre. Out of these, only 19,000 were locals, the rest being refugees from India. 55 per cent of these lived in shacks, 43 per cent in semi-permanent structures and 2 per cent in proper houses (3).

**Plan objectives:** The plan estimated that in 15 to 20 years Karachi would require 500,000 housing units and it undertook to actually build 300,000 of these for the poor! For the remaining 200,000, the government undertook to develop plots with services (4). The government further undertook to subsidise 30 per cent of this development. The rest was to be recovered from the users in easy instalments. In addition, the plan accepted the government's decision to move the squatters out of the city and tried to integrate the industrialisation process with the new townships it sought to create.

**The Korangi and New Karachi townships:** As phase 1 of the plan, it was decided to create new townships 15 to 20 miles out of Karachi in Korangi and New Karachi. In the vicinity of these townships, large industrial areas were also planned and incentives provided to the industrialists to develop these areas. Clearance of the inner city slums and the shifting of the residents to the new sites was an integral part of the plan. It was felt that the residents of the new townships would be provided jobs in the proposed industrial estates and as a result, Korangi and New Karachi would become independent satellite towns. Initially, 45,000 one-room nuclear houses were planned for these two colonies, complete with all urban services such as house connections for water, electricity and sewerage. However, only 10,000 units were built until 1964, after which the plan was shelved (5).

**Reasons for the shelving of the plan:** The plan was shelved because it failed to achieve its objectives. The main failures were:

- i) Jobs were not generated: Development in the industrial areas near the township did not materialise at the required pace. Thus 50 per cent of the people who were moved to Korangi and New Karachi moved back to squat in the city centre, or on the fringes of the city, so as to be nearer their places of work.
- ii) Speculation on property: The people who moved back to the city from the new townships

due to a lack of jobs and financial and physical difficulties in commuting, sold their homes to speculators. The speculators settled middle income people in these houses.

iii) **Financial problems:** Although there was a heavy government subsidy in the development of the townships, recovery from the users was negligible. Even now, after 25 years, only 70 million rupees out of a total of 186 million rupees have been recovered (6). In addition, it was realised that in the absence of returns from the users, the government could not raise finances from its own revenues for the continuation of the settlement scheme.

iv) **Non-utilisation of facilities:** Schools, dispensaries and markets were constructed as part of the schemes. These, especially the markets, were supposed to subsidise the maintenance of the township. However, they were not occupied, and to this day, a few remain empty. Instead, through encroachments, new markets developed along the main arteries, and schools and dispensaries were opened as commercial enterprises in the houses.

**Effects of the plan:** The planning, implementation and failures of the Greater Karachi Resettlement Plan had a major effect on both the policy-makers and the planners of the government, and on the city of Karachi.

**The effect on policy-makers and planners:** The policy-makers and planners learned that the problem of housing the poor was not just a physical one, involving money, technology and logistics, but that sociological factors were far more important. It was also realised that it was not possible to guarantee the recovery of development costs from the poor, and as such, it was impossible to provide the necessary number of houses complete with infrastructure. The problems of speculation, the conflict between reality and concept, and the relationship between urban development and government policies related to agriculture, trade and industry were highlighted. The need to lower costs of development, and hence standards, were also realised.

**The effect on Karachi:** Large areas of Karachi were cleared of squatters and it became increasingly difficult for the poor to acquire land for building in the city centre. This led to the development of illegal subdivisions on the fringe areas of the city and the consolidation of what came to be known as the "informal sector" in housing. Furthermore, as the new townships were consolidated, squatters moved into the open areas in and around them as they could use the water and transport facilities available to these townships.

## **7. A STATE OF FLUX: GOVERNMENT POLICIES BETWEEN 1964 AND 1970**

**Government thinking:** After the shelving of the Greater Karachi Resettlement Plan, the government decided not to construct houses for the poor in the future. It was also decided that schemes which involved recovery of loans in instalments from the poor should be discontinued. However, the government remained committed to its policy of demolishing inner city slums and shifting their residents to plot townships on the fringe areas. It also toyed with the idea of rehabilitating some inner city squatters in medium-rise flats on the sites that they occupied.

**Plot townships:** In the 1964-1974 period, the government developed three plot townships in west Karachi: Baldia, Orangi and Qasba. The services to be provided for these townships were water through stand-posts, roads and sewerage. Inner city squatters were moved to these townships long

before the facilities arrived, and given ownership rights in the form of a 99-year lease. In most of these areas, sufficient piped water arrived only in 1982, and sewerage lines have not yet been laid. Although plots for schools, parks, dispensaries, markets, etc. were planned for these townships, the government did not undertake to construct them. In addition, for the development of these townships, the government occupied land claimed by agriculturists as their own. These agriculturists filed cases against government occupation of their land, which are still pending in courts of law. Although these plot townships were far from sufficient to meet the growing needs of the poor, they opened up the area around them for illegal subdivisions. For example, the plot township of Orangi consisted of 1300 acres divided into plots. However, to the north west of this area, illegal subdividers have developed an additional 6000 acres consisting of over 60,000 plots. It can safely be said that the squatter colonies of west Karachi, whose population is now over 1.2 million, owe their development to these 3 townships.

**Flats for the squatters:** Although the concept of rehabilitating squatters in medium rise flats on the land they occupied in the city centre was floated in the late 1960s, it was only in the 1970s that an attempt was made to plan and implement it in the squatter colonies of Lyari and the Lines Area. In both cases only a small part of the settlements were demolished and a small percentage of the proposed flats constructed. The schemes were stopped because the cost of the flats was too high for the colony residents and a new income group moved into the apartments. Meanwhile, the squatters whose homes were demolished, moved into plots in the illegal subdivisions on the fringe of the city.

**Achievements and failures:** In spite of having given up the idea of building houses for the poor, the KDA could not supply more than 5,000 plots per year during this period (and those too were occupied by middle income groups), against a demand of 20,000 per year (7). The government felt that it was necessary to reassess its functioning in the light of its failures and in the light of new housing strategies being promoted in other parts of the world, based on the theories of John Turner.

## **8. RECENT DIRECTIONS: GOVERNMENT POLICIES FROM 1974**

### **8.1 The Master Plan Department: findings and recommendations**

**The creation of the Karachi Master Plan Department:** In 1967, the government of Pakistan asked the United Nations for assistance in tackling the problem of housing for low income groups in Karachi, whose number increased every year. In 1968, the UNDP agreed to assist the government of Pakistan and a semi-autonomous organisation known as the Master Plan Department (MPD) was created. In addition, an American-Czech firm, PADCO/TER PLAN, was appointed as consultants to the KDA. The plan implementation period was to be from 1974 to 1985 and for that period, the MPD prepared the Karachi Master Plan (KMP).

**KMP Findings:** In 1972, there were 1.5 million low income people in Karachi out of which 800,000 lived in squatter colonies. MPD projections showed that by 1985 there would be an additional 590,000 new households in Karachi out of which 250,000 households would be from the low income group. That meant that from 1972 to 1985 the KDA would have to provide 40,000 plots a year for the low income group (8). The MPD studied the previous housing efforts in Karachi and felt that they did not respond to the economics and sociology of the poor. The MPD also felt that the positive features of squatter colonies had not been taken into account and hence slum clearance, rather than slum

improvement, had been advocated and followed. In addition, government resources were limited and it could not continue to subsidise housing, especially when recovery from the users could not be guaranteed.

**KMP recommendations:** The KMP recommended three basic housing development programmes for low income groups in Karachi (9).

i) Utility Wall Development (UWD): This programme was to be directed to the more affluent among the poor. It provided all services on core walls within the plot and a small plinth area. The house was to be constructed by the owner himself. The UWD townships were to give secure tenure to the owners and provide all urban facilities such as schools, markets, hospitals etc.

ii) Open plot development (OPD): This programme also provided secure tenure, all urban facilities but no utility walls or plinth. It was meant to cater to the very poor among low income groups.

iii) The Improvement and Regularisation Programme (IRP): This was aimed at upgrading squatter colonies and to give the residents security of tenure, wherever feasible. It also involved the shifting of people to regularised plots where upgrading or provision of ownership rights was not possible.

A major part of the UWD and OPD schemes were to be implemented through the metroville programme. The objectives of the programme are explained later in this paper.

In this manner, the KMP aimed at providing 80,000 plots in the OPD schemes by 1980 and an additional 36,000 by 1985. Similarly, in the UWD schemes 11,000 plots were envisaged by 1980 and another 20,000 by 1985 (10). These targets were far below the required 40,000 dwelling units per year which were required for housing the 200,000 people who migrated to Karachi every year, not to mention the requirements of the local population. However, even these targets were not met, and the community development, social welfare, training and income generating aspects of the metroville programme were not even begun. Similarly, the proposal for setting up a "housing bank" for assisting the lower income plot owners with loans at low rates of interest did not materialise either.

## **8.2 The metroville programme**

**Description:** As mentioned earlier, the metroville programme was a major component of the KDP, 1974-85. It was also the first programme of the KDP to be implemented. Initially, four metrovilles per year, each housing 50,000 persons, were planned for. This was to take care of the 200,000 persons which were being added to the city each year (11). Of the first four metrovilles, two were to be UWD schemes and the other two OPD schemes.

**Objectives of the metroville programme:** The objectives of the metroville programme are outlined in Islamuddin Siddiqui's excellent paper on the subject. They were:

- To provide the proper range of plot types matching the paying capacity of different income groups, particularly responding to the demand of the lower income groups.

- To put more emphasis on environmental sanitation conditions by providing water, sewerage, electricity and gas connections, on a utility wall in the kitchen, bath and toilet.
- To encourage incremental building to match family budget priorities and family needs; and discourage forced housing standards through built up houses requiring more payment for housing, and thereby further curtailment of already deficient food budgets.
- To arrange readily available house building loans to the lower income groups, to enable them to finance their own housing.
- To extend technical assistance to self help builders, train construction labour, and guide building research into low cost building methods and materials.
- To provide electricity, gas, a treated water supply and proper sewerage system; organise refuse collection, ditch cleaning, street maintenance, police services and fire protection.
- To organise proper health services and population planning programmes to create healthy, planned and prosperous families.
- To support mother and child care and other social welfare programmes for community development.
- To conduct adult literacy and public education programmes through mass communication media to develop a sense of civic awareness and community responsibility.
- To provide sufficient general education and training facilities for the local school-age population within the metroville site.
- To enhance family incomes by promoting local employment activities, particularly household handi-crafts, and small industries with loan facilities and vocational training.
- To provide 40 per cent of the resident labour force employment opportunities within or near the metroville site, so as to minimise commuting, cut down transportation time and cost and reduce the load on the transportation system (12).

**The Orangi Metroville: description:** The first metroville to be planned and developed was the Orangi Metroville. It was a UWD scheme for 35,000 persons. Roads, electricity, gas and sewerage were made available for its 4133 plots (13). Plots for all civic amenities were planned for, and the location of the site was in close proximity to the industrial area. In addition, the price of the plot was kept at 2500 rupees. Due to these factors, it was felt that the lower income groups, especially the industrial proletariat, would occupy this scheme immediately. However, this did not happen.

#### **Failure of the Orangi Metroville: reasons**

- Non-occupancy: Plots in the Orangi Metroville were allotted in 1973 and conditions for allotment were laid down so as to ensure that only the target group would be served. Although the

first allottee moved to the site in 1974, by 1979 only 11 allottee families were living in the Orangi Metroville (13). By October 1984, this number had increased to 700 (14).

- Community participation/assistance: Since the site could not be populated, the various elements of the programme, such as community participation, technical assistance to house builders, training of skilled and unskilled construction labour, health programmes, operation and maintenance of services, etc. could not be carried out.
- Missing the target group: It was planned that 94 per cent of the plots in the scheme would be allotted to persons with an income of less than 1000 rupees per month. However, a survey carried out in November 1979 established that 56.8 per cent of the residents belonged to an income bracket of well over this figure (15).
- The middle class moves in: Since the last survey was carried out in October 1984, a large number of families have moved into the Orangi Metroville. Almost all of them are second owners. They have demolished the utility walls and have constructed houses similar to the ones in the middle class areas of the city. They have not followed the elaborate plans prepared by the KMP for incremental construction for the metroville.
- Deterioration of services: Due to non-occupancy of the scheme, services such as sewerage, roads, water mains, etc. have deteriorated in this metroville and are posing immense problems for the residents. A major investment is required to restore them.
- Absence of facilities for house building: Residents who moved into the metroville had to bring in contractors and materials from other areas of the city to build their houses as there were no plots reserved for such activities in the metroville itself. Similarly, as the housing bank proposal did not materialise, the only loans available for house construction were from the House Building Finance Corporation (HBFC). This organisation has a very limited number of funds available and discriminates against the poor in favour of those who have a better capacity of repaying the loan.

**Results of the failure of the Orangi Metroville:** Due to the failure of the Orangi Metroville the government modified the scale of its metroville programme. Instead of four metrovilles a year, only four metrovilles were developed during the plan period 1974-85, and related training and construction assistance programmes have also been abandoned. Utility walls were not constructed and roads and services were developed as the population moved in, sometimes even many years after settlement had taken place. In addition, conditions for allotment to ensure that a particular target group was served, were relaxed.

### **8.3 The OPD townships**

**Description:** Between 1978 and 1981 the KDA developed three major townships in Karachi. These contain a total of 164,891 plots. Land for these schemes was acquired from the Central Board of Revenue at as low as 250 rupees per acre, and after the planning was done the scheme was announced in the national media asking people to apply with an advance payment. Plots were then allotted by a computer ballot. Those who did not receive a plot had their money refunded after a few months. The ones who did receive a plot had to pay the price of the plot in instalments as development on the site progressed. In this manner, the KDA, in the absence of funds, got the

people to finance development. In the first two of these schemes, over 70 per cent of all plots were of 120, 80 and 60 square yards. These were meant for lower income groups. The third and largest scheme, known as Scheme 33, containing over 70,000 plots, was parcelled out to housing societies. Almost all these housing societies are operated by Karachi developers. In addition, 10,000 plots in one of the former schemes were handed over to four construction companies who have exploited them for the middle class housing market by constructing houses which the poor cannot possibly afford. Income levels were not a criterion for the allotment of plots in these townships and anyone could apply for any category of plot.

**Failure of the townships:** Although the three townships were developed between 1978 and 1981, only three plots were occupied in them in October 1984 (16). Even now, only 0.62 per cent of the total plots have been constructed upon although 17 per cent of roads have been constructed, and in certain areas water and sewerage lines have been laid. In a few isolated cases, transport services have also begun to operate. However, except for shiftees from a couple of bulldozed or riot-torn settlements, all residents belong to middle income groups.

#### **8.4     The Katchi Abadi (squatter settlements) Improvement and Regularisation Programme (KAIRP)**

**The concept:** According to a survey conducted in 1982, 37 per cent of Karachi's population or over 223,000 households live in squatter colonies, or katchi abadis as they are called. These katchi abadis grow at the rate of 10 per cent per annum. The improvement and regularisation of these abadis was an important part of the KMP 1974-1985.

The plan envisaged

- the upgrading of the abadis by providing urban services and by demolishing those houses, or part of those houses, which obstructed the implementation of the upgrading plan
- a grant of a 99-year lease to the residents
- recovery of land and development charges from the beneficiaries
- maximum community participation
- provision of serviced plots and/or core houses to the people displaced by the upgrading process, or those who built their houses after the cut-off date announced by the government.

The steps that were to be taken for the implementation of this programme were

- a physical and socio-cultural survey of the katchi abadis
- public participation in decision-making on the nature of upgrading and lease and development charges
- physical planning with continued community involvement



- regularisation resulting in the acquisition of a 99-year lease by squatter families. However, abadis not on government land or in dangerous zones, such as river beds or near railway tracks, were not to be regularised. Thus, of a total of 362 abadis in Karachi in March 1984, 167 were marked for regularisation and 72 for shifting. The fate of the rest was undecided (17).

The government was to provide the seed capital for this programme which would operate as a revolving fund as lease charges were recovered.

**Government action:** In January 1978, the President of Pakistan announced that all abadis existing on or before January 1978 would be regularised. The then martial law government promulgated Martial Law Order (MLO) 183 to give legal cover to the President's announcement. The Karachi Municipal Corporation (KMC) set up a Directorate of Katchi Abadis and the task of surveying, planning and regularisation of the abadis was assigned to it.

In addition, the regularisation programme was made part of the Sixth Five Year Plan, 1983-1988, and an estimated 2103.58 million rupees are to be spent on it during the plan period. Of this sum, over 50 per cent, or 1184.85 million rupees, would be spent on providing land and accommodation to families who would be dislocated due to the programme. The rest would be spent on the upgrading process.

To facilitate the process of regularisation, the federal government has provided 63 million rupees and the provincial government 13 million rupees for improvement works, and the KMC has spent 343 million rupees on the provision of essential services like water, roads and drains. In addition, the government of Sindh has transferred 11200 acres of land, valued at 740 rupees million, to the KMC for regularisation.

**Failure of the regularisation programme:** Although MLO 183 was promulgated in 1978, the KMC had some experience in regularising squatter colonies. Since 1972, lease rights have been offered to the residents of Lyari, an inner city settlement. Between 1972 and 1978 only 11,450 houses out of a total of over 81,000 applied for a lease (18) in the settlement and over 80 per cent of these were for plots that were of interest to developers for high-rise construction. It was noticed that the vast majority of the lease-holders sold their property and moved out to the fringe area squatter colonies. Due to this the government, in 1978, made the transfer of lease possible only as inheritance. As a result, only 500 to 600 leases were acquired between 1978 and 1980 (19). It was also observed that houses did not improve as a result of regularisation and that people were not willing to pay development charges. It was hoped that these problems would be overcome by community participation and by involving local councillors, leaders and various neighbourhood organisations.

The first katchi abadi chosen by the KMC for upgrading was Baldia. It consists of 24,500 plots and has a population of over 220,000. Regularisation was announced in 1977, but the actual implementation of lease operations did not begin until 1980. By 1983, some 4000 leases had been executed (20). This figure is well below what was expected and has adversely affected the programme, which depends on the recovery of lease charges. According to the project proposal, a default rate of more than 20 per cent would upset cost recovery and make the plan unworkable (21).

The KMC had been carrying out improvement works in Baldia since 1977. However, 59.8 per cent of the population had seen no evidence of this in 1981 as against 18.6 per cent in 1983. Similarly, 47.3

per cent of the population did not know lease rates in 1979 as against 31 per cent in 1983. In the majority of cases this knowledge was acquired from neighbours and not from the KMC (22).

Community participation, which was supposed to surmount the difficulties experienced in the earlier regularisation process, has also been nominal. The plans are prepared by the KMC and the residents' objections to them have been dismissed and they have been told that the plans have already been approved by the authorities. Again, information that the residents receive is incomplete and inaccurate. They are told that schools and health centres will be built and that waste water and water supply will be improved further. The fact is that the limited amount of lease money available cannot finance these improvements. It seems that the KMC is only interested in extracting the lease money from the people so that the programme can continue (23).

In no other major squatter settlement has a regularisation plan been launched. KMC work has so far been limited to improving water supply and providing the major roads. The Katchi Abadis Regularisation and Improvement Programme for the 6th Five Year Plan period of 1983-1988, and for KMP period 1974-1985, has failed miserably. It has managed to regularise about 18,000 out of an approximate 223,000 houses after having spent many hundred million rupees.

**Further gains for katchi abadis:** MLO 183 decreed that only abadis existing on or before January 1, 1978 would be regularised. The rest were to be demolished. However, on April 7, 1986, the Prime Minister of Pakistan announced that all abadis settled before March 23, 1983 could be regularised. This is an indication of the growing political power of the abadi residents and of the acceptance by the government of the fact that it cannot provide regularised land for the urban poor.

## **9. CAUSES FOR THE FAILURE OF THE KMP PROGRAMMES**

### **9.1 Market forces**

**An affluent middle class:** In Karachi there is an affluent middle class that regularly invests in land as it considers such investment to be the safest, and perhaps the only way to beat inflation. Thus most KDA schemes are purchased by this class and held for speculation. This is borne out by the fact that the KDA received 224,587 applications for the 12,210 plots whose development it announced in 1979 in Gulistan-i-Jauhar, Metroville III and Shah Latif Town. That means that there were 18.4 applications for each plot. In the process the KDA collected 45,972,000 rupees as down payment alone (24).

**Development on too small a scale:** Development carried out by the KDA is either on too small a scale to kill such speculation, or takes many years to materialise, in which case, large sums of public money remain tied up unproductively. If the scale of development was larger, with lower standards, things might be different.

**The developer's lobby:** The Karachi developers are a powerful political lobby and their organisation, the Association of Builders and Developers (ABAD), has a major say in policy formulation. ABAD cannot involve itself in housing for the poor, as there are no major profits available in it. It has, however, often managed to subvert government programmes for housing the poor, and transformed them into middle income commercial housing. With the continuing failure of government policies, ABAD's influence as a pressure group has increased considerably in recent

years.

## 9.2 The socio-economics of the poor

Government planning has, from the outset, been incompatible with the economics and sociology of the lower income groups. This is the major reason for the failure of government policies.

**The cost of development and/or lease is too high:** The cost of KDA development, complete with all services, is far too high for the poor to afford. Thus in Metroville I, the price of a plot was put at 2500 rupees. In 1974, this price was not affordable for an income group of 500 rupees to 1000 rupees, to which the programme was supposed to cater. In the case of the recent townships, where allotments are made by ballot, the KDA demands a down payment of 5,000 rupees with the application, and the total cost of a 120-yard plot works out to 26,000 rupees. No low income family can possibly pay such large sums of money. Special government loans are available for low income housing and land for such schemes is provided by the KDA at subsidized rates. Housing being developed by ABAD members through these loans and on these plots costs between 80,000 rupees to 250,000 rupees. Compared to this, a plot in a new katchi abadi costs about 600 rupees to 1000 rupees, and with help from the neighbourhood building components yard, a house can be built over a period of time for 20,000 rupees.

Again, in the case of KAIRP, the lease charges are far too high. The minimum charge is 78 rupees per square yard of plot area. This works out to 9,360 rupees for a 120-square yard plot, a sum no resident would be willing to pay at one go, and recovering money in instalments from the poor is a complex and expensive process, which has a very limited history of success in Pakistan.

**People want land immediately:** All lower income groups want land for their immediate needs and cannot wait for the development process to be completed. In some KDA schemes this may take more than 10 years. For example, in Shah Latif Town, development is far from complete, although the scheme was launched in 1979. People cannot move in before at least water is made available, and in no case before official permission is granted. Lack of coordination between government agencies for provision of transport and other necessities of life make existence very difficult for the residents for a considerable period of time.

**The People-government cultural gap:** To get KDA developed land, people must first get to know about its availability from the media, then apply for it, fulfill a series of formalities and deal with state officials. Given the relationship between the working classes and the state in Pakistan, and given the time wasted in bureaucratic red-tapism, the poor do not apply for these plots even if they are willing to wait for years to occupy them. This is especially true for the residents of katchi abadis who wish to acquire a lease. They have to make an application for a lease with tax receipts and supporting documents (which they may not have); get these verified by their councillors; have these papers scrutinised by the Assistant Director of Lands and Estate; get the plot dimensions, land-use etc. checked by the Surveyor of the Lands and Estates Department at site; have a site plan prepared by the KMC office; get a demand note issued; deposit lease charges in a schedule bank; after which the KMC lease committee scrutinises the papers and orders removal of encroachment of the affected portion of the plot (if any) by the resident, and only after this can the registrar execute a lease which in itself may take over four or five months. At every step in this procedure, the resident has to encounter corruption and harassment from state officials. In addition, he is subjected to

hostility and viewed with suspicion by KMC functionaries.

**A regularisation announcement is security enough:** Given the high cost of regularisation and the complex manner of acquiring a lease, squatters feel that an announcement of the regularisation process for an abadi is security enough. Thus, they prefer to spend the money they can raise on improving their houses, rather than getting a lease.

### 9.3 The nature of political and government planning institutions

**Framing and implementation of government policies:** In Pakistan, political institutions have always been controlled by big feudal lords in the two short periods of democracy that the country has enjoyed. For the rest of its existence, Pakistan has been under martial law. Thus the urban poor have had no representation in the framing of national policies. The majority of the technocrats who give physical shape to political thinking have also been from the middle classes, and have not only a very poor understanding of the urban poor, but look upon them with suspicion and hostility. Thus government policies have invariably catered to the needs of the middle and upper classes at the expense of the poor.

Turner's thinking and other influences, especially from Latin America, have infiltrated into policy-making. Such policies have acquired respectability for Pakistan's planning authorities as they have been promoted by important international aid giving agencies. However, when these policies are translated into action, they fail, for three reasons:

- i) The required social research to facilitate the translation of these policies into action has not taken place. Even the institutions for undertaking this research independently do not exist. In the absence of such research and direct contact with the target group, a wide gulf exists between government policy concepts and the reality of the urban poor.
- ii) The government institutions involved in implementation have a fear of people organising and asserting themselves. They see such developments as a threat to their political and economic power. Yet, the policies they are proposing cannot be implemented without organising and empowering the people. Hence, all community involvement concepts, which are pivotal for the success of all KMP proposals for housing the urban poor, have failed.
- iii) New institutions operating at grass root level are required for carrying out policies such as the Katchi Abadi Improvement and Regularisation Programme. However, the professionals operating such programmes are trained conventionally and have all the prejudices of the ruling elite and the professional and academic establishments in Pakistan. The few exceptions are ignored, if possible, or hounded out. The professional's training, his social background, and the "club" to which he belongs makes it difficult for him to innovate and experiment with institution building, even when the possibility to do so exists.

**The inefficiency of government planning institutions:** The inefficiency of government planning and implemen-tation institutions can be judged from the fact that a major part of the 1300 acres of the planned area in Orangi cannot be leased out to the residents because of a dispute in court as to the actual ownership of the land which has been developed and sold by the local bodies. In the same way, almost the entire area of Metroville III was encroached upon while development work

was in progress, causing immense losses to the allottees. In addition, more plots were sold to the public in Metroville III than were available in the scheme. Again, schemes like Shah Latif Town, which were to be completed in 3 years, are still not complete after almost 13 years have elapsed, and only one of the seven phases of the Lines Area Re-development Project has been undertaken in 6 years, whereas the whole project was to be completed in this time period. Similarly, it is estimated that over 50,000 plots will be required to accommodate the shiftees from the katchi abadis after KAIRP takes place (25). Such a large number of plots for this purpose are just not available with the local bodies, and there seems no possibility of them being created in the foreseeable future. Also, the very fact that a major part of the KAIRP funding will be spent on providing accommodation to the shiftees, defeats the very purpose of the KAIRP.

**Political pressures:** In addition to the factors mentioned above, government technocrats have developed a laissez faire attitude, not only towards the policies they propose and develop, but also to the functioning of their institutions. This is because, over the years, they have had to give in repeatedly to political pressure and modify their programmes, thus making a mockery of the planning process. For example, in the 1977 election campaign, the Chief Minister of Sindh told the residents of Lyari (an old Karachi squatter colony) that the lease rates for residential plots would be fixed at 4 rupees per square yard of plot area. In addition, he said that if all the leases were not completed and handed over to the people before June 30, 1977, the relevant KMC officials would be sacked. This meant that no improvement charges would be levied. Thus the whole financial basis of the programme was undermined (26). Also, it was physically impossible for the KMC to execute all the leases in the time span mentioned by the minister.

When it has suited its interests, the developers lobby has been able to pressurise government to the remove squatter colonies through extra-legal means (27), and shopkeepers associations have managed to prevent the implementation of KDA or police traffic proposals which adversely affected access to their areas (28). Again, in the KAIRP, local leaders, KMC officials and elected councillors, many of whom thrive economically and politically on the absence of ownership rights of the residents to the houses in which they live, have created major obstacles in the regularisation process, and in some cases have succeeded in having it suspended.

There are no effective consumer or users organisations to counteract these political pressures. Political parties which could have played this role have been badly mauled due to a decade of suspension and persecutions, and the elected local bodies have no say in policy-making.

**Powerless Municipal Corporation:** The council of the Karachi Municipal Corporation (KMC) is an elected body. Elections take place every four years. However, the planning and implementation agency for Karachi's development is the KDA. The KDA is a parallel agency run by technocrats and is in no way accountable to the KMC and hence to the people. Consequently, the people of Karachi, especially the urban poor, have no direct or indirect say in the manner in which their city develops. Nor can they, through the process of electing their councillors, express their concerns and problems or through their councillors affect the development process. In addition, the KMC council can be dismissed by the Secretary of Local Bodies, who is a government civil servant, if the provincial government feels that the council has failed to discharge its duties and obligations. The functioning of the corporation is inspected once a year by an officer appointed by the government. If, after such an inquiry, the government feels that the corporation is not capable of running a particular department or programme, then it can take over the management of that department or programme

itself (29). These laws make the councils very vulnerable to government dictates and deprive the people of power and influence over planning and implementation of urban policies.

#### 9.4 Summing up

The failure of government policies can be summed up in the two tables given below (30):

**Table - I**  
**Population figures and demand for plots**

-	Population 1974	4.2 million
-	Annual growth rate	5 %
-	Household size	6 persons
-	Housing units/plots needed	35,000
-	Idem, for low income groups	17,500
-	Population 1984	6.3 million
-	Population increase 1984/85	325,000 (5%)
-	Housing units/plots needed	52,500
-	Idem, for low income groups	26,250

**Table - 2**  
**KDA schemes for low income groups since 1970**

<b>Scheme</b>	<b>Year of Announce-ment</b>	<b>Total No. of residential plots</b>	<b>Actually Occupied on October 1984</b>	<b>Remarks</b>
Metroville – 1	1974	4,133	Approx. 700	Plots sold in 1974 to lower middle income groups
Metroville – 2	1980	4,379	Approx. 2,200	Plots used for settlement of Bihari refugees
Metroville – 3	1979	3,200	2	Plots sold in 1979
Metroville – 4	1979-1980	3,867	0	Area is encroached upon in early 1980s
Shah Latif Town	1969-1970	43,891	1	15,000 plots sold in 1979, 10,000 in 1981 and 10,000 in 1983 (by ballot)
Deh Surjani	1980	51,000	0	Initially resettlement scheme, now middle income scheme

In addition to the conclusions one may draw from the tables above, it must be mentioned that over 12,000 acres of developed land, sufficient to accommodate 1,200,000 people, lies unutilised in the

heart of the city (31). According to one estimate, in the early seventies 15 per cent of all developed land was vacant, whereas in the mid-eighties this figure is nearer to 30 per cent (32).

## **C. THE DEVELOPMENT OF THE INFORMAL SECTOR**

### **10. THE INFORMAL SECTOR: AN INTRODUCTION**

The inadequate and inappropriate response of government policies to the problem of housing the poor has led to the development of what is termed an "informal sector" in housing. This sector has consolidated itself over the years and built up its own institutions. It manages to supply land, with immediate possession, to the poor of Karachi, at a price that they can afford. It arranges for the supply of water to the townships it develops, and lobbies successfully with government agencies for acquiring electricity and transport. In addition, the building component yards in these areas provide materials on credit to the poor and give technical advice on house building. All this is done in defiance of government regulations.

The informal sector has often been persecuted by the government and has had to deal increasingly with a clientele that is conscious of its needs. As a result, it has had to constantly adjust the manner of its operation to meet the challenges thrown at it by both the people and the state. Thus three types of informal sector developments have emerged in Karachi, each as a response to the politics of the age in which they developed. These three systems of development are: squatting by unorganised invasion, by illegal subdivision and by organised invasion. In the following sections the three systems are discussed.

### **11. UNORGANISED INVASION**

#### **11.1 Origins and growth**

When the refugees moved into Karachi in the early 1950s they spontaneously occupied all open land in the city centre. The government did not discourage this process as it could offer no alternative habitation to the refugee population. However, with the passage of time this system of unorganised invasions spread to what was then the periphery of the city as well, and land along railway tracks, river beds and near government developed townships was occupied. Small settlements also developed near industrial complexes. The industrialists gave protection to these settlements as they were a source of cheap labour for their industries. However, in the 1960s the government launched a crusade against the squatter colonies and a large number of them were bulldozed. The inhabitants were shifted to new townships outside the city. Due to government persecution, lack of land in the city centre and an understanding of the value of land both by the people and the market forces, squatting by unorganised invasion became more and more difficult and is today an almost unknown phenomenon. The decline in the number of settlements formed by invasion is shown in the table below (33).

Period	Settlements formed by invasion
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1947-56	84
1957-66	45
1967-76	11

## 11.2 The nature of the settlements

**Social:** In most unorganised invasions, a clan or an ethnic group moving into the city identified a piece of land and settled there. Other clan members were then encouraged to settle in the vicinity. Thus, most settlements of this nature are ethnically homogeneous. Very often, the residents formed clan based organisations and lobbied through them for facilities such as water. This lobbying, in the initial stages, was done by petitioning the local government followed by processions and demonstrations. With the passage of time a political relationship was established between the leaders of these organisations and the government, and lobbying became a matter of negotiations for votes in exchange for services.

**Physical:** Most settlement through unorganised invasions is haphazardly planned. There is no fixed size of a plot and the lanes may be as narrow as three to four feet. Playgrounds, schools and other urban facilities have not been planned for. Houses are of poor quality and neighbourhoods are congested. If they have improved, it has been over a long period of time, and many of these settlements are stagnating in their development.

The reason for the physical nature of the settlements is that they were not laid out according to a plan and no assistance in the shape of technical advice or loans of cash or materials were available to the residents for building their houses. The continuing stagnation of most of these settlements is due to a low degree of security of tenure.

**Tenure:** The majority of settlements through un-organised invasions are near the city centre. Even those that were on the periphery are now part of the inner city. Thus the value of the land on which they are situated is very high and there is constant pressure from commercial interests to expel the residents. This is one of the major reasons for the stagnation of a large number of these settlements. In this context it is important to note that the majority of settlements not marked for regularisation through the KAIRP, have been established by unorganised invasion. A large number of residents of these settlements have now acquired property in katchi abadis created through illegal subdivisions.

**Future directions:** Due to the development of informal market forces it is no longer possible for people to settle themselves through unorganised invasion. It seems that many of the inner city settlements will also be cleared through "re-development projects." In these projects, the settlement is bulldozed in stages; the commercially valuable land is sold to developers and finances the development of a site and services scheme on the remainder of the site for the residents. In the only settlement which has met this fate, the majority of the residents have sold their plots to commercial interests or people from a higher income group and moved out - many to a plot in an illegal subdivision.

## 12. ILLEGAL SUBDIVISIONS (ISDs)

### 12.1 Origins and growth

Illegal subdivision of state land took place as early as 1950 in Karachi. However, this system really



expanded in the 1960s as a result of the government's action against squatter colonies and the increasing shortage of land in the city. Almost all informal sector development now takes place through this system and in spite of all government attempts to curb it, it continues to grow. The fact that Karachi is surrounded by unproductive state land helps in its growth. The table below illustrates the increase in the number of ISDs between 1947-76 (34).

Period	Illegal Subdivisions Created
-----	-----
1947-56	11
1957-66	14
1967-76	26

The figures in the table are deceptive. The earlier ISDs were much smaller in size than the later.

## 12.2 Mode of operation

**Involvement of government officials and influential people:** The first ISDs took place without the involvement of state officials. However, by the 1960s it was well placed state officials who were promoting and protecting this system and making large sums of money in the process. Other agencies such as the police and the district commissioner's office also got involved in the development process, and now a well established relationship between them, the developer and the buyer has been established.

Illegal subdividers are now well known to government officials and they are established in the business. Therefore, there is no problem of mistrust between them and the state officials. Normally they occupy a piece of government land and wait for someone to come and challenge their occupation. When that occupation is challenged, negotiations between the parties take place and it is agreed that the government officials will receive a share of the profits from the sale. In addition, a number of plots, sometimes up-to 30 per cent of the development, are set aside for speculation for government officials. If there are any other claimants to the land, and if they have the muscle power to press their claim, a share may also be set aside for them. The local police does not receive a share from the sale, but the construction of a house cannot begin unless a set sum of money is first paid to the police by the owner. In most cases the system has developed to such an extent that the KMC, district and police officials now have regular agents who deal with the subdividers and collect money from them on their behalf.

In the period of the People's Party government (1972-77), the leaders of the ruling party, as well as government officials, gave protection to the sub- dividers and received their political support in return. As a matter of fact, a large number of subdividers joined the ruling party. During the years of democracy in Pakistan, development through illegal subdivision increased considerably.

**The development process:** After having negotiated the occupation of the land, the subdivider lays out the township in keeping with a plan he has "in his head". Planning is done as far as possible as per KDA regulations. Thus, commercial areas are laid out along with residential plots on a grid-iron plan. A standard width of primary, secondary and main roads is main-tained and plots for schools, mosques and playgrounds may be set aside.

Initially, plots are sold at a low price and sometimes even given away free, so that habitation may begin. Using his contacts with the state agencies, the subdivider arranges for bowzers from the KMC to supply water to the new residents and advises them to build ground tanks for storage. In some cases he may even construct a water tank in each lane or block. In the same way he "hires" government machinery, such as tractors and bulldozers, to clear the land and level the roads he has laid out. There are cases when subdividers in the initial stages of development have even supplied people with free mats and bamboo poles to build their shacks.

**The formation of an organisation:** In almost all cases, when there are a sufficient number of inhabitants, the subdivider forms a social welfare association of the residents and gets it registered with the relevant authorities. He appoints himself the leader of the organisation and his trusted people the other office bearers. Through this organisation he pressurises the authorities to commence transport services and supply electricity to the area. Subdividers have been known to hire journalists (the payment is in plots) to highlight the problems of their development schemes in the media so that the KMC may be forced to take some action.

**Speculation and tenure security:** It is in the interest of the subdivider and the officials who have acquired plots in the settlement that development take place as quickly as possible, so that the value of property increases. Consequently, people are pressurised into building at once. If a plot lies empty for more than a month or so, it is resold to someone else and the money paid for it is confiscated. Due to these reasons, development takes place fast, and apart from a sewerage system, most other services are acquired by the settlement, (depending on the connections of its subdivider) in a two to four year time period.

Land values in fully developed subdivisions are almost the same as of KDA developed townships in the vicinity. This shows how strong the security of tenure is in the ISDs. This tenure security is prevalent because of the large number of residents that form the subdivision, the good quality of housing in the area, and the presence of services such as water, paved roads and electricity. All these have been made possible because of the financial involvement of state officials in this form of development. Once land in an ISD becomes un-affordable to the poor, adjacent land is occupied and developed.

**Construction of houses:** Houses in ISDs are of good quality as compared to those in settlements which have developed through unorganised invasions. This is because of the institution of the thalla, or building component manufacturing yard. Wherever subdivisions take place an entrepreneur establishes such a yard and supplies the residents with concrete blocks, cement, aggregates and galvanised iron roofing sheets. He also gives technical guidance, and sometimes takes on a contract for partially constructing the house. In addition, he arranges to supply building materials on credit to the owner and sometimes cash credit as well. He relies on social pressure to recover his debts and becomes an important man of the new community. Once business becomes slack in a settlement, the thalla moves to an area which is in the process of being developed.

In the same manner, other entrepreneurs cater to the needs of the settlement. Someone establishes an electricity generator and sells electricity to the residents. VCR halls are built where films are screened, and video football and caram clubs come into being. All this activity is strictly against state laws but it flourishes because of police protection.

### 12.3 Government Attitudes to ISDs and its Consequences

**Reasons of government failure to control ISDs:** The government has always expressed its resolve at containing the growth of ISDs and in demolishing the non-regularised ones. However, it has never really succeeded in doing so for a variety of reasons. The government administrative machinery is too weak to deal with the mafia involved in ISDs and the cost of controlling this form of development would be exceptionally high. In addition, government officials who are in charge of implementing policy decisions are actively involved in promoting ISDs. Also, ISDs effectively solve the housing problem faced by the city of Karachi, something the government cannot do as its development costs are far too high for the poor to afford. Therefore, this illegal system is convenient for the government. Again, by tolerating this form of development "the state acts as an instrument of the capitalist class" (35).

**The government's IRP and its consequences on ISDs:** The government's IRP has had a major effect on the land and rent values of ISDs which have been marked for regularisation. The prospect of regularisation and development has converted these low income areas into potential middle income ones. Hence, there is already a movement of the poor out of these areas into new non-regularised ISDs. Again, as a large number of inner city colonies have not been marked for regularisation, there is bound to be an exodus from them to the ISDs on the fringes of the city.

The April 7, 1986 announcement by the Prime Minister has made it possible for all katchi abadis established before March 23, 1983 to be regularised. The cut-off date before this announcement was January 1, 1978. This change in date is seen by the people and the subdividers as an acceptance of their political power and there is now a feeling that the demolition or prevention of further ISDs will just not be possible.

### 13. ORGANISED INVASION

Organised invasion is a new phenomenon in Karachi. In this form of development, a number of households, mostly families living in rented houses, get together, select a piece of land, and then move into it and build their houses overnight. The occupation of the land is followed by litigation with the government authorities and the squatters usually manage to get a stay order, pending judgment, from a court of law. After this they invite other people to join them in the settlement, seeking security in numbers (36).

The main reasons for the development of organised invasions are: one, that the very poor living in rented houses cannot afford to continue to pay rent; two, that the cost of buying a piece of land in an ISD near to work has become far too high for the very poor to afford; and three, buying a plot in an ISD on the fringe means considerable expense on transportation to and from work. A study of a settlement developed through organised invasion reveals that 85 per cent of its residents previously lived in rented houses and wished to escape from paying rent, and 70 per cent of them had no fixed jobs. As compared to this, a study of three ISDs shows that 48 per cent of the residents lived previously in rented homes and only 5 per cent had moved to avoid paying rent. In addition, 69 per cent of them had fixed jobs (37).

A number of organised invasions attempted in the past three years have been successfully

squashed by the government. As such, what new directions this form of development will take in the future, remains to be seen.

#### **14. FUTURE PROSPECTS FOR THE INFORMAL SECTOR**

Karachi requires 26,000 plots per year for low income groups. It is unlikely that the government will be able to fulfill even a fraction of this demand in the foreseeable future. Thus the informal sector, mainly through ISDs, will continue to cater to the needs of the urban poor. At an average, 1,000 acres of government land has been illegally occupied every year for this development since 1977, compared to an average of less than half this figure for the previous decades. However, the cost of land (due to legal and illegal claims on it) is making ISDs more expensive and out of reach for the new poor. Also, as the city expands, these developments are taking place further away from the places of work and rents in the ISDs nearer to the city are increasing considerably. It is possible, therefore, that these factors, along with high transportation costs to and from work from the fringe areas, will make the ISD market unaffordable for the poorest of the urban poor. What the response of the informal sector to this crisis will be, remains to be seen.

#### **D. GOVERNMENT PROMOTED SQUATTING: AN EXPERIMENT BY THE HYDERABAD DEVELOPMENT AUTHORITY (HDA)**

#### **15. ORIGIN AND FUTURE OF THE SCHEME**

Gulshan-i-Shahbaz is a massive housing scheme developed by the HDA in Hyderabad, a city of 2,500,000 persons, one hundred and twenty miles from Karachi. This scheme covers 5,500 acres, and 70 per cent of its development work is complete. However, of the 13,000-odd persons who have purchased plots here, not even one has begun to construct his house. A large area of the scheme is devoted to small plots ostensibly meant for low income groups.

When Tasneem Ahmed Siddique became the Director General (DG) of the HDA, he began an investigation as to why Gulshan-i-Shahbaz is not being inhabited. He also began research on the functioning of the informal sector in housing in Hyderabad. As a result of these investigations, he decided to carry out an experiment in government promoted squatting in part of Gulshan-i-Shahbaz. His idea was that the government could take on the role of the illegal subdivider and thus provide the poor with regularised, though initially un-serviced, plots at a price they could afford.

The initial planning of the scheme was kept secret. This was because there are powerful vested interest groups, both within and outside the government, who would do everything in their power to see that such a scheme should not succeed. After the scheme had been prepared, the chief minister's approval was obtained, and only then was it presented to the governing body of the HDA for approval. The scheme was named the Incremental Development Scheme.

The ISD is described in detail in Report Six of this book.

It has shown that the government can provide the poor with initially unserviced plots at a price that they can afford if it takes on the role of the informal sector. The scheme has received considerable attention from international development agencies and academic institutions around the world and given the conditions in Pakistan, there is bound to be considerable pressure on the government to

adopt the HDA's IDS as a model for future development. However, the likelihood of this happening in the near future on a large enough scale is remote, as the makers and implementers of policy will have to part with a large measure of both financial and political power if they promote this idea. The emergence of stronger political institutions, and with it the emergence of political will, may speed up the process.

## Footnotes

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## Report - Two

# **THE INFORMAL LAND AND HOUSING MARKET IN KARACHI**

## **Assessment and Review of Existing Conditions**

### **A. INTRODUCTION**

#### **1. THE DEFINITION OF INFORMAL**

Informal in the context of this paper means all activity, or part of it, that is related to land development, or effects land use and land values, and which, or part of which, does not have de jure recognition.

#### **2. INFORMAL SECTOR ACTIVITIES**

##### **2.1 Land colonisation**

- a) Unorganised invasions of private and public land: this form of development no longer takes place.
- b) Organised invasion of state land: this is of recent origin and though it has been attempted many times, there are only 2 examples of its having succeeded (1).
- c) Illegal subdivisions (ISDs) on state land: this is the singular, most extensive informal sector activity.
- d) Informal subdivisions of freehold agricultural land.
- e) Encroachment on land developed by the KDA as part of its residential and commercial schemes.
- f) Encroachments on public parks, service roads and other open spaces
  - in new KDA developed schemes
  - in the city centre
- g) Informal property transactions in settlements created by the government for shiftees from city centre encroachments.

##### **2.2 House building and property development**

This includes both informal credit and technical assistance and takes place

- in the city centre on regularised land: examples, Lyari and Khadda
- in earlier shiftee settlements and ISDs that developed around them and which are now declared katchi abadis. Examples, Angara Goth and Haji Camp
- in later katchi abadis. Examples, parts of Chawkiwara and the Orangi settlements
- in new squatter settlements. Examples, Ittehad Town and Yakoobabad.

## **2.3 Acquisition of services**

- In initial stages this is done by the dallal or subdivider with assistance from political figures through lobbying with the relevant government organisations.
- In the final stage, this is done by the councillors or through the Katchi Abadi Improvement and Regularisation Programme (KAIRP).

## **3. THE DEVELOPMENT OF THE INFORMAL SECTOR IN KARACHI**

### **3.1 Refugee settlements**

As a result of Partition, 600 thousand refugees moved into Karachi between 1947 and 1951. Many of them occupied public buildings such as schools, markets and hospitals or squatted on the pavements. Others occupied the open spaces in the city and these in time, became the inner city katchi abadis. Since these settlements came about through unorganised invasions, they were unplanned; had high densities; no schools, commercial centres or open spaces; and their road network consisted of narrow lanes with no vehicular access.

### **3.2 Early shiftee settlements**

In early 1948, the government tried to move the refugees out of public building onto whatever open land was still available in the city, thus creating more unorganised invasion settlements. In the early fifties, it organised the shifting of refugees from the pavements and certain city centre settlements to new shiftee settlements on the city fringe. These settlements were not too far from the city centre and so were acceptable to the refugees as residential areas. The largest of these settlements was Liaquatabad. The shiftees were not given any papers nor were they required to make payment for the land they occupied. In the initial stages, there was no plan to the settlements and they developed very much in the same manner as the inner city unorganised invasion bastis. Later, the KMC began demarcating plots on a grid-iron and allocating numbers to them. However, no space for commercial areas or public amenities was allocated.

### **3.3 Early illegal subdivisions**

As the early shiftee settlements started to consolidate themselves, the demand for plots in them increased. To cater to this demand, enterprising government servants, belonging to the KIT, KMC, CBR and the Mukhtarkar's office, came to an informal understanding with the local community leaders or musclemen or both. Under this agreement, the leader or musclemen could grab,

subdivide and sell state land around these settlements with the protection of the various government departments involved in development. The profits from the transaction were shared between the various actors in this drama. With this began the system of ISDs out of which the vast majority of katchi abadis in Karachi have been created. Examples of these early ISDs are the Lalukhet pockets and Ghausia Colony.

### **3.4 The Greater Karachi Resettlement Plan**

In 1958, the government of Pakistan appointed Doxiadis Associates as consultants for what came to be known as the Greater Karachi Resettlement Plan. As phase 1 of the plan, it was decided to create new townships, complete with houses, 15 to 20 miles outside Karachi in Korangi and New Karachi. In the vicinity of these townships, large industrial areas were also planned and incentives provided to the industrialists to develop these areas. Clearance of the inner city katchi abadis and shifting of the residents to the new sites was an integral part of the plan. It was felt that the residents of the new townships would be provided jobs in the proposed industrial estates and these would become independent satellite towns. The plan was only partially implemented before it was shelved in 1964. The reasons for its failure were:

- a) The industrial areas did not develop fast enough to generate adequate employment. As a result, the shiftees had to journey to the city centre to work. This was a drain on their resources as they were forced to spend a large part of their incomes on transport (2).
- b) Much of the population was forced to go back and squat in other areas or in the new ISDs that were created nearer the city to accommodate them (3). They sold their newly acquired homes in the townships to speculators.
- c) Schools, dispensaries and markets were constructed as part of the townships. These, especially the markets, were supposed to subsidise the construction and maintenance costs of the scheme. However, they were not occupied, and to this day remain empty. Instead, through encroachments, new markets developed along the main arteries, and schools and dispensaries were opened as commercial enterprises in the houses.

**The repercussions of the plan:** Arteries and transport systems were developed to link Korangi and New Karachi with the city centre and the port. At about the same time, nearer to the city in the west, industrial activity expanded in a big way in the SITE area and a demand for labour was created. Migrants from the north, along with residents of the bulldozed inner city slums, moved in to fill this demand. Their natural place of residence was on the arteries linking Karachi to the North Karachi Township. Thus ISDs on state land were created on these new link roads in the proximity of SITE and the city, and they have expanded since. Punjabi Para in Golimar and Wahid Colony in Nazimabad are examples of such ISDs. In the east, on the Korangi Road, ISDs were also created so as to be nearer the city. However, since they were far away from the new job market, they were on a much smaller scale and have not expanded over time.

### **3.5 Later shiftee settlements and related ISDs**

Between 1962 and 1966, the government of Pakistan created three new shiftee townships. These were Baldia, Orangi and Qasba. These townships were properly planned and were all in the



proximity of SITE, with road links to the city and the port. Services, with the exception of water through bowzers, were however, not provided. Around these townships, ISDs developed very rapidly and are still growing. The earlier ones were located near the nullahs so as to facilitate drainage and sewerage disposal. These ISDs account for over 50 per cent of the total katchi abadi housing stock in Karachi. Examples of such ISDs are Ittehad town, the Orangi township katchi abadis and Iqbal Nagar in the Qasba area.

### **3.6 New Karachi katchi abadis**

With the development of a job market in Godhra Camp and the New Karachi Industrial Area in the seventies, there has been a major growth of ISDs in New Karachi and Federal 'B' Area. Examples of such settlements are Shah Bhitai Colony and Bata Colony.

## **4. THE CONDITIONS OF INFORMAL SETTLEMENTS TODAY**

### **4.1 Stagnating settlements**

These settlements belong to three categories:

- a) Badly planned settlements without proper access: These settlements are mostly near the city centre and were created through unorganised invasions in the early fifties. The absence of an adequate access, small plot sizes, absence of open spaces, and extremely narrow lanes created an environment in which expansion or improvement meant higher densities or higher buildings, both of which can only lead to worse environmental conditions. Most of the old residents who had regular jobs have moved out of here to fringe area ISDs. Those who still live here are the ones who have no fixed jobs, very badly paid ones, or those who work as vendors in the city markets and/or nearby localities. In short, all those who cannot afford to be far away from their places of work. Examples of such settlements are Usmania Mohajir Colony and Gul-e-Rana Colony.
- b) Settlements on land with a potential for formal development: Settlements on land which is in or near the city centre and has the potential for being developed by the formal sector have also stagnated. Many such settlements have not been regularised and some have already become part of redevelopment projects. Due to the likelihood of their being demolished, housing and service conditions in them do not improve. The original owners hold on to their houses in hope of being compensated. Some move out to fringe area ISDs leaving a relation behind or let them out to people they know and can trust. Examples of such settlements are the Lines Area bastis and Jamhuria Colony near the old Karachi Race Course.
- c) Settlements on ecologically dangerous land: There are a large number of settlements along nullah beds which are prone to flooding. There are also settlements on hillsides which are affected by landslides and soil erosion during the rains. These settlements also do not develop. They house seasonal labour; new migrants before they can get a proper job and a plot in an ISD; communities with a culture of poverty; and social outcasts.

### **4.2 Early shiftee settlements and related ISDs**

Early shiftee settlements of the 1950's and their related ISDs have now consolidated themselves.

Almost all of them have acquired paved streets, water, sewerage, electricity and many of them have gas connections. Solid waste is lifted from the streets and dumped on the main arteries or access roads so that the mohallas are relatively clean. Most houses are pucca and those nearer the main arteries are three and even four storey affairs. No empty plots are available in these settlements. Settlements along the main arteries have become markets or house small industrial activity such as light engineering work, looms, garment industry and their related storage, banking and transport needs. As such, they have become job generating centres and house small businessmen, artisans, entrepreneurs, skilled labour and a small percentage of white collar workers. Although it is difficult to assess what percentage of the local population itself works in these areas, the general consensus of the residents is that the figure is well over 60 per cent. In addition, a small number of people from the newer ISDs come and work here. These settlements have their own food markets and also cater to the needs of the other parts of the city. Liaquatabad and its neighbouring katchi abadis for instance, are one of the main centres in the city for steel fabrication and embroidery work and the informal settlements around Godhra Camp are the centre for the garment industry. As one moves away from the main arteries and access roads, physical and social conditions deteriorate. The most visible sign of social deterioration is the increase in the number of illegal electric connections. All these settlements have been marked for regularisation.

#### **4.3 Later shiftee settlements and related ISDs (1962 to 1966)**

The residents of the later shiftee settlements and their related ISDs still, by and large, live in single storey semi-pucca homes. Most lanes are still unpaved, sewerage flows in open drains and most electric connections are illegal or rented from neighbours. Gas connections are few and far between. Most residents of the ISDs have migrated from other parts of Pakistan or have moved from inner city settlements so as to become owners of a plot or to escape from paying rent. The majority of residents work in SITE, the port, in the earlier shiftee settlements, or the city centre. An increasing number, especially the economically and socially handicapped, are getting jobs in the markets that are cropping up to serve the local population. A demand for skilled labour is also developing in the small scale industries and related activities which are in the process of being established in the newer ISDs, such as in Pakistan Bazaar in Orangi Sector 11-1/2. The age of the area in the settlements determines its physical condition. Thus, many older areas in the ISDs are more developed than the neighbouring KDA planned areas. Most of these settlements have been marked for regularisation.

#### **4.4 New illegal subdivision settlements**

The new ISDs are inhabited almost entirely by people who have moved out of inner city slums, stagnating settlements and older ISDs where room for expansion of their families is not available. Most of these residents have come to the ISDs in search of a better physical environment and have fixed jobs in the job markets of west Karachi. Although many areas of these settlements have acquired piped water, supply by bowzers is not uncommon. Electric connections are rare, except in the older areas. In most cases, electricity is purchased from people who operate diesel generators for commercial purposes. Waste water flows in unpaved channels in unpaved lanes and gas connections are non-existent. A few affluent houses build soak pits. It is estimated that 20,000 to 25,000 plots are added to these ISDs each year (4).

#### **4.5 Encroachments on land developed by the KDA**

Large parts of a number of KDA schemes, such as North Karachi Sectors 4 and 5, are still lying vacant due to an absence of adequate water supply, electricity and security. Wherever such schemes are near job-generating areas, parts of them are encroached upon. By coming to an understanding with the KDA staff and the police, these encroachers are able to build semi-pucca houses. With the passage of time, they find security in numbers. Qasba Metroville is an example of such land colonisation. Most of its residents work at SITE at a distance of 3 kilometres from their homes.

#### **4.6 Settlements on planned open spaces: An on-going process**

In places near job markets or transport terminals that cater to new migrants or the socially handicapped, public amenities are encroached upon and very quickly become full-fledged settlements. Most such settlements develop on the space between the main arteries and the service roads, or on the service roads themselves. The local police station, the councillor and sometimes the residents of the locality offer protection to the encroachers against payments in cash or kind. Most trucking activity and its services sector; the garbage sorting and recycling activity; and the mat and rope making activity are carried on in settlements of this nature. The services sector to the Mauripur Road trucking station and the newer portions of Shah Bhitai Colony in North Karachi, are examples of such settlements.

#### **4.7 Encroachments on pavements and roads in the city centre**

Such encroachments are carried out by hawkers and push carts; bus companies for washing and servicing their vehicles; seasonal labour and small workshops. Again, the encroachers enter into an agreement with the police, the local administration and the house owners in front of whose homes they encroach. Most of such encroachments are in the old town quarter, Lyari and Khadda.

### **5. FACTORS THAT DETERMINE LAND AND PROPERTY VALUES**

Factors that determine land and property values in order of importance are:

- a) Nearness/transport to the job market: This is the most important factor in determining not only the value of land but also the area where abadis can develop.
- b) Security: Physical security comes first. Men should be able to leave their families and go to work without fear of them being harmed in their absence. In today's anarchic conditions, great importance is attached to street lighting or the possibility of acquiring it, especially on access roads. The possibility of tenure security in the future is also important. For that to happen, the residents feel that the layout of the locality must be as per KDA's standards and the settlement must be on state land.
- c) Water: The settlement must be adjacent to a settlement which has a piped water supply. This is important for two reasons. First, in the initial stages, water can be purchased from the adjacent settlement at cheap rates by employing donkey carts. Second, when the new community is organised, it can lobby to have the water supply system of the neighbouring settlement extended to

its area with the minimum of expense.

d) Environmental conditions: These are important, especially for the migrant from the unorganised invasion settlements in the city centre. New ISDs having small plots, narrow lanes and no open spaces do not sell easily. Similarly, areas affected by industrial pollution, like Islam Nagar and Islamia Colony, which are affected by the Javedan Cement Factory, are less than half the price of similar settlements which are not affected by pollution.

e) Other factors: The other factors that determine land and property values are, in order of importance, electricity, sewerage, paved streets and gas (5).

## **6. LOCATION OF JOB MARKETS FOR INFORMAL SECTOR RESIDENTS**

In order of importance, work generating areas for lower income groups are: the port; SITE; the fish harbour; informal industrial area and trucking activity at Sher Shah and on the Mauripur Road; storage facilities and wholesale markets in the Old Town, Lyari and Khadda; Godhra Camp; the sub-markets in the old shiftee colonies and related ISDs, and the New Karachi Industrial Area. These areas are linked by a good all weather road network to the west Karachi ISDs and the now regularised shiftee colonies. The Landhi and Korangi areas, on the other hand, do not generate surplus jobs and their road links with the informal settlements of west Karachi are poor and are usually disrupted during the rains.

## **7. ACTORS IN THE DRAMA**

### **7.1 The people**

a) The new migrant: The new migrant comes from the NWFP and the Punjab. Recently migration from Sindh has also commenced, but is still small. An estimated 200,000 arrive every year (6). They usually stay with friends or relatives until they find a job, after which they call for their families. The general view of dallals, property dealers and communities is that ethnic strife in Karachi has reduced the number of migrants.

b) The irregularly employed: These groups have a culture of poverty and are seldom interested in improving their lot. Their lack of skills forces them to work as day wage labour. For this, nearness to the city centre, wholesale markets, trucking stations and other communication terminals, to the fish market or to rag picking activity is important.

c) The permanently employed: These constitute skilled labour, the industrial proletariat and lower level white-collar workers. For them, an improved physical and social environment is important, even if it is far from their place of work, provided adequate and cheap transport is available.

d) The small businessman and the trader: The ideal place for him to function from is the new ISD where competition is not too stiff.

e) The manufacturer and wholesaler: Usually moves to abadis that are becoming sub-markets and are in the process of consolidating themselves, provided that they are easily accessible from the

port, other industrial areas and communication terminals. He is able to find cheaper premises and labour for his work in these settlements.

## **7.2 The claimant**

The person, family, clan or tribe which is in possession of the area which is to be developed. Usually in Karachi, Baluch or Sindhi tribes have leased out land from the government on an yearly basis for the last eighty years. This system of leasing land for grazing and agricultural purposes was discontinued during the seventies, but the tribes have not given up possession of or claim to the land they used to lease. In a comparatively smaller number of cases, land also belongs to individuals, or is gowcher or grazing land attached to old villages on the city's outskirts.

## **7.3 The dallal**

The dallal is the middleman between the claimant and the people. He arranges for the protection required from the relevant government officials for occupying, subdividing and selling the land and for providing it with necessary services later.

## **7.4 The government official**

These officials usually operate through touts and belong to the KMC, CBR, KDA or the DC's office. The police is represented by the local thana.

## **7.5 The councillor**

Since 1979, when the first local bodies election was held, the councillor has been playing an increasingly important role in the development of informal settlements. To secure his position in a future election, he is interested in helping people to settle in his area (or what may become his area), in bringing services, regularisation and in maintaining law and order. Many of these functions are not part of his official duties and are as such, "informal" in nature.

# **8. WHY AN INFORMAL SECTOR?**

The informal sector is a response to the failure of the government of Pakistan to respond to the housing needs of lower income groups. This failure is because government and formal sector developments are incompatible with the economics and sociology of the urban poor and constitute only a small fraction of their requirements.

## **B. INSTITUTIONAL MECHANISMS**

### **9. LAND ACQUISITION: ISDs**

#### **9.1 The importance of ISDs**

Almost all katchi abadi development is being done through ISDs. This is because

- the locations of these ISDs are accessible to the Karachi job markets

- the price of land in the initial stages of development is affordable by the urban employed poor
- the area is well planned with an environment that is comparable to that of planned areas
- water and transport is available
- security from eviction is guaranteed by the subdivider in the initial stages and by numbers later on
- the perception of the residents is that, due to these abadis being planned as per KDA regulations, and by virtue of being on state land, the chances of their being regularised later on are very high.

## 9.2 Changes in institutional mechanisms over time

**Initial ISDs:** The ISDs that developed in the late fifties depended greatly on protection provided by state officials and political figures. This was because at that time, the city administration and police were both powerful and respected, and no development could take place without their active involvement. This determined their relationship with the dallal. In those days, it was the government official who called the shots, identified the area to be developed and decided on how the dallal should proceed. In addition, he, and his colleagues, took away the bulk of the earnings from these ventures. It was rare in the fifties to set aside plots for speculation as no one visualised what these settlements would develop into in the future. Even after the settlement was established the police continued to harass the residents and they were forced to pay them protection, either directly, or through the dallal. Often, they sought protection through local politicians when things became unbearable. In spite of the involvement of government officials and the police in the development of ISDs, and the protection of important political figures in the process, many ISDs were bulldozed in that period. The claimants to the land seldom objected to these developments taking place, as they did not realise the value of the land that was then in their possession.

**The system institutionalises itself:** By the late sixties, a system of development came into being that clearly defined relationships between the various actors. The dallal emerged as a powerful force as it was recognised that he was indispensable to the system. It was he who understood the market and had contacts with its clients. In addition, the bulldozing of the inner city settlements in the sixties and the influx of migrant labour to man Karachi's industry, transport and building sites, had created an immense demand for ISDs and the state found that it did not have the capacity to curb squatting. In addition, in the seventies, the state also abandoned the bulldozing of katchi abadis in favour of regularisation and improvement. All these developments weakened the government official's role. At the same time, all the actors noticed that in the older ISDs, land and property prices had increased and the more accessible areas had become commercial centres. The claimants decided that they too, could benefit from this development and became one of the actors in the subdivision drama.

**The system in the seventies and early eighties:** The development process of a number of ISDs that developed in the seventies and early eighties have been documented (7) and the picture that

emerges is as follows:

- a) The main actor in the drama is the dallal and the most important part of his work consists in trying to identify people who might need land for housing in new ISDs and who are sufficiently poor to be willing to become pioneers in establishing a new katchi abadi. For this, he has his contacts in other katchi abadis and at the deras where migrant labour initially settles.
- b) After he has selected his clients, the dallal identifies a piece of land that can be developed and approaches the relevant government official for his 'blessings' and protection. The official, after contacting other relevant departments, okays the scheme and dictates his terms. These usually consist of a small sum out of the proceeds of the sale, and a demand for holding onto about 10 per cent of the choice plots for speculation purposes for him and his colleagues. As the scheme progresses, other departments will also have to be catered to and so the dallal normally works on the premise that 30 per cent of the best plots would have to be given away.
- c) After indentifying the land to be developed, the dallal plans the scheme in his head and at the same time finds out who the claimant is. If he feels that negotiations can be successful with him, he contacts him. If not, he organises an invasion of the area by about fifty families. These families are promised land in the area free of charge and transport to the site is provided by the dallal. A scuffle takes place between the dallal's clients and musclemen and the claimants. The claimants, to strengthen their negotiating position, file a case in court against the encroachment whereas the dallal files an FIR with the local thana for violence committed against him. The police normally become the arbitrators in the dispute and a tripartite agreement between the three parties takes place spelling out the share of each party in the profits. With police protection guaranteed, the project then continues.
- d) The dallal already has a registered social welfare organisation going. The new plot owners become its members. Through this organisation, he lobbies for services with the relevant government departments. Since officials of most of the relevant departments have plots in the area, and since development of the ISD will raise the price of land, they are willing to assist.
- e) The police, in addition to getting a share of the sale proceeds, also charge the residents a small sum whenever they put up a pucca compound wall, an RC roof or a first floor.
- f) During the period of democracy (1970-1977), the local PPP leaders gave considerable support to ISD development. This reduced the involvement of the government official in the colonisation of land. In addition, most of the dallals became members of the PPP and some emerged as the local ward chairmen of the party in their areas. After 1977, the government official tried to stage a comeback. However, due to the involvement of military officers in land colonisation for ISDs in the post 1977 era, he never really succeeded.
- g) For levelling the land and lanes, the dallal uses machinery such as tractors and bulldozers. This he acquires through an informal agreement from the KDA or KMC staff, which is working in the neighbourhood of his settlement.
- h) After selling a plot to his client, the dallal insists that the plot is occupied and built upon immediately. If this does not happen, he sells the plot to someone else, and the money of the

original buyer is forfeited. In this manner the dallal prevents speculation on land, which can hinder the development of the ISD.

### 9.3 New directions

Changes in relationships between the various actors in the land colonisation drama through ISDs are taking place. Some of these changes are listed below.

- a) In the newer settlements, the claimant and the dallal normally reach an agreement without involving the police. This is because the value of the land is now well understood by both parties and also because the police is no longer taken too seriously by the dallal's clients. Developing an ISD seems to have become a respectable affair. The dallal now pays the police directly and the harassment of his clients is considerably less than say, 5 years ago.
- b) Similarly, the number of plots set aside for state officials has also decreased, and so has their interference in the schemes. Their interest today is to receive cash payments as part of the profits, rather than land for speculative purposes. These changes reflect the growing anarchy in the city and the administration's impotence to control it.
- c) The claimant-dallal relationship has also undergone a change. The former now gets a much larger share of the sale proceeds than a few years ago. In many cases, the claimant has emerged as a rival to the dallal and has started to undertake development himself. By eliminating the dallal, he can deliver plots at a lower price, with larger profits for himself. The new dallal-claimant relationship, or the lack of it, also removes the necessity of initially invading the land to create the beginnings of a settlement.
- d) Ethnic strife in Karachi has led to the demand for ethnically homogeneous settlements. This has created a number of problems for the dallals, how they will overcome them remains to be seen.

## 10. LAND ACQUISITION: OTHER SYSTEMS

### 10.1 Encroachment on parts of KDA developed schemes

KDA schemes that have been lying vacant for some time and are near to job markets are encroached upon. The actors in this drama and their respective roles are described below.

- a) The dallal whose adda or den is at a chai khana or tea shop in a nearby katchi abadi, informs the residents that he can arrange for settling people in KDA developed areas. Word gets around not only in the abadi, but also at the places where the abadi residents work. People contact him and once there are about 20 households, he moves them to a selected area within a day.
- b) The relevant KDA official and inspector have already been contacted by the dallal and so has the local thana. The dallal collects his money, a one-time lump sum payment, and settles the terms between the squatters and the officials. These terms usually consist of a down payment and a small, affordable periodic payment.
- c) The dallal then increases the settlement by moving other families in, and with the passage of



time, his rates and those of the officials' increase until the settlement is large enough to look after itself.

d) The residents are usually people who cannot afford land in ISDs. They do not believe that their settlements will be regularised. However, they feel that they will be in a position to negotiate terms with the owners or with the KDA and as such, may either get sufficient money to buy a plot in an ISD, or be granted alternative land by the government.

e) Houses in the settlements, to begin with, are of mat and reed construction. Once the number is sufficiently large to guarantee security, semi-pucca construction is undertaken.

## **10.2 Encroachments on public amenities**

The same process as for encroachments on KDA schemes takes place in this case. Most encroachments of this nature are on service roads and on spaces between them and the main arteries. In this case, however, the residents of regularised katchi abadis on the service roads have to agree to these encroachments. Their agreement is purchased by the encroachers, sometimes by a small monthly payment but more often by the womenfolk of the encroachers doing domestic work for them. Factory owners are also known to give protection and water to encroachers on public land in front of their factories, in exchange for cheaper labour. Councillors often help the encroachers in consolidating their hold on the land and in providing them with services, so as to increase their voting strength. This help is often in the form of making other residents agree to the encroachment and to extending their service connections, especially water, to them. In addition, the councillor also talks to the police on behalf of the encroachers and often succeeds in lowering, but not eliminating, the police bhatta. In a similar way, public land near trucking stations is always encroached upon by what is called "low caste tribes". These provide entertainment for the transporters through prostitution, alcohol and drugs. In exchange, the transporters, and the services sector that serves them, protect the settlement. The police also has good relations with the encroachers who provide them with services at subsidised rates, if not free of charge. The transporters, given their importance in the economy of Karachi, are a major force in the local politics of the city and the police is normally in their pay or in the pay of their godfathers. Their nuisance value is also considerable and as such, the city administration is anxious to keep on their right side. Thus, it is common for them, and the service sector that serves them, to occupy almost any vacant public land for their use. Houses in these encroachments are usually of katcha construction or of materials that can be easily dismantled and reused elsewhere.

## **10.3 Encroachment along riverbeds**

Riverbeds, especially in densely populated areas, are encroached upon by scavengers and rag pickers since these rivers carry sewerage with them and are the dumping ground of solid waste. Again, these encroachments are permitted by the residents of the settlements along the rivers who also provide the encroachers with water. Payment is sometimes made to the residents on behalf of the encroachers by the contractors who purchase the recyclable waste from the scavengers. Houses in these encroachments are again of mats, reed and bamboo. When the river floods during the rains, the residents move on to higher ground. A large number of garbage pickers are seasonal migrants to the city. They return to the Punjab for the wheat harvesting season. These settlements

are found all along the Lyari River, especially in Old Golimar, Meva Shah and Sher Shah Colony.

## **11. HOUSE BUILDING AND PROPERTY DEVELOPMENT**

### **11.1 Katchi abadies of the fifties and early sixties**

When the residents of these earlier settlements moved in, they were nearly destitute. In addition, loans for housing, formal or informal, and technical advice were not easily available. The culture of poverty still dominated the poorer sections of the population. As such, most of the houses remained chatai and banse affairs for three to four years, or even more, after the plot was purchased. Shops and storage spaces for rent were also built of these materials in the initial stages, and the rent they fetched helped in their being converted into semi-pucca or pucca buildings.

### **11.2 The post mid-sixties settlements**

**Houses for self use:** The post mid-sixties settlements saw the institution of the thallawala take root. In every new katchi abadi, he moved in and established his yard. Due to his presence, concrete blocks, reinforced concrete lintels and GI sheets for roofing, along with advice on their use, became available. In addition, materials can be purchased from him on credit and occasionally small cash credit is also available. Most thallawalas also act as contractors for the new houses or supply masons or other skilled labour required for building the house. To promote his business, the thallawala also lets the new residents use water from his water tank for their domestic use. Due to the nature of their work, thallawalas become highly respected members of the community. To recover their loans they never use muscle power but only social pressure. Due to their presence, 95 per cent houses in the new abadis start becoming semi-pucca affairs within a few months of the residents moving in. Till the late seventies, the dallal usually was responsible for getting the thallawala to move into the settlement. - It was also not uncommon for the dallal to give the thallawala a plot as a loan for establishing his manufacturing yard. This was done to improve the housing stock quickly and as such, increase the price of vacant land. This no longer happens and thallawalas move into the new settlement themselves and purchase the plot on which they establish their yard.

**Shops and flats:** In settlements where consolidation has, or is taking place, such as the Lalukhet pockets and Orangi Sector 11-1/2, certain areas have developed into commercial centres. Most settlements of this sort have become declared katchi abadis and as such entitled to lease rights. People on prize plots acquire a lease, get a loan from the HBFC, and with a small advance from parties interested in renting the shops, complete a two storey project. On a 120 square yard plot, this means two shops on the ground floor with a small flat at the back, and two flats on the first floor. Two more flats are added on the second floor, again with advances from persons interested in renting the apartments. These are usually semi-pucca affairs. Most persons who have put up such construction have planned for a building having a ground floor plus four storeys in the future.

**Commercial centres:** In areas that are becoming sub-markets, bazaars are developing. These usually consist of shops of 120 square feet. The shops are sold on pugree before the project commences. This work is undertaken by a developer who promises the owner of the plot one or two free flats on the first floor. The pugree for the shops and for the flats for sale is taken by the developer, and the nominal monthly rent that the new owners pay, is collected by the owner of the

plot. Most such developments are planned for five floors, although right now, few buildings of over three floors have been constructed. In many of these new sub-markets, the regularisation process has not yet begun, and for all practical purposes, this activity is illegal. Yet government banks and offices are known to have hired premises in these buildings.

### **11.3 Developments in the city centre**

In the city centre, especially in Lyari and Khadda, there is a great demand for storage facilities wherever there is access for vehicular traffic. The majority of residents here are poor fishermen. As in the case of commercial centres in the sub-markets, the site is developed by a contractor with storage space on the ground floor and four floors of flats above. Except for the two flats for the owner, the rest of the flats are sold, along with the shops, on pugree. The owner then collects the nominal monthly rent. In certain areas in the old city there is considerable opposition by the residents against this practice as they see this as not only destroying the physical environment of their settlement, but also the social one because through this development, outsiders move into their mohallah.

### **11.4 NGOs involved in housing or house improvements in katchi abadis**

**The Orangi Pilot Project:** The OPP has a housing pro-gramme for the Orangi katchi abadis. The OPP's research on the "sociology, technology and economics" of housing in Orangi has shown that the key to the improvement of housing is the upgrading of the local thalla, a better trained mason, and a more aware owner. Consequently, the OPP has assisted in upgrading production techniques and products of 14 thallas. This has been done by providing credit to the thallas for mechanisation and taking the results of OPP's technical research to them. Consequently, these thallas now produce superior blocks, cheap precast concrete roofing systems and better detailed doors and windows. Foundation designs have been standardised and steel shutterings for them developed. In addition, a training programme for masons has commenced and an extension effort for raising the awareness levels of the owners is underway. There is a great demand for the new products at the thalla and the other components of the OPP programme.

**Catholic Social Services (CSS):** The CSS provides credit through a revolving fund to a number of katchi abadi residents. Loans of 10,000 rupees are given to plot owners irrespective of whether the plot is regularised or not. Recovery, with a small interest, is effected in 36 monthly instalments. The CSS has experimented with this system of a revolving fund for the past five years and as a result developed appropriate institutions for recovering the loan. Loans are now given only to an organisation of creditors who collectively guarantee the repayment of the individual loans. Since this new system has developed, the default rate has decreased to a small percentage. The CSS does not offer any technical assistance to its creditors. However, it is now in the process of developing links with the OPP so that thallas in the areas where it works, can be upgraded, masons trained, and awareness levels of its clients raised. The CSS is working in Bhitai Colony, Korangi; Gharibabad, Orangi; Mianwali Colony, Pirabad; PIB Colony and Akhtar Abadi.

## 12. SERVICES

### 12.1 At the earlier stages of the settlement

**Water and transport:** At the initial stages of its development the settlements main requirements were water and transport. Water was supplied to the settlement by KMC bowzers. The dallal arranged for this and the people paid for it through the dallal. Some of this money found its way into the dallal's pocket and the rest went to the dallal's KMC contacts. Similarly, money was collected by the dallal to bribe relevant government departments to grant a route permit for the plying of transport in the area. Again, part of this money was pocketed by the dallal. However, both these services are now increasingly taken care of by private entrepreneurs. Water is supplied by donkey carts from the nearest stand-posts and the people pay directly to the vendors. Transporters, sensing that there is a demand for them, make their own arrangements with the administration. More recently, small Suzuki wagons transport people to the nearest bus stop from new settlements. These vehicles do not have a licence to operate as public transport, but again they have an understanding with the area thana. Such Suzukis also take the women of many katchi abadis to and from their places of work many miles away from their homes. This system is convenient for it is fast and comfortable as compared to regular public transport.

**Electricity:** Electricity is provided to those residents who can afford it, from a diesel fired electric generator installed by an entrepreneur in the area. He operates the generator for a few hours in the evening and in the afternoons on hot days.

### 12.2 Later developments

**Services through lobbying:** Piped water and electricity are the first priorities of the residents when they begin to settle down in their new abadi. The dallal, obsessed by improving the conditions in the settlement, has usually lobbied for these through his social welfare organisation. He has been known to hire journalists to paint a distressing picture in the newspapers about his settlement so as to attract the attention of officials and politicians. He has organised the residents to apply en-mass for electricity and then arrange demonstrations in front of the KESC office demanding electric connections. He has purchased politicians, with the residents' money, to assist him in his efforts, and he has offered his assistance to the party in power at election time in exchange for services to his ISDs. If services have come to these settlements, it is usually through the intervention of powerful political figures who have been involved with the abadis due to the dallal's efforts.

#### **The people's efforts:**

a) **Sewerage systems:** People, motivated by mohalla activists, have in many cases organised themselves in laying sewerage lines from their lanes to the nearest nullas. This can only happen where a nulla is nearby, which is rare. Most work of this type done by the people is substandard in quality and technically unsound. It quickly falls into disuse as it is carried out without tools, levels, skilled workmen or plans and estimates. Since it is also not related to any master plan, it cannot be integrated into a larger sewerage system, for the mohallah, or the settlement as a whole. Large amount of peoples' money has been wasted as a result. People realise that the absence of a proper sewerage system is responsible for their bad health and that as a result, they are forced to spend a large sum of money on doctors and medicines.

b) Solid waste disposal: Many lanes and even mohallahs have engaged scavengers collectively to lift their garbage and sweep their lanes. Due to this, their areas are relatively clean, especially if they have a sewerage system. The scavengers usually dump this garbage on the main roads or access ways where it rots until public pressure forces the KMC to take action.

#### **NGO involvement in provision of services:**

a) BUSTI: BUSTI evolved out of UNICEF's Baldia Soak-pit Project. Soak-pits were installed for demonstration purposes in Baldia and the residents motivated to adopt them and pay for them. Due to this, people became aware of soak-pit technology and adopted it in a big way. For disposal of waste water, however, open drains were constructed and those people who did not construct soak-pits connected their latrines directly to these drains. Thus, the project has ended in failure and sanitary conditions in Baldia remain poor. BUSTI, however, is now operating in a number of abadis where it has formed people's committees. Loans from a revolving fund are being provided for the installation of soak-pits and soak-pit technology is being extended to the people. In addition, the organisation also has a home-school programme and a health programme.

b) The OPP: The Low Cost Sanitation Programme of the OPP is its most successful programme. Through it the OPP has motivated the residents to manage, finance, operate and maintain an underground sewerage system. The OPP designs the system, works out its costs, provides tools and supervision while the residents organise themselves, collect the required funds and manage the implementation of the project. Technical research and modification of engineering standards, along with the elimination of contractors profiteering and kickbacks to officials, have lowered costs to one-fourth of KMC rates for similar work. As the people have funded the work they also maintain it. Most of this maintenance is ad hoc in nature and is a response to a crisis such as blockage of a drain resulting in flooding of a neighbourhood. In some cases people have, however, developed proper lane organisations that take care of maintenance and charge the residents a regular fee for it. However, the OPP system eventually flows into the open nullas, the development of which is beyond the financial and organisational capacity of the people. The OPP has so far assisted the people in providing underground sanitation to about 60,000 housing units.

**Services through KMC grants to the councillor identified projects:** The KMC gives development grants for small scale projects identified by its councillors in their respective areas. Most of these projects consist of road paving, the making of open drains, and more recently, underground sewers. Again, this work is unrelated to a master plan, as such, a plan does not exist. In addition, the decision as to where this work is to be implemented, is not decided by larger planning considerations but by purely political ones. Over the years, this development work has increased in volume but its various parts do not relate to each other or to the work the people carry out through their own efforts, or with the work being done through the Katchi Abadi Improvement and Regularisation Programme (KAIRP). In addition, this work is implemented by KMC contractors without adequate tools, no survey instruments and no supervision, and much of it is washed away by the rains or functions badly. As such, work done through these development grants, in the absence of adequate planning, technical support and supervision, constitutes a massive wastage of public money. NGOs, such as the OPP, obtain much better results by providing technical support to community financed and managed projects.

### 12.3 Katchi Abadi Improvement and Regularisation Programme (KAIRP)

**Description of the programme:** One of the major programmes of the government of Pakistan is the regularisation and improvement of katchi abadis which constitute 38 per cent of Karachi's population and 22 per cent of the total urban population of Pakistan (8). The programme in some form or the other, has been operative since 1973. In its present 1978 form (9) it envisages the regularisation of, and provision of infrastructure to, all squatter settlements on government land which were established before March 23, 1985 and have more than 40 houses in them (10). The process of transferring this land from the government agencies who own it, to the programme implementation agencies, is at an advanced stage. The programme mechanics are

- community participation in decision-making on the nature of upgrading and lease and development charges;
- upgrading of the settlements by providing services and demolishing those houses, or part of those houses, which obstruct the implementation of the upgrading plan;
- a grant of 99-years lease to the residents and the recovery of land and development charges from the beneficiaries;
- the provision of houses to the people displaced by the upgrading process, or those who built their houses after the cut-off date;
- the government was to provide the seed capital for this programme, which was to operate as a revolving fund as lease and development charges were recovered;
- maximum community mobilisation and participation in the programme was envisaged as it was correctly foreseen that without these aspects to it the programme could not possibly succeed (11).

**Failure of the plan:** The KAIRP formed an important part of the Fifth and Sixth Five Years Plans. However, in spite of considerable finances at the disposal of the implementing agencies, and the involvement of the ADB and World Bank, no more than 18,000 of the katchi abadi houses out of 175,000 that were eligible for lease, have acquired lease rights in the project areas. In addition, little of the physical work has been undertaken as yet (12). Non-recovery of lease charges from the beneficiaries has prevented the programme from proceeding as originally envisaged. In addition, new katchi abadis continue to grow.

**Reasons for the failure of the plan:** The reasons for the failure of the plan are:

- a) A flaw in the basic plan concept: The basic concept of the KAIRP is that people wish to have a de jure security of tenure for their homes and that they will be willing to pay for it. This payment is then supposed to finance the project and/or repay loans taken for implementing development in katchi abadis. However, the KAIRP performance so far seems to suggest that people having a de facto tenure security are not too interested in a de jure one especially if the process of acquiring this de jure security is inconvenient, does not substantially improve living conditions, and negates the investment on infrastructure they have made to date.

b) Bureaucratic red-tapism: In spite of the fact that the KAIRP began 10 years ago, the transfer of land from the owner to the implementing agency has been a slow process. This delayed the implementation of the project. Even today, land belonging to certain federal agencies has not been transferred. In addition, the procedures of applying for and acquiring a lease have not been initiated in the majority of settlements. Where they have commenced, they are lengthy and cumbersome, and the residents have to cater to a fair amount of corruption to complete them (13).

c) Lack of community participation: The KAIRP has set out elaborate plans for involving the community at all stages in the regularisation and improvement process (14). However, such participation is in theory only. In most cases it remains limited to a few meetings of a limited number of community members, usually friends of the councillor or influential persons, at the councillor's office. Area and mohallah working groups as envisaged by the programme are seldom formed, and if they are, cannot be sustained, for reasons that need to be studied. The mistrust that already exists between the people of squatter colonies and the local government, has led to non-cooperation between the residents and the implementing agency. Surveys have established that in Karachi, where the programme was heavily publicised, the majority of the residents were unaware about its details (15).

d) The problem of shiftees: In the development plans prepared so far, 23.5 per cent of the households in katchi abadis have to be relocated due to the standards applied (16). If the residents of those abadis are included which have to be shifted because they are considered to be in ecologically dangerous zones, the figure increases considerably. Thus, in the Special Development Programme for Katchi Abadis of Karachi, over 50 per cent of the estimated budget for the KAIRP was to be spent on providing alternative accommodation to shiftees (17). The KDA does not have even a fraction of developed plots in suitable locations required for these shiftees.

e) Substandard work: It is the perception of most katchi abadi residents interviewed in connection with this study, that in the majority of cases work done through the KAIRP, has been of substandard quality. Residents feel that in many cases, it has been certified as complete when not even 10 per cent of it has been undertaken. The majority of the people are not willing to pay development charges for substandard or incomplete work. Programme economics show that if there is even a 20 per cent default in recovery, the programme cannot continue (18). The default in all cases so far is well over 20 per cent (19).

f) Lack of appropriate institutions and procedures: Appropriate institutions and procedures required for the implementing of the programme have not developed in spite of the fact that the need for them has been clearly identified by the programme.

g) No coordination with councillor-identified projects or peoples own work in the area: The Programme is in no way tied to or related to the councillor identified development work or to the work done by the people themselves or through the NGOs. Thus, work is being duplicated and people's perception is that they are being asked to pay, through the regularisation process, for work that has already been done.

## **12.4 Illegal service connections**

A large number of houses in ISDs and other informal settlements have illegal water and electric

connections. The KMC plumber enters into an informal agreement with the house owner to provide him with a water connection. Occasionally, the KMC begins a drive against such connections. At all such times, the KMC plumber demands a payment for overlooking the existence of such a connection. Similarly, the KESC line man overlooks the installation of an illegal electric connection, provided the house owner has come to some financial agreement with him. At irregular intervals, he demands payment from the house owner so as to let the connection continue. However, in both the case of water and electricity the cost of an illegal connection and its use is less than half that of a legal one. As the settlement consolidates itself, illegal connections, especially of electricity, become less and in the early shiftee settlements they are almost non-existent. Once you are well off there is the concept of izzat to be catered to.

## **C. FINANCIAL MECHANISMS**

### **13. LAND, PROPERTY AND RENTAL VALUES IN INFORMAL SETTLEMENTS AND THEIR COMPARISON WITH NEIGHBOURING PLANNED AREAS**

#### **13.1 In an early shiftee settlement**

Angara Goth, is an unorganised invasion settlement which has areas of ISDs as well. Comparison is made with the neighbouring KDA planned area of Sector 1-C, Liaquatabad.

a) Property values: A small double storey house on a side lane in Angara Goth costs about 200,000 rupees. In 1-C Sector, it is approximately the same price. In 1960, an 80 square yard plot in Angara Goth cost 250 rupees, and in Sector 1-C it cost 6,000 rupees. Similarly, a three storey building on 80 square yards on the main road with shops on the ground floor costs about 650,000 rupees. In the planned area it costs about 475,000 rupees.

b) Rentals: Rent for 120 square feet shops on the main road in Angara Goth is 600 rupees per month and for a two room flat on the floors above is 500 rupees. In the planned area, the rent of the flats is the same as those in Angara Goth, while the rent of the shops is 20 per cent less. Rentals, according to the residents, account for about 20 per cent of the population in both areas.

c) Reasons for the situation: Both the settlements have all the basic amenities. However, Angara Goth has developed into a major industrial area for steel fabrication. This accounts for the higher value of shops. The fact that Liaquatabad Sector 1-C is a planned area does not seem to matter.

#### **13.2 In later shiftee and related ISD settlements**

**Orangi Township:** Comparison is made between the ISD development in Sector 10 and 11-1/2 and the KDA planned area of the township.

a) Property values: A 100 square yard plot off the main road today in Sector 10 would cost between 60,000 to 80,000 rupees. The price in the planned area is about the same for an 80 square yard plot. In 1970, plots in Sector 10 were sold for 5 to 28 rupees when the price in the planned areas for similar locations was 500 to 600 rupees. Commercial plots of 120 square yards in Qaddafi Chowk, a prime area in the planned sector, cost 350,000 rupees. In the unplanned area of Pakistan



Bazaar in Sector 11-1/2, a 120 square yard plot with a similar location would cost 500,000 rupees. In 1976, the price of such a plot in the planned area was 8,000 rupees while in Sector 11-1/2 it was only 500 rupees.

b) Rental values: There is almost no difference in rental values of domestic houses between the planned settlement and Sectors 10 and 11-1/2. However, rental values in Pakistan Bazaar are about 35 per cent higher than Qaddafi Chowk. Renters are said to account for 15 per cent of the planned area and about 8 per cent of the unplanned area.

c) Reasons for the situation: Both areas have all the basic amenities. Sector 11-1/2 has developed into a major sub-market, which explains the higher values for commercial plots and rentals. Again, the fact that Sector 10 and 11-1/2 are unplanned areas, does not seem to affect their market price.

**Baldia Township:** Comparison is made between Kumarwara, an early unplanned settlement; Gujrat Colony, a planned area; and Sector 8, a KDA planned scheme which is in the process of developing.

a) Property values: In Kumarwara, an 80 square yards plot on a side road costs 75,000 rupees; in Gujrat Colony, 100,000 rupees; and in Sector 8, 18,000 rupees. Commercial plots on the main roads cost in the three settlements 150,000 rupees, 250,000 rupees and 25,000 rupees respectively.

b) Rental values: In Kumarwara, a two room semi-pucca residential house on a side road can be rented for 500 rupees, in Gujrat Colony for 800 rupees, and in Sector 8 for 200 to 250 rupees. Shops of 120 square feet can be rented for 250 rupees, 300 rupees and 75 to 150 rupees respectively. There are definitely a larger number of renters in Gujrat Colony and almost none in Sector 8.

c) Reasons for the situation: Kumarwara is older than Gujrat Colony. However, Gujrat Colony has a better approach from the Hub River Road. In addition, it is better planned with larger open spaces. Both settlements have access to water, electricity, transport and gas but have poor sewerage and drainage facilities. Sector 8 is still receiving shiftees from the city centre who pay 1,250 rupees for the plot they receive. Most of them sell their land to speculators for 18,000 to 25,000 rupees, depending on the location, and move back to the city. Transport and electricity is not easily available in Sector 8.

### **13.3 In expanding ISDs**

Comparison is made between the developed and developing parts of Ittehad town in Baldia, Muslimabad in North Karachi, and Naseerabad near Drigh Colony in East Karachi. Comparison of each of these settlements is further made with the formal sector schemes bordering them. These are, Baldia Sector 9 near Ittehad Town; New Karachi Sector 5-D near Muslimabad, and Drigh Colony near Naseerabad.

- a) Property prices: 120 square yard plots off the main road.

	<b>1985 Price</b>	<b>1990 Developed Area Price</b>	<b>1990 Developing Area Price</b>	<b>Nearby Formal Sector Schemes</b>
Ittehad town	600	20,000	5,000 – 10,000	15,000
Muslimabad	400	10,000	2,000 – 4,000	35,000
Naseerabad	800	25,000	6,000 – 15,000	20,000

- b) Rental values of a semi-pucca two rooms house:

	<b>1985 Price</b>	<b>1990 Developed Area Price</b>	<b>1990 Developing Area Price</b>	<b>Nearby Formal Sector Schemes</b>
Ittehad town	NA	600	250	NA
Muslimabad	NA	250 – 300	75 – 100	NA
Naseerabad	NA	600	200	NA

Rentals in all these settlements are rare. The residents feel that no more than 2 to 3 per cent of the households are living in rented accommodation.

- c) Reasons for the situation: The ISDs still have to acquire services, whereas the planned areas have them. In the case of the comparison between Ittehad town and Baldia Sector 9, the low price of the latter is because of poor transport services and large vacant areas that people have held for speculation. Large parts of Ittehad town, meanwhile, are almost fully occupied and have transportation links through Orangi. The low price of property in Muslimabad is because of its long distance from the job markets. The high prices in Naseerabad are due to its proximity to the city, a reliable transport system and because KDAs Bagh-i-Kasim scheme is being developed in its neighbourhood. In addition, a road link from Drigh Road to the Korangi Industrial Area has been planned and will pass in the proximity of Naseerabad.

### 13.4 In encroachment settlements

In encroachment settlements people sometimes sell their gabza or possession of their properties. The price of this gabza depends on a number of factors. If the people whose properties have been encroached upon are not influential and the settlement is large, then the services acquired by the residents will be substantial, the homes will be semi-pucca, and as a result, the price of possession will be high. For example, encroachment on plots in Sector 1-A-4, New Karachi, a KDA planned areas, are small, there are no services and the houses are mostly katcha. Hence the price of possession of a house is only 1,000 rupees. Private owners are supposed to be more "influential" than the KDA. As such the cost of a 120 square yard plot of land on the service road near Shah Bhitai Colony is 6,000 rupees. The settlement has piped water and a large number of illegal electric connections are available while most of the houses are semi-pucca. Again, this encroachment is next to the industrial area, whereas the encroachment on Sector 1-A-4 is far from the job markets. The location and the nature of the owner whose property is being encroached upon, seem to

determine the price of property, the level of services acquired, and the physical condition of the encroachment.

## 14. THE DEVELOPMENT PROCESS: WHO GETS WHAT

### 14.1 ISDs

The current cost of new 120 square yard plots according to the dallals and given is in the table below, along with the share of the actors involved in development.

**Who gets what**

Name of settlement		ISD plot cost to the buyer	Claimant	<u>Dallal</u> (a)	Government officials	Police
Ittehad Town	1985 1990	600 6,000	300 3,000	100 1,000	200 1,000	(b) 1000
Yakoobabad	1987 1990	900 10,000	500 6,000	200 2,000	200 2,000	(b) (b)
Naseerabad	1985 1990	800 6,000	300 3,000	200 1,000	300 1,000	(b) 1,000
Muslimabad	1985 1990	400 2,000	200 1,000	100 400	100 400	(b) 200 (b)
Sajjan Goth (c)	1990	3,500	3,000	Nil	500	Nil

a) Means that the person sets aside plots for speculation purposes.

(b) Means that in this case the police collects money directly from the residents when they occupy the plots, build their compound wall, lay an RC roof or build a first floor. Each payment is seldom more than 10 per cent of the plot price.

(c) Sajjan Goth is near Ittehad town. It is being developed by the original owner and as such is cheaper than the dallal-developed schemes such as Ittehad Town in its vicinity. The police does not interfere with the development process as the claimant has the protection of a powerful politician, who it is claimed has a share in the development.

### 14.2 Encroachments: According to the residents

**Who gets what**

Name of encroachment	Price paid	<u>Dallal</u>	Police share	KDA/KMC officials	Neighbour (a)
New Karachi Sector 1-A-4 KDA scheme	600	Don't know	+100+(b)	Don't know	Nil
Service road at Shah Bhitai Colony	2,000	-do-	(b)	-do-	Rs 50 per month for water supply
Hawkers at Lea Market	250-425 per	Non-	175 per	75 – 100	100 – 250

	month	existent	month	per month	per month
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- (a) Neighbour means the person in front of whose house or shop the squatting takes place.
- (b) Periodic payments are made by the encroacher. At an average they work out to 300 rupees per year for the police and the same for the government officials. When demolition is ordered then larger payments are extracted to let the encroachment stay.

## 15. HOUSE BUILDING COSTS

### 15.1 In new ISDs

In a period of three years after settling in an ISD, 70 to 80 per cent of the households invest about 30,000 rupees in constructing a three rooms semi-pucca house with a soak-pit, kitchen and a bathroom. Five to seven per cent houses remain katcha during this period and the rest develop into pucca houses with an investment of over 100,000 rupees (20). Money for the first category comes as loans from friends and relatives; saving; sale of valuables, usually women's ornaments; besi committee or from a loan of materials and cash from the thalla; or as a combination of all or some of these sources (21).

### 15.2 In the city centre

In the city centre, in Khadda and Lyari, plot sizes are about 180 square yards. As mentioned earlier, in some of these areas there is a great demand for storage spaces. Dallals negotiate with the owner and settle terms between him and a contractor. The agreement is as follows.

- a) The contractor develops the plot with godowns below and 4 floors of flats above by getting an advance from parties interested in purchasing the accommodation.
- b) The godowns of 120 square feet sell for 200,000 rupees each while the flats sell for 150,000 rupees each. One floor of flats is given to the owner free of charge and he also collects a nominal rent from the new owners. This rent is about 200 rupees per month for each shop and about 150 rupees for each flat (22).
- c) The dallal collects his commission of 2 to 5 per cent of the project cost from each party.
- d) Often no plans for this construction are approved by the KDA. Even if they are, they are not followed and there are major violations of zoning regulations in the design. KDA building inspectors come to a financial understanding with the dallal and turn a blind eye to these violations. When the construction has to be legalised similar understandings are arrived at with the KDA higher-ups (23).

## 16. LEASE: Pros and cons

Most katchi abadis in Karachi have been earmarked for regularisation. In a number of them the process has already begun, and executing a lease for property is now possible. However, people are not interested in executing a lease as the only benefit they feel they can get out of it is that they can get a loan from a bank against their property. Few desire or need such a loan. According to

estate agents in low income settlements, the sale price of a leased house is usually 3,000 to 4,000 rupees less than that of an un-leased one. This is because in the case of a leased house the lease has to be transferred to the name of the new owner and mutation in the KDA or KMC registers has to be executed. This involves the payment of registration charges at 8 per cent of the sale price, mutation charges, legal fees and the inconvenience and additional cost of dealing with officialdom. Since sale and transfer of property can be legally affected without a lease, the vendors and purchasers of property in the low income areas see no reason to bear these additional expenses.

## **17. THE COST OF SERVICES: A COMPARISON BETWEEN INFORMAL AND FORMAL COSTS**

### **17.1 Water**

- a) Informal supply through bowzers: Average cost per month per household is 120 rupees.
- b) Through KMC house connection: 450 rupees for the connection (250 rupees KMC connection charges plus 100 rupees worth of plumbing material plus 100 rupees to KMC plumbers) plus 99 rupees per month user charges. If user charges are not paid the KMC takes no action and the KMC plumbers can be induced, at 50 rupees per month, to keep the connection intact. People generally find it difficult to pay the initial 450 rupees required for the connection.

### **17.2 Electricity**

- a) Informal:
  - From commercial generators: The generator owner charges 20 rupees per month for a tube light, 50 rupees for a fan and 50 rupees for a TV. He is paid in advance, and if the next payment does not materialise at the end of the preceding month, he discontinues the supply. This form of electric supply is far more expensive in the long run than through the KESC. However, no major initial payment is required for it.
  - Illegal connections: The owner of the house hires an electrician who gives him an illegal connection. Once established, the owner pays the KESC inspector an average of 50 rupees per month to keep the connection going. In many areas people do not pay anything for these connections except when the KESC officials threaten to prosecute the offenders. At such times the owner may have to pay up-to 200 to 300 rupees to keep the connection going.
- b) Formal: A formal KESC connection for a small 120 square yard house costs 2000 rupees (plus 500 rupees for chai-pani) and the average monthly bill works out to about 50 rupees.

### **17.3 Sewerage**

It is estimated that within three years, after moving in, the majority of house owners build a soak-pit. The cost of this is about 1,500 rupees. The OPP's sanitation programme also costs the residents about 1,000 rupees per house and is considered reasonable by the users.

## **17.4 Solid waste**

Many mohallas or lanes employ a scavenger for emptying out their bucket latrines or lifting their garbage and sweeping the streets. Normally each household pays 20 rupees per month to the sweepers if excreta is to be lifted, and 10 rupees if only garbage and sweeping is to be done. One sweeper can easily service 30 houses.

## **D. PLANNING MECHANISMS**

### **18. THE DALLAL AS PLANNER**

The dallal is the planner of the ISD settlements. He chooses the location for the settlement; locates the prospective buyers; establishes the relationships with the other actors so as make the project possible; conceptualises the plan in his head and then physically implements it. Later on he struggles to get the settlement recognised, acquires services for it and often emerges as its leader. To do all this, he has to understand the social and economic aspects of his clients; maintain contacts with key persons in other settlements and deras; move around in government planning, development and administration offices; and to constantly update his knowledge regarding the "market". All this calls for exceptional skills.

### **19. THE CHOICE OF A LOCATION**

#### **19.1 The dallal conceives main circulation ways**

What determines the location of the settlement has already been described earlier in the report. The earlier subdivisions were near the main arteries of the city, whereas the newer ones are on major roads, or the continuation of these major roads taking off from the main arteries, that the dallal has established through his settlements. Often these roads are continued by other dallals through the new settlements that they establish. The direction of these roads is always towards some major government-built or proposed high-way. For example, the road through the Yakoobabad settlement is supposed to continue till the RCD highway, which is about five miles away. All dallals working in the area are respecting this decision. Once the link with the RCD highway has been established, the value of land in the abadis on it will increase many-fold and the land at the junction of the road and the RCD highway will become prime commercial property. It now belongs to a Balochi tribe.

#### **19.2 ISD's relation to government development plans**

The dallals keep in touch with KDA and other government plans for road and land development as this determines the areas in which a demand for housing or commercial activity will be generated. For instance, all dallals in west Karachi are well acquainted with the proposals for a southern and a northern bypass for Karachi and for the Port Qasim-Super Highway link road. Contacts with locals in possession of land in the area have already been established and so have contacts with relevant government agencies.

## **20. PHYSICAL PLANNING**

### **20.1 The plan concept**

The plan of the settlement is in the dallal's head. He stands on high ground and decides the direction of his main road. In his head again, he sees the relationship of this settlement with other areas of Karachi. This makes him understand the nature of activity that may develop here in the future, in addition to residential activity. He has to cater to these possibilities and they decide certain road widths, plot sizes and the areas where plots for speculation have to be located. Sometimes, this is put down on a piece of paper in the form of a rough unscaled sketch. Some dallals have had plans made by their KDA collaborators in the town planning section, but complain that they were inappropriate for the "market". All planning, irrespective of contours, is usually on a grid iron.

### **20.2 Planning criteria and standards**

The planning criteria and the standards developed by the dallal respond to what he terms as the "market requirements". He has no independent view on this issue. The standards that have emerged are:

- a) Plot sizes: People, especially those moving from congested city settlement, prefer 120 square yard plots to 80 or 60 square yard ones and are willing to pay extra for them. The common dimensions of these plots are 30' x 36' or 27' x 40', with the smaller dimension facing the road. The squarer plot is preferred because in 30 feet one can build two rooms plus toilet facilities opening onto the street.
- b) Road widths: Main roads, which are likely to house commercial or industrial activities in the future are usually 50 feet wide. Those that are likely to link major KDA planned arteries are known to be over 100 feet wide. Link roads within the settlement are 30 feet wide while the lanes are 20 feet. If economics permit, then no more than 12 plots are put in the length of a lane. This is to increase the number of corner plots on which there is an initial premium of 25 per cent and a subsequent premium, after the houses have been built, of upto 100 per cent. Road widths of less than these standards are said to create a bad environment and plots in such settlements do not fetch a good price.
- c) Shop sizes: Shop sizes are almost always 12' x 10'. On a 27 feet wide plot two shops of 10 feet frontage are possible, with space left over for a staircase to the floors above, and a passage to the ground floor flat at the back of the plot. In a 30 feet wide plot, two shops of 12 feet wide frontage are possible, with space left over for a staircase to the floor above and a passage to the back.
- d) Amenities: The dallal provides no amenity plots except for a mosque. For this, he makes no charge and nor do the other actors receive any financial benefit from it. However, at a fairly early stage, residents do often take over some vacant land in the neighbourhood and use it as a playground. This space is fiercely protected by the residents, often with the help of the councillor. Many such spaces are over an acre in area, and when regularisation takes place they are officially converted into parks and playgrounds.

## 21. CHANGES OVER TIME

All dallals feel that major changes have taken place in the "market" over time, and this has led to changes in their planning. These changes are listed below.

- a) When the first ISD settlements were created, the dallals did not fully understand the future relationship between these settlements, official planning proposals, and the other areas of Karachi. As such the potential of these settlements as future commercial areas and sub-markets was not understood nor catered to in their layouts. This is no longer the case.
- b) As the dallal used to see the settlement in isolation from the rest of Karachi, he was unable to think of creating arteries and links between existing and/or proposed KDA communication network. Nor did he have the confidence of interfering in or effecting change in official planning. This is no longer the case.
- c) In the earlier stages the dallal tried to carve out as many plots as possible from a given piece of land. However, when the leasing process began it was noticed that regularisation was easier if the plan corresponded to KDA regulations. This created a premium on land developed according to local body bye-laws. Thus, regulations were followed as far as possible. Now, however, the dallal responds to the market and the market needs a pleasant open environment, wide roads, not too long lanes and lots of corner plots.
- d) Until recently, the dallal used only a measuring tape and stones for laying out the settlement. Today, he uses string and chalk as well, and feels that a surveyor would lay a more accurate rectangle than him. However, the cost of hiring such a surveyor would either cut into his profits or increase the price of the plots. The former option is unacceptable to him and the latter to his clients. The drawing up of plans is seldom done for this reason. His shahgirds assist him in laying out the settlements. In Karachi, there are now three generations of dallals.

## E. CRITICAL ELEMENTS IN INFORMAL SECTOR ACTIVITY

### 22. THE APPROPRIATENESS OF THE INFORMAL SECTOR FOR LOWER INCOME GROUPS

#### 22.1 Location

The informal sector provides the lower income groups the possibility of settling in locations that are near to their place of work, or are accessible because of the existence of roads and transport. Official planning does not always manage to take care of these requirements due to its slow process of development, and hence even part occupation of KDA schemes can take upto 10 years from the date of their announcement.

**Comment:** Official planning needs to understand the manner in which the dallal decides on which locality is suitable for habitation and how it can be occupied quickly.



## 22.2 Affordability

**To the owners:** The informal sector caters to a number of income groups among the urban poor. How much one can pay determines the tenure status of the settlement. At no time is the cost above the affordability level of the owners. Approximately 32 plots of 120 square yards can be accommodated in one acre. KDA pays the CBR 25,000 rupees per acre. Thus the cost per plot works out to about 800 rupees. The plot sells at a minimum of about 3,000 rupees above this value. Affordability is made possible because of an absence of services. To acquire these, the owner pays, in the form of protection money, bhatta and purchasing water, more than what he would pay for a KDA developed plot where all the services would be present. However, he makes payments in small instalments, over a period of five or more years.

**Comment:** It needs to be seen if the approach adopted by the dallal can be integrated into the official planning process. That means that services should follow habitation and the owner should pay for them incrementally. In addition, it must be realised that encroachments on developed government land, such as in New Karachi Sector 4 and 5, are really rentals for which the residents make informal monthly payments to the police and the touts of government functionaries. This clearly shows that there is a case for land rentals.

## 22.3 Profits to the dallal and his associates

The main earnings of the dallal and his associates come from speculation of choice plots. In a five to ten years period their value increases, sometimes by over 1,000 per cent, and development on them yields even higher profits. In addition, the fact that the dallal has no overheads, unlike the KDA and KMC, helps him in selling land at a price affordable to his clients.

**Comment:** If the state follows the development strategy of the dallal then it must be seen if the state can become a speculator and whether the profits of this speculation can finance upgrading and provision of amenities. However, some mechanism of preventing the plots from being encroached upon must be developed. The KDA does follow this principle. However, in most cases, KDA plots are sold prematurely and through public auction. A "reserved price" is set for them which is usually well below the prevailing market value of the land.

## 22.4 Killing speculation

By forcing the residents to build immediately the dallal prevents speculation on the plots in his scheme, except for the ones that are especially reserved for that purpose. This also guarantees that only 'genuine' parties will purchase plots. KDA housing schemes, on the other hand, lie empty for years, tying up large sums of public money.

**Comment:** Can the state adopt some procedure whereby people can be forced to build immediately on their property? The NUF concept is alien to low income groups used to buying land and living in katchi abadis. In addition, it requires complex bureaucratic procedures for its enforcement.

## 22.5 Simple allotment procedures

Buying a plot in the ISD settlements is a simple affair. It involves no red-tapism, no catering to

corruption, no visiting banks and fulfilling other formalities, such as establishing one's identity, as required by formal sector schemes.

**Comment:** Can all formalities related to allotment, possession and demarcation of plots to low income families become a one window affair on the site itself?

### **23. THE DALLAL AS DEVELOPER**

The expertise that the dallal possesses in relation to understanding market mechanisms, and the sociology and economics of low income groups, is a great asset and is not available with either the formal sector developer or the planner. Without this expertise the informal sector cannot possibly operate or the formal sector become appropriate for low income communities.

**Comment:** The possibility of a role for the dallal in formal planning and implementation must be studied, keeping in view the need for giving him the freedom he is used to in his work. Without this freedom, he will not be able to be of much use because, due to a lack of formal education, he cannot relate to the bureaucratic norms that are followed by formal sector planning.

### **24. RELATIONSHIP BETWEEN OFFICIAL PLANNING AND ISDs**

The locations and size of informal settlements in Karachi have not been determined by the planners. They are a response to certain decisions taken by them which were related to location of industries, infrastructure and communication network, and the availability of drainage channels required for waste water disposal and surface drainage.

**Comment:** The relationship between formal sector proposals and the response of informal sector developments must be clearly understood by planners. Through this understanding, the formal sector planners can determine the locations, extent and subsequent changes in land use and land values in informal settlements.

### **25. SERVICES**

There is no coordination in the development work undertaken by the people through the development grants to projects identified by the councillors, NGOs and the KAIRP. In addition, the work done by the state sector for small scale projects is extremely substandard as it is done without tools, plans, estimates and supervision. One of the reasons for this is the centralisation of design and supervision work undertaken by the state for far flung areas of the city.

**Comment:** Work to be undertaken by the people, by development grants for projects identified by the councillors, and by KAIRP, must be clearly identified and must be carried out under a common master plan. In addition, a mobile technical team of an engineer and a social organiser should be available to assist the councillor and/or the residents in designing and implementing development work.

### **26. HOUSE BUILDING**

The thalla plays an important role as a supplier of cash, materials and credit for house building. In

addition, the thallawala acts as a contractor, designer and advisor to the plot owner. A number of defects that are found in the houses in the ISDs are there because of a lack of knowledge, the absence of tools and inefficiency on the part of the thalla.

**Comment:** The OPP's housing programme should be studied critically to see if upgrading the thallas technically and financially, and creating awareness among the population can improve construction and lower costs. Finances for this upgrading are available through commercial and cooperative banks and the government's small business loans programme. However, the thallawalas require assistance for applying for and overcoming administrative and bureaucratic constraints in acquiring a loan.

## **27. COMPARISON BETWEEN ISDs AND FORMALLY PLANNED AREAS**

In the initial stages there is a major difference between the price of property in ISDs and planned settlements. However, once both have been developed, values are similar and in many cases are higher in the ISDs.

**Comment:** Can this phenomena be of any assistance in determining land management directions by the KMC? Can land, strategically placed in low income settlements, be held by the state till such time that its value has increased by many hundred per cent?

## **28. LEASE ISSUES**

Leases are not a priority for the residents. This is because of an existing de facto security of tenure; possibility of conducting property transactions legally without lease and the problems involved in acquiring a lease. In addition, the majority of residents pay more than twice the official cost for executing a lease. The excess money goes to the government officials as gratifications and to the dalla. There is also a perception on the part of the residents that in the absence of a lease they cannot be called upon to pay property tax.

**Comment:** Is there any advantage in separating lease charges from development charges and in considerably increasing the latter and reducing the former? This might be an incentive for people to acquire a lease and this money may finance part of the external development of katchi abadis. However, if this is done, lease operations should be a one window affair, or all formalities, apart from the registration itself, should be carried out through the councillor's office.

## **29. NGOs**

Some NGOs operating in Karachi have shown that they are capable of organising people and in motivating them to finance and manage development. In addition, they have developed various programmes that respond to the needs of low income settlements and are compatible with the sociology and economics of the urban poor.

**Comment:** The KAIRP envisages the involvement of communities in its work. However, it has failed to achieve this objective so far, and as a result, its programme has been unsuccessful. The possibility of involving NGOs in the KAIRP and of modifying the programme to make it appropriate to such involvement must be studied. In addition, NGO programmes should also be studied along with

the possibility of integrating them with KAIRP. In such an eventuality, the roles of both NGOs and KAIRP should be clearly defined, so as to be complementary to each other.

### 30. THE SITUATION AT PRESENT

It must be clearly understood that formal sector planning and delivery mechanisms as they are structured today cannot serve the urban poor. It must also be understood that formalising the informal sector on the formal sector's terms, can adversely affect informal sector operations and make it all the more difficult for the poor to acquire land for housing.

#### Footnotes:

1. See "Squatting by Organised Invasion in Karachi: a New Reply to a Failing Housing Policy" by Jan van der Linden: Third World Planning Review, Vol. 4; November 1982.
2. "Government Housing Policies for Low Income Groups in Karachi" by K.S. Yap from the book "Between Basti Dwellers and Bureaucrats": Pergamon Press Ltd., U.K.; 1983.
3. Ibid.
4. Derived from "Legal and Illegal Plot Development: a Rational for Illegal Subdivision of Land in Karachi" by Peter Nientied and Jan Van der Linden; Nagarlok, January-March 1985.
5. Value of these services in rentals has been worked out in a master's thesis in economics at the AERC, Karachi. See "A Hedonic Analysis for the Rental Housing Market in Low Income Localities in Karachi"; 1989.

Findings of a survey of 183 random observations in a 5 mile radius around SITE show the following:

- mean rent 285 rupees per month
  - number of rooms per house : 1.6
  - average occupancy : 6 years
  - premium on services
    - o water : Rupees + 40
    - o gas : Rupees + 40
    - o electricity : Rupees + 35
    - o RCC roof : Rupees + 8
    - o plaster on walls : Rupees + 30
    - o additional room : Rupees + 57
6. "Legal and Illegal Plot Development: a Rational for Illegal Sub-division of Land in Karachi" by Peter Nientied and Jan Van der Linden: Nagarlok; January-March 1985.
  7. a) See "Dallalabad: An Enquiry into Illegal Sub-division in Karachi" by Jan van der Linden  
b) For the case of Yakoobabad, see "A Study on Metropolitan Fringe Development in Karachi, Focussing on Informal Land Subdivisions" by Arif Hasan: UNESCAP, April 1987.
  8. "Pakistan: Project Preparatory Technical Assistance: Low Income Housing": ADB Consultants Draft Final Report; October 1988.
  9. a) Presidents announcement of January 1, 1978  
b) 1978: MLO-67 called "Regularisation and Development of Katchi Abadis"  
c) 1979: Reconstitution of MLO-67 by MLO-110 and again by MLO-183 in 1982  
d) 1982: Sind Katchi Abadi Rules (GOS).
  10. Prime Minister's announcement in July 1986.
  11. For details of procedures see "Special Development Programme for Katchi Abadis of Karachi": NESPAK; March 1984.
  12. "Pakistan Shelter Sector Review": World Bank, June 13, 1988.
  13. a) For details see "Leases, Land and Local Leaders" by Yap Kioe-Sheng: Amsterdam Free University; 1982.  
b) Regularisation procedure described in "Special Development Programme for Katchi Abadis of Karachi" page 11 and reproduced below: NESPAK; March, 1984.

"Regularisation: The residents of katchi abadis are granted 99 years lease. Leases granted to

residents of katchi abadis are not transferable for a period of 5 years except by inheritance or for mortgaging to obtain loan. Local councils have established lease offices within katchi abadis. The regularisation procedure has been streamlined and includes following steps:

- Application from residents along with tax receipts and supporting documents.
- Verification by the councillor regarding occupation of plot on or before January 1, 1978.
- Scrutiny of papers by the concerned assistant director, Land and Estate Department.
- Checking of plot dimensions, land-use, occupation at site by the surveyor, Land and Estate Department.
- Preparation of site plan in office and calculation of regularisable area thereof
- Issue of demand note (challan) to resident corresponding to approved lease rates.
- Applicant to deposit lease charges along with arrears of other taxes, if any, in scheduled bank
- Scrutiny of case by the KMC area lease committee.
- Removal of encroachment or affected portion of plot (if any) by resident.
- Execution of lease by the registrar after payment of stamp duty by applicant"

14. "Improvement Policy for Substandard Urban Areas": KMC.
15. "Squatter Settlement Upgrading in Baldia, Karachi" by Peter Nientied and Jan Van der Linden: Amsterdam Free University; 1985.
16. Out of a total of 223,000 houses which were marked for regularisation under the programme 52,500 were to be relocated. See "Special Development Pro-gramme for Katchi Abadis of Karachi" page 50: NESPAK; March, 1984.
17. The total cost of the programme 1983-88 was estimated at 2,103.58 million rupees out of which 1,184.85 million rupees were to be spent on resettlement of affected families. See "Special Development Programme for Katchi Abadis of Karachi", page 17: NESPAK; March 1984.
18. See Appendix-14 "Pakistan: Project Preparatory Technical Assistance: Low Income Housing": ADB; October 1988.
19. Ibid.
20. "Orangi Housing Primer": research document by students of the Department of Architecture and Planning, DCET, Karachi; 1983.
21. "A Study on Metropolitan Fringe Development in Karachi, Focussing on Informal Land Subdivisions" by Arif Hasan: UNESCAP; April 1987.
22. "Architects Input into Informal High-rise": Thesis report by Ahmed Nasir Bashir at the Department of Architecture and Planning, DCET, Karachi; 1989.
23. Ibid.

## Report – Three

# COMMUNITY DEVELOPMENT GROUPS IN THE URBAN FIELD IN PAKISTAN

## A. INTRODUCTION

### 1. REASONS FOR THE STUDY

**The growing importance of the urban sector in Pakistan:** The Swiss Development Cooperation (SDC) in Pakistan has so far concentrated its activities on providing assistance to rural development. However, between 1972 and 1981, the urban population of Pakistan has increased from 25 per cent of Pakistan's total population to 28 per cent and is projected to be 40 per cent by the year 2000. This enormous increase has led to the creation of a host of problems for Pakistan's urban centres.

**The importance of community groups in the urban sector:** Conventional planning and development through traditional state institutions have not only failed to overcome the problems created by the massive increase of urban populations, but have in their turn created new ones, especially for the lower income groups. This state of affairs has led to the creation of an informal sector, often exploitative in nature, which caters to the needs of the urban poor. To strike a more equitable relationship with this sector, Community Action Groups (CAGs) have sprung up in many low income areas and are being increasingly supported by Non-government Organisations (NGOs). It is felt by the SDC that these CAGs and NGOs, properly equipped and supported, can help the state agencies in overcoming certain aspects of the urban crisis and can lead to an adoption by state agencies of more appropriate urban development strategies.

**SDC's future plans:** Given the growing importance of the urban sector and the potential of involving communities in development, the SDC wishes to involve itself in the urban sector in general, and with problems related to low income settlements in particular. As a first stage towards this involvement, the SDC would like to understand the situation in the key cities of Pakistan. This study has been undertaken to help provide such an understanding.

### 2. OBJECTIVES OF THE STUDY

The main objective of this study is to help in the formulation of a strategy for the involvement of the SDC in the urban sector in Pakistan. As this involvement is to be limited to lower income groups, the study deals only with those planning and development issues and programmes in the formal sector, which have affected, are affecting, or are likely to affect the urban poor in the future. The informal sector and NGO activity, however, is dealt with in greater detail.

### 3. THE CITIES CHOSEN FOR THE STUDY

The cities chosen for the study are: Karachi, Hyderabad, Faisalabad, Lahore, and Peshawar. The reasons for choosing these cities are that

- they have high growth rates;
- their post-independence expansion preceded that of other urban centres in the province to which they belong;
- as compared to other urban areas, state inter-vention in their planning process has been considerably more marked and their local government institutions stronger;
- a larger number of CAGs and NGOs operate in these cities than in other urban areas;
- given the size and nature of urban growth in Pakistan, problems similar to what these cities face today will be faced by a large number of urban centres in the not too distant future.

#### 4. METHODOLOGY

**Data collection:** The first stage of the study consisted of collecting all easily available data on the 5 cities; on the NGOs and CAGs operating in them; on low income settlements in them, and on past, present and future government plans for them. Based on this data, NGOs and CAGs were contacted in these cities and plans for field visits to low income settlements and government agencies were prepared. In addition, data for a comparative profile of the 5 cities was also collected.

**Field visits:** As a rule, the consultant visited the settlement and spoke at random with the residents before contacting the local CAG or NGO operating there. However, in the case of NGOs, CAGs or areas which were well known to the consultant, this rule was not necessarily adhered to. This process made it possible for the consultant to understand the problems of the settlement, the residents' view of groups operating there and the politics of the area, before meeting the CAGs and NGOs. In many cases, such as in Patiala House katchi abadi in Lahore, and Nothia in Peshawar, it was discovered that the NGOs that were supposed to be active there were not known to the people at all. At other places, CAGs which were unknown to the consultants, such as in Budni village, Karachi, and Shahdand, Peshawar, were discovered.

No visits to government agencies were made in the case of Karachi and Lahore, except for the collection of published information. This was because the consultant and his associate between them are fully aware of the past and present development plans for these cities. However, in the case of Peshawar, Faisalabad and Hyderabad, detailed discussions with relevant officials in the development agencies, local government, and water and sewerage authorities were held.

**The compiling of the report:** The final report is not only the result of initial data collection and field work. It also relies on ongoing research work by the students of architecture at the Faculty of Architecture and Planning at the DCET in Karachi; recent initiatives undertaken by the OPP/RTI in networking; and the recently prepared, or under preparation, master plans for the 5 cities.

## B. LOW INCOME COMMUNITIES AND URBAN SECTOR STATISTICS

### 5. DEMOGRAPHICS

**Population:** The 5 cities covered by this study contain 13.56 per cent of Pakistan's total, and 42.6 per cent of its urban population (1). Over 70 per cent households which comprise this population earn less than 1500 rupees per month and as such belong to the 30th percentile or below. Income levels in Faisalabad are the lowest, with 70.66 per cent households earning less than 500 rupees per month, followed by Peshawar where 54.6 per cent earn between 300 and 1000 rupees per month, and 14 per cent below 300 rupees (2).

**Growth:** The urban growth rate of Pakistan is 4.4 per cent per year. The yearly growth rate of the 5 cities varies from 4.96 per cent for Karachi to 2.5 for Peshawar. Except for Karachi, the natural growth rate accounts for about 60 per cent of the total increase in population. The period of maximum growth percentage was between 1972 and 1981, when the urban populations of these cities registered a net increase of 3,180,783 at an average growth rate of 4.26 per cent. The population of these cities has increased by a greater number (3,683 million) in the 7 years between 1981 and 1988, at an average growth rate of 3.67 per cent. In the next 5 years, the population will increase by about the same figure, 3,620 million (3).

The growth in low income settlements is much larger than for the cities as a whole. This is obvious when comparing growth figures for the cities over time (4). In the case of Karachi, it is estimated that the growth of katchi abadis between 1971 and 1981 was 8 per cent as compared to a total growth rate of 4.8 per cent per year (5).

The birth rate in the cities varies from 39.52 in the case of Peshawar to 33.67 in the case of Hyderabad; the fertility rate from 5.6 in the case of Karachi to 6.92 and 6.73 in the case of Peshawar and Hyderabad. The mean age of marriage is between 20.37 years for Hyderabad and 21.74 for Lahore (6).

**Density and household size:** In all the 5 cities there is a marked difference in the densities of the city as a whole and the densities of the lower income areas of the city (7). The density of Lahore as a whole is 160 persons per hectare, whereas the density of Patiala House, which is one of the less dense low income settlements, is 348 per hectare (8). Similarly, the density of Karachi as a whole is 154.1 per hectare as compared 182 for Lyari, a representative inner city slum (9). Household size in the cities as a whole and of low income areas also, varies considerably. For example, the average household size in Peshawar as a whole is 6.9 while in Akhunabad settlement, which is fairly representative of a low income area, it is 9.1. Similar differences exist for the 4 other cities as well (10). In addition, both densities and household size in low income settlements have been increasing over time (11).

### 6. OCCUPATIONS AND INCOMES

**Occupations and labour force:** All the 5 cities have remarkable similarities in their occupation and employment structures. Labour force participation rate varies only from a maximum of 26.3 per cent of the total population for Lahore, to a minimum of 23.6 per cent for Hyderabad. Similarly, the number of employed persons as percentage of the total population, varies from a maximum of 28.5



for Faisalabad to 24.41 per cent for Peshawar (12). Again, in all the 5 cities the largest number of persons, an average of 40.3 per cent of the total labour force, are employed in production and related activities. Persons employed in administrative jobs are considerably higher in Karachi, Lahore and Peshawar than in Hyderabad and Faisalabad and reflect the fact that these cities are provincial capitals. Peshawar has a much higher percentage of persons employed as sale workers as compared to the other cities, and this again reflects the trading nature of Peshawar's economy (13).

**Incomes:** As mentioned earlier, the income tables (14) for the 5 cities establish that about 70 per cent of the households earn less than 1,500 rupees per month and thus belong to the 30th percentile or below. However, more recent surveys for the Karachi Master Plan '2000 (15) have established that incomes are considerably higher than what were previously estimated. Similarly, a survey for an UNESCAP study (16) in 1986, in a new katchi abadi in Karachi, also observed average incomes of over 2,000 rupees per household per month. Karachi Master Plan 2000 surveys for expenditure patterns for sample households in katchi abadis and for planned areas show, that in both cases, over 50 per cent of all income is spent on food, leaving well below subsistence requirements for other necessities of life such as transport, clothing, education and health (17). Conditions in the other 5 cities are also similar (18).

**Labour force:** The average labour force participation rate for the 5 cities is 25.42 per cent of the population. It is 23.3 per cent for men and 3.1 per cent for women. The average unemployment rate is 8.55 per cent (19).

**Number of income earners per household:** Surveys in low income settlements have established that in the majority of cases (71 per cent) there is more than one income earner per household and that an increasing number of women are supplementing household earnings (20).

**Unemployment:** Unemployment in the 5 cities has increased considerably (8.55 per cent) since the last census in 1981 was conducted. Educated youth, among low income groups, have been particularly affected by the lack of job opportunities along with daily wage labourers (21). This is due to a hostile investment climate in industry; a stagnant public sector; return of Pakistani labour working abroad; the end of the building boom of the seventies; and a major flight of capital from the country. In addition, the educated poor are not willing to work as artisans and labour, and white collar jobs are not available.

## **7. PHYSICAL**

### **7.1 Percentage of population in slums and katchi abadis**

No figures are available for populations living in slums. However, 35 per cent of Karachi, 25 per cent of Hyderabad, 13 per cent of Lahore, 60 per cent of Faisalabad and 2 per cent of Peshawar live in katchi abadis (22). It is estimated that 50 per cent of the population of Peshawar and 35 per cent of Lahore lives, in areas that would fit the definition of the word slum (23). Similarly, in the other 3 cities, there are large areas which are not katchi abadis but are devoid of proper facilities and have poor housing conditions.

## 7.2 Persons per dwelling

Persons per dwelling unit vary from 6.7 in Karachi to 7.5 in Hyderabad (24). However, the number of persons per unit in the lower income areas is much higher than the city average. For example, persons per dwelling unit in Peshawar as a whole is 7.4. This figure for the Akhunabad settlement (Peshawar) is 9.1 and for Tekhal Payan settlement (Peshawar) is 12.8 (25). Statistics show that the number of persons per dwelling unit is increasing rapidly. For instance in the case of Karachi it has increased from 6.7 in 1981 (26) to about 10 in 1986 (27).

## 7.3 Persons per room

Average persons per room varies from 2.9 in Lahore to 3.8 in Hyderabad. The Peshawar figure is 3 and that of Karachi is 3.1. In both these cities, persons per room in low income settlements can be as high as 5 (28) and a substantial difference in the figure is possible for higher and lower income groups. For example, in Karachi's planned areas, the figure is 2 persons per room, whereas the average figure for the Karachi katchi abadis is 3. However, statistics show that persons per room is decreasing in all the cities, except Peshawar, due to an increase in the number of rooms per housing unit (29).

## 7.4 Services

**Piped water supply:** Piped water supply varies from 31 per cent for Faisalabad to 65 per cent for Lahore (30). Recent figures for Karachi show that over 82 per cent of households in planned areas have piped water as opposed to 46 per cent for the katchi abadis (31). In addition, the number of households in the city with piped water supply have increased from 46 per cent to over 66 per cent between 1980 and 1986. A similar increase has also taken place in Peshawar.

**Sewerage:** The percentage of households with sewerage connections varies from 15 in Peshawar to 53 in Karachi (32). In most katchi abadis and slum areas, in the 5 cities, sewerage systems are generally non-existent and sample surveys for Karachi, Peshawar and Hyderabad show that conditions have deteriorated since the last housing census in 1980 (33).

**Electricity:** The percentage of households with electric connections varies from 66 per cent for Karachi to 86 per cent for Peshawar and Lahore (34). Recent surveys for Karachi have established that the percentage of households with electric connections have increased from 66 per cent in 1980, to 82 per cent. Recent Peshawar and Hyderabad figures show an increase in the percentage of households connected to electricity. However, recent Karachi figures also show that 72 per cent of houses in katchi abadis, as opposed to 93 per cent in planned areas, have electric connections (35).

**Gas:** 56 per cent of households in Karachi are connected to gas. The figure is the highest in Pakistan. Figures for Lahore are only 20 per cent (36) and for Peshawar and Hyderabad they are even lower. Even so, only 32 per cent of katchi abadi households in Karachi use gas against 72 per cent for the planned areas. Surveys in fairly developed katchi abadis in Lahore and Peshawar have shown that no more than 2 per cent of the households have gas connections (37).

**Solid waste management:** Solid waste management in all the 5 cities is the responsibility of the

municipal corporations. In low income areas it simply means the lifting of garbage from neighbourhood bins by trucks and its dumping at sites outside the city. In Lahore, this facility is extended to two-thirds of the city on an intermittent basis, but reaches no more than 40 per cent of the population (38). In Karachi, 66 per cent of the households are served (39). However, study of a better developed katchi abadi of 800,000 population in Karachi has revealed that garbage collection from the neighbourhood bins takes place at an average of twice a month (40). Interviews with health inspectors of the KMC reveal that 75 per cent of all vehicles involved in garbage collection ply in the more affluent areas of the city, and the vast majority of the 9118 sweepers employed by the KMC, operate in the upper income colonies (41).

**Health:** Infant mortality rates in the 5 cities vary from 85 per 1000 in Karachi to 128 for Faisalabad. Hospital beds per 1000 also vary from 0.79 for Faisalabad to 2.85 for Hyderabad. Hyderabad, where health care statistics are slightly better than the other cities, has 1 doctor for every 2263 persons whereas there is only 1 para-medic for every 2694 persons (42). Sample surveys in the katchi abadis of all the 5 cities show that malaria, diarrhoea and typhoid, in that order, account for 60 per cent of all disease in the settlements and that there is a marked fall in all three in settlements which have paved streets and some form of sanitation system. In addition, in certain settlements, as many as 60 per cent of the surveyed population had been affected by major diseases in the 3-month period before the survey was conducted (43). Again, investigations establish that over 80 per cent of the residents of slums are served by private practitioners, and the rest by government facilities. This dependence on the private sector increased enormously in the Sixth Plan period when expenditure on health was reduced from 17 per cent of the GNP to 2.6.

**Education:** Literacy rate in the 5 cities varies from 56.6 per cent in Karachi to 36 per cent in Peshawar, and the female literacy rate from 51.1 per cent in Karachi to 23.3 in Peshawar. Between 1972 and 1981, both male and female literacy has increased substantially; 10 per cent in Lahore and Faisalabad; about 5 per cent in Karachi; and only nominally in Peshawar. Again, male and female enrolment in schools varies from 41.1 per cent for Karachi to 23.9 per cent for Peshawar (44). Surveys in a number of katchi abadis in Lahore and Karachi have shown that literacy figures in older lower income areas are as high as the city average (45). However, for Peshawar and Hyderabad this does not hold true (46).

## **8. REVENUE GENERATION, EXPENDITURE AND RECOVERY**

All the 5 cities show similar trends in matters related to public finance (47). Revenue generation per capita has fallen sharply since 1979, while expenditure per capita has increased. The proportion of developmental versus non-developmental expenditure has decreased considerably and loans from federal and/or provincial sources, which were unheard of before 1979, have become a common feature of local government budgets. In the case of Karachi, this loan component has increased considerably between 1985 and 1989 (48). In addition, the KMC is the recipient of a major federal grant for the Karachi Special Development Plan. For Lahore, projections show that unless revenues are increased considerably, investment levels would fall by 50 per cent in per capita terms in the next few years (49).

## **9. FUTURE HOUSING NEEDS**

Between 1988 and 1993, the 5 cities between them would require about 100,000 housing units per

year (50). 50 per cent of these would be for the lower income groups (51). This figure does not take into consideration the number of houses required to cover the housing backlog or replacement of dilapidated housing. The largest number of houses would be required in Karachi, 37,000 units; and the least in Peshawar, 6000 units. The total land required for these houses, between 1988 and 1993, is about 17,000 hectares. Except for Karachi and Hyderabad, where state land is still available, this would have to be acquired from private owners. The total cost of this land, inclusive of the cost of state land where available, would be in the neighbourhood of 6,265 million rupees, a figure unaffordable except through a major international loan.

## 10. CONCLUSIONS

A number of conclusions regarding the 5 cities can be drawn from the statistics quoted above. These are:

**Availability of urban sector statistics for low income settlements:** There is a marked difference between the data on each of the 5 cities as a whole and the situation in their low income settlements. For a better understanding of slums and katchi abadis a separate data base is required for them.

**Two different worlds:** The upper income areas and the low income settlements are two different worlds. Figures show that they are bound to have different attitudes, priorities and two different world views.

**Failure of the planning process:** The increasingly rapid growth of unplanned settlements as compared to planned areas, and the increase in household size and unemployment, show that development is not keeping pace with growth.

**Public finance:** The financial crisis, and its nature, that some local governments are facing and others are moving towards, affects the low income groups more than middle or higher income ones, and suggests that major reform is needed in the manner in which local governments are run. In addition, new sources of revenue need to be tapped and/or the present sources augmented.

**Disease and the low level of services:** The nature of disease in low income settlements and its high incidence show that it is directly related to poor water, sewerage and garbage collection services in addition to poor preventive care. In addition, no modern health care system can possibly work when the ratio of para-medics to population is what it is.

**Urban poverty levels:** Over 30 per cent of households live below the absolute poverty threshold. If conditions are to improve then job opportunities will have to be generated, especially for women, so that household incomes can be supplemented.

**Land affordability:** Given the level of urban poverty and the price of even raw un-serviced land, it is clear that a 60 M2 piece of land for house building purposes is unaffordable for the vast majority of the urban poor, unless some long term loan for land purchase can be made available to them.

**Education:** An alarmingly low percentage of school-age going children are actually going to school. This will have serious repercussions in the not to distant future as over 50 per cent of the population

of the low income areas of these cities is below the age of 14.

## **C. AN EVALUATION OF STATE POLICIES RELATED TO LOW INCOME COMMUNITIES**

### **11. LOCAL GOVERNMENT INSTITUTIONS INVOLVED IN URBAN DEVELOPMENT**

#### **11.1 Nature and functions**

The nature and functions of government institutions involved in development in all the 5 cities is similar. These institutions consist of the Development Authority; the Municipal Corporation; the Water and Sewerage Authority (WASA) or in the case of Karachi, the Karachi Water and Sewerage Board (KWSB); and the Cantonment Boards.

#### **The development authorities**

a) Nature: The development authorities are statutory bodies and function under the control of the Housing, Physical and Environmental Control Department of the provincial governments. Though they are not elected bodies, the mayor of the city is a member of their governing councils.

b) Functions: The development authorities are the policy-making bodies for the development of the city and are also in-charge of arranging for and supervising such development. In addition, they are responsible for the formulation and administration of building regulations, and in the Punjab, for the maintenance of parks, gardens and subsoil water management. Except in the case of Karachi, where they deal only with bulk water supply, the development authorities, through WASA, are responsible for the provision of water supply, sewerage and drainage. In Peshawar they are also responsible for slum upgrading, and in Lahore and Faisalabad for katchi abadis regularisation and improvement. Traffic engineering also forms part of their functions.

c) Finances: Development authorities raise finances through land development and its sale; lease, regularisation and issue of building permits; federal and provincial loans and grants, which are sometimes a part of foreign assistance for urban development projects, such as the on-going Karachi Special Development programme. All 5 development authorities studied have increasing financial deficits.

#### **The municipal corporations**

a) Nature: The municipal corporation consists of a "political" section and an "executive" section. On the political side, is the elected municipal council with the elected mayor as its head. Each councillor represents his ward which, at an average, consists of a population of 50,000. On the executive side, the municipal corporations are part of the department of local government of the province they belong to, which at the corporation level, is headed by the municipal councillor. The relationship between the executive and the political wings is governed by the 1979 Provincial Local Body Ordinances. These ordinances give the executive the power not only to overrule the decisions of the council, but to suspend or supersede the council for a period of 6 months if, in the opinion of the executive, the council has not managed its affairs satisfactorily.

b) Functions: The municipal corporations are responsible for the maintenance and repair of

roads; street paving in certain areas; removal of encroachments; fire fighting; the provision and maintenance of street lighting and road signs; primary education; the maintenance of tertiary open drains; health and sanitation; solid waste management and recreation and social welfare. In Sindh, the municipal corporations, through their katchi abadi directorates, are also in-charge of the Katchi Abadi Improvement and Regularisation Programme (KAIRP), while in Karachi, the KWSB is an autonomous body under the KMC Council. In addition, the municipal corporations also give their councillors grant-in-aid so that they may carry out small level urgently needed developments in their areas.

c) **Finances:** The municipal corporations raise their revenues through octroi; property tax, or part of it, as in the case of Karachi; tax on transfer of property; rents; conservancy and fees.

## **WASA/KWSB**

a) **Nature:** In Lahore, WASA is an autonomous body under the LDA Board and in Karachi the KWSB has the same position under the KMC Council. In Peshawar, Faisalabad and Hyderabad, WASA is a department of their respective development authorities.

b) **Functions:** WASA/KWSB are in-charge of operating and maintaining water supply, sewerage and drainage and are empowered to collect charges for these services from the beneficiaries. KWSB is also in-charge of bulk water production for Karachi and establishment, operation and maintenance of sewerage systems and treatment plants.

c) **Finances:** WASA/KWSB's main source of revenue is from water and sewerage charges. However, power and operating costs of WASA/KWSB are increasing (for Lahore an annual rate of 20 and 12 per cent respectively) while revenues do not show a corresponding annual increase (5 per cent increase for Lahore). In addition, in all 5 cities there are a large number of illegal water connections. In Lahore, this figure is estimated at 100,000 and for Karachi 215,000. These illegal connections deny WASA/KWSB of very substantial revenues (over 90 million rupees for Lahore and 1,612 million rupees for Karachi). KWSB and WASA Lahore are also responsible for foreign exchange risk on out-standing loans under IDA credit. In addition, the KWSB is receiving major financial assistance under the Karachi Special Development Project.

## **Cantonment boards**

All the 5 cities have large cantonment areas. The cantonment boards are in-charge of the local development, operation of services and maintenance of their areas. Their source of revenue is through conservancy charges, property tax, development charges, lease charges and various fees, such as for building permits and regularisation.

## **11.2 Conclusions regarding local government institutions**

**The non-participation of the low income areas in decision-making on policy and implementation issues:** The development authorities are the policy-making bodies for the development of the cities. They are not elected bodies, nor are they subservient to any representative institution at the local level. As such, the technocrats who man them, and as a rule who belong to the affluent classes, do not interact with the representatives of the people at the micro

level, nor do they feel obliged to take their point of view into consideration when dealing with policy matters. The only link of the development authorities with the people is through the mayor, who is a member of the governing board of the authority. This governing board is dominated by the bureaucracy.

**The ineffectiveness of the municipal council:** The municipal council is an elected body. However, it has no relationship with the development authority and as such no say in policy matters related to development. Even in the functions it performs, it is subservient to the executive of the provincial government, whose political and economic interests very often conflict with that of the city. This is especially true of Karachi.

**Revenue collection:** Revenue figures show a major default in recovery of taxes and a large number of illegal service connections. Although there is a municipal councillor for every 50,000 population, the system of recovery stays in the hands of a highly centralised bureaucracy who are finding it increasingly hard to deal with the rapidly expanding populations.

**Lack of research, monitoring and documentation:** On the one hand, there is a lack of contact between the planners and the people, and on the other hand, there is an absolute absence of research into the problems of low income communities and on monitoring, evaluation and documentation of the work carried out by the development agencies and the corporations. The two put together cannot possibly lead to the evolution of appropriate planning strategies.

## **12. HOUSING POLICIES**

### **12.1 Houses for the poor**

Except for Karachi, the only housing schemes undertaken for the urban poor in the cities under study, were for the lower grade government employees, and more recently for the mustahqeen through zakat funds. Both are insignificant in number and have made no impact on the housing situation. In Karachi, however, the government in 1958, under the Greater Karachi Resettlement Plan (GKRP) planned to construct 300,000 nuclear houses over a period of 15 years. Initially, 45,000 houses were planned for 2 new suburbs, Korangi and New Karachi, on the city's fringes. The beneficiaries were to pay for these houses in easy instalments over a period of time. However, after completing only 10,000 houses the plan was shelved (52).

#### **Reasons for shelving the GKRP**

- a) Jobs were not generated: In the new settlements economic activity, in spite of considerable government support and incentives, could not develop due to which over 50 per cent of the beneficiaries went back to squat in the city centre.
- b) Speculation on property: The people who moved back to the city due to expense and problems of commuting to work, sold their homes to speculators who settled middle income people in these houses.
- c) Financial problems: Although there was a heavy government subsidy in the development of the townships, recovery from the beneficiaries was negligible, making the continuation of the

scheme impossible. Even now, after 25 years, only 70 million rupees out of a total of 186 million rupees have been recovered (53).

d) Non-utilisation of facilities: Rents from schools, dispensaries and markets, constructed as part of the scheme, were supposed to subsidise the maintenance of the townships. However, they were not occupied and to this day remain empty. Instead, through encroachments, markets developed along the main arteries and schools and dispensaries were opened as commercial enterprises in the houses.

**The effect of the failure of the GKR on government policies:** As a result of the failure of the GKR, the government of Pakistan decided not to undertake the construction of houses for lower income groups. The state planners also understood that the problem of housing the poor was not just a physical one, involving money, technology and logistics, but that the sociological factors involved were far more important.

## **12.2 Sites and services schemes**

**Government policies between 1964 and 1974:** During this period, no significant housing or sites and services schemes were developed in the 5 cities for the lower income groups. The scale of operations can be judged from the fact that between 1947 and 1975, only 902 plots for the urban poor were created in Lahore by the formal sector, and none in Peshawar, Faisalabad and Hyderabad. However, a large number of plots, mainly through cooperative housing societies, were developed for the upper and middle income classes. In Karachi, 3 plot townships, with almost no services, were created but only for settling shiftees from bulldozed inner city squatter colonies. Again, in Karachi, the government built flats to house the residents of demolished squatter settlements. However, these schemes were abandoned almost as soon as they were undertaken, for reasons to be discussed later.

**Government policies between 1974 and 1986:** During this period, the site and services concept, promoted by the 1974-84 Karachi Master Plan, was adopted by the development authorities. However, almost entirely, except in the case of Karachi, the target group for this development was the upper and middle income group and not the urban poor. In addition, the number of plots developed were only a fraction of what was required. For example, in Lahore at an average, only 6500 plots per year were created, 25 per cent of them by the formal private sector, against a requirement of over 20,000 per year. For Hyderabad, the figure is 1500 per year against a requirement of 7500 (54). In Karachi, through its Metroville Programme, the KDA planned to provide 40,000 plots per year for lower income groups along with credit and technical assistance facilities for house building; income generation schemes; motivational schemes for developing community organisations for management of infrastructure, and health and education services. However, only 15,579 plots could be developed under this programme and the social and technical assistance aspects of it never materialised. The KDA also developed an additional 94,891 plots for lower income groups in this period through its Shah Latif and Surjani Town Schemes. This means that instead of supplying 40,000 plots per year for the urban poor, the KDA managed to supply only 11,000 per year (55). Another aspect of the sites and services schemes has been that their development has been carried out by taking instalments from the allottees of the plots at different stages of infrastructural development.



**Results of the sites and services schemes:** All sites and services schemes developed by the state have remained unoccupied for long periods. For example, in 1985, only 2,903 plots out of the 110,470 developed by the KDA in more than a decade had been occupied, and these too by middle income families and not by the target group (56). In Hyderabad, only 100 out of 15,000 plots developed in the last 8 years have been constructed upon and conditions in Lahore and Peshawar appear to be only marginally better (57).

**Reasons for the failure of the sites and services approach:** The reasons for the failure of the sites and services approach have been studied in detail for Karachi (58) and they appear to be the same for the other cities. They are:

a) **Market forces:** Since land developed by the development agencies has in the past been sold at less than market prices, it is purchased by an affluent middle class and held for speculation. The small scale of development and the time it takes for it to materialise (it may take up to 10 years) encourages speculative investment, with the result that large sums of public money remain tied up unproductively for years on end. In the past, government developed land was much cheaper than today because of its easy availability and because the government, between 1973 and 1985, could acquire land under the Land Acquisition (Housing) Act at well below market prices. This Act has since been repealed.

b) **Affordability:** The cost of development carried out by the development authorities is far too high with the result that a 120 square yard plot may cost up to 25,000 rupees or more, in spite of the fact that its development cost is subsidised from profits from high income housing schemes. Even if payment is to be made in 3 instalments, this cannot possibly be afforded by households earning 1500 rupees per month, let alone by those living at the poverty line. Even the cost of raw unserviced land, without a loan component, would be unaffordable for the majority of the urban poor, unless it was Board of Revenue land priced at 25,000 rupees per acre. Formal private sector development again, has a much higher cost than that carried out by public agencies and it has so far failed to cater to the needs of lower income groups. Very often private developers have benefited from the subsidy in land provided by the development authorities for developing housing for the poor, but have marketed the end produce to the more affluent classes (59).

c) **Time lag:** Normally plots are allotted through a computer ballot after a scheme has been announced in the media. The time lag between allotment and completion of development may be as much as 10 years. The poor want land for their immediate use and cannot wait, with their money tied up for so many years. Even after these schemes are complete, lack of credit and technical assistance for house building, and lack of coordination between government agencies for provision of transport and other necessities of life, make existence very difficult for the poorer residents (when there are any) for a considerable period of time.

d) **Cumbersome formalities:** The formalities for acquiring a plot developed by the public agencies is long and cumbersome and involves considerable paper work, visits to banks and government offices, the regular reading of newspapers for announcement of the schemes and for dates when the instalments are due. This whole exercise is incompatible with the sociology of the urban poor and with the unequal relationship they have with the state agencies.

### 12.3 Katchi Abadi Improvement and Regularisation Programme (KAIRP)

**Description of the programme:** Katchi abadis are squatter settlements where the residents have no tenure rights. One of the major programmes of the government of Pakistan is the regularisation and improvement of these settlements which constitute 22 per cent of the total urban population of Pakistan. The plan, in some form or the other, has been operative since 1973. In its present 1978 form it envisages the regularisation of, and provision of infrastructure to, all squatter settlements on government land which were established before March 23, 1985 and have more than 40 houses in them. The process of transferring this land from the government agencies who own it, to the programme implementation agencies, is at an advanced stage. The programme mechanics are

- community participation in decision-making on the nature of upgrading and lease and development charges;
- upgrading of the settlements by providing services and demolishing those houses, or part of those houses, which obstruct the implementation of the upgrading plan;
- a grant of 99-years lease to the residents and the recovery of land and development charges from the beneficiaries;
- provision of houses to the people displaced by the upgrading process or those who built their houses after the cut off date;
- the government was to provide the seed capital for this programme, which was to operate as a revolving fund as lease and development charges were recovered;
- maximum community mobilisation and participation in the programme was envisaged as it was correctly foreseen that without these aspects to it the programme could not possibly succeed.

**Failure of the plan:** The KAIRP formed an important part of the Fifth and Sixth Five Years Plans. However, in spite of considerable finances at the disposal of the implementing agencies, no more than 10 per cent of the katchi abadis have benefited from the programme and less than 15 per cent have acquired ownership rights (60) where development has taken place. Non-recovery of costs from the beneficiaries has prevented the programme from continuing. In addition, new katchi abadis continue to grow.

**Reasons for the failure of the plan:** The reasons for the failure of the plan are:

- a) Bureaucratic red-tapism: In spite of the fact that the KAIRP was initiated 10 years ago, land transfer in the majority of cases from the owners to the implementing agency has not yet taken place. In addition, the procedures of applying for and acquiring a lease have not been initiated in the majority of settlements. Where they have commenced, they are lengthy and cumbersome, and the residents have to cater to a fair amount of corruption to complete them.
- b) Lack of community participation: There has been no attempt by the implementing agencies to mobilise support for the programme and promote the participation of the people in the planning process. Given the mis-trust between the people and the local government, this has led to

non-cooperation between the residents and the implementing agency. Surveys have established that in Karachi, where the programme was heavily publicised, the majority of the residents were unaware about the details of the programme.

c) The problem of shiftees: The number of shiftees, as per the upgrading plans prepared so far, constitute 20 per cent of the households of the abadis to be regularised. If the residents of those abadis are included which have to be shifted because they are considered to be in ecologically dangerous zones, the figure increases considerably. Thus, in the Sixth Five Year Plan period, over 50 per cent of the estimated budget for the KAIRP for Karachi was to be spent on providing alternative accommodation to the shiftees.

d) Substandard work: In the majority of cases work done through the KAIRP so far has been of substandard quality. In many cases, it has been certified as complete when not even 10 per cent of it has been undertaken. The majority of the people are not willing to pay development charges for substandard or in-complete work. Programme economics show that if there is even a 20 per cent default in recovery, the pro-programme cannot continue (61).

e) Lack of appropriate institutions and procedures: Appropriate institutions and procedures required for the implementing of the programme have not developed in spite of the fact that the need for them has been clearly identified by the programme.

## **12.4 Upgrading schemes**

Though the katchi abadis constitute 60 per cent of Faisalabad, and 35 per cent of Karachi, they constitute only 25 per cent of Hyderabad, 13 per cent of Lahore and 2 per cent of Peshawar. Yet, about 50 per cent of the population of these 3 cities live in slums in conditions similar to or worse than those in katchi abadis. There is no overall organised government programme for the upgrading of these slums. However, a major programme known as the Walled City Upgradation Project (WCUP) was undertaken in 1982, for the upgrading of certain areas of the Walled City in Lahore, and has been continuing since then. More recently a programme for upgrading 8 slums in Peshawar has also been started by the PDA.

### **Walled City Upgradation Project (WCUP)**

a) Description: Phase 1 of the WCUP was planned for a population of 50,000, between the Delhi and Lohari Gates. Phase 1 of the project was to be completed by the first quarter of 1985 and the second phase by 1987 (62). The project was to improve the existing piped water system; provide underground drainage/sewerage and street paving; promote community development through training and technical assistance; develop street lighting; upgrade schools and build community centres. Funding for the project was provided by the LDA and the government of the Punjab. The World Bank consultants assisted in the formulation of the project (63). Costs were to be recovered from the beneficiaries.

b) WCUP achievements: The WCUP has been unable to meet its targets. Phase 1 has not been completed so far. The upgrading of schools, the building of community centres and community development has not taken place. People complain that after the improvements in the water system, the extremities of the system no longer receive water. Street paving has raised the road levels

above the plinth of the houses, so they get flooded when it rains. Cost recovery for the project has not materialised and so the project will be discontinued after phase 1 is complete.

c) **Slum Upgrading Programme, Peshawar:** The PDA as part of its Shelter Project 1988, has a major plan for upgrading slums in Peshawar. In phase 1 of the programme 8 slums, having a population of 98,000, are to be provided with infrastructure. Cost recovery will be through the imposition of taxes. Although work was begun on the project last year, it has now come to a halt. The main reason for this is the failure of the directorate of urban planning in PDA to establish proper links with the communities and to motivate and organise them. In addition, the little work done so far is of very poor quality, both in planning and implementation.

## **12.5 Credit facilities for house building**

The only source of long term credit for house building in Pakistan is the House Building Finance Corporation (HBFC). However, it does not finance the purchase of land. Since it does only mortgage financing, the residents of the katchi abadis and a large number of slum dwellers, who cannot acquire a lease on their plots, are immediately disqualified as potential beneficiaries. In addition, loans are not made available to those families whose incomes are too low to guarantee regular repayment instalments. Thus, families earning 1000 rupees or less receive at an average only 1 per cent of HBFC's yearly funding. HBFC formalities for getting a loan involve a lot of paper work, expense, lobbying and catering to corruption. This also keeps the lower income groups from seeking the Corporation's assistance. Together with short term loans at high interest rates from commercial banks, the HBFC's investment, in the total housing investment in Pakistan, is less than 20 per cent.

## **12.6 Technical assistance**

The PCSIR, ATDO and the BRC are three government organisations which have been involved in research in new materials and technologies for the development of cheaper housing. All organisations have done a considerable amount of work, but have failed to make this available to the institutions and organisations which serve the housing needs of the lower income groups, or to the lower income groups themselves. This is because of a lack of understanding of the sociology of the urban poor and the absence of any communication or contact with them or their institutions.

## **12.7 Present plans**

**Lahore, Faisalabad, Hyderabad:** In Lahore, the LDA intends to develop 40,000 plots by 1993 and hopes that the formal private sector will develop another 15,000. A small unspecified percentage of these will be for the lower income groups. For Faisalabad and Hyderabad, master plans have been prepared, but their finalisation has yet to take place. In all three cases no changes in the procedure of development, allotment or cost recovery is envisaged. As such, these plans will have little or no impact on the housing situation for the lower income groups.

**Peshawar:** In Peshawar, the PDA had planned for developing 7165 plots for lower income groups through a sites and services programme as part of its new master plan (64). The scheme was to be financed through international loans and profits from plot development schemes, and recovered from the beneficiaries through an affordable cash deposit and a mortgage, which would be cleared through a monthly payment of 100 rupees. The project has not materialised as the PDA could not

acquire the land it had selected for development, from its owners. In addition, the plot schemes that were supposed to subsidise the sites and services programme have not materialised either, nor have the institutional arrangements or institutions that were to make the programme possible. For all practical purposes the programme has been shelved indefinitely (65).

**Karachi:** The Karachi Master Plan is under preparation. Policies have yet to be developed for the housing sector. However, except for initiating few small pilot projects, no major changes in KDA's housing policies is envisaged.

### **13. SERVICES**

#### **13.1 Trunk services and main roads**

Trunk services and main roads are developed by the municipal authorities through their Annual Development Programmes (ADP). Those which serve lower income settlements, have in the past, not been treated as a priority and the quality of work on them has generally been of a lower standard than for service infrastructure which serves the more affluent areas. In addition, trunk infrastructure, especially for sewerage, for the vast majority of settlements in the 5 cities is non-existent, creating immense problems of sewerage disposal. Similarly, the absence of piped water supply also poses serious problems which are discussed in section D of the report.

#### **13.2 Micro level development**

Development of drainage/sewerage and street paving at the neighbourhood or settlement level in slums or katchi abadis is normally undertaken by the local municipal councillor. This is done by the grant-in-aid he receives from the municipal council, or from funds allocated for the schemes approved in the ADP. This development is haphazard, uncoordinated and substandard in quality. This is because it is done piecemeal over the years, since the funds allocated to the councillor are too small to develop the area at one go. As a result, drains built under this programme normally do not function, streets are washed away after the first rains, and in most cases this development does not change the general conditions in the settlement. Thus, enormous funds which could be better utilised, are wasted.

#### **Reasons for the failure of councillor funded development**

- a) The lack of a master plan: The work done by the councillor is not according to a master plan for the settlement, as none is available. The work that is carried out, is done on an ad hoc basis with no relationship to larger planning considerations. Thus, paved streets are often torn up for laying gas, water and sewer lines, and drains empty their effluent onto neighbouring unpaved lanes.
- b) Lack of coordination among councillors: In many settlements there is more than one councillor. Lack of coordination between them makes it impossible to tackle issues that are of a common nature such as an access road or a secondary drain.
- c) Political expediency: The councillor's decision to develop a certain street in his neighbourhood is politically motivated rather than need or planning related. This development is carried out for those who have helped him in the elections, his friends and relatives, or those who

can be of assistance to him in the future. If this development is detrimental to a few other lanes is of no concern to him.

d) Lack of proper design and supervision: No detailed design or supervision is done by the engineers for the works carried out through the councillors. In addition, contractors employed do not even have simple survey implements, use unskilled labour for skilled jobs, and have exceptionally high profit margins. Where the community is organised and has building skills, it manages to get the councillor and the contractor to do a better job.

e) Lack of accountability: The municipal corporations are not concerned about the nature and manner of work carried out in the poorer areas, as very little direct pressure is exerted on them from the residents.

### **13.3 Garbage collection**

In theory, the municipal vans are supposed to lift garbage from certain pick-up points in, or on the periphery of the settlements. However, in the vast majority of cases this is either not done at all, or is done very erratically. In most slums and katchi abadis no arrangements are provided by the municipal authorities for street cleaning or for cartage of garbage to the pick-up points. Where sweepers have been provided, they do not attend to their work and seek part-time employment in the private sector. They pay the municipal sanitary inspectors a commission so as to be permitted to work privately during their duty hours.

### **13.4 Health and education**

**Health:** Health-care facilities provided by the government at settlement or neighbourhood level are the mother and child clinics of the Social Security Department and the municipal dispensary. These serve less than 20 per cent of the residents (66). Generally they are short of medicines, and since they are few in number, distances to them for most women, especially in a society where women are segregated or semi-segregated, are considerable. On the preventive side there are no institutions that can educate the residents on hygiene, nutrition, family planning, and on the causes and prevention of disease. Distances to the clinic and lack of awareness on the subject are the major reasons for the failure of the government's family planning clinics (67). In addition, there are no community organisations or groups, except in a few cases, which can receive such advice either. However, the municipal authorities do have extensive programmes for pesticide spraying on stagnant pools of waste water and sewerage. According to the residents of the settlements visited by the consultant, this practice has diminished over the years. In contrast, the EPI programme has been most successful in the urban slums and katchi abadis. The reason for this is that in its initial stages it went to the people at the neighbourhood level, rather than wait for them to come to its centre.

#### **Education**

Most katchi abadis or slums have government primary and or middle schools in them or in neighbouring settlements. However, they cater to no more than 15 per cent of the residents. Because of their low fee, they are very much in demand.

## 14. INCOME GENERATION

A very large number of residents of slums and katchi abadis are self-employed in business (68). However, small loans and marketing and technical advice for expanding these businesses and thus creating employment activities for others, are not available. Credit facilities could be provided to organised groups by the federal and provincial cooperative banks and technical assistance by the Small Industries Corporation. However, on the one hand, none of these organisations have developed extension services, nor can their bureau-cratic manner of functioning cater to the residents of slums and katchi abadis. On the other hand, lower income groups are not organised for this activity either, and neither are they aware of the existence, let alone the function, of these organisations.

## 15. THE ROLE OF INTERNATIONAL AGENCIES

**Technical assistance:** International agencies have been active in providing technical assistance to the government of Pakistan for the development of strategies for the urban sector. In the process, a number of new concepts such as sites and services, upgrading, improvement and regularisation of squatter settlements, have become common features of all urban development plans. Pakistani development authorities have worked with consultants such as PADCO, Harrow Fox and Associates and Gilmore Hankey Kirk. However, none of the plans developed so far have produced positive results or arrested the increasing environmental degradation of the cities. The reason is, that while the concepts floated are basically sound, the institutional arrangements and links with the communities that are necessary to implement them, have not been developed.

**Loans:** A number of urban shelter projects are being, or are going to be, funded by international agencies during the Seventh Five Year Plan period. Unless they can overcome the social, administrative, technical and institutional constraints they have to work with, or work within those constraints if they can, the projects will not succeed, nor will recovery take place, plunging Pakistan into further debt. A recent report by the Orangi Pilot Project (OPP) on the ADB funded Karachi Urban Development Project (KUDP), details the reasons why, in the opinion of the OPP, the project cannot possibly succeed. The main reason documented is that the project planning and implementing team are completely unaware of local social, economic and physical conditions and do not have the orientation required to work with low income communities.

**UNICEF's involvement:** UNICEF has been involved in developing community involvement in katchi abadis in the health and sanitation sector. This involvement has been in Karachi, Lahore and Peshawar. Although its Karachi project (69) was most successful as long as its direct involvement was there, the Lahore project (70) could not meet its objectives and the Peshawar project (71) has failed to materialise. However, UNICEF's involvement has helped in the dissemination of ideas, created a few community organisations that continue to survive, and given incentives to persons trained on its projects to expand their activity (72). In addition, UNICEF has gathered considerable amount of knowledge regarding conditions in the slums and katchi abadis.

## 16. CONCLUSIONS

### 16.1 Government planning for the urban poor has failed

Government plans developed for the urban poor do not benefit them. This is because these plans, and especially the procedures adopted for their implementation, are incompatible with the sociology and economics of lower income groups. The reasons for this are given below.

**Political reasons:** In Pakistan, political institutions have always been controlled by big feudal lords in the two short periods of democracy that the country has enjoyed. For the rest of its existence, Pakistan was under martial law. Thus the urban poor have had no representation in the framing of national policies.

**Technocrats from the upper classes:** The majority of the technocrats who give physical shape to political thinking are also from the middle classes and have not only a poor understanding of the urban poor, but look upon them with suspicion and hostility.

**The absence of research:** The required social research to facilitate the implementation of progressive policies that the various plans introduce, has not taken place. Even the institutions for undertaking it do not exist. In the absence of such research and direct contact with the target group, a wide gulf exists between government policy concepts and the reality of the urban poor.

**The constraints of planning and implementing agencies:** Government institutions do not have the capacity to deal with the massive programmes that are proposed. In addition, they have a fear of people organising and asserting themselves as they see such developments as a threat to their power. Yet, the policies they are proposing cannot be implemented without organising and empowering the people. Hence, all community involvement concepts, which are pivotal for the success of shelter policies for the poor, have failed.

**Need for new institutions:** New institutions operating at grass root levels are required for carrying out programmes such as the KAIRP and the upgrading schemes. However, the professionals operating such programmes are trained conventionally and the majority of them have all the prejudices of the ruling elite and the professional and academic establishments in Pakistan. These constraints make it difficult for them to innovate and experiment with institution building, even when the possibility to do so exists.

**Financial constraints:** Financial constraints are the result of wrong priorities, excessive overheads, and the failure to collect revenues. Activities of certain NGOs in Pakistan have shown that given appropriate institutions and policy directions, these financial constraints can be overcome (73).

### 16.2 International agencies should modify their involvement

International technical assistance must put far greater emphasis on institutional development; orientation and education of professionals; dissemination of ideas and knowledge; and the development of research, extension, monitoring and evaluation facilities. In addition, projects funded by them should either be small pilot projects, or major replications of successful pilot projects.



## **D. RESPONSE TO STATE POLICIES AND ITS REPERCUSSIONS - 1: THE INFORMAL SECTOR**

### **17. PREAMBLE**

Government policies for the urban poor in Pakistan have failed to provide them with land for housing at an affordable price; with credit and technical assistance for house building; with service infrastructure; with education and health facilities; and with credit and assistance for income generation. However, an informal sector, dominated by middlemen, has developed which caters to the needs of the urban poor. This section of the report deals with its functioning, the nature of problems it deals with, and the manner in which it tackles them.

### **18. LAND FOR HOUSING**

In the absence of access to regularised raw or serviced land, the urban poor have to depend on various methods and sources for acquiring land. These are described below.

#### **18.1 Unorganised invasions**

Most of the Lahore, Hyderabad and earlier Faisalabad and Karachi katchi abadis developed through unorganised invasions. Migrants came in groups and occupied vacant land in the city centre or near their places of work. These settlements have no regular plan or open spaces for schools or playgrounds. Plot sizes vary from 12 M<sup>2</sup> to over 200, and the streets are narrow and winding because of which a large number of households in them get displaced due to the KAIRP. In these early abadis people maintained their clan structure and as such neighbourhoods in them are not only ethnically but also socially homogeneous. Houses in these settlements were constructed on the rural pattern and improved over a long period of time. Basic services, such as water, were acquired as a result of considerable lobbying by the people with state officials.

#### **18.2 Illegal subdivisions (ISD)**

**Description of the process:** In the 1960s there was considerable bulldozing of squatter settlements in Karachi which made the development of unorganised invasion settlements impossible. As a result, the system of illegal subdivision of state land on the city fringe commenced. This process also caught on in Faisalabad and Hyderabad, where, like Karachi, considerable state land was available. The key actor in the illegal sub-division drama is the middleman or dallal. He occupies government land by involving relevant state officials in an informal business deal. He subdivides the land and sells the plots to the urban poor at prices they can afford. He arranges water for them through bowzers and the residents organise the distribution. Protection from eviction is guaranteed by him and for this the residents pay a small sum to the police and local government officials until the settlement is larger enough to feel secure from eviction.

**The institutionalisation of the system:** Over the years this system has been institutionalised. The dallal forms a welfare society of all the residents and gets it registered. Through the society he lobbies for electricity, gas and transport facilities. As he sets aside over 30 per cent of the plots for speculation, and as government servants of relevant departments and politicians own most of them, he, the government functionaries and the politicians have a direct interest in the development of the

area. For protecting their interests and projecting the problems of their settlements, dallals in Karachi are known to retain lawyers and journalists on a permanent basis (74).

**Planning of settlement:** The planning of these settlements is done, as far as possible, according to the regulations of the development authority, complete with open spaces, plots for mosques and playgrounds and commercial areas. As such, these settlements require very little adjustments when being upgraded.

**Control on speculation:** Speculation on the plots sold to the poor is controlled by forcing the owner to build a house on his land and move in within a week of the sale. If he does not do this, the plot is sold to someone else and the money of the original buyer is confiscated by the dallal.

**Land values:** The value of land in older well planned ISD settlements in all 5 cities is almost as high as that in regularised lower middle income areas. As a result, the urban poor have to seek land in the newer settlements which are becoming increasingly far from their places of work. This is resulting in the development of renters and the densification of the older settlements.

**The sociology of the ISDs:** Since land is sold on the open market, the neighbourhoods in most ISDs are not ethnically homogeneous. Similarly, as regularised land is rapidly becoming unaffordable for the lower middle classes as well, the ISDs contain a number of households which cannot be characterised as "poor".

### 18.3 The subdivision of agricultural land

**Diminishing state land:** In Lahore and Peshawar, and currently in Faisalabad, government land is not as easily available as in Karachi and Hyderabad. Nor is undeveloped desert land available as in these two cities. Consequently, the newer settlements are developing through the unauthorised subdivision of agricultural land on the outskirts of the city. In Peshawar, almost all low income settlements have been developed in this manner, and in Lahore the majority of the urban poor live in such settlements.

**The process:** Normally, the owner of the agricultural land hands it over to a dallal, who subdivides it, sells it, arranges for the necessary transfer of title, and collects a commission from the owner and the buyer. In some cases, developers purchase the land directly from the owner and subdivide it after laying some basic infrastructure, in which case they charge higher rates and increase their profit margins. Such developers cater mostly to the lower middle classes. In none of the settlements visited, has the owner of the land carried out the subdivision or sale of land himself. However, both he and the subdivider, hold on to a number of prize plots for speculative purposes.

**High land values and its repercussion:** The prices of agricultural land are very high, up to 200,000 rupees per acre in Lahore, Peshawar and Faisalabad. Thus, the subdivider when catering to lower income groups, makes the subdivisions as small and the lanes and access roads as narrow as possible. As land values are increasing, the size of the plots is becoming smaller. The consultant has visited recently created settlements where plot sizes were 16 to 20 M<sup>2</sup>, with lanes as narrow as 2 M and with no open spaces at all. To make the schemes more affordable to the poor, development is often carried out on cheaper unproductive land, such as abandoned quarries and low lying areas. These create problems for storm water and sewerage disposal.

**Land values in older settlements:** Land values in the older settlements can be as high as 600 rupees M2, such as at Keer Khurd in Lahore or Shahdand in Peshawar. These areas are fast becoming middle income settle-ments. New schemes, further from the city centre, such as at Hazar Khani in Peshawar, have land values of 40 to 60 rupees per M2.

**Repercussions of subdivision of agricultural land:** The ad hoc subdivision of agricultural land is depleting valuable productive land, most of which in the case of all 5 cities is irrigated. This is especially unfor-tunate as all 5 cities have a considerable amount of vacant land within their municipal limits which can be developed. For example, in Karachi there are 1200 acres of vacant cantonment land in the city centre.

#### **18.4 Urbanisation of villages**

In all the 5 cities, old villages have become a part of the urban fabric. In all the villages visited, the shamlaat or community land had been subdivided and sold by the village elders and the profits shared between them. Old houses have been demolished to make room for smaller sized plots, and the nature of construction in the case of the poorer residents has changed from katcha to pucca. The number of residents have increa-sed, mainly through the influx of outsiders. In Karachi, the villages have expanded onto neighbouring state lands and almost all such expansion has been declared as katchi abadi.

#### **18.5 Developments in the old city centres**

The walled cities of Lahore, Peshawar and Hyderabad were the residential areas of the elite and contained retail markets that catered to them. Their architecture is of considerable architectural and historic impor-tance. Expansion of trade and commerce in the markets on their periphery, and the exodus of the elite from them to the new upper income suburban settlements, is converting these areas into wholesale markets and warehouses. This, along with the traffic that these activities generate, is causing immense environmental degradation, forcing the middle income residents who still live here to seek residential accommodation elsewhere. Lower income groups, especially without families, are increasingly becoming residents of these degraded areas. In Hyderabad, the open areas in the old city became the site of major katchi abadis at the time of partition. Some of them have already caused immense damage to the fortification walls of the Hyderabad fort. This damage is likely to increase with time. Similarly, the old Lyari-Lea Market area of Karachi is now one enormous slum. Its more affluent residents have left and a large number of its new residents are migrant day labourers without families. Their number is increasing. In Faisalabad, similar trends, though much less pronounced, are discernible for the area around the Clock Tower, in the city centre.

#### **18.6 Organised invasions**

Due to an increase in land prices in the informal sector, sections of the urban poor cannot afford to purchase land developed by the dallal. As such, in Karachi and Faisalabad, some groups have resorted to what has been termed as organised invasions. This consists of a group identifying a piece of land; occupying it in the evening; and building their houses on it during the night. Later on it involves bribing the authorities to prevent demolition and applying to a court of law for grant of a

stay. Two such invasions in Faisalabad, and two in Karachi have been identified. Given the shrinking of easily available land at convenient locations, and the resultant high costs, organised invasions are likely to increase in the future.

## **19. HOUSE BUILDING**

### **19.1 Finance**

The vast majority of residents, about 70 per cent, finance the construction of their houses from their savings. About 20 per cent take loans from friends or get money from other sources, such as the bisee committee (75). A small percentage also borrow money from a money lender at 10 to 12 per cent interest per month (76). In Karachi, building component manufacturing yards, known as thallas, that operate in most katchi abadis also give materials on credit, and sometimes cash credit as well. A survey revealed that in one neighbourhood almost 80 per cent of house owners had taken material on credit from the thalla at sometime during the course of construction (77). The thalla owner does not rely on coercion for recovery of loan but on social pressure.

### **19.2 Technical assistance**

**Description of housing:** Initially most residents build only a compound wall, one room and a toilet. In Karachi, this construction is of cement concrete blocks and GI sheets. In the other 4 cities, it is usually of bad quality brick with a thatch roof. Over a period of time it is added to and after five to ten years it may have four or more rooms, concrete or T-iron and brick roof, plastered walls and paved floors. Doors and windows are invariably of steel in Karachi and Hyder-abad and increasingly so in Lahore and Faisalabad. In Peshawar, timber is still used.

**House building advice:** For the initial construction of the house, the owner employs a mason for raising the walls and the family provides the unskilled labour and also lays the GI sheet or thatch roof. However, as the house expands, the role of the mason becomes important as he advises on the design of the expansion, the costs involved, the materials and technology to be used and the structural details. Neighbours, who have already constructed their homes, are also called in for advice.

**The nature of skills available in low income areas:** Masons working in low income areas are those, who because of their lack of skill, cannot get work in the more affluent areas. Their advice and work is faulty and as such houses in lower income settlements are badly ventilated and lit, and suffer from technically weak details. This results in cracks in the walls; leakage through the roofs; sinking of floors; bad insulation and an unnecessarily high cost of construction (78).

## **20. SERVICES**

### **20.1 Sanitation**

**Disposal of sewerage and waste water:** In all the settlements visited, sewerage was the most neglected of all services. In Karachi and Hyderabad, it flows through open unpaved channels into the nearest nullah or natural drain. In Peshawar, Lahore and Faisalabad, such drains are not always available and thus the affluent is allowed to flow into a johar or depression, in the settlement.

Garbage, now dominated by polythene bags, also finds its way into the johar. These johars have been diminishing in size over time, as the owners of the land are reclaiming them for construction. In some cases people pay these owners an ad hoc fee for permitting the johar to stay. When the johar becomes too small to serve the population, or overflows, a deep bore is made to link it to the subsoil water table and thus dispose of the effluent. This contaminates the subsoil water, which in a large number of cases in Lahore and Faisalabad, is re-extracted through shallow hand pumps for drinking purposes (79). In Peshawar, some settlements discharge their effluent into a canal which is also a source of drinking water for the nearby residents.

**Latrines:** Most houses in the settlements visited had either bucket latrines or sanitary latrines which discharged onto paved open drains constructed by the councillor. In a small number of cases, soak-pits have also been constructed. However, these soak-pits are of an unnecessarily elaborate design and far too expensive for the majority of the population to afford. In Faisalabad, Peshawar and Lahore, a number of settlements have open fields near them. As such, a large number of residents here excrete in the open (80). As fields are also disappearing, the residents are feeling the need for constructing some form of sanitation system.

**Councillors' efforts:** A number of lanes in some settlements which were visited by the consultant in Lahore, Peshawar and Hyderabad, had been paved by the councillors. These lanes had open drains on either side for waste water disposal. However, children excreted in them and people connected their latrine outlets to them. In addition, they often linked up with unpaved drains in other lanes.

**Water supply:** In areas where piped water is not available, most residents use hand pumps in Hyderabad, Lahore and Faisalabad. In Karachi, water is supplied by municipal bowzers or through donkey carts from the nearest water source. In many areas in Faisalabad sub-soil water is brackish, and women walk over 2 kilometres to a municipal water point to get water (81). In certain other settlements water is available, but the majority of the population cannot afford to pay the connection fee or bear the cost of materials required for making the connection.

**Electricity:** Electricity exists in most of the settlements visited. However, certain settlements (82) had very few connections. In such cases people purchased power from the ones who had connections at rates varying from 30 rupees per month for a 40 watt tube light to 45 rupees (83). In many settlements there are no banks and people find it very difficult to make payments for their electrical bills. In addition, there were a number of cases where residents had acquired an illegal direct connection from the electricity distribution system by making an informal arrangement with the WAPDA or KESC lineman. In Faisalabad and Karachi certain settlements which had no electricity were visited (84). Here a number of entrepreneurs run diesel generators commercially and sell electricity to a sizable minority of residents. In all the informal systems described above, payments are made monthly in advance and as such the question of a default in payment does not arise.

**Gas:** The lack of gas connections have been discussed earlier in the report. In the absence of an access to gas people have a preference for LPG cylinders because they are cheap. A cylinder costs 50 to 65 rupees and lasts a month for a household of 6 persons. This is much cheaper than timber, whose cost for the same number of people would be 120 rupees per month. However, the majority of people continue to use timber because they cannot afford to pay 1100 rupees as a deposit for the refill bottle.

## 21. HEALTH AND EDUCATION

**Health:** As mentioned earlier, over 80 per cent of the population of slums and katchi abadis use private health care facilities. Most of these clinics are run by non-qualified doctors and para-medics, who rely entirely on patent medicines for treatment. Many of them get date barred medicines from chemists at cheaper prices and sell them to their patients for a profit.

Injections of unspecified drugs and glucose drips are commonly used as they add a serious note to the treatment. ORS was not available at the clinics that were visited, although dehydration among children in the settlements is common.

**Education:** Most of the children in the slums are educated in private schools. The majority of these schools are run on a purely commercial basis keeping the economics of the residents of the katchi abadis and slums in mind. This means the school buildings are badly constructed, with insufficient light and ventilation; furniture is non-existent and teachers are untrained and paid less than one-third the standard salary for government teachers. Most of the teachers are women who work at these low wages so as to supplement their family incomes. As a rule they are not paid salaries for the period that the schools are closed. These conditions make it possible for these schools to charge very low fees, sometimes as low as 15 rupees per student. However, there are also schools run by dedicated teachers. They also face the problem of catering to the economics of the lower income groups and they do not have access to organisations which can help them in raising their standards by imparting training or directions to their staff.

## 22. INCOME GENERATION

### 22.1 The industrial proletariat

**Lack of awareness:** In two of the settlements visited, one in Karachi (85) and the other in Faisalabad (86), a large section of the population was employed as labour in the chemical and textile industry. Discussions revealed that they worked in conditions injurious to health and without necessary safety precautions. Many of them worked as contract labour in violation of the labour laws of the government of Pakistan. Their awareness of their rights under law was negligible and so was their knowledge about the larger issues concerning the industry they worked for.

**The garment industry:** Both in Faisalabad and Karachi, a very large number of women work as stitchers and packers in garment factories. In Faisalabad, it was discovered that the majority of them are contract labour and are paid 16 rupees for 12 hours of work per day. In addition, a larger number of women do "piece work" at home for contractors at even cheaper rates.

### 22.2 Middlemen operations

Middlemen finance a lot of income generation activities in the slums and katchi abadis. Those activities that the consultant came across during his field visit are given below.

**Knitting and garment making:** In many Lahore settlements (87) contractors provide a computerised knitting machine to a woman who knows how to use it, along with raw material. Half

of what she produces belongs to the contractor after deducting the cost of raw material and the instalment on the machine. Training for operating the machine is provided by a vocational centre. Similarly, orders for embroidery work and stitching of garments are also placed by contractors on the same conditions.

**Dairy farming:** Many residents of slums and katchi abadis in all the 5 cities keep buffaloes and cows. These are purchased on a loan from middlemen. The owner feeds the animal, looks after it and milks it. The milk is acquired by the middleman at half its market value and sold. Any offspring of the animal is the property of the middleman.

**Mat, rope and broom making:** In certain abadis visited in Karachi and Faisalabad, women make date fibre mats, nylon ropes and brooms. Raw material is supplied by the middleman and he is also in-charge of marketing the manufactured product. The value of half the produce, after deducting the cost of raw material, goes to the middleman.

**Shoe soles and cardboard box manufacturing:** Soles and bodies of shoes are manufactured for shoe companies in many Faisalabad katchi abadis. Again raw material is supplied by the middleman who picks up the manufactured produce at half the market cost. Shoe manufacturers visited insist that there is a great demand for their produce and if their production could be mechanised, and if they could get loans for raw materials, they could employ many more people and increase production. Mechanisation costs are 13,500 rupees per unit. Similarly, a number of families in Faisalabad (88) and Karachi manufacture cardboard boxes for packing purposes for the garment industry. Mechanisation of this manufacturing process would cost less than 6,000 rupees per family and could double incomes and generate employment.

**Garbage recycling:** Garbage picking for recycling is a big business in the lower income areas. Metal and glass containers and plastics are normally sold by the residents directly to persons who collect them from their homes. These are then sold to dealers in the settlements who in turn sell them to the recycling industry. A large amount of material is sent from the Peshawar settlements to the Punjab cities to be recycled. Paper, cardboard, rags, polythene bags, however, are all collected from the garbage by boys employed by middlemen. These boys are paid according to the weight of material they bring back each day. In the Lahore and Faisalabad settlements, where traditional occupational structures have not yet broken down, this work is done by the hereditary scavengers. Material collected by the scavengers is utilised in rag weaving and rag pulling machines for use as infill for upholstery. Many residents feel that if recycling could be done in the settlements, it would not only raise the cost of recyclable materials but also generate employment.

## **23. THE ROLE OF DRUG MONEY**

In all the low income settlements visited, residents complained of the increase in drug abuse, especially among the younger generation. In two instances (89) they also claimed that financial assistance for house building or for income augmentation was available through the persons who controlled the drug trade in their areas. However, any person who receives such assistance ends up by being an unpaid employee of the drug organisation.

## **24. CONCLUSIONS**

### **24.1 The achievement and failures of the informal sector**

**Land:** The informal sector provides land at an affordable cost to the poor with immediate possession and with no paper work. It arranges for curtailing speculation and adjusts its standards according to the paying capacity of its client, something state agencies have failed to do.

**House building, services, health and education:** Although technical advice for house building provided by the sector is substandard, without it housing conditions in low income settlements would be much poorer. Though the informal sector fails to acquire sewerage and drainage systems, it does manage to provide water where subsoil water is not available. Again, though its education system is poor, the informal sector is responsible for the growing rate of literacy in the low income areas, and though its health care system is unsound and exploitative, it does accurately diagnose malaria, typhoid and dingo.

**Income generation:** The middleman economy is excessively exploitative. However, it provides credit and possesses managerial and marketing skills without which a very large section of the lower income households would be unemployed.

### **24.2 Reasons for the achievements and failures of the informal sector**

**Reasons for achievements:** The main reason for the achievements of the informal sector is that its response to the needs of lower income groups is compatible with the sociology and economics of the urban poor. This is because the operators of the system are either from the same class as some of the urban poor, or they have strong commercial links with low income settlements. In addition, they do not have to rely on grants and subsidies for financing their operations.

**Reasons for lack of success:** The informal sector is entirely operated by entrepreneurs who are motivated commercially. They do not deal with issues through which they cannot make money, like sewerage disposal or street paving. In addition, for many sectors they operate in, such as health, education, housing and income generation, they have no access to qualified professionals and social and technical research.

## **E. RESPONSE TO STATE POLICIES AND ITS REPERCUSSIONS - 2: THE FORMATION OF CAGs AND NGOs**

## **25. PREAMBLE**

From the time a settlement comes into being, its residents are faced with the problems that a complete lack of services creates and which the informal sector, in most cases, is not interested in tackling. Most of these problems cannot be tackled independently by individual households and community action becomes necessary. This action is usually initiated by the more aware persons in the community. These activists are usually better educated and have either served in government or the army, or have been associated with the initial development process in the settlement. In some cases, they may also have political ambitions or have been associated with political or religious parties or with labour movements. In recent years, the activists' role is increasingly being taken over



by the younger generation, which may seem strange for a society which gives considerable respect and deference to its elders. However, these younger activists belong to the second generation of slums and katchi abadi dwellers. As such, they are more vocal, have less links with their feudal or tribal past, and have a larger view of the world. This is especially true of Karachi. In rare cases these groups expand to become formal groups, and few of them receive assistance from the larger NGOs operating in the urban field in Pakistan. However, with the easy availability of government and international funds for the promotion of NGO activity, this state of affairs is changing.

## **26. INFORMAL COMMUNITY ACTION GROUPS**

### **26.1 Work undertaken**

In all the settlements visited, the residents of some neighbourhoods, or the households of a few lanes, had come together informally to tackle some problem or the other that they had faced. In most cases, the work done by them was related to the construction of open drains or the laying of an underground sewerage system. In a few cases, street paving had been carried out, and in others, residents of a lane or neighbourhood had collectively employed a sweeper to lift garbage, maintain the drains, and keep the streets clean. In some cases they had also tried to lobby with local government authorities to intervene for the improvement of their areas. In almost all cases, the group had fallen apart after its basic objective had been achieved and the maintenance of the work done was taken over by a few volunteers.

### **26.2 Assessment of work done by the groups**

**Development work:** Almost all development work undertaken by the communities in the settlements visited was well below standard. The roads were unevenly paved; the drains did not have the proper gradients causing flooding, and the sewerage systems did not work. The people are well aware of these defects and due to them, have stopped maintaining the services they had developed. However, where building skills are present in the communities (90), excellent work has been done and is being well maintained. Areas of settlements where residents have arranged for garbage disposal and sweeping of the streets (91), are much cleaner than the areas which have not done so. In addition, almost all work done by these communities is self-financed and has no element of a grant or a subsidy. Hence it is potentially sustainable.

**Lobbying:** Lobbying done by these informal groups for improvement of their areas has usually not yielded any results. This is because the groups are far too small to be considered of any importance by the authorities or political parties and also because they are not formal legal persons.

## **27. FORMAL GROUPS AT NEIGHBOURHOOD OR SETTLEMENT LEVEL**

### **27.1 Registration with the social welfare department**

Groups usually formalise their existence by registering themselves with the Social Welfare Department (SWD). They usually call themselves social welfare organisations, falah-o-behbood anjumans, and or islahi committees. Registration with the department gives them, not only an identity, but also entitles them to some funding from government sources and the possibility of approaching funding agencies for assistance.

## 27.2 Office bearers

In the case of all such neighbourhood social welfare associations that the consultant came into contact with, the office bearers were young men with well above average education for the area they lived in. Many had been active in student politics.

## 27.3 Work undertaken by the groups

None of the formal groups encountered by the consultant during the field visit were involved in development work. They all function in a similar manner and organise the operation of mother and child clinics, vocational schools for women, or primary schools. These operations are described below.

**Mother and child clinics:** In most cases a small fee of 1 or 2 rupees is made by the patient when he registers with the clinic. Medicines are provided at subsidised rates or free of cost. Part of the finance for this comes from the Social Welfare Department and the rest is made up by donations from the office bearers, or the more affluent in the neighbourhood. The same is true for salaries to the staff. Most of the clinics visited were run entirely by trained LHVs. In some cases, qualified doctors visit the clinics once or twice a week for a few hours. Furniture and equipment for the clinic is usually donated by a philanthropist, or in a few cases purchased with grants given by foreign agencies. In most cases, these clinics are very popular, especially where a proper doctor attends to them. However, they are insufficient for the needs of the residents and as such, the private sector continues to dominate the health scene.

**Vocational schools:** Vocational schools in all the organisations visited cater to the needs of women. They give lessons in stitching, knitting with computerised machines, and embroidery. In no case do they teach the women the use of industrial machines which are now commonly used in the garment factories. At an average 15 to 25 students study at a time in these schools and courses are of 3 to 9 months duration. Fee charged from the students depends on the course undertaken and varies from 10 to 40 rupees per month.

**Primary schools:** These are less popular than the clinics and the vocational schools and seldom consist of more than one classroom of 15 to 20 girls and boys. Again, fees charged vary from school to school and is seldom more than 15 rupees per month.

**Lobbying with state agencies:** In addition, these organisations lobby with state organisations for facilities. For example, one organisation has lobbied for, and succeeded in having a bank opened in the neighbourhood so that electricity bills can be paid without having to make a long journey out of the settlement (92). For this the organisation had to apply for a ruling from the federal ombudsman. Similarly, gas connections have been acquired by settlements through legal action taken by the organisation. In another instance, the organisation was instrumental in having a post office commenced in the area (93).

## 27.4 Constraints faced by the organisations

**Lack of finances:** All groups get a small grant, 3,000 to 35,000 rupees per year, from the SWD.

This is not even enough to pay for the salaries of the staff they require for the clinic. As their approach to the work they undertake is one of charity and "social welfare", they do not raise money from the residents or attempt to increase the membership of their general body. For this reason, the level of service at the clinics and schools declines when the SWD or the international funding agency reduces its grant to the NGOs. There is every reason to believe if these grants were discontinued, the NGOs and the services they provide, would cease to exist.

**Lack of trained manpower:** Doctors and paramedics for the clinics are not easily available, especially at the salaries that the organisations can afford. The same problems are faced by schools and vocational institutions. In addition, it is seldom possible for the office bearers, who receive no salaries for their work, to administer these institutions properly due to their other preoccupations. As a result of all these factors, many of these facilities function erratically, and in some cases, schools and clinics are often closed for long periods of time.

**The problem of orientation:** There is considerable potential in these community groups for undertaking development work and raising finances from within the community. However, this potential can only be tapped if the necessary orientation is developed and a change of attitudes takes place in the office bearers. This requires exposure to new ideas and forms of functioning. Where such exposure has taken place, the difference in attitude is apparent (94). To facilitate this change of attitude, training, networking and short term manpower assistance becomes necessary.

### **27.5 Impact of CAGs on other settlements**

The formation of a CAG or NGO in one settlement has often led to the formation of similar formal groups in other neighbouring settlements. Very often this is done with the advice and active participation of the parent group.

### **27.6 Large settlement-based CAGs and NGOs**

A few of these neighbourhood based CAGs and NGOs have expanded to become affluent institutions (95). They run large middle and secondary schools and organise vocational training for over 100 girls at a time. Health education is in some cases part of their extension programmes. In addition, their teachers are well trained and their clinics well equipped and well staffed. Their administration is in the hands of paid administrators and their office bearers are well to do persons. Many of these organisations own considerable property, the rent from which also finances part of their activities. Such CAGs are usually connected to religious organisations and have access to a large number of funding sources. However, they have no out-reach activities, do not involve themselves with larger urban development issues, and as a result cater mostly to the immediate needs of the lower income classes.

## **28. LARGER WELFARE ORIENTED NGOs**

**The nature of the NGOs:** There are an increasingly large number of NGOs that are not area or settlement specific. They do very much the same things as the neighbourhood social welfare associations, but on a larger scale. Instead of ill-equipped clinics, they run medium or large size hospitals; instead of small vocational classes they run secretarial and computer training schools for girls, in addition to elaborate courses for garment stitching, knitting and home management (96).

**People involved:** The professionals who run these NGOs are often highly qualified and well paid. The office bearers are normally married women belonging to the elite classes. Often, the reason for their involvement with NGO activity is to "do good" for the poor.

**Concept of community participation:** Many such NGOs do attempt community work. This normally consists of running small schools and clinics or community centres in a number of katchi abadis or in slums. Apart from this, no real links are established with the community, and in most cases, the NGOs policy-makers have little understanding of either larger issues that affect the urban poor, or the micro level issues that plague their daily life.

**Funding:** Raising funds for these NGOs does not pose problems. Their office bearers are well connected and have easy access to both the corridors of power and the foreign missions. Budgets of these organisations can be as high at 10 million rupees a year. However, these organisations have never tried to become self sufficient and one wonders that will become of them when the foreign funds, with which they finance part of their operations, are no longer available.

**Impact of the work done by the welfare oriented NGOs:** The NGOs described above do provide health care facilities and education to a large number of people. However, they do not effect a change in the living conditions, attitudes, awareness or organisational levels of the urban poor. Nor are their programmes replicable by other NGOs or the state, because of their high cost.

## **29. DISCIPLINE SPECIFIC NGOs**

A small number of discipline specific NGOs have emerged in Pakistan. Their broad categories are given below.

**NGOs dealing with women's issues:** These are run, for the most part, by professional women. They deal with awareness-raising among women, adult education and legal aid. To promote awareness and dialogue, they arrange workshops, seminars, publish literature and carry out research. In addition, they touch upon important developmental issues related to society as a whole and women in particular. Since these NGOs deal with women's problems, which are important issues today, they have no shortage of funds. The work of these NGOs is too new to be evaluated.

**NGOs dealing with labour education:** In Karachi, PILER has been involved in labour education and research since 1981. It arranges short and long courses for industrial labour for general awareness-raising. The courses deal with safety, industrial production, environment, health, housing, energy and legal matters. Prominent experts participate as resource persons in these courses. Feedback suggests that a follow up on the courses can result in involving the course members in development issues in their settlements. Funding is from grants by foreign agencies in Pakistan and abroad.

**NGOs involved in family planning:** A number of NGOs are involved in promoting population planning. Judging from reports available, and from the failure of the population growth rate to register a fall, they are not very successful. However, some of them are impressive organisations spread all over Pakistan (98).

### 30. DEVELOPMENT ORIENTED NGOS

In recent years, the concept that development in poor societies can only take place if people are empowered to run their own affairs, has caught on. But to empower people, one has to raise their awareness levels, their technical skills, their economic conditions, and above all motivate them to organise, generate savings, and operate and maintain the development they carry out. In this process, not only do the physical conditions in their settlements undergo a change, but their relationship with local governments and with political power becomes less unequal. This in turn makes further development more appropriate to their needs. To make such development possible, a research and extension organisation, based in the area of its operation is necessary. This organisation needs to be in constant touch with the community and its problems on the one hand, and should be able to call in expert technical advice for the solution of those problems on the other. But to do this in a big way, not only is trained manpower necessary, but also exposure to this form of development. In Pakistan, a small number of NGOs are involved in developing such replicable models of development (99), while others are trying to train manpower which can help promote this form of development (100). Both these types of NGOs and their efforts are dealt with in section H of the report.

### 31. CONCLUSIONS

**The nature of NGO activity in Pakistan:** Most NGO activity in Pakistan is oriented to providing subside health and education facilities. Communities are normally not involved in this process and on the whole, very few of their members benefit from it.

**Need for technical assistance:** CAGs usually tackle pressing physical problems in their settlements. However, due to a lack of technical know-how, managerial skills, and a larger vision, their efforts fail. This results in abandoning community action and in discrediting the activists who had promoted the concept of participation in development in the first place.

**Lack of interaction with other NGOs/CAGs:** Most NGOs and CAGs are unaware of other development projects. This is because of a lack of avenues for interaction with other groups. Where interaction has taken place, it has resulted in more appropriate development and an improvement in managerial and technical skills.

**Problems of access to funds:** NGOs run by the elite have a much better chance of receiving large funding from national or international sources than those run by the urban poor themselves, irrespective of the relevance of the work they do. This dependence on external funding constitutes their greatest weakness.

## F. THE RESPONSE OF THE STATE TO THE FAILURE OF ITS POLICIES

### 32. PREAMBLE

The state policy-makers are not unaware of the failure of their policies related to low income urban communities. Promoted by international agencies, and backed with foreign funds, the government has tried to institutionalise its relationship with the NGO sector. In addition, an important government housing scheme in Hyderabad has tried to overcome the failings of the governments housing

schemes.

### **33. ACTIVITIES OF THE WOMEN'S DIVISION**

The Women's Division, a federal government institution has a considerable amount of funds for the promotion of education, health, technical education and social welfare of women. Its main emphasis is on funding NGOs involved with women's issues. However, the Division has yet to frame a definite programme and develop research, monitoring and evaluation procedures related to the programmes it funds.

### **34. NGOCC**

The NGOCC is a federal government organisation. It deals only with family planning and funds NGOs who are involved in this activity. In addition, it provides training to para-medical staff, such as LHVs and vaccinators, and holds conferences, workshops, seminars and refresher courses for NGOs. So far the NGOCC has not devised any method of monitoring and evaluating the work of the NGOs it funds.

### **35. THE HDA'S INCREMENTAL HOUSING SCHEME**

Through its incremental housing scheme, popularly known as Khuda-ki-Basti, the HDA planners have tried to overcome the problems of catering to the housing needs of lower income groups by adopting the dallal's model of developing ISDs on government land. Thus, land is given to the applicants without services, except for water and they pay only 980 rupees as the cost of land. Speculation is controlled by cancelling the allotment of anyone who does not build and start living on the plot at once. In addition, all allotments are non-transferable. Services are acquired by the residents slowly over time and they pay for them through affordable instalments. The HDA has developed neighbourhood community organisations, who it is hoped, will maintain and operate the services and collect the dues from the residents on behalf of the HDA. In addition, advisory services for house building, sanitation and income generation have been developed on the lines of the OPP. Small credit facilities for income generation and housing have also been developed, and the neighbourhood organisations have been made responsible for recovering the instalments.

## **G. GENERAL RECOMMENDATIONS**

### **36. PREAMBLE**

General recommendations for SDC involvement with low income community groups in the urban sector in Pakistan, and with the development of appropriate policies related to them, are based on the conclusions reached in the earlier sections of this report. It is true that conditions at micro level can improve with support to local community groups. However, if the strategy of support systems has to be applied on a big scale, then its promotion must become part of the government planning process, and the role of NGOs in it must be clearly defined. In addition, low income groups have to be given formal access to land for housing, without which their interests will remain subservient to those of the informal sector middlemen on the one hand, and to the local government bureaucracy on the other.

### 37. SUPPORT FOR THE DEVELOPMENT OF APPROPRIATE STATE POLICIES

**Technical assistance for promotion of community participation concepts:** The government's KAIRP and slum upgrading schemes are unsuccessful mainly because of the failure of the community participation aspect, both as a concept and as strategy, related to them. Technical assistance for developing the capacity and ability of local governments and development authorities in this respect, should be provided through support to pilot projects.

**Assistance for replication of successful pilot projects:** The OPP has developed a model of development through community participation which overcomes the problems faced by the KAIRP. Similarly, the HDA's Incremental Housing Scheme has overcome the problems of making land accessible to the urban poor at affordable prices. Both projects have credit schemes for promotion of better housing and income generation. The strategies developed by these projects need to become part of government planning. This can be done if lobbying and funding for their replication, or for replication of similar pilot projects is initiated.

**Monitoring and evaluation of government policies:** Appropriate changes in government policies can only be brought about if regular monitoring and evaluation of their schemes is carried out. Based on its results, re-orientation and/or training programmes and workshops for government policy-makers and planners need to be organised. The possibility of establishing small research and training institutes at relevant projects for this purpose also needs to be looked into.

**Data base for lower income settlements:** A more accurate data base for lower income settlements needs to be established so that their physical, social and economic dynamics may be better understood. Government departments or NGOs working towards this goal should be given technical and financial support.

### 38. ASSISTANCE TO CAGs AND COUNCILLORS' PROGRAMMES

**Technical assistance:** Assistance to CAGs and municipal councillors for developing and implementing master plans for their areas, and for increasing their managerial and technical skills, is necessary, so as to make their efforts at development successful. Motivation and lobbying to promote cooperation between CAGs and councillors on the one hand, and between different councillors on the other, is also necessary if infrastructure development is to be meaningful. Intermediate organisations need to be developed and supported for this purpose. Over time, these organisations can also deal with other issues, such as support to education and health services and to income generation activities.

**Networking:** Contacts and exchange visits between various CAGs will result in the broadening of their horizons and improve their perception of development and the quality and relevance of their work. Federations or confederations of such groups at settlement, city or country level will make them a powerful political lobby which can effect major policy changes by scientifically articulating the problems of low income settlements. Therefore, full support should be extended to the development of networking activities and to intermediate and professional organisations that support them.

## **39. ASSISTANCE TO NGOS**

**Support to promoting new attitudes to development:** As observed earlier, most NGOs in Pakistan have a social welfare or philanthropic approach to development. This can be changed by visits to NGOs which are engaged in genuine grass root institution building; development of audio-visual extension material; arranging of training programmes for NGO staff members and by facilitating exchange of literature. Ways and means of promoting this activity and associated support activities need to be studied in detail.

**Funding:** Funding to NGOs should be governed by certain criteria of which details need to be worked out. However, the broad criteria should be that NGO activity should result in the raising of awareness levels, managerial and technical skills and organisational potential of the communities rather than provide momentary relief and financial assistance.

## **40. THE NEED FOR AN URBAN RESOURCE CENTRE**

A considerable amount of work has been done on urban issues related to low income groups by international agencies, development authorities, universities and other academic institutions, NGOs, individual professionals and journalists. In addition, there are a number of resource persons available in this field. However, this research or field work is scattered all over Pakistan and even its existence is unknown to researchers, planners, NGOs or CAGs. Similarly, the names and addresses of persons, NGOs, CAGs and communities responsible for it are not available. The names and addresses of professional organisations which can be of assistance to NGOs and CAGs in their work, are also not available. The idea of an Urban Resource Centre, in the 5 cities, which can collect, catalogue and disseminate this information needs to be supported. However, this support should be extended to centres which are manned by professionals who are in touch with the situation at the grass root level in the urban areas, and with relevant NGOs and CAGs.

## **H. SUGGESTED PROJECTS FOR SDC INVOLVEMENT**

### **41. PREAMBLE**

The suggestions made for SDC involvement with community groups and NGOs are based on the recommendations developed in the previous section. In addition, in making the suggestions two things have been taken into consideration. One, the level and nature of CAG-NGO activity in each of the cities; and two, the necessity of expanding the activities of existing intermediate organisations; creating them where conditions permit; and helping to create conditions for their development where such conditions are absent.

### **42. SUGGESTED SDC INVOLVEMENT IN KARACHI**

#### **42.1 Support to the extension services of the OPP/RTI**

**Description of OPPs on-going programmes:** Orangi is the largest squatter settlement in Karachi. Its population is estimated to be 1 million. The OPP has been working in Orangi since 1980. It carries out action research on the problems faced by Orangi residents, and takes the solution back to them through an extension programme. Its main activities are described below.



- a) Low Cost Sanitation Programme: The OPP has motivated lane residents to organise, finance, manage and construct an underground sewerage system. This has been possible due to a massive extension effort and to a substantial reduction in the cost of construction as a result of technical research. The growth of organisations has also changed councillor-resident relations and launched the community into other development programmes.
- b) Housing Programme: Results of technical and social research in housing in the settlement have been taken to the informal sector builders, masons, contractors and the house owners. This has improved construction, lowered costs and changed the working relationship between the different actors in the housing drama for the better.
- c) Health Programme: The health programme has created small, cohesive groups of women at lane level so that they can receive advice on hygiene, nutrition, disease prevention, family planning and kitchen gardening.
- d) Other programmes: The OPP is also operating an income generation programme which gives credit and advice for the development of small businesses and an IUCN programme for tree plantation.

### **Recent trends at the OPP**

- a) Growing demand on OPPs extension services: Recently, the OPP has been receiving an increasing number of requests from other settlements, and also from villages in the interior of Sindh, to assist them in developing their sanitation systems in the same manner as it did in Orangi. The OPP, part of which has been converted into a RTI for the Development of Katchi Abadis, is not in a position to take up this assignment. In the three instances that the OPP/ RTI has been involved in assisting communities outside Orangi, its extension services were over taxed. In addition, the OPP/RTI needs to develop extension material for the sanitation programme for motivational and educational purposes.
- b) Documentation of the OPP method: Although the process of development of the OPP programmes has been well documented, no manual or literature regarding it has been prepared for the use of planners, technicians, community workers and extension agents. The preparation of such literature will assist the OPP/RTI in imparting training to professionals and workers involved in grass root development, and facilitate the replication of the project.
- c) The Education Programme: In Orangi, there are over 350 private schools. The OPP is in the process of bringing as many of them as possible on a common platform through its Orangi Education Project. So far, the project has 11 member schools. Physical upgrading of a number of them, with OPP/RTI advice, has already been carried out. The programme aims at developing a more appropriate curriculum which all the member schools would follow; providing training to teachers; developing aids and literature to make this training possible; improve and develop a similar administrative pattern for all schools and publish text books that are of relevance to the education scene in Pakistan in general, and Orangi in particular. The programme will result in the upgrading of an education system on which the vast majority of the residents of Orangi depend, and which is common to almost all low income settlements in Pakistan.

## **Suggested SDC involvement**

### **a) Extension services:**

- Financial support for the expansion of staff and transport facilities for the extension services.
- Financing the preparation of 2 video films of 30 minutes duration each, on the low cost sanitation programme, for extension and instruction purposes.
- Financing the preparation of "training manuals" on the OPP method. This will involve the employment of consultants to prepare the manual and printing costs.
- Financing the procurement of audio-visual equipment for use in extension and for the documentation of OPP/RTI programmes.

### **b) Education programme:**

- Funding the research for the preparation of teachers training manuals and text books and their publication.

## **Contact persons**

### **a) For extension services:**

Ms. Perween Rahman  
Director OPP/RTI  
1-D/26, Daulat House  
Orangi Township  
Karachi  
Phone: 6658628

### **b) For the education programme:**

Mr. Sami Mustafa  
Consultant to Orangi Education Project  
43/S, Block - 6, P.E.C.H. Society  
Karachi  
Phone: 431191

## **42.2 Support to the Lyari Development Project (LDP)**

**Description of Lyari:** Part of Lyari is a katchi abadi and the rest of it the worst slum in Karachi. Its eastern part falls within the old city. It has a population of 700 thousand, most of which consists of the original pre-partition inhabitants of the city or their descendants. There are over 1,100 community action groups in the area, of which more than 100 are registered legal persons. Many of them are supported by the drug mafia (101). Since Lyari is politically very important, many

government upgrading programmes have been initiated here in the past. However, they have all ended in failure and the area remains devoid of services and basic health and education facilities.

**LDP:** The OPP Society has decided to launch a project in Lyari on the lines of the Orangi Pilot Project. The project will be established in October 1989. Seed money of 500,000 rupees is being provided by the BCCI Foundation. If the LDP is established, the people of Karachi's slum and katchi abadis will have another intermediate organisation to turn to. In addition, Lyari is sociologically and physically very different from Orangi. In the case of the LDP the charismatic leadership of Dr. Akhtar Hameed Khan will be missing. Thus, many theories regarding the non-replicability of the OPP will be put to the test.

**Assistance to the LDP:** Within 3 months of its existence, a clearer picture of the needs of the LDP will emerge. It is suggested that the SDC involve itself in this project. To determine the nature of its involvement discussions with the OPP Society are necessary.

### **Contact persons**

- a) Prof. Karrar Hussain, Chairman  
and Dr. Akhtar Hameed Khan, Hon. Secretary  
OPP Society C/o, BCCI Foundation  
1-B, 3rd North Street, Defence Housing Society  
Karachi  
Phone: Prof. Karrar Hussain : 466247  
Phone: Dr. Akhtar Hameed Khan: 473491

## **42.3 Support to the Young Grex Combined Welfare Association (YGCWA)**

### **Description of Grex village**

Grex village is an old settlement in Karachi which has now become part of the urban sprawl. The YGCWA represents not only the old settlement but also about 1,000 houses that have sprung up around it. The Association is anxious to develop a sanitation system for the whole area. Previous attempts by some neighbourhood groups have not been very successful. In addition, the Association also wishes to set up a clinic. Again, previous attempts by the Association for organising a preventive health programme have ended in failure. In both cases, the failure was due to a lack of sound technical advice and managerial skills. The Association is part of the Mauripur Development Project (MDP), which is a confederation of 11 CAGs in the area. Of these, 5 are actively involved in the project. Any development work in Grex through community participation, stands a good chance of being replicated by the other members of the MDP. In addition, the settlement has a number of cobblers, mat and broom makers and stitchers, who are all depend on middleman finance for survival.

### **Nature of support required by YGCWA**

- a) For the sanitation system: Appointment of a consultant to prepare a design and work out the cost of a sewerage system for the settlement. The system will be financed by the people and as such must be low cost. However, the nature and cost of technical assistance for its implementation

will have to be worked out.

b) For a preventive health programme: Appointment of a consultant to prepare a plan for a low cost preventive health programme. The programme must be part financed by the YGCWA and should depend on health education for its success. There is a clinic of the Aga Khan Community Health Science Department in the village which could be of assistance for the preparation of such a plan.

### **Contact persons**

- a) Mr. Katri  
Coordinator, MDP  
C/o, YGCWA  
Greex Village, Mauripur, Karachi  
Phone: 747488
- b) Ms. Naushaba  
Social Organiser of the Aga Khan Community  
Health Science Programme  
Greex Village Clinic  
Greex Village, Mauripur  
Karachi  
Phone: 678800

### **Consultants suggested**

- a) For the sanitation programme:
- Perween Rahman  
Director OPP/RTI  
1-D/26, Daulat House, Orangi Town  
Karachi. Phone: 6658626 - 6652297
- b) For the health programme:
- Dr. Samia Altaf  
Development Research & Management Services  
40-B, School Road, F-8/4  
P.O. Box 2389, Islamabad  
Phone: 852863

## **42.4 Support to the Urban Resource Centre (URC)**

**Description of the URC:** The Urban Resource Centre was set up in December 1987 by architects working with low income communities. So far it has been operating through contributions from its members and most of the work is done on a voluntary basis. Progress is reviewed monthly. Its office is at the residence of its secretary. In the few months of its existence the URC has compiled lists of

research papers, books, reports, press clippings and other information on Karachi. In addition, it is collecting information about NGOs and CAGs in Karachi and on resource persons. It hopes to bring out a newsletter for promoting networking, and is in the process of developing a library. It is now looking for funds to acquire a proper office, equipment and the funds to employ full time staff.

**The nature of assistance required by URC:** Financial assistance for establishing an office with bare minimum equipment, salaries for two junior staff members and office rent for 12 months. Progress can be reviewed after 12 months for additional funding.

#### **Contact person**

- a) Mr. Salim Alimuddin  
Joint Secretary URC  
21, Darul Hana, Tayyabji Road  
Karachi
- b) Prof. Kausar Bashir Ahmad  
Member of URC Council  
Faculty of Architecture & Planning  
Dawood College of Engineering & Technology  
M.A. Jinnah Road  
Karachi  
Phone: 424253 - 424254

### **43. SUGGESTED SDC INVOLVEMENT IN HYDERABAD**

#### **43.1 Support to the proposed Research, Training and Extension Institute for Housing for Low Income Groups at Khuda-ki-Basti**

**Reasons for the creation of the institute:** The HDA's Incremental Housing Scheme is an important experiment in making land, services and advice for house building and income generation available to the lower income groups. So far, the scheme has operated through the personal interests of its founders and HDA staff who work on it part time. There are no institutions to operate this experimental model, evaluate, monitor and document it, impart technical training to the people who live here, and disseminate the results of the work that has or is being done. To make all this possible, the HDA wishes to establish a Research, Training and Extension Institute. This institute will also facilitate the duplication of this scheme on a larger scale in other cities. The PC 1 for the creation of the institute has been approved by the government of Sindh, but the sponsors have been asked to raise their own finances for its establishment and functioning.

**Nature of support required by the Institute:** Funding the establishment of the institute, or part of it, and bearing the cost of the annual recurring expenditure for 1 year. According to the PC 1, the cost of establishment is 2.26 million rupees and running costs are 474,000 rupees per year.

## Contact person

Mr. Tasnim Siddiqui  
Director-General, Hyderabad Development Authority  
Qasimabad, Hyderabad (Sindh)  
Phone: 26790 - 20541 - 28538

### 43.2 Further study on NGOs and CAGs in Hyderabad

No NGOs or CAGs which are involved with any form of development work apart from lobbying, were encountered in the Hyderabad katchi abadis. In addition, the residents of the abadis visited had no faith in these lobbying organisations. It might be worthwhile if a further study of 2 to 3 days is undertaken for Hyderabad. However, this can only be done after the law and order situation in the city has normalised and this may take some time.

## 44. SUGGESTED SDC INVOLVEMENT IN FAISALABAD

### 44.1 Development of the Anjuman-i-Samaji Behbood (ASB), Dhuddiwala, into an intermediate organisation

**The charismatic president of ASB:** In Faisalabad, there are a large number of CAGs and NGOs running clinics and vocational schools. However, the ASB stands out among them because of the charismatic character of its president, Nazir Ahmad Wattoo, who understands very well the need for programmes that change attitudes and relationships rather than ones that satisfy immediate needs. He has attended a number of workshops on development and benefited enormously from a recent course at PVHNA Karachi.

**ASB on-going work:** Dhuddiwala is a small locality in Faisalabad with a population of 2,500 persons. Around it are a large number of katchi abadis. At present, the ASB runs a population planning programme, assisted by the NGOCC, and a vocational school for women. Both programmes are well documented and the family planning programme is most successful. In addition, the ASB has lobbied for services for Dhuddiwala and is on excellent relationship with Haji Zulfiqar Ali Kamsoka, councillor of the area.

#### Programmes suggested by ASB

a) Sanitation and drainage: ASB suggestion is that a master plan for sanitation, drainage and street paving should be prepared for Dhuddiwala, along with estimates. The responsibility of having it implemented should be shared between the councillor, through his funds, and the residents. Through meetings the role of each should be clearly defined. ASB will be the co-ordinator. ASB is willing to hire consultants to prepare the designs and estimates and engage staff for supervision of work.

b) Income generation: A number of families manufacture parts of shoes and cardboard boxes in Dhuddiwala. If their production could be mechanised, incomes would increase and jobs would be generated. ASB is willing to identify beneficiaries, advise on the disbursement of loans and take on the responsibility for their recovery. In addition, it will monitor and document the programme.

## **The nature of SDC support**

- Fund the preparation of a sewerage, drainage and street paving master plan and supervision of its implementation.
- Provide loans of a total of 75,000 rupees for dis-bursement by ASB for income generation purposes.
- Fund monitoring and documentation of SDC aided programmes.
- Fund costs involved in training of Nazir Ahmad Wattoo and another community member at the OPP/RTI in Karachi.
- If the programmes succeed they will be expanded into the neighbouring slums.

## **Contact person**

Mr. Nazir Ahmad Wattoo  
President  
Anjuman Samaji Behbood (ASB)  
40-A, Main Bazaar, Dhuddiwala  
Faisalabad  
Phone: 44872

## **44.2 Development of latrines for Mohallah Rasool Nagar**

**Description of Mohallah Rasool Nagar:** Mohallah Rasool Nagar is a katchi abadi on an area of 5 hectares. It has a density of 1,200 persons per hectare. Plots in the settlement are as small as 16 and 30 M2 and there are no open spaces.

**The problem of latrines:** Until recently there were fields in the neighbourhood where the residents excreted in the open. These fields are fast dis-appearing and the residents are anxious to find an alternative. The community is cohesive, as all members belong to the Sandhu Bajwar tribe, and has laid an underground waste water system with its own finances. In addition, it has a number of good activists who have been responsible for motivating the residents in their previous development attempts.

**Future prospects:** The majority of women and a number of children in the settlement are engaged in rope making and are dependent on middleman finance for this activity. Housing conditions are also very poor and the residents want advice on their upgrading. These programmes could be taken up if the latrine project is successful.

## **The nature of SDC involvement**

- Funding the preparation of designs and estimates for latrines at appropriate places. These will be prepared with the participation of the residents of Mohallah Rasool Nagar.

- Funding the cost of technical supervision at implementation stage.

### **Contact person**

Mr. Khan Mohammad  
Mohallah Rasool Nagar  
Chak No. 214/R.B.  
Faisalabad

or

Mr. Nazir Ahmad Wattoo  
President  
Anjuman Samaji Behbood  
40-A, Main Bazaar, Dhuddiwala  
Faisalabad  
Phone: 44872

## **45. SUGGESTED SDC INVOLVEMENT IN LAHORE**

### **45.1 Consultancy Services for the Cantonment Slum Development Organisation (CSDO)**

**The CSDO:** There are a number of slums and katchi abadis in the Lahore cantonment. Collectively they have a population of 200,000. Most of them have CAGs and small NGOs in them which run clinics and vocational schools and lobby for services. Many of these organisations have close links with each other and belong to the same MNA and MPA circles. Recently, a large grant has been allocated for the settlements under the Peoples Works Programme. The office bearers of the CSDO are political people, have been active in these slums for the past decade, and command considerable respect and good will.

**Proposals for the development of the cantonment slums:** Meetings were held with the CSDO office bearers, the area MPA, the wife of the MNA, office bearers of a number of CAGs and NGOs, and the activists in the settlement. The general consensus reached was:

- The funds from the PWP should be spent on providing access roads, trunk services and disposal for sewerage and drainage.
- The people at lane and neighbourhood level should be motivated to finance, construct and manage their own sewerage and water lines.
- Street paving should be carried out by the councillors, over time, and according to a plan of action.
- Technical advice and training for activists should be provided and technical research conducted to lower costs.



## **The nature of SDC support**

- a) Funding a project preparation plan on the lines suggested above for the development of the Lahore cantonment slums. This plan should be prepared with the active participation of the MNA, MPA, NGOs and CAGs of the area.
- b) Funding the research, extension and monitoring programme of the project, once it is established.

## **Contact persons**

- a) Mr. Salman Taseer  
MPA, Lahore  
Phone: 372091 - 370423
- b) Mr. Pervaiz Iqbal, President  
Mr. Sikandar Shah, Secretary  
Cantonment Slum Development Authority  
31/7, Sarwar Road, Lahore Cantt.  
Phone: 372055
- c) Mr. Raza Abbas Ali  
Chairman  
Islami Welfare Society  
Korey Pind, Walton Road  
Lahore Cantt.
- d) Ch. Mohammad Hussain Sindhu, President  
Mr. Liaquat Ali Musafar, Secretary  
Community Development Council  
Behind General Hospital  
Katchi Abadi Awami Colony  
Lahore Cantt.  
Phone: 801902

## **Consultant suggested**

Mr. Reza Ali  
6, Temple Road  
Lahore.  
Phone: 304554 - 304558

## **45.2 Creation of a technical advisory cell for low income settlements**

**Need for technical advisory services:** In all the katchi abadis visited in Lahore, the CAGs and residents feel that a major reason for their not undertaking development work is the absence of the availability of technical advice. Even for lobbying purposes they often require technical information,

justification for their proposals, and information regarding government procedures.

**Proposal:** It is proposed that a small technical advisory cell based in an easily accessible and expanding slum be created. The cell will contact CAGs and NGOs and will assist them in need assessment, planning and technical advice. In addition, it will provide access to information regarding government policies, budgets and procedures.

**The nature of the SDC's involvement:**

- Float the idea among Lahore professionals who have contacts with CAGs and NGOs.
- Fund the establishment of the cell and its running costs for the first year, and if it functions properly, then for the future as well.

**Contact persons who can assist in floating the idea**

- Mr. Harish Masih  
C/o, CARITAS Pakistan  
Lahore  
Phone: 871850
- Mr. Mohammad Tahseen  
Executive Director, SAP  
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Lahore  
Phone: 866390
- Mr. Reza Ali  
Consultant  
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Lahore  
Phone: 304554 - 304558

**45.3 Support to the Walled City Foundation (WCF)**

**Activities of the Walled City Foundation:** The Walled City Foundation was formed in 1986 with the objective of containing the growing degradation of the city; highlighting its problems through meetings and press conferences; lobbying with the authorities to tackle the problems of the old town; and developing confidence in the residents regarding the future of the Walled City so as to stop them from moving out. In spite of all these activities, and support from various groups in the Walled City, the WCF has so far not been able to prevent the City's growing degradation. Instead it has begun to involve itself in arranging sport tournaments; giving scholarships for education; developing playing fields and running a school. However, its office bearers feel that they need to develop a new strategy for fulfilling their original objectives. For this they need assistance in identifying issues that they can take up, and advice on how the community can participate in tackling these issues.

**Importance of the project:** The project is an important one as environmental degradation of the inner cities is a serious problem in Pakistan. The WCF seems to have the potential of growing into an organisation that can take up this work if proper assistance is given to it.

**The nature of SDC involvement:** A further understanding of the situation in the Walled City and about the potential of the WCF is necessary before SDC involvement can be identified.

**Contact person**

Arch. Saqib Mehmood  
President  
Walled City Foundation  
48-B, Bhati Gate, Lahore  
Phone: 221745 - 872285

**45.4 Study on the possible spin-offs of the HEAL/ABES project**

**HEAL project and awareness raising:** The HEAL project is involved in promoting health education and literacy among women by assisting CAGs and NGOs in low income settlements with teachers, teaching aids, training programmes and by administering the project. The nature of the education being imparted is leading to a major awareness-raising among the students. This awareness should be tapped for further development otherwise its full potential will be wasted.

**The nature of SDC involvement:** The SDC's involvement should wait until a small study can identify possible spin-offs of the project. The study should also identify those settlements in Lahore where such intervention should take place.

**Contact person**

Ms. Nancy Hammond Coordinator, and  
Mr. Boota Masih Supervisor HEAL Project  
ABES, 6 Empress Road, Lahore  
Phone: 305867 - 305574

**46. SUGGESTED SDC INVOLVEMENT IN PESHAWAR**

**46.1 Support to the PDAs upgrading programme**

**Community organisations in Peshawar's slums:** Except for a community organisation in Shahdand (102), no local NGOs or CAGs were found operating in the Peshawar slums. UNICEF's experience, while promoting its Urban Basic Services Programme in the slums in 1989, has been similar. The PDA also complains that one of the major reasons why its upgrading programme has not taken off is the lack of community involvement. However, in both Akhunabad and Nothia, small groups of residents have come together to build drains and make arrangements for removing garbage from the streets. In Akhunabad, a couple of activists, with a vision of what can be achieved through possible community organisation, were encountered.

**Proposal for possible SDCs involvement:** The SDC should help the PDA by financing consultancy services for the community development aspect of its upgrading programme for Akhunabad settlement. Training of activists can take place at the OPP/RTI or the OPP/RTI can be asked to undertake a short motivation programme in the settlement. This would introduce new concepts into Peshawar's slums and lay the foundation stone for community participation in planning and development. To finalise this proposal, a dialogue between SDC and PDA is necessary, followed by the preparation of a detailed plan of action which determines the responsibilities of the SDC, the PDA, the OPP/RTI, and the consultant.

### **Contact persons**

Mr. Isa Khan  
Ward President PPP  
Akhunabad, Peshawar

Mr. Taj Mohammad  
President  
Anjuman-i-Itihad-i-Hashtanagar  
Taj Chowk, Shaheen Muslim Town, Peshawar

## **47. SUPPORT TO TRAINING**

### **47.1 Non-government training institutions**

**Academy for Female Community Workers (AFCW):** During visits to CAGs and small NGOs, it was noticed that almost all female community workers had been trained at the AFCW in Lahore. These community workers can play an important role in creating awareness among the people in general, and among NGOs and CAGs in particular.

**PVHNA:** Similarly, it was also noticed that there was a major difference in perception and organisational levels between organisations run by persons who had attended the recently established PVHNA courses, and those who had not.

**OPP/RTI:** The RTI in Orangi has also been imparting training to various local and overseas groups. The training consists of an exposure to OPP/RTI programmes and their relationship to larger development issues in Pakistan. Thus, trained activists from three other Karachi settlements have developed their sanitation systems.

**SDC involvement:** For support to training, the SDC should have a special budget. This should finance

- the needs for training aids and equipment for training institutions;
- exchange visits between various grass root CAGs and NGOs;
- workshops which bring together government plan-ners, professionals working for NGOs, and community activists and members.

A study for planning such a programme of support should be undertaken.

**Contact persons**

- Ms. Akhlaque Hussain  
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- Mr. Anwar Rashid  
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Orangi Town  
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## Footnotes:

1. Appendix - 1 Item 1.1
2. Ibid Item 3.0
3. Ibid Item 1.1
4. - Development Authority Master Plans for Karachi 1974-85, Faisalabad 1989, Hyderabad 1989, Peshawar 1989.  
- Profile of Lahore: Reza Ali 1989.
5. Squatter Settlements of Pakistan, Free University, J. Van der Linden, 1989
6. Appendix - 1 Item 1.8 and 1.9
7. From figures available with the Katchi Abadi Authorities.
8. Socio-economic Profile of selected Katchi Abadis in Lahore: CDKA/UNICEF, 1981.
9. Katchi Abadis of Karachi: KMC/NESPAK, 1984
10. Shelter Project Preparation: PDA/Gilmore Hankey Kirke, June 1988.
11. Technical note on Housing Sector Study, KMP 2000, 1989.
12. Appendix - 1 item 21 and 22.
13. Appendix - 1 item 2.4
14. - Development Authority Master Plans for Karachi, Hyderabad, Faisalabad and Peshawar.  
- Profile of Lahore: Reza Ali, 1989.
15. Technical note on Housing Sector study: KMP 2000, 1989.
16. Case study on Yakoobabad: UNESCAP/Arif Hasan, 1987.
17. Technical note on Housing Sector study: KMP 2000, 1989.
18. - Development Authority Master Plans.  
- Profile of Lahore: Reza Ali, 1989.
19. Appendix - 1 item 2.1
20. Low Cost Sanitation Programme of the OPP: HIC-NGO Project/ Arif Hasan, Perween Rahman, Shaista Sultan, June 1986.
21. Appendix - 1 item 2.3
22. Ibid item 6.1
23. Ibid item 2.4
24. Ibid item 5.3
25. - Shelter Project Preparation Report: PDA/Gilmore Hankey Kirke, June 1988.  
- Community survey of Tekhal Payan: RTI-PWD, Peshawar, 1988.
26. Housing census of Pakistan, 1980.
27. Technical note on Housing Sector Study: KMP 2000, 1989.
28. Profile of Akhunabad settlement: Shelter Project Preparation Report: PDA/Gilmore Hankey Kirke, June 1988.
29. World Bank Shelter Sector Review, 1988.
30. Appendix - 1 item 7.1
31. Technical note on Housing Sector study: KMP 2000, 1989.
32. Appendix - 1 item 7.3
33. Development Authority Master Plan.
34. Appendix - 1 item 7.4
35. Technical note on Housing Sector Study: KMP 2000, 1989.
36. Appendix - 1 item 7.5
37. - Socio-economic Profile of Selected Katchi Abadis in Lahore: CDKA/UNICEF, 1981.  
- Shelter Project Preparation Report: PDA/Gilmore Hankey Kirke. 1988.
38. Profile of Lahore: Reza Ali, 1989.
39. Human Settlement Atlas: UNESCAP, 1986.
40. OPP's studies on garbage in Orangi: unpublished material.
41. Ibid

42. - Appendix - 1 item 8.1 and 8.2.  
- Greater Hyderabad Master Plan: HDA/PEPAC, 1989.
43. Socio-economic Profile of Selected Katchi Abadis in Lahore: CDKA/UNICEF, 1981.
44. Appendix - 1 item 8.4
45. - Socio-economic Profiles of Selected Katchi Abadis in Lahore: CDKA/UNICEF, 1981.  
- Base line health survey for Orangi: AKMU/OPP, 1984-85.
46. - Shelter project preparation report: PDA/Gilmore Hankey Kirke.  
- Community survey of Tekhal Payan, Peshawar: RTI-PWD, 1988.
47. Published Municipal Corporation, Development Authority and WASA/KWSB budgets.
48. KMC budgets for 1985-86 and 1989-90.
49. Profile of Lahore: Reza Ali, 1989.
50. - Worked out from the Development Authority Master Plans.  
- Profile of Lahore: Reza Ali, 1989.
51. Ibid.
52. A study on Metropolitan Fringe Development in Karachi: UNESCAP/Arif Hasan, April 1986. 53.
53. Among Basti Dwellers and Bureaucrats: Free University Amsterdam/ J. Van der Linden etc., 1983
54. - Worked out from Development Authority Master Plans.  
- Profile of Lahore: Reza Ali, 1989.
55. A study on Metropolitan Fringe Development in Karachi: UNESCAP/Arif Hasan, April 1986.
56. Ibid.
57. Greater Hyderabad Master Plan: HDA/PEPAC, 1989.
58. A study on Metropolitan Fringe Development in Karachi: UNESCAP/Arif Hasan, April 1986.
59. Ibid.
60. Ibid.
61. Ibid.
62. Provision of Services: a Case Study of the Walled City of Lahore: Feroza Ahmad/ASC, Lahore, 1984.
63. Ibid.
64. Shelter Project Preparation Report: PDA/Gilmore Hankey Kirke, 1988.
65. Conversations with PDA staff and residents of Akhunabad and Shahdand where the upgrading was to take place.
66. Socio-economic Profile of Selected Katchi Abadis in Lahore: CDKA/UNICEF, 1981.
67. OPP's Three Programmes: OPP/Dr. Akhtar Hameed Khan, 1984.
68. - The Low Cost Sanitation Programme of the OPP: HIC-NGO project/Arif Hasan, Perween Rahman, Shaista Sultan, June 1986.  
- Profiles of Selected Katchi Abadis in Lahore: CDKA/UNICEF, 1981.
69. The Baldia Soakpit Project.
70. CKDA Project.
71. UBS Project.
72. BUSTI is an NGO working in the urban sector which has evolved out of the Baldia Soakpit Project.
73. The people of Orangi have invested over Rs 30 million in the OPPs Low Cost Sanitation Programme.
74. A study on Metropolitan Fringe Development in Karachi: UNESCAP/Arif Hasan, 1986.
75. Orangi Housing Prima: Department of Architecture and Planning, DCET, Karachi, 1983.
76. Unpublished information with the OPP.
77. A case study of Yakoobabad: UNESCAP/Arif Hasan, 1986.
78. - The Housing Programme of the OPP: OPP/Arif Hasan, 1985.  
- Observations during field visits for this study.
79. This was observed at Korey Pind and Nashter Colony, Lahore; and at Mohallah Himmatpura, Faisalabad.
80. This was observed in Mohallah Rasool Nagar and Mohalla Himmatpura in Faisalabad, and parts of Mariam Colony in Lahore.
81. Parts of Allama Iqbal Colony and Katchi Abadi Mohallah Fatehabad.
82. Keer Khurd Colony, Lahore; Yakoobabad, Karachi; Dhuddiwala, Faisalabad; Kalhora Colony,

- Hyderabad.
83. Rates vary from city to city and settlement to settlement.
  84. Lines Area, Karachi; Keer Khurd, Lahore; Shahdand, Peshawar.
  85. Pathan Colony, Karachi.
  86. Mohallah Hasan Pura, Faisalabad.
  87. Basti Sadan Shah, Raj Ghar and Mazang village in Lahore.
  88. Allama Iqbal Colony and Dhuddiwala in Faisalabad; Lines Area and Quaidabad in Karachi.
  89. Mariam Colony, Lahore; Pathan Colony, Karachi.
  90. Street paving in Mohallah Ahle Rohtak, Lines Area, Karachi and Keer Khurd, Lahore, is excellent because the majority of the residents of these settlements are masons.
  91. Example of this are the Galis 3 to 7 in Basti Sadan Shah, Lahore and Al-Fatah Colony, Orangi in Karachi. Also Kumharwara, Baldia, in Karachi.
  92. CAG at Keer Khurd, Lahore.
  93. CAG at Mohallah Himatpura, Faisalabad.
  94. As in the case of Nazir Ahmad Wattoo, President ASB, Faisalabad.
  95. - Anjuman-i-Rafa-e-Ama, Sham Nagar, Lahore.  
- Anjuman-i-Islah-o-Behbood, 90 Main Bazaar, Raj Ghar, Lahore.
  96. The Family Welfare Cooperative, Habibia Road, Islampura, Lahore.
  97. - Aurat Foundation, Lahore; ASR, Lahore.  
- Pakistan Women Lawyer's Association, Karachi
  98. Family Planning Association of Pakistan.
  99. OPP, Karachi.
  100. PVHNA, AFCW.
  101. Report on the Comprehensive Environmental Design for the Lea Market Area of Karachi: final year project at the Department of Architecture & Planning, DCET, Karachi.
  102. Anjuman-i-Ittehad-i-Hashtnagar, Peshawar.



## **Report – Four**

# **HOUSING CONDITIONS, DIRECTIONS AND STATISTICS: A CASE STUDY OF KARACHI**

## **A. INTRODUCTION**

### **1. KARACHI'S HOUSING CONDITIONS**

Between 1947, when Pakistan was created, and 1990, the population of Karachi has increased from 400,000 to about 9 million, an increase of about 2,225 per cent. The development of physical infrastructure, social facilities and transport needs, however, has lagged far behind this immense population growth, and the gap between need and supply is steadily increasing except for piped water supply.

In housing as well, the gap between need and formal sector supply is enormous. Due to inflation and free market mechanisms land and construction costs have increased considerably over the years although real incomes have, on the average, declined. Institutions, both public and private, have not changed to accommodate the demographic, social, political and economic changes that have taken place, especially in the last two decades. For these reasons, housing conditions in Karachi have deteriorated and many innovative approaches that have been proposed have failed to materialise. Building bye-laws, legislations related to housing and contracting regulations, though still in force, are increasingly irrelevant and are not followed. The formal private sector in per capita terms has not expanded over the last decade and the informal sector caters to the entire needs of the low income groups who constitute well over 60 per cent of the city's population.

### **2. OBJECTIVES OF THE PAPER**

This paper is an attempt to quantify Karachi's housing needs and their nature; the constraints that the various actors in the housing drama face in performing their role and the potentials they possess; and the social, economic and institutional parameters within which development takes place. Keeping in view the findings of the study, the paper critically analyses current housing policies, suggests a number of demand-suppression mechanisms and proposes legislative and institutional changes.

## B. GENERAL METROPOLITAN CONTEXT

### 3. POPULATION COMPOSITION AND GROWTH

#### 3.1 Age-sex composition

(x thousand persons)

Age	Sex	'70 (1974)	'80 (1981) (1985)	Most Recent
0 – 9	Male	597	796	960
	Female	540	755	850
10 – 19	Male	486	696	753
	Female	413	611	615
20 – 29	Male	391	536	686
	Female	308	416	493
30 – 39	Male	375	361	576
	Female	246	291	445
40 – 49	Male	248	266	426
	Female	148	204	266
50 – 59	Male	151	157	288
	Female	91	105	172
60 -	Male	98	195	186
	Female	77	77	123
Total	Male	2,338	2,954	3,875
	Female	1,832	2,483	2,964
Total		4,161	5,437	6,839

Source: 1. for '70s and '85: National Pilot Project No. 3  
 2. for '80s: Population Census Reports: GOP, 1981

### 3.2 Metropolitan households

	<b>'70 (1970)</b>	<b>'80 (1980)</b>	<b>Most recent (1988)</b>
Average household size	6.21	5.75	7.2
Number of households	534,000	1,047,000	1,618,000

Sources: 1. Housing West Pakistan 1970-2000: ACE, Karachi  
 2. Karachi Master Plan 1974: KDA  
 3. Karachi Land and Housing Study: Dr. Dowall/KDA-MPD, 1989

The figures given above for different periods are from three different official sources. However, if the number of households for 1988 is multiplied by the average household size, one gets a figure of 11.65 million whereas the 1991 population of Karachi, according to the same sources is 8.19 million. There is evidence to show that the present population of Karachi is over 10 million and many political and academic organisations have refused to accept the government's figure of 8.19 million. Hopefully, the 1991 census, which is being carried out currently, will resolve this dispute.

### 3.3 Population growth trends

	<b>Period – 1 (1972-81)</b>	<b>Period – 2 (1981-91)</b>	<b>2000 (Projection)</b>
Base population	3,500,000	5,200,000	8,190,000
Natural increase	1,120,000	NA	NA
Migration increase	1,015,000	NA	NA
Total population	5,200,000	8,190,000	10,600,000
Annual growth rate (%)	4.9	5.2	3.3

Sources: 1. Population Census Reports: GOP, 1981  
 2. Karachi Development Plan 2000: KDA-MPD, 1990  
 3. Population Dynamics of Karachi: KDA-MPD, 1989  
 4. Urban Land Management Study: KMC/World Bank, 1990

### 3.4 Metropolitan migration

Census data shows that during the 1970s Karachi's population grew at an average rate of 4.5 per cent per year. According to estimates prepared by the Karachi Master Plan the growth rate increased to an average of 5.3 per cent per year in the 1980s. It is estimated that 50 per cent of this increase was due to rural -urban migration. The forecast for the 1990s, prepared by the MPD of the KDA, suggests that the growth rate will fall to 3.3 per cent per year of which growth through migration will be about 1 per cent. Although no figures related to migration are available for the last

decade, migration between the 1972 and 1981 census period can be quantified and is given in the table below. The figures are different from what planning agencies in Karachi strongly believe.

Karachi National 1972	Population Net 1981	Difference	Proportionate Difference (%)	Difference from Average (%)	Migration
3,498,614	5,208,132	1,709,518	48.86	18.32	640,946

In the 1980s Karachi received a large number of refugees from Afghanistan and Iran. There are no definite figures available but newspaper reports suggest a figure of over 400,000. Most of the Afghans belonged to the lower middle income group and settled in west Karachi's Baldia Township. The poorer Afghans settled in extensions to west Karachi's existing squatter settlements. In both cases their demand for land raised real estate prices in these areas by well over 20 to 25 per cent. The Iranis belonged to the middle and upper middle income groups and have settled mostly in the old city centre where Iranis have lived for many generations. Since their migration was small, no major change in real estate prices took place though rents in the city centre, for residential accommodation, increased as a result (1). Contrary to official belief, it is felt that migration to Karachi could not have decreased and nor is it likely to do so in the future. The reason is that in the rural areas, land and produce per capita is falling rapidly and the share of the services sector in profits from agricultural production is increasing at the expense of the producer. This trend is not only likely to continue but increase in the future (2). In addition, Karachi remains the main centre of commercial and industrial activity in the country and the country's only port. Other urban job markets of the country are in the Punjab and cater exclusively to local needs.

Surveys of recently developed katchi abadis on the city fringe show that over 90 per cent of the residents have moved from the city centre to these settlements. The rest are recent migrants (3). Investigations in the city centre also show that old residential areas are being converted on the ground floor into warehousing (which caters to port activity and wholesale markets), or sweat shops. The floors above are developing into rentals for day wage labour. This labour is almost entirely migrant, without families and male. Similarly, congested inner-city katchi abadis are also being taken over by migrant day wage labour and their original residents are shifting to informal subdivisions on the fringe (4). Once a migrant to the city has a fixed job and has generated some savings he purchases a plot in a katchi abadi on the fringe and calls his family over. It takes him about 3 to 5 years to do this. Those who cannot do this continue to live in these new slums as social outcasts.

The results of these trends are:

- The density of the city centre is increasing rapidly and the existing services cannot cope with this increase. Breakdowns of water supply, garbage collection and sewerage systems is common. Due to this, coupled with a 10.6 per cent per year increase in traffic volume, the city centre is suffering from massive environmental degradation.
- Community feelings have ceased to exist in the city centre and its katchi abadis. The entertainment needs of the all male population are increasingly being met by prostitution, drugs and gambling dens, all supported by a corrupt police force. Together with the physical degradation that

has taken place, these trends are turning large areas of the city into slums. With the increase of social outcasts in the city centre, crime and violence is also increasing.

- Much of the historic architecture of the city has been destroyed, including institutional buildings, and for all practical purposes the city has no cultural or civic centre anymore.
- The movement to the fringe katchi abadis is increasing and it is estimated that they are growing at a rate of 9 per cent per year (5) as opposed to a total Karachi growth rate of 5.3 per cent. With this movement the transport needs of the city are also increasing. These needs are taken care of by an expanding informal sector, which in the absence of state controls, operates as a mafia.

There is a major difference between the rural migrants of the 1970s and those of the '80s. The earlier migrants usually put up with their relatives and friends who had come to the city earlier and were under the control of their clan elders. Almost all of them retained their rural links and kept their families in their villages. Most of the more recent migrants are independent and establish links with the urban mafia that provides jobs, shelter and protection. Many do not plan to go back at all and an increasing number marry out of their clan. The reasons for this are the break-up of clan and tribal ties in the rural areas and the emergence of a "services sector" that caters to migrant needs in the urban centres.

Migration of artisans, white-collar workers and professionals to the city, which was fairly common in the 1970s, has now stopped. There is evidence to suggest that many migrant artisans have gone back to the Punjab from where they had come. The reason is not only economic recession, but also the fact that a very large number of Karachi locals now possess these skills and the local nationalism of recent years discriminates heavily against outsiders.

There are no surveys that deal with migration into Karachi and as such it is difficult to quantify the socio-economic impact of migration on the city or to draw up a socio-economic profile of the migrants. However, most migrants to Karachi come from the NWFP or Punjab. The vast majority are unskilled and illiterate. A small percentage of them are artisans but their number is decreasing. Initially most of the migrants work at the port or wholesale markets as loaders, as unskilled workers in the transport sector, or as building site labour. With the passage of time a small percentage become taxi and bus drivers or conductors on public transport vehicles. Others take to small scale trade, vending, or manage to get jobs as guards in the formal services sector. Initially, the migrants prefer to live in the city centre in bachelor's quarters where often a room is shared between 6 to 10 persons. Alternatively, they live in small open air "hotels" around the transport terminals in the city. Later, when they have a fixed job, they aspire to a 100 M2 plot in an informal settlement. A plot of a size smaller than this is considered insufficient.

A very small percentage of the yearly migration, about 15 per cent, is cyclical. There are, however, no surveys to back this contention and it is based entirely on intuition and personal observations. A number of migrants go back to their villages for the wheat harvesting season. Those from the Punjab and Sindh go back because they are guaranteed work nearer to their homes and those from the NWFP and the barani areas go back to collect their share of the produce from their relatives.

### 3.5 Population living in marginal environments

#### (a) Dangerous/Dilapidated Houses (DDH)

	<b>'70s (1978)</b>	<b>'80 (1985)</b>	<b>Most recent (1988)</b>	<b>2000 (Projection)</b>
Population in DDH	420,000	650,000	1,200,000	1,900,000
Number of Households in DDH	80,650	90,300	165,000	253,000

Source: An approximate estimate worked out from data given in

1) Low Income Housing Markets: KDA-MPD/ Van der Linden, 1988

2) Socio-economic Profiles of Planned Areas and Katchi Abadis: KDA-MPD/AERC, 1989.

There are no surveys that indicate the number of households living in DDH. Similarly, there are no fixed definitions of what is considered as DDH in the metropolis. However, housing along the Lyari river bed, along railway tracks and under high tension wires is not being regularised by the authorities because it is considered dangerous. Housing on equally dangerous hill formations, on the other hand, is being regularised. In addition, the old city has a large number of buildings that are dilapidated but there is no survey of them. The figures given in the table are estimates which have been worked out from figures given in official reports regarding katchi abadis (6), socio-economic data on the old city where dilapidated housing exists (7), and from the author's own observations. They cover people living along the river below the flood line, along railway tracks, under high tension wires, on unstable hillsides and in dilapidated structures in the old city.

Almost all residents living in ecologically dangerous zones are from the lowest income groups. Families living in dilapidated buildings in the old city centre belong to the lower middle or middle income groups. The reasons for the dilapidation of houses in the old city are:

- The buildings are old and maintenance costs cannot be afforded by the owners.
- The owners want the buildings to fall so that they can get rid of their tenants, pull down the buildings and construct new ones or sell the property at a premium.
- Due to the Islamic laws of inheritance, many buildings now have a large number of owners who have disputes among them regarding the property.
- Salinity and water-logging have set in due to a failure of the sewerage system and leakages from water-mains. This has damaged buildings in many areas of old Karachi.

(b) **Squatter Areas (SQT)**

	<b>'70s (1978)</b>	<b>'80 (1985)</b>	<b>Most recent (1988)</b>	<b>2000 (Projection)</b>
SQT Population	2,000,000	2,600,000	3,400,000	7,070,000
Number of SQT Households	227,000	356,000	465,000	960,000

Sources: 1. Karachi Land and Housing Study: Dr. D. Dowall/KDA-MPD, 1989  
2. Shelter for Low Income Communities: Inception Report on Sindh: World Bank, October, 1990

In the Karachi context, a squatter is someone who has illegally occupied and built a house or shelter on land over which he has no de jure tenure rights. A squatter settlement, or katchi abadi, is a settlement where land belongs to a party other than those living on it and has been illegally occupied and/or purchased. All katchi abadis developed on state land before March 1985 have been marked for regularisation and improvement. Katchi abadis on private land and those developed after 1985 are considered as illegal.

Earlier katchi abadis (1947 to the early 1960s) developed through unorganised invasions on vacant land and are now in the city centre. Later katchi abadis (mid '50s onwards) developed through illegal subdivisions of state land and most of them are on the city fringe where they continue to expand. The majority of them are located in west Karachi which has easier access to the port and SITE (the city's main industrial area) than other areas on the city fringe. Other katchi abadis are in dangerous zones and are found along railway tracks, under high tension wires and along the river beds below the flood line. These are both in the city centre and on the fringe. In addition, many of them are located near or in high income settlements.

The residents of the inner-city unorganised-invasion-katchi abadis belong for the most part to the lowest income groups and work at the port or wholesale markets. The residents of the fringe illegal subdivision katchi abadis are a mixed lot. The majority belong to the lower income groups but a large number of informal sector entrepreneurs, traders, artisans, white-collar workers and lower middle income groups also live here. People living in ecologically dangerous areas (except for those under high tension wires) invariably belong to the lowest income groups. Residents of a number of such settlements, especially near or in higher income areas, work as domestic help to the higher income areas and are protected by them from demolition.

The main causes for the formation of katchi abadis are:

- Land developed by the state and the formal sector for housing is far too expensive for the poor to afford mainly because of high standards, excessive overheads and an absence of credit facilities. In addition, the procedures for acquiring it are long and cumbersome and even if the poor do apply and manage to pay for it, delivery of the developed plot can take up to ten years after application and initial payment for it has been made.
- The quantum of plots developed by the state and formal sector for low income housing are not even a fraction of the city's requirement. In addition, building design and construction advice;

materials of construction and loan facilities - financial or of building materials - are not provided by the formal sector and transport facilities are slow to develop in formal sector settlements.

- The informal sector in the city provides the urban poor with the required number of unserviced plots at a price they can afford. In addition, it provides building advice and loans, both of materials and cash, for construction purposes. It also arranges for the operation of transport at an early stage in the settlement's development and provides immediate possession of land without any bureaucratic red-tapism. Subsequently, it helps the settlement in acquiring services over a period of time.
- The informal sector's manner of operation and the class background of its entrepreneurs is something the lower income groups can identify with culturally whereas the state bureaucracy is alien to them in every way.
- The state cannot prevent the illegal occupation of its land by the informal sector because state officials and the police have a major financial interest in these illegal operations.

(c) **Homelessness (HLS):** There is no official definition of homelessness for the Karachi region and nor are there any surveys related to it. It is officially believed that there are no homeless in the city. However, over the last decade, and especially over the last five years, the number of people sleeping on pavements and in parks in the city centre has increased visibly. In addition, the number of 'open air hotels' which give a bed and/or bedding to be spread on the pavement or on public open spaces have also increased visibly. These "hotels" are illegal but function because they purchase police protection. It is estimated that the number of people sleeping on the streets and open spaces in Karachi is around 10 to 15 thousand (8). In addition, also in recent years, a large number of temporary shacks have sprung up on public spaces and on service roads of newly developed KDA schemes and their number is increasing (9).

The homeless people belong to the lowest income groups or consist of migrants, even educated ones, in search of a job. The location of homelessness is public spaces in or near the city centre, usually in non-residential neighbourhoods. In residential neighbourhoods, residents object to people sleeping on the streets outside their homes. For similar reasons, shacks are cropping up on open spaces and utilities of unoccupied or partly occupied KDA housing schemes and not in fully developed ones.

The reason for homelessness is poverty. The people who are homeless do not possess the means to have access to the formal or informal land and housing market. The latter has also developed to exclude the very poor.



(d) **Slum Areas (SLM):**

	<b>'70s (1974)</b>	<b>'80 (1986)</b>	<b>Most Recent</b>	<b>2000 (Projection)</b>
Population in Slums	709,000	1,036,000	NA	10,64,400
No. of Slum Households	109,077	164,000	NA	148,000

Source: Calculated by the author from Socio-economic Profile of Planned Areas and Katchi Abadis: KDA-MPD/AERC, 1988

Katchi abadis in Karachi are considered to be the only slums. However, a large number of "planned" or "regularised" areas are as badly, if not worse, serviced than the katchi abadis. Most of these areas are in the old city and its peripheral settlements and fit the description of a slum, both in sociological and a physical sense, much more than do the fringe area katchi abadis.

The figures given in the table above are for these areas and do not include the katchi abadis.

Slum areas in the city have been created through an increase in densities; massive environmental degradation; the migration of older residents and communities to planned suburban townships and fringe area katchi abadis; and a large unplanned influx of day wage labour into these areas. Many of these areas have developed as warehouses and sweat shops for industrial production. In addition, pre-1947 wholesale markets in these areas, that once served the city as it was then, have expanded in a big way to service the present needs of the city. The city authorities have not planned or developed the infrastructure to cater to these developments, as a result of which entire areas have been turned into slums.

The old city and its peripheral areas are inhabited not only by day wage or port labour but also by middlemen; informal sector entrepreneurs; people engaged in the services sector to transport; small traders and shop keepers; and a large number of persons employed at the fish harbour and in the wholesale markets.

#### **4. INCOME AND EXPENDITURE**

##### **4.1 Average metropolitan income per capita**

	<b>'70s (1974) (Rs.)</b>	<b>'80s (Rs.)</b>	<b>Most recent (1989) (Rs.)</b>
Average metropolitan income per capita per month	1,700	NA	2,100

Sources: 1. Urban Land Management Study: KMC/World Bank, 1990  
2. Karachi Master Plan 1974-85: KDA-MPD, 1974

## 4.2 Metropolitan income distribution 1989

(Data for 1986)

Income Percentile	Annual income/ household (Rupees)	No. of household	
0 – 20	0 - 14,400	161,021	14.8 %
20 – 40	14,401 - 22,799	350,300	32.2 %
40 – 60	22,800 - 32,400	181,600	16.7 %
60 – 80	32,401 - 48,000	127,300	11.7 %
80 – 100	48,000 upwards	261,000	24.0 %

Sources: Calculated from

1. Tabulation of AERC Survey for the Karachi Development Plan 2000:KDA-MPD/AERC, 1989
2. Karachi Development Plan 2000: KDA-MPD, 1990
3. Low Income Housing Markets in Karachi: Van der Linden/KDA-MPD, 1988

## 4.3 Metropolitan household expenditure

(Percentage: Total 100 %)

Income Group	Food	Clothing	Housing	Transport	Education	Others
Planned Areas	52	7.3	17.8	9.8	2.1	11
Katchi Abadis	58	7.9	13.1	6.3	1.5	13.2
LLIG	66	1.0	NA	4.7	5.7	22.6

Sources:

1. Socio-economic Profiles of Planned Areas: KDA-MPD/AERC, 1988
2. Socio-economic Profile of Katchi Abadis: KDA-MPD/ AERC, 1988
3. For the lowest income group the figures have been taken from the case study of the Low Cost Sanitation Programme of the OPP by Arif Hasan, Perween Rahman, Shaista Sultan, 1986, and pertains only to the Orangi squatter colonies.

There are no income and expenditure surveys covering different income groups in the city. The official division in Karachi is between planned areas and katchi abadis. The planned areas contain the HIG, MIG, LIG and in some rare cases even LLIG. However, the katchi abadi population overwhelmingly belongs to the LIG and LLIG with a small percentage of the MIG.

## 4.4 Composition of major income groups

Income Group	'70s (1973)	'80 (1980)	Most recent (1989)	2000 (Projection)
High Income Group	11,628	29,421	255,644	NA
High Middle Income Group	17,493	48,991	432,006	NA

Lower Middle Income Group	73,542	217,252	508,052	NA
Lower Group	180,285	404,142	249,172	NA
Poverty line and below	227,052	347,185	173,126	NA

Sources: Calculated from

1. Karachi Master Plan 1974-85: KDA-MPD, 1974
2. Housing West Pakistan 1970-2000: ACE, Karachi

The current Karachi Development Plan 2000 prepared by the KDA uses the following criteria for dividing income groups:

Income Group		Income (Rs.)	Per cent of Households by Income
a)	High income	10,000 and above	4.2
b)	Middle High income	5,001 to 10,000	11.4
c)	Lower Middle income	2,601 to 5,000	26.6
d)	Lower income	1,601 to 2,600	23.5
e)	Poverty line and below	1,600 and below	34.3

## C. METROPOLITAN HOUSING PROFILE

### 5. HOUSING STOCK vs. BACKLOG

#### 5.1 Housing stock

Type of houses	(Number of housing units)		
	'70s (1969)	'80s (1981)	Most recent (1986)
Permanent or pucca	223,888	360,370	452,760 +
Semi-permanent or semi-pucca	179,730	360,370	534,688 +
Not permanent or katcha	86,382	137,285	90,552 +
Total	490,000	853,033	1,078,000

Sources: Calculated from

1. Housing Report: KDA-MPD, 1972
2. Housing Census Report: GOP, 1981
3. Housing Sector Study: Technical Note: KDA-MPD/AERC, 1988

Official figures for housing types in Karachi are given for pucca, semi-pucca and katcha houses. These terms are explained below:

- A pucca house consists of plastered masonry walls and an RC roof structure. All high and middle high income housing is pucca and so is most of the lower middle income housing.
- A semi-pucca house consists of masonry walls, which are un-plastered in most cases, and roofs of either corrugated iron sheets or of concrete or brick tiles on steel T-channels or girders. Most low income housing and some lower middle income housing is semi-pucca.
- A katcha house is one whose walls or roof or both are of non-permanent materials. For walls these may be dry stone rubble, mats, industrial waste materials such as cardboard and plastic, and for roofs thatch, polythene and mat. A lot of low income housing and almost all lowest income housing is of this nature.

## **5.2 Minimum Housing Standards**

The minimum plot size requirement of the KDA is 50 M2. However, there can be exceptions to this rule in special cases and as a result in one redevelopment scheme in Karachi's centre, plots of 37 M2 have been permitted (10).

The minimum covered areas permitted for a 50 M2 plot are

- 14 M2 for a 1 room dwelling
- 20 M2 for a 2 room dwelling
- and additional 10 M2 for every additional room with a minimum roof height of 2.8 metres.

Minimum size and dimensions of other areas in the house are

- Latrine  
or WC: area 1.2 M2 width 1 M roof height 2.3 M
- Bathroom: 1.4 M2 1 M 2.3 M
- Kitchen: 5 M2 1.5 M 2.3 M

Minimum window size per room must be 10 per cent of its floor area. In the case of flats, bathrooms, WCs and kitchens can be ventilated through a light well. Its minimum size for a 2 floor building is 5 M2; for up-to 5 floors 10 M2; and 2 M2 extra for each additional floor.

Only those structures are considered permanent which have an RC roof and masonry walls. In special cases this condition can be waived for single storey buildings (11).

Every residential colony must have a minimum of 12 per cent of its area for amenities, 5 per cent for

commercial requirements and 25 per cent for circulation purposes.

Maximum density permitted for new low income settlements (50 to 72 M2 plots) is 550 persons per acre. Minimum density aimed at is 500 persons per acre. A minimum of 70 cm open space has to be left at the rear of all plots.

There is no clear cut definition as to what type of dwelling unit is considered as part of the housing stock and in the previous housing census all units, irrespective of tenure status formed part of the census figures. However, all units constructed in katchi abadis on private land and on state land after March 1985, are considered as illegal.

### **5.3 Informal shelter**

It is estimated that the number of houses considered illegal according to the definition given above are just over 100,000 (12) and include those houses which are located in ecologically dangerous zones.

However, about 40 per cent of Karachi's population lives in informal settlements most of whose houses are constructed of un-plastered concrete blocks walls and corrugated iron sheet roofs. The blocks are often made of a concrete mix of 1 cement : 24 aggregate and are seldom cured. The corrugated iron roofs are held down by large stones. The floors in most cases begin as compacted earth ones but improve to cement concrete within five years. Construction workmanship is poor. As a result of these factors erosion sets in in the foundations and walls and due to poor workmanship cracks develop. During the rains water often pours in through the walls and many collapse as a result. During storms the roofs fly away.

In katchi abadis 30 per cent of the houses have only 1 room, 40 per cent 2 rooms, and 17 per cent 3 rooms. The number of rooms per person is 0.33. Over 32 per cent plots are of upto 50 M2, 27 per cent between 50 and 66 M2 and 25 per cent between 66 M2 and 99 M2 (13).

47 per cent of households have access to piped water, 73 to electricity (legally or illegally) and 32 per cent to gas (14). There are no overall figures available for sewerage connections but sample surveys suggest that it is unlikely to exceed 10 per cent. Sample surveys also show that about 50 per cent of the residents use some form of septic tanks and an additional 24 per cent pit latrines (15).

Housing in ecologically dangerous zones in katchi abadis is included in the category of informal shelter. However, dilapidated and dangerous housing and housing in slums in planned areas is not included in the category of informal housing.

### **5.4 Housing demolition trends**

There are no figures available for demolition of houses in the '70s and '80s. However, whatever demolitions there have been in these 2 decades could not have exceeded 25,000 houses. There have been 2 major demolitions. One, between 1973 and 1985 in Lines Area for two redevelopment projects, and the other of Sohrab Goth, a Karachi fringe abadi, in 1987. In Lines Area, so far about 4,200 houses have been demolished and in Sohrab Goth just over 2,000. In both cases, over 70

per cent of the houses were semi-pucca. Of the remaining 30 per cent the vast majority were katcha structures (16) and (17).

## 6. HOUSE PRICES: PURCHASE AND RENTAL

### 6.1 Change in the purchase price of houses

(Average in rupees)

Type of house purchased	'70s (1972)	'80s (1985)	Most recent (1991)
Higher income	300,000	1,000,000	2,200,000
Higher Middle income	150,000	500,000	800,000
Lower Middle income	85,000	200,000	350,000
<u>Pucca</u> lower income in planned areas	25,000	85,000	200,000
Semi-pucca in katchi abadi	8,500	35,000	66,000
Katcha in katchi abadi	1,500	4,000	8,500

Sources: Authors own estimates worked out with help of available KDA data.

The purchase price of a house in an old katchi abadi where services have been acquired by the people is the same as that in a new or even in an old planned area, depending on the location. Katcha houses are mostly found only in the newer katchi abadis. Katcha houses in older katchi abadis sell for a much higher price than indicated in the table.

### 6.2 Change in house rents

(Average in rupees per month)

Type of Rental Houses	'70s (1972)	'80s (1985)	Most recent (1991)
Higher income	700	2,000	4,200
Higher Middle income	450	1,250	1,800
Lower Middle income	300	700	1,000
<u>Pucca</u> lower income in planned areas	200	500	500
Semi-pucca in katchi abadi	1,550	250	350
Katcha in katchi abadi	30	70	120

Sources: Authors own estimates worked out with help of available KDA data.

As in the case of purchase price of houses, in old developed katchi abadis rents are as high as in the low income planned areas. They can even be more, depending on the location. The figures given here are approximate averages and more realistic than the official KDA-MPD estimates.

## 7. LAND PRICE AND CONSTRUCTION COSTS

### 7.1 Change in average metropolitan land price

1976 : Rs 95 per M2  
1981 : Rs 120 per M2  
1986 : Rs 180 per M2

Sources:

1. Karachi Land and Housing Study: KDA-MPD/Dr. D. Dowall, 1989
2. Urban Land Management Study: KMC/World Bank, 1990

### 7.2 Residential land price typical for each income group

(Average in rupees per square metre)

Location	HIG	MIG	LIG	LLIG
(1)	3,300	2,000	220	66
(2)	7,700	3,000	300	45
(3)	5,500	1,200	350	176

Source: Author's own estimates.

Figures for the LLIG are for informal settlements only for this is all that they can afford.

### 7.3 Construction cost changes

(Rupees per square metre)

Type of House	'70s (1972)	'80s (1985)	Most recent (1991)
Pucca Higher income	990	1,980	3,603
Pucca Middle income	792	1,623	2,772
Pucca Lower income	396	990	1,584
Semi-pucca	148	346	660
Katcha	29	99	220

Sources: Author's own calculations from previous studies

Katcha and semi-pucca houses are almost exclusively constructed in informal settlements.

## D. THRUST OF METROPOLITAN HOUSING POLICY

### 8. METROPOLITAN HOUSING POLICY GOALS AND TARGETS

#### 8.1 Policy goals

The Karachi Development Plan 2000, prepared by the KDA, has developed a four-pronged strategy to tackle the city's housing problems. The components of this strategy are described below.

a) **Consolidation strategy:** Over 380,000 developed vacant plots are available in Karachi. These are being held by their owners for speculative purposes. Over 250,000 are of 100 M2 or less and can absorb a population of just over 2.7 million. The KDA objective is to have these plots occupied. This it intends to achieve by not developing any new fully serviced housing schemes till after the year 2000. In addition, it intends to stimulate the occupation and densification process by making credit available for home mortgages and/or dwelling unit extensions and by enforcing a progressive tax on vacant land.

b) **Incremental development of low income settlements:** The KDP 2000 recognises the need for finding affordable housing solutions for low income groups. It proposes the establishment of special land use, building and infrastructure standards for this purpose, both in new settlements and in the upgrading of existing katchi abadis.

The new settlements would be developed incrementally. Initially, only water through community stand-posts is to be provided. Paved roads, sewerage systems and home water connections will follow, keeping pace with the paying capacity of the residents. The programme will be developed in zones where unplanned vacant land is available, services can be easily extended, and access to employment activities is possible. Through this process the KDP hopes to provide shelter to those households which would otherwise seek shelter in katchi abadis. As such the strategy also seeks to limit katchi abadi growth.

The process of the regularisation and improvement of katchi abadis envisages a greater, though undefined, participation of the communities in the upgrading process.

c) **Planned development for the future:** Development schemes are planned for the post '2000 period. Their scale, or even their initiation, will depend on the success or failure of the consolidation strategy. However, if consolidation is successful before the year 2000, these developments can be commenced at the end of the decade.

d) **Controlled development in the city core:** The KDP 2000 aims at moving warehousing and related wholesale activity out of the city core and developing high-rise flats in its place. It is also planned to replace slum areas by planned residential development. It is thought that through this strategy the current density of over 5,000 persons per hectare in the city centre can be considerably reduced.

The KDP 2000 seeks to fulfill its objectives through major legislative controls and institutional changes. These include the transformation of the KDA into an active and efficient planning agency that can fulfill the set objectives; integration of the physical planning process with the national economic planning and budgeting process; the development of additional instruments of land control; increasing cost recovery of public services; creating local credit financing mechanisms; and maximising the role of the private sector.



## 8.2 Targets set by the KMP 2000 and the KSDP of the KMC

### a) Number of housing units/households

- Current: housing units : well over 1 million  
households : 1.6 million
- Short-term targets: Development of housing for a population of 5.75 million by year 2000. At the current household size this means for 798,611 households.
- Long-term targets: These targets have not been set and depend entirely on the success of the housing policies of the KMP 2000. The KDA intends to develop a proper monitoring and feedback system for progress on the implementation of the plan and the general situation in Karachi, which will help it to take decisions.

### b) Living space standards (18)

- Current : minimum size house : 14 M2  
minimum size room : 10 M2  
maximum density permitted : 550 persons per hectare
- Short-term: New standards are to be developed for the implementation of the KMP 2000 strategies. So far no work has been initiated on them.
- Long-term: No long-term needs have been taken into consideration.

c) **Amenity standards:** The major infrastructure targets of the KDP 2000 and the current situation are given in the table below.

Item	Period I (1990)	Period II (1995)	Period III (2000)
Total population	7,836,231	9,520,403	11,776,410
Served by:			
- Water supply	5,164,076	7,283,109	11,755,788
- Human waste	2,861,329	6,626,501	11,412,766
- Electrical power	7,104,653	9,030,099	11,763,390
- Solid waste	2,948,788	3,855,711	8,347,252
- Natural gas	4,205,008	5,227,156	7,384,633
Per cent served by:			
- Water supply	65.9 %	76.5 %	99.8 %
- Human waste	36.5 %	69.6 %	96.9 %
- Electrical power	90.7 %	94.8 %	99.9 %
- Solid waste	37.6 %	40.5 %	70.9 %
- Natural gas	53.7 %	54.9 %	62.7 %

Source: Karachi Master Plan 2000: KDA-MPD, 1988

d) **Home ownership ratio (per cent) to metropolitan stock**

- Current situation (19):
  - planned areas: 88 per cent own their homes
  - katchi abadis : 87 per cent own their homes
- Short-term targets: None have been set but the KDP 2000 does propose to undertake a study for a rental housing programme. Its scale and operational structure will be determined by the results of the study.
- Long-term targets: None have been set.

e) **Slum and squatter housing ratio**

- Current situation: 40 per cent of all households live in katchi abadis
- Short-term targets (year 2000): none have been set but it is estimated that the squatter population will be about 70 per cent if the present trend continues. If KDA incremental development schemes for low income groups are successful in serving the target groups then it can be contained to 46 per cent. In addition, if the katchi abadi regularisation programme meets its targets it can be further reduced to 21 per cent (20). There are no targets for the slum areas.
- Long-term targets: None

**9. METROPOLITAN HOUSING PLAN/PROGRAMME**

**9.1 Major components of supply and improvement**

The major emphasis of the current metropolitan housing programme, which has been recently formulated, is on:

- Occupation of vacant developed land in the metropolitan region. This land consists of over 382,000 plots which can house a population of upto 2.7 million. Incentives for occupying these plots will be provided through availability of mortgage financing for building purposes and a heavy non-utilisation charge on vacant land.
- Development of incremental housing schemes for low income groups in areas where services can be easily extended, and in locations where access to job markets is available. Services in these schemes will be provided according to the paying capacity of the communities.
- Making the Katchi Abadi Improvement and Regularisation Programme more effective by promoting community participation, larger funding, international technical and financial assistance and NGO support.
- Developing a rental housing programme for both middle and low income groups.

- Developing a more effective role for the private sector and NGOs in the development of housing by providing them with technical and financial assistance.
- Looking into and promoting the privatisation of services, especially solid waste management.
- Pricing land developed by the KDA in the future at market values as far as possible.

These policies are a major departure from the policies of the previous two decades whose emphasis was on:

- Promoting the development of fully serviced site and services projects for sale on the open market through a computer ballot. The small plots carried a cross subsidy through higher pricing of larger plots and thus their price was well below the market price. However, they still remained unaffordable to low income groups. Larger plots were also valued at lower than market prices. The result has been massive land speculation.
- Facilitating the construction of high-rise housing through land allocations at concessional prices to private developers. The HBFC also gave loans to such construction on a priority basis.
- The Katchi Abadi Improvement and Regularisation Programme was operative in the last decade but the emphasis on community involvement and NGO support for the programme was missing.

The change in policy directions therefore reflects the lessons the state has learnt through its past failures and successes. These lessons are:

- Housing strategies for low income groups have to be compatible with their economics and sociology.
- Given the technical, managerial and financial constraints of the state, support and involvement of NGOs and communities is necessary.
- Land pricing has to be realistic to prevent massive speculation, and new legal instruments are required to deal with it including mechanisms of negative and positive controls.
- A plan is as good as the organisation that implements it. Thus only that which a more effective KDA can manage should be promoted.

## **9.2 Metropolitan housing budget**

The metropolitan housing budget is about 986.6 million rupees (187.55 million US dollars). The total metropo-litan budget is about 4,126 million rupees (44.85 million US dollars). That means the metropolitan housing budget is 23.92 per cent of the total metropolitan budget. Details are given below (21).

KDA	1989-90	Rs 1,728,075,000 US\$ 78,548,863	Rs 917,617,000 US\$ 41,709,863	Plot development, re-development and built units
KMC	1989-90	Rs 2,398,100,100 US\$ 109,000,000	Rs 68,940,000 US\$ 3,133,636	Katchi Abadi Improvement and Development Programme
Total		Rs 4,126,175,000 US\$ 187,553,000	Rs 986,557,000 US\$ 44,843,500	

The above figures do not include the house building loans given by the federal HBFC to individuals for house construction. During 1986-87 the HBFC disbursed 11,705 loans (22) totalling 655.386 million rupees (US\$ 29.9 million) for the Karachi region.

Under the Seventh Five Year Plan (1988-93) the projected government allocation for housing is 32.8 billion rupees (US\$ 1.5 billion) which works out to 6.56 billion rupees (US\$ 0.3 billion) per year. Thus the metropolitan housing budget is about 15 per cent of the projected government allocation for housing.

## E. AFFORDABILITY AND HOUSING NEEDS

### 10. AFFORDABLE HOUSING COSTS AND TENURE ARRANGEMENTS

#### Range of affordability by income group

Income group by Income Quantile	Mean Monthly Income US\$	Purchase			Rental		
		Price US\$	% to Income	Down Payment	Rent US\$	% to Income	Down Payment
01-20 (LLIG)	43.18	859	19.7	8.5	13.2	30.6	79.2
21-40 (LIG)	70.50	1,154	16.3	11.54	17.2	24.4	103.2
41-60 (HMIG)	100.77	1,722	17.1	17.22	19.5	19.4	117.0
61-80 (LMIG)	116.36	2,560	16.9	25.68	21.5	14.3	129.0
81-100 (HIG)	291.09	6,404	20.3	64.04	41.6	13.2	247.2

Source: Worked out from Karachi Land and Housing Study: KDA-MPD/Dr. D. Dowall, 1989

There are no special tenure arrangements for housing in Karachi apart from a lease as per existing government laws. However, in the informal sector, land belonging to the state is sold by land grabbers in the open market and a slip of purchase is issued. The "possession" of this land can be resold by the owner before or after he has built on it. Selling this "possession" before is seldom possible because of the controls exercised on selling vacant land at a premium by the informal developers.

## **11. PROCESS OF SECURING A HOUSE: PURCHASE AND RENTAL**

### **11.1 Process of purchasing a house**

a) **Sources of information:** The MIG in Karachi relies mostly on estate agents and newspapers for identifying a house for purchase. However, information from friends and relatives is not uncommon. An estate agent is often used even after a house has been identified through other sources so that he may prepare the legal documents and get the necessary procedures for mutation and transfers completed. His fee for this work is much less than that of a lawyer.

The LIG normally does not rely on newspapers and estate agents for identifying a house for purchase. This is because newspapers do not carry advertisements for houses for sale in low income settlements and the LIG cannot easily afford to pay the charges of estate agents. Low income groups, therefore, invariably rely on information from friends, neighbours and relatives who put them in touch with middlemen or owners who wish to sell their houses. However, with the regularisation of katchi abadis, legal formalities have to be fulfilled for transfers and registration of sale deeds. Due to this the estate agent is becoming an important actor in the purchase and sale drama for regularised katchi abadi residential housing.

The LLIG invariably lives in informal settlements and relies entirely on friends, relatives and neighbours for information. In addition, the chai khana, or tea house, in most informal settlements is not only a major source of information but also of arrangements regarding purchase and sale of real estate and of informal money lending. The chai khana owner often acts as the arbitrator and guarantor in real estate disputes and helps in settlement of prices.

The MIG, in spite of access to printed information and through estate agents has a bigger problem in locating and settling terms for the purchase of a house than the LIG or LLIG. This is because of a larger range of choice in locations and house types, less definite prices and a complex system of mutation, registration of sale and fees, both formal and informal, related to them.

b) **Securing of finance:** The MIG generally finances the purchase of a house through savings (these are usually in the form of government bonds); sale of other property; loans from employers; and in about 3 per cent cases from the HBFC (23). Payments against the loans are made through saving by taking austerity measures or seeking supplementary sources of income.

Usually 50 per cent of the sale price is paid on the execution of a sale deed against which possession is given to the purchaser. The balance 50 per cent is paid within six months after which mutation and registration in the new owners' name takes place.

The LIG finances the purchase of a house mainly through loans from friends and relatives; savings,

usually in the form of cash; neighbourhood bisi committees (lotteries); in a small percentage of cases (2 per cent) through loans from money-lenders (24); and through selling the jewellery of the women of the household. Payment against the loans is made by adopting austerity measures, developing supplementary incomes, or selling whatever valuables are left with the family if enough finance for repayment is not generated.

Normally 50 per cent of the sale price is paid at the time of agreement and the rest in equal monthly and/or bi-monthly instalments. Important community members and/or mutual friends stand guarantee that the instalments will be paid.

The LLIG seldom purchases a house. It buys land and builds one. Its source of finance is invariably loans from friends, relatives and employers. These loans are repaid by extra hours of work by all working members of the family or getting young children to work as well. In the case of the LLIG the possession of the house is handed over to the purchaser against a single full payment. If however, the seller is a powerful man with muscle power at his disposal, payment can also be made in instalments over a one year period.

## **11.2 Process of renting a house**

a) **Sources of information:** As for house purchase, the MIG relies mostly on estate agents, newspapers and friends and relatives (in that order) for information regarding houses available for rent. Estate agents normally get involved because they can draw up tenancy contracts and sort out differences regarding terms of contract between the tenant and owner.

The LIG invariably gets information from neighbours, friends and relatives. However, estate agents are playing an increasing role in the tenant market, especially in the katchi abadis that have been or are in the process of being regularised.

The LLIG seldom rents a house. However, when it does, its information source is friends, relatives and the local chai khana or dadas (muscle-men) of the area.

Again, as in the case of purchasing a house, the MIG has to go through a greater hassle and effort than the LIG and LLIG to identify the house and to complete the formalities of renting it.

b) **The process of securing finance:** The MIG generates finance for renting a house from its own savings, from borrowing from employers, friends and relatives, or by selling the valuables of the house. Normally, the MIG has to pay a six-month advance; a security deposit equal to six months' rent; and if an estate agent is involved, an equal of one month's rent to him as his fees. The security deposit is returned at the end of the tenancy. The tenancy agreement is usually for a year and is renewable through mutual agreement.

The LIG generates finance for renting from its own savings or from friends and relatives. Normally, one month's advance is paid to the owner and the agreement can be terminated by mutual understanding through a month's notice. Neighbours, community leaders or mutual friends are arbitrators in any dispute between the owner and the tenant. However, in the regularised areas, practises similar to those practised in MIG areas are surfacing fast.

Most rentals for the LLIG are owned by the toughs and musclemen of the area. A month's advance is taken from the tenant. If he fails to pay the rent regularly, he is often forced to pay in kind.

## 12. CONSUMER SUPPORT SYSTEMS: PURCHASE AND RENTAL

### 12.1 Consumer support for house purchase/improvement

a) **Financial support systems:** Financial support systems for the MIG are from the HBFC, commercial banks and private developers. For the LIG and LLIG they are from small contractors or thallawalas, neighbourhood bisi committees and money-lenders.

i) **The HBFC:** The HBFC is the only state agency that gives long-term house building credit at comparatively low interest rates. Loans are not given for the purchase of plots but for construction of a house, and additions to it, to individuals; and for housing projects to housing cooperatives and government development authorities. The land and subsequent construction on it is used as a collateral for the loan. The loan varies between 60,000 rupees and 200,000 rupees and seldom exceeds 50 per cent of the cost of the house. The loan is repayable in a 15 year period, and depending on the income group to which the borrower belongs, interest varies between 8.59 to 17.15 per cent per year. The definition of income group is not based on income but on the locality where the house is to be built. The details of the HBFC system described above are given in the table below (25).

Income Group	Investment Amount (Rs)	Instalment	Insurance premium principal plus rent	Instalments	Implicit Interest Rate
Lower income group	60,000	594	25	619	8.59
	100,000	1,060	43	1,103	9.76
	150,000	1,643	65	1,708	10.34
	200,000	2,337	88	2,425	11.50
Lower middle income group	60,000	604	25	629	8.87
	100,000	1,132	44	1,176	10.93
	150,000	1,808	68	1,876	12.08
	200,000	2,560	92	2,652	13.22
Middle income group	60,000	657	26	683	10.33
	100,000	1,205	45	1,250	12.08
	150,000	1,920	69	1,989	13.22
	200,000	2,789	95	2,884	14.93
Upper income group	60,000	883	30	913	16.04
	100,000	1,511	50	1,561	16.60
	150,000	2,325	75	2,400	17.15

The HBFC does not manage to serve the low income groups. First, because low income groups seldom possess a lease on the land on which they live and as such are illegible for a loan. Second,

the process of acquiring a loan requires lobbying with government agencies, getting building plans prepared and approved by the local government, and the preparation of considerable legal material.

The lower income groups find it difficult and expensive to fulfil these formalities. Third, the LIG and the LLIG require very small loans for house improvements and a minimum loan of 20,000 rupees ends up as a burden on them.

A very small percentage of the MIG is served by the HBFC. This can be judged by the fact that less than 20 per cent of the average annual increase in formal housing in Karachi involves an HBFC loan. Formal housing is almost all for higher and middle income groups.

ii) Commercial banks: Commercial banks also provide short-term loans for housing but only to upper middle income groups at high rates of interest, about 18 per cent per year. These loans range between 150,000 to 300,000 rupees.

iii) Private developers: Private developers building middle income housing often accept monthly deposits for five years and over, prior to the sale of the units they are building.

iv) Thallawala loans: Thallawalas are building component manufacturing yard owners and contractors. They are found in almost all low income settlements. They give loans of building materials, both manufactured and raw, and sometimes cash credit as well. These are soft loans and seldom exceed 5,000 rupees. They are repaid within 6 months to a year. Almost all houses in the initial stages of the development of a katchi abadi are built with loans from a thallawala.

v) Bisi committee: Neighbourhood groups of up to 12 people normally form a bisi committee and each individual contributes up to 100 rupees per month to the bisi. At the end of 6 months, or even a year, this accumulated money is given to one of the members through a lottery or as decided through consensus by the group. A large number of houses of the LIG have been built through bisi finance.

vi) Other systems: Government and many formal sector agencies have what is known as a provident fund for their employees. This consists of a monthly deduction from their salary which is invested in long-term security bonds which carry a high rate of interest. The provident fund is given to the employees on retirement or when he leaves his job. After a period of employment, usually 12 years, finance for house building can be made available from this fund.

#### b) **Legislative support systems**

i) Tenure security: Over 95 per cent of all land in Karachi legally belongs to the state. Ownership of this land is given through a 99 year transferable lease to the original purchaser. In highrise buildings, a 99 years sub-lease is issued to the purchaser which gives him a share in the land on which the building is constructed.

ii) Building control: Construction in Karachi can legally only take place in formally developed areas and has to be planned by KDA licensed architects, town planners and engineers. This planning has to follow the KDA's Karachi Building and Town Planning Regulations and has to be approved by the Building Control Department of the KDA. The regulations are a part of the Sindh Building Control Ordinance (SBCO) which governs all building activity in the province. During various stages of



construction, KDA inspectors are supposed to monitor construction to see that it is in conformity with the approved plans. Exemptions to the regulations are at the discretion of the Director General of the KDA and can be granted for innovative low cost projects or for social uplift schemes.

However, buildings are seldom built as per the approved plans. This is especially true of houses in LIG and LLIG settlements. In addition, plans are often drawn up, only for purposes of approval, by estate agents and draftsmen who get professionals to sign them for a set fee. Building inspectors seldom visit the sites and if they do they can be persuaded to overlook the discrepancies in construction and violation of regulations.

iii) Katchi Abadi Improvement and Regularisation Programme: 40 per cent of Karachi's population lives in katchi abadis which are illegal as far as the provisions of the SBCO are concerned. However, according to the provisions of the various ordinances enacted under the martial law government between 1978 and 1981, and as per the Katchi Abadi Act 1987, they can be regularised and upgraded. The physical upgrading standards are considerably lower than those of the SBCO and temporary and semi-permanent houses can be granted a lease.

c) **Other support systems**

i) Land provision and development: Land is developed by the KDA complete with services. It is acquired from the CBR or PBR at a reserved price, which is well below the market price. The sale of the developed plots take place through computer ballots for individual plots and through public auctions for plots for housing complexes and schemes.

ii) Infrastructure developed by the KMC: Bulk infra-structure is developed by the KWSB, which is an autonomous body under the KMC. In addition, the KMC is responsible for providing infrastructure to the katchi abadis through the Katchi Abadi Improvement and Regularisation Programme and through funds for small scale councillor identified neighbourhood infrastructure.

iii) Other support systems: The government or the formal sector operates no other support systems. However, there are NGOs, such as the Orangi Pilot Project, who do give technical and managerial support and training to communities for infrastructure and housing development. Other NGOs, such as the Catholic Social Services, operate revolving funds for housing credit.

## **12.2 Consumer support for house rental**

a) Financial support systems: There are no specific consumer support systems for house rentals. Government employees get a housing allowance. A housing allowance is also given by many formal sector agencies to their employees. These allowances normally constitute upto 20 per cent of the salary of the employee. However, since a very small percentage of Karachi residents work in government or the formal sector, they cannot benefit from this system.

b) Legislative support systems: Formally tenants have a strong legal status in Karachi. There are a number of provisions under the Tenancy and Rent Control Acts whereby rents are set and their yearly increase is prescribed at not more than 10 per cent per year. Provided the tenants follow these laws, it is very difficult to evict them from the rented property, especially since legal procedures are long and expensive and as such few landlords would like to initiate them.

However, methods to bypass rent controls have been developed and since there is an unmet demand, tenants do not normally challenge them. These controls apply only to the formal sector.

c) Other support systems: In informal settlements, the security of the tenant is guaranteed by the community leader, the neighbourhood social activist or the local musclemen, one of whom is normally involved in arranging the deal between the tenant and the owner. The poor and usually uniform paying capacity of informal settlement residents also protects the tenant from the excesses of landlords.

### **13. HOUSING DEMAND ESTIMATION**

#### **13.1 Principal components method (PCM)**

(a) **Due to population increase (dp):**

- Karachi's present population: 8,190,000
- Projected increase per year at about 4.2 per cent: 343,980
- Number of households added at 7.2 persons per household: 47,755
- Number of units required 47,755 or about 48,000 units

(b) **Due to backlog (db):**

- Total number of dwelling units (1986): 1,078,000
- Number of semi-pucca and katcha units: 625,240
- Number of units required 625,240 - 20 years = 31,262 or about 31,500 units

(c) **Due to replacement required (dr):**

- Number of pucca units (1986): 425,760
- Replacement required 425,760 - 30 years = 15,092 or about 15,000 units

(d) **Total annual metropolitan demand (D):**

- $dp + db + dr = 48,000 + 31,500 + 15,000 = 94,500$  units

Source: For (a) population figures given in 2.2 of this report. Growth percentage taken as an average of previous decade and projections for the next decade.

For (b) and (c) figures taken from Karachi Master Plan 2000: Technical Note:: KDA-MPD/AERC.

### 13.2 Cross-check for housing demand

(a) **Dp: Demand to Population Growth**

(Dp-nat) + (Dp-mgr) 48,000

i) Demand due to natural population growth (dp-na)

- Karachi's present population 8,190,000
- 3 per cent natural increase per year 245,700
- Households increased at 7.2 persons per household 34,125
- Number of units required (about) 34,500

ii) Demand due to migratory population growth (Dp-mgr)

- Karachi's present population 8,190,100
- 1.2 per cent increase due to migration 98,280
- Households increased at 7.2 persons per household 13,650
- Number of units required 13,500

(b) **Db: Demand due to backlog**

(Db-ddw+sqt+hls+slm) 34,200

i) Demand due to dangerous/dilapidated housing (Db-ddh)

- Number of households (1986) 165,000
- Annual replacement demand = 165,000 - 20 years 8,250

ii) Squatter households (Db-sqt)

- Number of households (1986) 465,000
- Annual upgrading/replacement = 300,000 - 20 years 15,000

(Squatter households are 465,000 minus those 165,000 living in dangerous areas)

iii) Homelessness (Db-hls)

- Number of homeless 20,000
- Units required at 7.2 persons per household 2,750

iv) Slum housing (Db-slm)

- Number of households 164,000

- Units required: 104,000 - 20 years 8,200

(c) **DR: Demand due to replacement** (worked out for 13.1 above) 13,000

(d) **Total demand Dp + DB + DR** 96,500

#### **Detailed Breakdown of Annual Housing Demand Estimates by PCM**

Year of Estimate	Backlog (DB)					Population Increase (DR)			Replacement (DR)	
	DB-sqt	DB-slm	DB-hls	DM-ddt	Total	DP-nat	DP-mig	Total	DR-per	Total
1972	9820	5450	-	4050	19320	17000	10700	27700	7500	7500
1981	10500	7000	-	4500	22000	27000	19900	46900	12000	12000
1991	15000	8200	2750	8250	34200	34400	13500	48000	15000	15000

Sources: Worked out by the author from

1. KDA-PMD figures
2. Population Census Reports, Government of Pakistan
3. Housing Census Reports, Government of Pakistan

## **F. HOUSING SUPPLY/IMPROVEMENT ACTIVITIES**

### **14. PERFORMANCE OF MAJOR HOUSING SUPPLIERS**

#### **14.1 The major sources of formal housing supply**

#### **Housing Performance: Achievement Ratio to Target and Percentage of Performance Targeted at LIG & LLIG by Supplier**

Supplier	Type of Programme		Performance in the latest planning period (units)	Achievement Ratio (%)	% to LIG & LLIG
<b>KDA 1974-1990</b>	Housing Construction (New Development)	Rental Sale	0 3,522	- 35%	- 12%
	Housing Renewal (Redevelopment)	Rental Sale Demolition	0 App. 2,000 App. 4,000	- 15% 30%	- 50% 0%
	Standard Land Subdivision		N.A.	-	-

	Site and Services		55,799	27%	5%
	Site without Services		20,336	-	5%
	Upgrading (katchi abadis)		46,000	15.33%	80%
<b>Private Sector (Formal) 1981-1990</b>	Housing Construction (New Development)	Rental Sale	0 144,000	- -	- 30%
	Housing Renewal (Redevelopment)	Rental Sale Demolition	N.A. N.A. N.A.	- - -	- - -
	Standard Land Subdivision		N.A.	-	-
	Site and Services		15,000	21%	2%
	Site without Services		55,000	-	-
	Upgrading (katchi abadis)		0	-	-
	Others		-	-	-

Notes:

1. The above figures have been worked out from KDA-MPD surveys (1974-88) and the author's own information.
2. Site and services are taken as those plots which have been fully developed and have been or are ready for occupation.
3. Site without services are those plots which have been allotted but where services have yet to be developed.
4. Achievement ratio is the gap between what was planned and what was achieved. What was planned is in all cases much less than what was needed.

## 14.2 Informal sources of housing supply

It is estimated that 63 per cent of Karachi's annual housing needs are fulfilled by the informal sector (26). Which means that the informal sector must be providing about 30,000 plots per year to the LIG and the LLIG. However, in recent years there is every indication that this supply is not more than 22,000 and the deficit is being taken care of through densification of existing katchi abadis and city centre slums.

The informal developers are well established in Karachi since the '50s and have close links with government officials, politicians and the press, without whose cooperation this model of development cannot succeed. However, over the years they have become increasingly independent and in many cases can now dictate their terms to officials involved in the creation of katchi abadis. Most of them have been activists of political parties and/or involved in social uplift work. Almost all come from the LIG and in addition to development, carry out some small-scale trading or contracting work which is helped and aided by their involvement in development. Their shagirds or apprentices are now taking over from them.

Most of the recent beneficiaries of the informal sector development are from the LIG who are living in the city centre slums and katchi abadis. Recent surveys show that over 80 per cent of the residents on the new fringe area katchi abadis come from settlements in the city centre.

### 14.3 Supplier support systems

#### a) Financial support

i) Public sector: Almost all KDA developed housing and land development is financed by the purchasers themselves. Schemes are developed on paper, announced through the media and plots are allotted through computer ballot against an initial payment, or first instalment as it is called. As development progresses, the second and third instalments are recovered. The KDA budget for 1989-90 shows an allocation of 917.617 million rupees (41.709 million US dollars) for the development of housing schemes all of which comes from the payment of instalments from beneficiaries. Although 66 per cent of all KDA schemes consist of small plots, ostensibly meant for the LIG, not even 6 per cent of these go to the target group.

ii) Formal sector developers: The formal sector developers received plots till the early '80s at "reserved" prices (well below their market value) from the KDA for the development of flats. After the mid '80s, these plots were available only on the open market or through public auction of KDA developed land. However, their funds for development also come from the purchasers in instalments. Many purchasers are assisted by the developers in getting a HBFC loan. The average annual investment in developer built housing by the beneficiaries between 1981-87 is estimated at 1,047.5 million rupees (47.61 million US dollars), for the development of an average of about 2,618 housing units (27). Only 12 per cent of all developer built housing is targeted to the LIG (28).

iii) Individual housing: Between 1985 and 1987 building permits for an annual average of 16,500 housing units were issued by the KDA to individual builders (29). It is estimated that annually about 4,300 million rupees (195.5 million US dollars) were invested in these houses (30). Approximately 660 million rupees (30 million US dollars) of this amount were disbursed as HBFC loans (31). The majority of these building permits, about 88 percent, were issued for LMIG and the LIG houses.

iv) Katchi abadi upgrading: The programme which in its present form began in 1978, has regularised over 46,000 housing units over a period of eight years. Official figures for the improvement and infrastructure development of the abadis are available but do not in any way reflect the real situation and hence should not be quoted. The current KMC budget for the katchi abadi programme is 69.940 million rupees (3.2 million US dollars). This is supposed to be recovered as regularisation and development charges from the beneficiaries but so far not even 8 per cent of what has been spent has been recovered. Almost all the beneficiaries are from the LIG and the LLIG.

v) Informal sector: No financial support is given to the informal sector from any quarter. However, that the informal developers are able to occupy large tracts of government land with informal help from government officials, is a form of financial help in itself. The proceeds from the subdivision and sale of this land is shared between relevant government officials and the developers and about 30 per cent of all plots are set aside for speculation. Transactions of an average of about 180 million rupees (8.2 million US dollars) per year take place through the informal sale of land alone. The 20,000 to 30,000 plots developed by this sector benefit the LIG and the LLIG.

**b) Legislative/logistical support**

- i) Legislative support: The HBFC under its rules and procedures gives a larger percentage of construction cost as a loan to smaller units. In addition, the interest (or mark up as it is called under the current Islamic system) is also lower for lower income groups (for details see table on page 175). Developers building flats for the LIG and MIG can also get a loan cover for individuals who purchase plots in their projects.

Under the Cooperative Societies Act 1925, it is fairly simple to establish a housing society and get it funded through the cooperative banks. However, housing societies in Pakistan have been misused by formal sector developers for promoting land speculation and have a history of not paying back their loans and relaxing membership rules. Due to these reasons, almost all land given to the societies between 1974 and 1986 for the development of about 70,000 plots is lying undeveloped and empty. In addition, the loan ceilings of the cooperative banks for housing are also bust.

- ii) Logistical support: There is no logistical support of any nature available to the major suppliers from the government or other formal sector agencies.

**15. CRITICAL EXTERNALITIES AFFECTING HOUSING SUPPLY**

**15.1 Legislative measures**

**a) Land development, building controls and their repercussions**

- i) Physical aspects: The SBCO 1979 controls all aspects of physical development in the city. Under the provisions of the SBCO all planning has to be done according to its Town Planning and Building Regulations and has to be approved by the KDA before construction can begin.

The Town Planning and Building Regulations have a number of provisions that effect land development adversely and due to which the SBCO regulations are regularly violated. Some of these provisions are:

- Residential area in a township can be a maximum of 55 per cent, roads 25 per cent, amenities 12 per cent, and commercial area 5 per cent of the total township area. Minimum road width is 24 feet and has to be accessible by car. By reducing road widths and circulation area, residential area can be increased considerably.
- Before building plan approval can be given, all units must be served with water, sewerage and electrical connections and roads. This delays the commencement of construction and occupation. The area can be inhabited if residents can temporarily use soak-pits and unpaved roads. In addition, it makes the promotion of the incremental development concept, which can serve the paying capacity of the LIG and LLIG, impossible to carry out.
- Building permission is granted only for pucca construction. Thus buildings of the LIG and LLIG are presented as pucca in the building permit documents but are built as semi-pucca or katcha structures. This promotes corruption as the KDA building inspectors have to be paid to close their eyes to these violations. These provisions keep a number of LIG members out of KDA schemes.

- KDA's open space standards, plot ratios and setbacks for high-rise construction are adequate and appropriate. However, they are constantly violated because of which unhygienic and excessively high density complexes are produced. This is possible because of corruption and because of a provision in the SBCO that violations can be regularised against the payment of a fine. The fine is normally much less than the benefit the developer gets out of the violation. The Director General of the KDA has the power to determine the extent of the fine and relaxation of SBCO provisions as he deems fit.

Similarly, the rules and regulations of the Katchi Abadi Improvement and Regularisation Programme and the standards that govern their upgrading restrict the operation of the programme. Some of these provisions are:

- Regulations governing access-ways to the katchi abadi mohallas and minimum road widths result in the demolition of over 20 per cent of the housing stock which has to then be relocated. Since residents do not permit this to happen, the improvement process cannot continue.

- Planners insist on following standards for creating open spaces, and plots for schools and parks which again dislocate people. Streets as playgrounds, existing houses as school buildings and/or other institutional buildings cannot be accepted.

- The upgrading plan for a katchi abadi does not take into consideration the development work people have carried out themselves in the lanes over the years. Deductions for this work are not made in the development charges the residents have to pay and often this work is demolished and reconstructed by the KMC. The people are not willing to pay for this "duplication", as they see it, and this adversely affects the programme.

ii) Non-physical aspects: A number of procedures under the SBCO force the LIG and LLIG out of the formal land and housing market. In the same way, procedures and requirements for regularisation under the katchi abadi programme obstruct the operation of the programme. In addition, the nature of the KDA and KMC and the laws that govern them, makes the former unaccountable to the public at large and the latter ineffective. Some of these issues are discussed below:

- The building permit documents and plans have to be prepared by a licensed architect even for LIG and LLIG areas and a number of legal formalities such as mutation, lease etc have to be taken care of. This means extensive lobbying in different government departments and the paying of informal fees to facilitate the process. This forces the LIG and the LLIG out of the formal land market.

- The KDA pricing procedures for smaller plots are too high for the LIG and LLIG groups to afford but are well below their market value. This promotes large scale speculation.

- The KDA is an autonomous body under the provincial government and is in charge of determining Karachi's development. It is not subservient to the elected local government and as such not accountable to the local level representatives of the people of Karachi. Much of the KDA's inappropriate planning can be attributed to this fact.



- There is a complex, cumbersome and expensive system of acquiring a lease under the katchi abadi programme due to which the residents do not attempt to get a lease.
- The functioning of the KMC is governed by the Sindh Local Bodies Ordinance (SLBO) 1979. Under this law the KMC's elected council is subservient to the provincial department of Local Bodies and Rural Development Department whose secretary, a government functionary, has the right to challenge and overturn the decisions of the council on most financial, development and administrative matters.
- Tenancy laws in Pakistan, and the high cost and time involved in litigation, make it very difficult for the landlords to evict tenants or terminate their contracts with them. Due to this factor most MIG and HIG members do not wish to let out their premises and developers do not wish to develop rental housing.

Rent ceilings and related laws in Pakistan exist but are at most never applied because of their inappropriateness to the market situation which governs pricing and procedures.

**b) Ratio of saleable land to area of entire site for 100 plots/housing units**

**i) New township plots for MIG and LIG**

- plot area : 2.5 hectares
- residential area for 100 units of an average of 125 M<sup>2</sup> = 50% of plot area = 1.25 hectares
- total permissible built up residential area in 2 floors : 1.75 hectares

**ii) Ground plus 4 floors: apartments in a city suburb for the MIG**

- plot area : 0.485 hectares
- plot ratio : 1:1.75
- 100 apartments of an average of 85 M<sup>2</sup> each = total floor area of 8500 M<sup>2</sup>

**iii) High-rise apartments in the city centre for the MIG**

- plot area : 0.23 hectares
- plot ratio : 1:3
- 100 apartments of an average of 70 M<sup>2</sup> each = total floor area of 7000 M<sup>2</sup>

## **15.2 Planning permission/administrative procedures**

**a) Building applications and planning permission:** For individual houses procedures for

submitting building applications and obtaining a permit are simple and straight forward. Nevertheless, to acquire the necessary ownership and related documents that are submitted with the application means fulfilling a number of complicated and unnecessary formalities. The LIG and LLIG find it very difficult to cope with this situation and this is one of the reasons they prefer to remain out the formal market.

However, the regularisation process for the katchi abadi residents is long and cumbersome and involves acquiring clearance from many agencies, being insulted by state officials and viewed with suspicion. The only manner in which a lease can be acquired easily is by engaging a middleman to act on one's behalf and his fee is usually higher than the legal lease and development charge. The complex leasing process is one of the major reasons for residents not applying for ownership rights.

For larger developer-initiated projects, the process of acquiring a building permit is long, complicated and cumbersome. It involves acquiring a number of NOCs, preparation of detailed structural designs and various guarantees. Much of this work could be dispensed with or simplified without adversely affecting the interests of the purchaser. If procedures were simplified, corruption in the process could also be contained, costs reduced and many more developers would take to building larger projects.

**b) Time required by a developer for acquiring a building permit from the KDA**

- i) For 10 units : about two months after completion of all required documentation.
- ii) For 100 units : about six to nine months after completion of all required documentation.

**15.3 Construction and project management skills**

a) **Managerial and technical skills:** Although artisanal skills are adequate, most Karachi contractors are poor managers of time, money and human resources. Long-term benefits are sacrificed to short-term financial gain. For example, tools, scaffolding and shuttering are often hired rather than purchased although there are definite advantages in purchasing them; stores are badly maintained and financial systems are non-existent.

Karachi contractors need strengthening of their managerial capacity and capability in addition to understanding budgeting principles and the concept of "cash flows".

**b) Construction time period**

- i) For 10 units : 15 months
- ii) For 100 units : 30 months

**15.4 Community support and involvement**

a) **Community support and housing performance:** There are no public sector programmes for community support in the housing field except on paper. However, NGOs have been involved in providing technical assistance to individuals, communities and informal sector entrepreneurs in the housing and related fields.

The most successful support programme is of the Orangi Pilot Project (OPP), which has provided motivation and technical and managerial support to over 65,000 house-owners for financing, managing and developing their own underground sanitation system. In addition, the OPP has developed a package of advice for thallawalas for improving their performance, both technical and managerial, and to the people regarding design and construction of houses. This has been accompanied by a training programme for masons and builders. The process has improved construction and lowered costs.

Other NGO attempts are on a much smaller scale and carry with them the "social welfare" approach and considerable subsidies which make them un-replicable. The revolving loan for housing programme of the Catholic Social Services (CSS) is an exception. However, the programme is on too small a scale to have an impact at present on the housing situation in Karachi.

b) **Community support and income groups:** All community support programmes have benefitted only the LIG and to a much lesser extent the LLIG. However, the OPP's thalla upgrading programme has benefitted the informal sector entrepreneurs who belong to the MIG.

c) **Community support and the public sector:** In theory, and at the conceptual level, the public sector has supported the idea of community support and involvement in the housing field. The present five-year plan and housing policy documents of the GOP both reflect this support. However, no institutional changes have been carried out in the housing planning and delivery systems or in the public sector administration system that can help transform this concept to a functioning reality.

However, the Katchi Abadi Improvement and Regularisation Programme does seek to involve communities in planning and development of their settlements. This involvement has not materialised because of a lack of commitment to the concept on the part of state functionaries; the lack of trust of government agencies on the part of communities; the failures of the state to see itself as anything other than a provider; the conventional training of planners involved with the programme; and the strength and power of the local mafia through whom the programme authorities often contact the community, in the absence of easier alternatives.

## **G. POLICY REVIEW AND RECOMMENDATIONS**

### **16. POLICY IMPLICATIONS OF THE DEMAND-SUPPLY GAP**

#### **16.1 Current demand-supply gap**

##### **a) Annual metropolitan demand-supply gap**

- Annual housing demand in the metropolis is 94,500 units.
- Annual supply over the last decade has been 32,560 units.
- The current demand-supply gap is therefore 61,940 units.

b) **Increase in the annual demand-supply gap:** Over the years there has been an increase in the annual demand supply gap. The reasons for this are given below:

- The population of Karachi has increased by 1.7 million in the '70s as against by about 3 million in the '80s.
- Because of the high cost of formal sector land development, the LIG and the LLIG had to seek accommodation in the katchi abadis whose population increased by 0.8 million in the '70s as against by about 2 million in the '80s.
- Most government land development schemes of the 1974-85 period remained unoccupied. Because of their below market allotment price they were held for speculative purposes.

In spite of the above changes in Karachi's demography and failure of government land development schemes, appropriate public housing strategies were not developed and promoted due to conservative thinking, lack of political will, pressure of various mafias operating in the city and major institutional constraints.

The Katchi Abadi Improvement and Regularisation Programme which was to upgrade 243,000 units in the 1980's could upgrade only 46,000 and large areas of the city centre were converted into slums.

c) **Demand-supply gap and its relationship to income groups:** The demand-supply gap is more critical for the LIG and the LLIG. These groups have to seek accommodation in the katchi abadis and acquire a house and services incrementally over years through the informal sector. Recent trends, such as organised invasions of public land, show that even the informal sector is finding it difficult to cater to the needs of the LLIG. The reasons for these trends have been explained earlier in the report. In addition, the MIG is experiencing increasing problems in acquiring land and building or improving their homes. This is because of their decreasing paying capacity due to inflation and the increased costs of land and materials. Thus an increasing number of households of the MIG are turning to informal settlements to meet their housing requirements.

The problems of the LIG and LLIG can be solved if the government adopts the strategy of the informal sector of providing initially un-serviced land to these groups; forcing them through allotment procedures to settle on it immediately so as to prevent speculation; and by providing services over time according to the paying capacity of the residents and by involving them in the process. Technical and social research for lowering cost of development and house building; support and training for house building; small short-term loans of not more than 5,000 rupees for roofing through community and/or cooperative organisations; and effective local self government must be a part of such a strategy. A model for such development already exists in Pakistan in the shape of the Khuda-ki-Basti Incremental Housing Scheme in Hyderabad, about 160 kilometres from Karachi. Due to easy access to state land in Karachi, such schemes can easily be made affordable to the LIG and LLIG. However, institutional arrangements and the political and professional support to make them possible, are essential for the adoption and success of this strategy. These are absent at present both in government and professional circles.

The government must provide loans for the purchase of land to the MIG, something it does not do at present, and develop mechanisms, both negative and positive, to prevent speculation. In addition, loans for house building purposes should be increased and procedures developed to limit red-

tapism in acquiring them. A design and construction advisory cell should be promoted to give advice to house builders and fulfil the requirements for acquiring a building permit.

Both in the case of the LIG/LLIG and the MIG, conditions have deteriorated over the years. A decade ago land in the katchi abadis was affordable by most LIG and LLIG members. This is no longer the case. Similarly, for the MIG developed land and apartments at affordable costs were available a decade ago. Their prices have shot up by over 300 per cent during the '80s and construction costs have gone up by over 220 per cent. Average metropolitan income, however, has increased only by 23.5 per cent.

## **16.2 Housing supply targets and the demand-supply gap**

a) **Annual housing supply target and demand-supply gap:** The current annual housing supply target, till the year 2000, is to develop land and housing for about 30,000 households annually and force another 37,500 annually to occupy already developed plots. This means a target of 67,500 housing units per year. However, the annual metropolitan demand is 94,500 units per year. Thus there is a demand-targeted-supply gap of 27,000 units.

The demand targeted-supply gap is there because targets are basically set to cater to natural and migratory increase only. These requirements for the next decade add upto 48,000 units annually of which 37,500 are for LIG and LLIG. The KDA policy aims at forcing the MIG to occupy already developed areas. Backlog, replacement and upgrading have not been quantified or targets set for them.

b) **Basis for housing supply targets:** The basis for the housing supply targets are:

- The population of the LIG and LLIG will increase by over 2.0 million by the year 2000. The KDP 2000 seeks to provide for this population.
- There are 382,000 developed or semi-developed plots lying vacant in Karachi. They must be occupied and will cater to the HIG, MIG and some members of the LIG for new housing, replacement and backlog.
- Vacant land and that which can be cleared of dilapidated squatter housing in the city centre is 92 hectares. This can accommodate about 23,000 households.

## **17. SUPPLY ACCELERATION AND ENHANCEMENT OF LIVING ENVIRONMENTS**

### **17.1 Institutional reform in the public sector**

There are major bottlenecks in carrying out institutional reforms to strengthen the performance of public sector agencies dealing with housing. Some of these are discussed below:

- The government policy makers, civil servants and planners think in conventional terms and are not familiar with the sociology and economics of low income communities who are their main target groups.

- The government agencies lack the technical and managerial resources to carry out the programmes that they propose themselves.
- Research, monitoring, evaluation, feedback and training systems for the development of appropriate housing policies and their implementation are non-existent and the ones that do exist are esoteric in nature as they are unrelated to grass-root and market conditions.
- Cost recovery does not take place because of a weak administrative system, a lack of trust between the people and the public sector, and the public sector's failure to develop a reliable supply of services.
- Representative local government is subservient to a powerful provincial bureaucracy which does not wish to see its power curtailed in any way, and which at the same time has no institutional links (unlike the local government) with the people.

## **17.2 Market based private sector and beneficiary group involvement**

a) **Constraints in mobilising the market based private sector:** The market based formal private sector in Karachi consists really of speculators who pass as developers. They want high profit margins, almost 75 per cent finances from the state or beneficiaries before construction has even begin, and subsidised land costs. These objectives cannot be achieved easily by involving community groups in an equal relationship in an organised manner.

Thus the major bottlenecks for the development of a genuine entrepreneur class, in the housing sector, which involves communities, are:

- The absence of state support to the concept of a formal private sector/community involvement and their possible interdependence.
- The absence of a model for such development from which pioneers can learn and draw inspiration.
- The pressure from the formal developers lobby, the land-grabbers mafia and the local middlemen for preven-ting the organisation of people and the development of policies which break their monopoly on whatever land and finances are available. Even if enabling policies are framed, these various lobbies see to it that they fail in implementation.
- The close relationship between the political parties, the bureaucracy, the developers and the land mafia, coupled with the absence of an effective system of local government.

### **b) Possible partnerships between public sector, private sector and beneficiary groups**

i) For servicing the LIG and LLIG: If the current housing problem for LIG and LLIG has to be tackled in an effective manner then partnership of the public sector, private sector and the beneficiary communities has to be arrived at for the development of incremental housing schemes. The roles of each of these actors in such an agreement are described below:

- Public sector:
    - Provision of land; planning of settlement; provision of water through stand-posts; unpaved roads; allotment of land and cancellation of allotment if people do not move onto the plots immediately; collection of down and monthly payments for land.
    - Provision of infrastructure services as and when community can pay.
    - Provision of loans, training (technical and managerial) and other support to NGOs, private entrepreneurs and community groups in the settlement.
  - Private sector:
    - Informal sector entrepreneurs to be involved in identifying beneficiary households, moving them to the settlement and assisting them in fulfilling formalities.
    - Thallawalas, financially and technically supported by the public sector and/or NGOs, should provide materials (raw and manufactured), technical advice and skilled labour for house and infrastructure building.
  - NGOs:
    - Motivating people to organise for development and for financing of neighbourhood infrastructure, collection of dues for land and intermediate infrastructure, and for lobbying for social sector services from local government.
    - Giving technical and managerial assistance for development work.
    - Manage a small loans programme of upto Rs 5,000 per household for roofing to houses that have built appropriate walls.
  - Communities:
    - Organising to develop, finance and maintain neighbourhood infrastructure, collect user charges and land and services costs on behalf of the local government and/or development authority; and lobbying for or developing social sector services.
- ii) For servicing the MIG: The MIG can be best served by the development of genuine cooperative housing societies. To make this possible the society must have no more than 50 members. The roles of the various actors, public, private and community, are described below.
- Public sector:
    - Provides non-transferable land to a registered co-operative of not more than 50 persons at "reserved" prices and undertakes the provision of "external" services.

- HBFC provides a housing and development loan.
- KDA plans the development.
- Private sector:
  - Plans the houses and supervises construction.
  - Acts as contractor.
- Cooperative society:
  - Deals with the KDA and HBFC.
  - Appoints architects and contractors.
  - Monitors construction.
  - Agrees not to sell homes on the open market.

To make the above possible changes are needed in the Cooperative Societies Act 1925 and in making the instrument of the "power of attorney" inoperative for sale purposes in cooperative societies, at least for a period of 20 years. In addition, it needs government support for its promotion and advertisement of the concept in the media.

**c) Possible private sector support for the LLIG and LIG**

i) Formal private sector developers: The LLIG and LIG cannot be served by the formal private sector as it exists today. This is because the formal private sector's manner of operation and the large profit motive conflicts with the culture, sociology and economics of the LLIG and LIG. For the formal private sector to support housing for the LLIG and LIG it is essential that:

- Land is provided to the private sector at subsidised rates.
- About 85 per cent of the construction and development costs are through soft long-term HBFC or other loans for the purchaser.
- Targeting procedures make sure that the beneficiaries belong to the LLIG and LIG.
- Rules make sure that loans are non-transferable and that property cannot change hands for a period of 15 years.

This procedure, if it has to meet housing needs, calls for very large scale state funding which can be better directed to generate employment and production.

ii) Development through the private informal sector: The informal sector developers possess enormous skills in identifying low income households for settlement, colonising land, developing



finances through selective speculation, and understanding the preferences of the LLIG and LIG. However, their operations consist of illegally occupying and selling state land. Partnership of these developers with the public sector could work if the developers are permitted to carry on their work legally. Instead of paying government officials and the police informally, and various mafias as well, they could pay the state legally through the sale of land to the beneficiaries and through speculation of prize plots, at a fee, on behalf of the state. Most informal developers are willing to accept this system provided they can retain some prize plots for future speculation. The settlement can improve incrementally as most katchi abadis do today, but better, faster and cheaper with government patronage and support.

Similarly, thallawalas have also developed systems whereby they can provide building materials on loan to the LLIG and the LIG along with manufactured building components and construction and design advice for housing. The operation of the thallas can be improved if the following procedures are adopted by the public sector which will result in better and affordable housing and larger profits for the thallawala:

- Small loans (seldom above 75,000 rupees or 3400 US dollars) should be given to the thallawalas for upgrading their thallas. A special advisory service to identify the nature of upgrading should be provided.
- Technical assistance, guidance and training to improve the products of the thalla and the nature of technical advice it provides to the beneficiaries.
- Training of masons and other artisans employed by the thalla so as to improve their performance.

To make the informal sector a viable legal alternative for the LLIG and the LIG a major change is needed in the manner in which the state and professionals view the whole concept of housing supply and delivery for the LLIG and the LIG.

### **17.3 Non-market based private sector involvement**

#### **a) Bottlenecks in promoting non-market based private sector involvement**

- i) Self built housing: The public sector does not cater to the needs of self built housing in any way. There is no developed system of identifying beneficiaries nor is there really a concept of such a beneficiary. As such land and/or loans to support the activity for self built housing cannot be set aside. In addition, the public sector does not provide an individual house builder with house designs and technical advice or with materials at subsidised rates.
- ii) Cooperative housing: The large size of cooperatives in Pakistan has resulted in their capture by vested interest groups, such as developers and speculators. Although cooperative laws are basically sound, the public at large is not aware of the benefits of housing cooperatives, their rights as members, or their obligations to the cooperative banks. In addition, the legal formalities required for setting up a cooperative and lobbying with the public sector for acquiring land for it, prevents the LLIG and LIG from developing cooperatives, and if they do, then the cooperative is taken over by persons who can act as intermediaries between the public sector and the LLIG and the LIG.

ii) Employees housing: Existing laws that require employers to provide housing for their employees, especially of the LIG, need to be implemented by action against defaulters and tax rebates for those who do provide housing. In addition, land at cost and low interest long-term loans should be provided to the organisations that wish to provide housing to their employees, along with design and technical assistance. Property tax on employee housing should also be exempt.

**b) Actions necessary to accelerate non-market based housing**

The following actions are required to accelerate non-market based housing supply:

- Development of a criteria for identifying "genuine" individual self builders and cooperatives and providing them with land at cost, soft-term loans, and design and technical assistance for building purposes and publicising them through the media.
- Educating the public at large, through the media, regarding the concept of cooperatives; the rights, privileges and duties of members; and the benefits of the system to the LIG and the LLIG.
- Simplifying procedures for registration of cooperatives (though not conditions of size and membership) and for their acquiring land from the public sector at cost price.
- Promoting the concept of building societies and helping with seed money.
- Providing some tax relief to employers who build houses for their employees and exemption from property tax for the housing they develop. At the same time imposing an additional tax on those employers who do not develop housing for their employees.
- Providing land at cost, soft-term loans and technical support to those employers who develop housing for their employees.

**17.4 Enhanced housing support for LIG and LLIG**

**a) Affordability support to the LIG and LLIG**

i) Land and finance for it: LIG and LLIG should be allotted partially developed land against a down payment of 30 per cent of its cost or 6,000 rupees, whichever is less, provided they shift to it immediately. The rest of the cost should be recovered through monthly instalments and only after full payment has been made should lease documents be issued. Land should be at cost price and non-transferable for at least 10 years. To make the LIG and the LLIG move onto this land it should be suitably located and to recover instalments local organisations should be developed. For employees of formal private and public sector agencies, loans for land purchase should also be made available by the HBFC and other financial institutions through the employers and should be linked with the completion of a house in a minimum period of time. If this is not complied with interest rates would automatically be increased considerably.

To make the above provisions possible for the LIG and the LLIG, the public sector should be in a position to acquire and develop land, even if with minimum standards, before it offers it for sale or

allotment. This is the most effective way of controlling the speculation or the excuse for it. The public sector will need funds to undertake this development and should be aided for this by federal, provincial and international loans. At present, loans for acquiring and developing land are not given by these agencies.

ii) House building finance: Financial assistance of 2 types should be given to the LIG and the LLIG:

- For house builders who have built the walls of their home and have a temporary roof, a small short-term loans should be given for putting up a permanent roof. This loan should be given by the development authority or an NGO which in turn receives it from the HBFC or from a commercial or cooperative bank, since it is uneconomical and difficult for large centralised organisations to monitor a large number of small loans. Eligibility criteria for these loans should be decided upon by the development authorities or NGOs themselves and so should the manner of recovering it.

- Loans for house construction to employees of the formal private and public sector agencies should be made available through the agencies to the beneficiaries. The constructed units should be controlled by the agencies till such time as the loan is repaid. The agencies should also be responsible for monitoring the manner in which the loan is spent.

iii) Subsidies: There should be no subsidies in the sale of raw or developed land. At best it should be at cost price for the LIG and LLIG, minus the cost of overheads of the development agency. However, interest rates for employer-guaranteed long-term loans can be reduced to make it possible for the beneficiary to service the loan regularly.

iv) Building material loans: There should be no loans of materials as these are easily available through thallawalas. In addition, this will add another department to an already top heavy and inefficient administration. However, in the case of most thallas, the thallawala's capacity can be increased by up to 300 per cent through very small loans of no more than an average of 40,000 rupees per thalla. These loans again could be made available to the thallas through the area NGOs or the neighbourhood public housing or upgrading project.

b) **Social housing for LIG and LLIG:** The conventional concept of social housing, produced or initiated by the public sector, requires the development of appropriate institutions and support systems. Given the scale of the problem and the present anarchic social, administrative and political conditions, these will require a lot of effort and time to develop and may well be subverted. During this period, the problem will multiply. In addition, the vast majority of the LLIG and LIG work for the informal sector. However, Karachi has distinct advantages over most other Asian cities. The city authorities have access to an almost inexhaustible supply of land for the foreseeable future. Small scale entrepreneurship and artisanal skills develop land and produce a large quantum of housing, which is affordable to the LLIG and LIG, though substandard in nature. Building materials, both concrete and cement, are easily available. The public sector's emphasis should be on improving this system through financial, technical and managerial assistance on the one hand, and by creating a greater awareness in the population about housing, its design and construction, and related environmental conditions. By the nature of skills and resources available, this housing will be built by people through an improved semi-formal system, on land supplied and developed by the public sector. If supported by the public sector and by private agencies it can produce sufficient number of

units to meet the demand.

Given the backlog and restricted performance of the public sector, it is advisable that housing built by employers for their employees should be for purchase and not for rent. This should be the only conventional non-market based housing that the public sector should support for the time being.

### **17.5 Enhanced housing market mobility**

a) **Movement to the suburbs:** There is already a major movement of the LIG from environmentally degraded and congested areas of the city centre to the fringe katchi abadis. In addition, the newer MIG apartment complexes are better designed and maintained with greater emphasis on improved environmental conditions than the ones built a decade or more ago. Surveys also show that the MIG prefers to live on the city fringe rather than the congested city centre (32). However, both the groups face major problems in moving to and living in the suburban areas. These problems are:

- Transportation to and from the city to the suburbs is insufficient and badly managed. The MIG is willing to pay a higher price for better transportation services but none are available.
- Due to inadequate transportation, a lot of time is wasted in travel. In addition, the bad condition of roads and the noise and air pollution en-route is dis-orienting.
- For the MIG a major problem is the absence of what they consider, adequate educational and health facilities in the suburbs and a higher cost of consumer items, especially foodstuffs, than in the areas nearer to or in the city.
- In the LIG settlements on the fringe, foodstuff is affordable only because it is of poorer quality than in the city.
- In the newer settlements, especially in the case of the LIG, security for their families when they are away from work is a major concern of the residents. As clan and tribal links erode and as more heterogeneous settlements emerge, this concern will dominate the LIGs search for housing options (33).

Given these factors and the cost of commuting from the suburb to the city or other work centres, it is remarkable that so many people still prefer to move to a better physical environment.

The public sector could help this movement by providing an adequate road network, transportation system, better traffic management and through facilitating the establishment of adequate educational, health and recreational facilities in the newer settlements. In addition, major reforms in the local government structure are needed to help in the maintenance of law and order and provide security.

This movement to the suburbs and fringe areas should not be encouraged at the expense of the inner city, whose need for rehabilitation is urgent, and can only take place effectively as a part of a larger city and regional planning exercise.

b) **Housing alternatives:** Most housing alternatives offered by the public sector to various groups since 1958 have been rejected by them, especially in the case of the LIG. The reasons for this rejection have been:

- Distance from work along with the absence of an adequate transport system.
- Dislocation from an area where strong community and/or clan links existed.
- Destruction and demolition of investment made in a house over years.
- The mistrust of the public sector and other formal sector agencies and a firm belief that the residents are being cheated by them.

The provision of housing alternatives therefore requires:

- The development of trust between the public sector and the residents and collective planning for alternatives.
- Adequate services, especially transportation and education facilities, in the alternative provided.
- Maintenance of the old community links and social environment in the alternative. This will have to be very much a part of the physical planning as well, and is especially important for older people.

## 18. DEMAND SUPPRESSION POLICIES

### 18.1 Major components of housing demand

#### (a) **Dp: Demand to Population Growth**

(Dp-nat)+(Dp-mgr) 48,000

##### i) Demand due to natural population growth (dp-na)

- |   |           |
|---|-----------|
| - Karachi's present population                      | 8,190,000 |
| - 3 per cent natural increase per year              | 245,700   |
| - Households increased at 7.2 persons per household | 34,125    |
| - Number of units required (about)                  | 34,500    |

Karachi's natural growth has been almost the same as the country's average. This is in spite of a major public sector investment in population planning. Surveys show (34) that there is a demand for population planning but people have a major problem of access to it, especially segregated women.

Certain small pilot projects in the city, however, have overcome this problem of access and communication.

ii) Demand due to migratory population growth (Dp-mgr)

- Karachi's present population	8,190,100
- 1.2 per cent increase due to migration	98,280
- Households increased at 7.2 persons per household	13,650
- Number of units required	13,500

During the '80s Karachi received a large number of refugees as a result of the Afghan war and the Iranian revolution. These refugees are estimated at about 400,000 and thus average at about 40,000 a year. In addition to these refugees, it is estimated that there are over 150,000 (35) illegal immigrants from Bangladesh and Sri Lanka in Karachi who work mostly as domestic help. These migrations are unlikely to continue in the coming decade. However, increasing desertification in the barani areas of Pakistan and population increase and salinity in the irrigated areas, may well increase rural-urban migration during the current decade.

(b) **Db: Demand due to backlog**

(Db-ddh+sqt+hls+slm) 34,200

i) Demand due to dangerous/dilapidated housing (Db-ddh)

- Number of households (1986)	165,000
- Annual replacement demand = 165,000 - 20 years	8,250

Dangerous and dilapidated buildings are going to increase in Karachi in the next decade because: one, the government is not regularising settlements, in what it considers ecologically dangerous areas and nor does it have any plans of making these areas "non-dangerous"; two, without a major city and regional planning exercise, the inner city's problems cannot be tackled. This exercise would have to develop a new circulation pattern for the city and relocate certain wholesale markets. The public sector has no plans for such an exercise and in its absence, inner city buildings are not going to be maintained or upgraded by their owners.

ii) Squatter households (Db-sqt)

- Number of households (1986)	465,000
- Annual upgrading/replacement = 300,000 - 20 years	15,000
(squatter households are 465,000 minus those 165,000 living in dangerous areas)	

Squatter settlement annual growth rate of 9 per cent may decrease in the '90s if the targets set for the KDA incremental housing schemes and the KMC's Katchi Abadi Improvement and Regularisation Programme are met. However, for these targets to be met major institutional changes and changes of approach to planning and development are needed. So far there has been no move to initiate these changes.

iii) Homelessness (Db-hls)

-	Number of homeless	20,000
-	Units required at 7.2 persons per household	2,750

Homelessness is bound to increase considerably in the next decade. This is because the informal sector is finding it increasingly difficult to fulfil the needs of the LLIG. In addition, there is a growing breakdown in clan and tribal affiliations and the concept of an extended family is also becoming unacceptable to the second and third generation slum dwellers.

iv) Slum housing (Db-slm)

-	Number of households	164,000
-	Units required: 104,000 - 20 years	8,200

Slum housing will increase with growing homelessness, city centre densification, and the breakdown of clan and family ties. This, however, can be curtailed to a great extent by the success, in the next decade, of the KDA and KMC programmes for the LIG and LLIG, and the development of a rehabilitation programme for the inner city as part of a larger city and regional planning exercise.

(c) DR: **Demand due to replacement** (worked out 13,000 for this report - see page 209).

The vast majority of houses now being constructed in the city are semi-pucca. In addition, figures show that only a small proportion of the semi-pucca houses built during the previous decade have been converted to pucca ones. This trend is likely to continue due to the diminishing buying power of the Pakistani rupee. As such demand due to replacement is bound to increase considerably.

(d) **Total demand Dp + DB + DR** 96,500

## 18.2 Demand suppression policies/strategies

a) **Suppression of demand due to population growth (Dp):** Demand due to population growth has not been met by the formal sector housing policies and the demand-supply gap has grown over the years. However, the informal sector has expanded to meet this demand.

i) Demand suppression due to migration: Demand due to migration (Dpm) has decreased over the last decade. This is not due to any specific government policies but due to a diminishing job market in Karachi, expansion of larger market towns which have replaced the old smaller ones as a result of the development of mechanised transport and green revolution technologies; and the development of a services sector to agriculture in the rural areas.

Demand can be further reduced if the public sector provides assistance to the informal sector which services the needs of agricultural production by manufacturing a whole range of diesel engines, pumps, generators, spare parts and accessories to agricultural machinery, and more recently, pesticides and fertiliser. This sector's employment generating capacity would increase many-fold if credit was made available to it; duties on raw materials that it requires are reduced; and import from abroad of items produced by it is banned or heavily taxed.

In addition, a major road building and electrification programme would open the barani areas for development and the exploitation of their immense animal and mineral wealth would become economical for private entrepreneurs. Road building along the coast would develop the fisheries sector in the same way. Both actions would generate jobs and reduce rural-urban migration.

ii) **Demand-supply due to natural growth:** The government has a major family planning programme. It has, however, not been a success because of its failure to develop access to segregated women, especially in the rural areas. This failure to gain access is also because the family planning programme operates from static clinics and people have to cover large distances to get to them. There is also the problem of mistrust of the public sector by the people. However, some NGOs have broken this barrier and their methodology needs to be studied and modified for large scale replication.

Women's education, which will help enormously in population planning, needs to be facilitated in Pakistan rather than provided. This is because the state does not have the infrastructure to provide education where-as there are a growing number of organisations and entrepreneurs who are catering to this increasing demand with little or no financial, managerial or training facilities available to them. Similarly, advice on the construction of new schools and rectification of old ones will also bring about a major improvement in the physical environment in the educational institutions.

b) **Suppression of demand due to backlog (Db):** As mentioned earlier in this report, over 40 per cent of the city's housing is in katchi abadis and has been developed by the informal sector. Even the KDA incremental plot development programme aims at following the informal sector's development model. As such upgrading and not renewal is what the city requires to suppress the demand due to backlog. However, the present Katchi Abadi Improvement and Regularisation Programme, though a step in the right direction, has failed to meet its targets, and unless institutional changes take place to relate its implementation strategy to the reality at the grassroots, it is unlikely that it will be a success.

Karachi's katchi abadis on the fringe and planned suburban areas have very low densities, sometimes as low as 160 persons per hectare. There is every advantage in increasing densities so that the maximum use of existing developed infrastructure can take place, and in the case of katchi abadis, upgrading costs are reduced. To promote densification a non-utilisation tax on vacant land should be imposed; loans for construction on an already constructed plot, or for an additional unit to houses should be given on priority; and property tax on construction that increases densities in developed areas should be waived for a period of five to seven years.

c) **Suppression of demand due to replacement:** Most of Karachi's semi-pucca housing stock cannot be made pucca by minor additions simply because the owners when building their houses never thought that a transition from a katcha to a semi-pucca, and from a semi-pucca to a pucca house could take place without demolishing the old structure or making major structural changes in it. Again, although most katcha and semi-pucca house builders think of how the house will grow in the future they are seldom able to see this growth in clear organic terms. This is equally true for both the LIG and the MIG. In addition, LIG residents seek advice from thallawalas and masons whose skills and design ability leave much to be desired. It is essential to provide technical and design services for the MIG and improve the functioning of the thallawalas that serve the LIG through a



research and extension programme for the development of sound incremental housing.

A lot of research has been done in Pakistan in government institutions on building materials and new modes of construction. However, it has never been extended to the users successfully because of its distance from the field. The new research programmes must be action-oriented and must involve building component manufacturers, artisans and prospective house owners of both the formal and informal sectors.

## **19. SUMMARY OF PRINCIPAL RECOMMENDATIONS**

### **19.1 Strengthening the performance of the metropolitan housing sector**

a) **Review of housing strategies for this decade:** Briefly stated the housing policy proposed by the KDA for the present decade consists of:

- Consolidation/occupation of vacant developed land.
- Development of incremental housing and land development for low income groups to suit their paying capacity. This development will, it is hoped, control, if not stop, the development of katchi abadis.
- Continuation of an improved and more effective katchi abadi improvement and regularisation programme.
- Construction of apartments in the city centre on vacant land.
- Involvement of the private sector, NGOs and communities in the above programmes.
- The development of rental housing.
- Increased HBFC loan allocation.
- Improved transportation and social sector services.

All the above components of the housing policy for Karachi for the next decade are sound. However, there are some questions that arise:

- Given the present bureaucratic nature of the KDA and KMC, the conventional approach of their planners, and their distance from the field, can these organisations transform these concepts into a functioning reality?
- In the absence of effective powers to the elected representatives of the local government, can the power of the various mafias that determine the nature of development in Karachi and have considerable political support from the establishment be neutralised, and can the system of graft and corruption which is an integral part of most development in Karachi, be contained if not eliminated?

- Can the formal sector compete with the informal sector, which provides 63 per cent of all housing in Karachi, in the open market, and even if it can, is it not a waste of skills developed over a long period of time if the informal sector is elbowed out? Will its elbowing out make access to housing more difficult for the LIG and LLIG?
- Can the problems of the city centre be overcome simply by building apartments on vacant land and by replacing squatter settlements with new housing? Can they be seen in isolation from larger regional and city level realities and issues?

Some of these questions are answered by two important and successful pilot projects, one in Karachi and the other in Hyderabad, 160 kilometres from Karachi. These projects are described below.

The Orangi Pilot Project in Karachi has developed a model which overcomes the problems which the KMC and the Katchi Abadi Authority face in implementing their Katchi Abadi Improvement and Regularisation Programme. The OPP programme consists of motivating people to

- organise, finance and manage the construction of their neighbourhood sewerage and water infrastructure and operate and maintain it afterwards;
- improve their houses;
- identify neighbourhood needs and put pressure on their elected KMC councillor to spend the funds he has at his disposal for the development identified, and to supervise the development themselves;
- support various social sector programmes of the public, informal and NGO sector.

To give support to the people's programme the OPP

- carries out social research to assist it in motivating people; technical research to lower costs and develop more appropriate solutions; studies government programmes for the LIG and LLIG and seeks solutions to problems in them; tries to understand and support the functioning of the informal sector; and carries out an effective extension programme based on its research findings;
- gives technical assistance and training to thallawalas, masons, activists and raises the awareness of the people about environmental health, housing design and technology; and supports on-going small entrepreneurial activity through advice and small short-term loans which raise incomes and generate employment.

The OPP research and extension has led to the people mobilising 50 million rupees (2.3 million US dollars) for the sanitation programme alone, whereas the OPP's own investment in research, extension and administration is not even 10 per cent of this amount. The public sector would have spent over 250 million rupees for the work that the people of Orangi have executed with 50 million rupees.

The OPP has now been converted into a Research and Training Institute for the development of

Katchi Abadis (RTI) and its work is being replicated by community activists and artisans trained at the RTI. It is also acting as the consultant to UNICEF and the government of Sindh for their joint Urban Basic Services Programme in katchi abadis.

The Hyderabad Development Authority's (HDA) Incremental Housing Scheme is known as Khuda-ki-Basti, or God's settlement, by the people. The scheme consists of

- demarcating 72 and 100 M2 plots on government land with a pucca access road, katcha lanes and water through stand-posts;
- allotting the plot to anyone who pays an initial cost of about 1,000 rupees and starts living on the plot immediately, and undertakes to pay a monthly payment of about 100 rupees for eight years for the cost of land and incremental provision of services;
- the plots are non-transferable till full payment is made and if the HDA staff finds other than the original owners living there, a heavy fine is imposed on them if they wish to stay on. If the house or shack on the plot is empty, the allotment is cancelled and money paid forfeited;
- allotment for the plot, payment for it and all other related formalities are minimum and are performed at the HDA site office.

To make the settlement and development of the basti possible the HDA has

- motivated the people to create a representative organisation (called a block organisation) for the responsibility of collecting monthly instalments for development; managing the development at a lower cost on the OPP model, if it so wishes; and helping the HDA in managing the plot allotment and cancellation process. The savings the people make in carrying out development themselves are deducted from the final plot price;
- involved informal developers and thallawalas in identifying beneficiaries and settling them on the site and providing them with assistance for building their homes, in the same manner as they do in a katchi abadi;
- induced NGOs into undertaking social sector developments and income generation activities, again on the OPP model;
- pressurised relevant government agencies, with support from the block organisations, to operate transport, open schools and health clinics and invest in industrial homes;
- made the HBFC give a loan of 5 million rupees to the HDA for disbursement to the residents for the putting up of their roofs and set up a design and construction advisory service for the residents, as in the case of the OPP. The result is that in a space of 3 years over 3,000 LIG and LLIG households have moved on to the site and built their homes and are improving them and their settlement ever since. This whole activity has been managed by the HDA without subsidies, without extra staff and without any additional overheads. The four staff members that worked initially on this project have earned the absolute trust and faith of the residents.

The OPP model answers the needs of the Katchi Abadi Improvement and Regularisation Programme and the Khuda-ki-Basti of KDA's proposed Incremental Housing Scheme. However, the vision of such development models and of the process, procedures and strategy that make them a reality, has to be transferred to the government policy-makers and planners and to their international financiers and consultants. In addition, this transfer has to be followed by institutional changes if the programmes are to be implemented.

The inner city crisis of Karachi too, has to be seen in the larger city context. The open spaces should not be built on simply because they are there. There is a strong case for preserving them. A major re-organisation of traffic is required to help in the reduction of congestion and degradation, along with the construction of bye passes from the port to the roads that lead out of the city, and the relocation of a lot of port and transport related activity from the city centre on to them. There is a strong feeling that Karachi needs no mass transit system, flyovers and express-ways in the city, but traffic organisation, management, intermediate link and ring roads for which there is ample space. The provision of these will facilitate the migration of the LIG and LLIG in the city centre to other residential areas.

The success of the densification programme depends entirely on the KDAs ability to enforce regulations; to get the HBFC to give loans to people who wish to build on developed land or add units to existing construction; and to get the provincial government to waive property tax for a 10 year period on those who do build in developed areas. Again, to do this, the KDA needs institutional reform, decentralisation, and support of an effective system of local government so as to make it free from political and mafia pressure.

The rental programme of the KDA should not be a priority. However, employers should be forced to provide housing as per the existing law to their employees, and incentives to them for this purpose and penalties if they do not, should be provided for as mentioned in the report earlier.

The key, however, to the effective implementation of the housing programme lies in the development of an effective system of representative local government that can take decisions on Karachi's development; raise necessary revenues for this development and decide on their expenditure; control law and order; and be accountable to the people of Karachi. The possibility of this happening in the near future is bleak.

b) **Recommendations:** To strengthen the performance of the proposed metropolitan housing programme keeping in view what has been said earlier in the report, it is necessary for the public sector to:

- Develop a commitment in the policy-makers, the administrators and the technical staff to the proposals. This can be done through workshops where the plan proposals, the realities of the Karachi situation, previous policy failures, the informal sector activities, and the OPP and Khuda-ki-Basti models are discussed in the presence of selected bureaucrats, planners, entrepreneurs and activists from the private formal, informal and public sectors.
- Train the planners, administrators and especially the intermediate level technical staff at the OPP/RTI and the Khuda-ki-Basti scheme in the concept and methodology of the projects.

- Initiate a study on the problems of the inner city, its sociology, economics and changes, and relate them to larger city level planning issues.
- Create a platform for interaction between administrators, planners, HBFC, formal sector developers, thallawalas, informal sector land developers, NGOs and community organisations so as to develop directions for institutional changes that can help make the proposed programme successful.
- Integrate the informal sector expertise into the official planning and implementation process, as in the case of Khuda-ki-Basti, and the communities as in the case of the OPP, and bring about institutional and pro-cedural changes to make this happen.
- Raise the level of design, technical and environ- mental awareness among the public at large; improve the skills of artisans involved in building; and the capacity and capability of thallawalas and entrepreneurs through the media and by following the OPP and Khuda-ki-Basti models.
- Support promising NGO and community programmes with land at cost, and/or technical and financial support.
- Support employer-built housing through negative and positive tax measures and provide land at cost, technical assistance and financial support for it.
- Bring about changes in the HBFC procedures so that it can lend to NGOs, development authorities and cooperatives for extending small short-term loans to their members.
- Reduce red-tapism in all procedures related to building permits, loans, tenure rights and other support systems, and in the process make the bureau-cracy accessible to the LIG and LLIG.
- Support the creation of a viable and represen-tative local government which sets development targets and procedures, raises revenue and is accountable to the people of Karachi.
- Lastly to remember at all times:
  - A plan is as good as the organisation that implements it.
  - Planning concepts and implementing procedures that are not compatible with the sociology and economics of the target group cannot succeed.
  - In a poor country, where subsidies are not easy to come by, an optimum relationship between needs, resources and standards has to be arrived at. Hence no standards should be considered sacred and since needs and resources are both dynamic, standards should also be considered as incremental or upgradable.

## Footnotes

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## Report - Five

# **ILLEGAL LAND SUBDIVISION: A CASE STUDY OF YAKOOBABAD**

## **A. FINDINGS**

### **1. INTRODUCTION**

A case study of the squatter colony of Yakoobabad was undertaken as Part Two of the UNESCAP study on Metropolitan Fringe Development, Focusing on Informal Land Subdivision. The case study has been carried out through in-depth interviews with the various actors involved in the subdivision drama, and through a questionnaire answered by 100 households. These households were selected on an ad hoc basis. The questionnaire is a modified version of the one (see appendix 2 for questionnaire) used by the Institute for Housing Studies (BIE) for its Pilot Project, Karachi 1983. This questionnaire was chosen as it was felt that a better design for a questionnaire for this particular study could not be achieved.

### **2. THE CHOICE OF YAKOOBABAD**

Yakoobabad was chosen for the case study for three reasons:

- i) Location: Yakoobabad is located in the district of West Karachi. It is in this district that the major illegal subdivisions are taking place or are likely to continue to take place in the foreseeable future.
- ii) Age of the subdivision: The development of Yakoobabad began in 1978. As such, it is a new settlement and still has a number of vacant plots. Thus the current socio-economic trends and the way they affect subdivisions would best be reflected in a settlement like Yakoobabad rather than an older settlement.
- iii) Established land grabbers in west Karachi: subdivision in west Karachi is carried out by established land grabbers whose relationship with the Karachi administration has been informally "institutionalised" as a result of a long association with government officials. Their shagirds or students, learnt this trade from them and established their own businesses. Subdivision elsewhere in Karachi is comparatively a risky business. The prospective plot owners are aware of this and therefore prefer to acquire land through subdividers who have a "good reputation" in the market, or through the shagirds of such subdividers. All the subdividers active in Yakoobabad have a fairly long and successful history in their profession.

### **3. THE LOCATION OF YAKOOBABAD**

Yakoobabad is situated on the north-western fringes of Orangi Township, the largest squatter settlement in Pakistan. To its south-west and south are the illegal subdivisions of Raees Amrohvi Colony and Azimabad. Both these settlements are older than Yakoobabad. To the south-east is

Sadiqabad, where development began at the same time as Yakoobabad. To the north-east is Gulshan-i-Zia. This is a newer settlement and is still expanding.

#### **4. THE ORIGINAL OWNERSHIP OF LAND IN YAKOOBABAD**

The land which has been subdivided in Yakoobabad belongs to the Central Board of Revenue (CBR). Land to the north of the settlement belongs to Wadero Mohammad Khan, the elder of the Rind tribe which has lived here since 1839. Yakoobabad land has been given on a yearly contract to the Rind tribe by the CBR since the 1880's. Since this land is adjacent to the tribe's own property, they have priority over it in matters of contracting it or purchasing it, if it is up for sale. This right is known as shifa, and the law that governs it is known as haq-i-shifa, or the right of pre-emption.

In 1977, when development began on the Yakoobabad land, it was in possession of Wadero Mohammad Khan, although it had not been officially contracted out to him.

The land is rocky and uneven. The gullies in it have sometimes been dammed by the tribesmen, and the meagre rain water thus collected, is used for the cultivation of corn and millet. Before the development of Orangi Township, this land and the properties of the Rind tribe adjacent to it, were valueless, for they produced almost nothing in terms of agriculture.

#### **5. THE DEVELOPMENT PROCESS**

##### **5.1 The reasons for development**

Between 1976 and 1978 most of the plots in the older settlements adjacent to Yakoobabad had been occupied. As a result, the value of vacant plots in these settlements increased to such an extent, that poor people in search of land could not afford to buy them. The west Karachi subdividers felt that the time had come to colonise new land to satisfy their clientele in those Karachi katchi abadis where there was less security of tenure, or where people lived in rented or congested accommodation.

##### **5.2 The subdividers and their connections**

The west Karachi subdividers have settled more than one hundred and twenty thousand families through illegal subdivisions over a period of twenty five years. They are constantly in touch with Karachi Municipal Corporation (KMC) officials, the Central Board of Revenue, the police and the District Commissioner's office. These connections are maintained at two levels. One: the subdivider is an office bearer of a registered welfare organisation whose membership consists of all persons who have purchased a plot from him. In this capacity, he and his associates lobby with officials of various government agencies for services such as water, transport, road, and electricity for their settlements. The people pay for these services informally, and this benefits both the officials and the subdivider financially. Two: before and during the development, the informal representatives of the KMC, CBR and police officials keep in touch with the subdividers and keep a watch on their development work, so as to protect the financial and land interests of their clients. Thus, before a subdivider begins to colonise an area, he informs, gets approval and settles terms with the informal representatives of the various government institutions he has to deal with subsequently.



### 5.3 The Yakoobabad subdivider

The plan to colonise the area now known as Yakoobabad was first conceived by a well established developer whom we shall call Mr. X. He was also involved in the development of the adjacent settlements of Raees Amrohvi Colony and Azimabad. For a few years before he began work on his plan, he used to stand on a hillock in Azimabad and imagine the "wide road that separates Raees Amrohvi Colony and Azimabad continue for miles and end up by meeting the RCD highway" (this is the main highway out of Karachi to the west). The plan of both Yakoobabad and Sadiqabad was in his mind, "complete with shopping centres, mosques, schools and parks."

Meanwhile, the people whom he had settled in the neighbouring katchi abadis, kept informing him of their relatives and friends who needed plots. Many social welfare organisations and public-spirited people approached him, asking for help in settling refugees, widows and destitutes. In 1977, it is not clear in which month, he made a list of 100 such destitute families and then spoke to the informal representatives of government officials. They gave their blessings for the development of Yakoobabad. The KMC officials were to be paid 200 rupees for each plot which was sold and the police could collect 200 rupees for each construction undertaken in the settlement. These negotiations took place in the evenings in chai khanas (tea shops) in Orangi.

Other subdividers have also developed land in Yakoobabad. However, they have had to work in areas which were not occupied by X. In all cases they have tried to link their planning with the original "master plan in his head."

### 5.4 Occupation of land and negotiations with the Rind tribe

In February 1977, X moved into Yakoobabad with 100 families. These families were transported in trucks along with bamboo posts and mats for the construction of shacks. After they began to put up their huts, the members of the Rind tribe arrived in jeeps carrying guns. They informed the people that the land was in their possession and they would kill anybody who tried to occupy it. A scuffle followed and some persons who had come with X were injured. It was decided that no houses would be put up but that the "destitutes" could stay on the land until matters were settled.

The next day the elder of the tribe hired a lawyer and made a case in a court of law against the occupation of the Yakoobabad land on the basis of his right of pre-emption or shifa. The case was admitted. The subdivider, on the other hand, filed a complaint with the local police, saying that the Rind tribe had caused "bodily harm" to his clients and associates.

Negotiations then took place between the tribal elders and the subdivider. According to one source, these negotiations were arranged by mutual friends of the two parties and they received a few plots as a fee for their services. According to another source, the local police officials arranged the negotiations. As a result, it was decided that the Rind tribe would receive 500 rupees for every plot which was developed by the subdivider. The plots being given to the 100 "destitutes" were exempted from this payment. The developer also did not charge any profit on these plots. 200 rupees per plot was, however, paid to KMC officials by the subdivider and this money was recovered from the plot owners, who also paid the police 200 rupees directly, when they converted their shacks into concrete block wall construction.

Afterwards, the negotiations were completed, the Rind tribe withdrew its case against the subdivider, but filed a new one against the government for permitting the colonisation of land on which the tribe had the right of shifa. The case is still being in court after 10 years.

### **5.5 The development of the land and further negotiations**

After the negotiations with the Rind tribe were completed, the subdivider laid out the settlement, consisting of about 2000 plots, on a grid-iron plan. For laying out the plots, he used chalk, pegs and string. His apprentices helped him in this work. The roads were levelled by informally hiring tractors and a bulldozer from the KMC. The charges paid for hiring these vehicles were much less than normal KMC charges for renting out machinery for development. Spaces for a mosque and a school were also set aside and plots on the main road were set aside for shops and businesses. At this stage negotiations were entered into with the informal representatives of government officials, and about 30 per cent of all plots were set aside for them for speculation purposes. The subdivider was to sell these at an appropriate time, on behalf of the officials.

Whoever purchases a plot in the settlement (except for plots reserved for officials and the subdivider himself), has to construct a house in a month's time and move in. If this does not happen, the subdivider sells the plot to someone else and refunds the money to the first party. However, it seems that this money is not always refunded.

The price of an 80 yard plot was set at 900 rupees. 500 rupees went to the Rind and 200 rupees to KMC officials. The subdivider's profit was 200 rupees.

The chief of the Rind tribe has appointed a chowkidar or caretaker who keeps track on the number of plots that are developed so that the subdivider may not cheat him. In the same way, KMC officials also have their informal representatives visiting the site regularly. Accounts are settled between the parties every week. Since the local body elections were instituted in 1979, the subdivider has also given small sums of money to the elected councillors so as to "keep them on our side" and has tried, successfully in some cases, to make them office bearers of his welfare organisation.

### **5.6 Water supply arrangements**

The subdivider engaged donkey cart owners to supply water to the residents in Yakoobabad. These donkey cart owners acquire water illegally from the KMC water mains in Orangi and cart it to the adjacent squatter colonies. The payment for the first supply of water was made by the subdivider, after which the people dealt with the water suppliers directly. Initially, the people collected this water in their utensils but later built their own concrete storage tanks. In many cases in the beginning, only one tank was built in most lanes by communal effort, and a committee of lane residents was selected to organise the purchase and distribution of water. Every house made a small contribution to this effort. Water in the early stages of the settlement's life was also acquired from the storage facilities available with the neighbourhood building component manufacturing yards, or thallas as they are called locally. Sometimes, this water was given free by the thalla owner as part of his PR for acquiring clients.

## 5.7 House building

After people began to move into Yakoobabad a number of thallas began operating in the new settlement. In most cases, the thallas occupy 4 plots of 80 square yards each. They have a concrete platform for making cement concrete blocks and for mixing concrete. In addition, they have a large water tank and acquire water from the KMC mains in Orangi by donkey cart. They also stock steel doors and windows and galvanised iron-corrugated sheets for roofing. All thallas have their own donkey carts in which they transport manufactured items to under construction houses.

The thallas give materials on credit to the house builders and also technical advice. They also take on labour contracts for house building. All the thalla owners have moved their thallas to Yakoobabad from older settlements and say that they will move to new colonies once there is a shortage of construction work in Yakoobabad.

## 5.8 Transportation and electricity

Transportation from Yakoobabad to the city is insufficient. One has to walk a mile from the settlement before regular transportation is available. The buses that operate from Yakoobabad are private and permits for this route were given to them by the government - due to pressure of the subdivider's welfare organisation.

There are very few electric connections in Yakoobabad, but the subdivider is pressurising the people to apply for such connections. When a sufficient number of applications have been collected, then pressure will be put on the Karachi Electricity Supply Corporation (KESC) for sanctioning connections by the subdividers welfare organisation. All development raises the value of property, and this in turn, benefits both the subdivider and the government officials who have plots for speculation in the settlement.

Meanwhile, electricity is provided commercially to a number of houses from privately owned generators. This activity is strictly illegal, but it is able to function as a result of police protection.

## 6. THE RESULTS OF THE SURVEY

**Occupancy rates:** In the 10 years since its development began in Yakoobabad, 32 per cent of the plots are still vacant. Most of these are on the main arteries and have compound walls around them. The subdividers say that they are held for speculation for government officials. The people claim that many are owned by the subdividers themselves.

**The value of land:** Before the riots in Karachi west took place in December 1986, the value of land in Yakoobabad had gone up to 4000 rupees for a plot of 80 square yards. It had already become prohibitive for the poor in Karachi.

**The background of the house owners:** 81 respondents out of 100 came to Yakoobabad from other parts of Karachi and 19 from other parts of Pakistan. 25 owned homes previously, 51 lived in rented homes and 20 with relatives.

**The ownership of land and houses in Yakoobabad:** Only 2 of the respondents live in rented

homes. 8 purchased the plot with constructions on it, and 88 have constructed a house themselves.

**The reasons for moving to Yakoobabad:** 67 respondents moved to Yakoobabad so as to become house or plot owners. 56 said that rent was a major reason for giving up their previous residence.

**The role of subdivider:** 61 respondents purchased their plot from a subdivider, 9 from a relative and 14 from people from their own village.

**Water supply and storage:** 71 respondents get water from donkey carts, 23 from trucks and 1 from a water carrier. In addition, 55 have constructed their water tanks, 49 store water in utensils, and 1 in a roof tank. The people who have constructed their water tanks are invariably older residents of the settlements.

**Sanitation:** 44 respondents have built soak-pits, 31 have septic tanks; 16 use bucket latrines and 9 have no latrines at all. Again, it is the earlier residents, or those whose family incomes are above average for Yakoobabad, who have constructed soak-pits and septic tanks. Those who have no latrines have the lowest incomes.

**Electricity:** 85 respondents do not have electricity. 2 have regular connections and 13 purchase it from generator owners. The rest use oil lamps.

**House construction:** 61 respondents built their houses through employing a mason and using family labour for unskilled work. 13 gave a subcontract for labour to the thalla and 6 gave a contract of labour and materials. In the other 20 cases, the actual relationship with the thalla is unclear. However, in all 100 cases, the thalla is in some way involved in house construction. In addition, 62 respondents took materials on credit from the thalla as well.

**Finance for construction:** 73 respondents financed construction from their savings. 2 also took loans from a moneylender and 4 from institutions. 21 respondents also took loans from friends in addition to tapping other sources.

**Type of construction:** 66 out of the 100 houses are built with un-plastered cement blocks and 24 with plaster. 7 are built with stone and mud walls and 4 with walls of mats and bamboo supports. 91 have corrugated iron sheets for roofing, whereas 4 have used asbestos sheets or tiles, and another 4 have used mats. 71 houses have concrete floors as opposed to compacted earth floors.

**Satisfaction with the house and neighbourhood:** 85 respondents are satisfied with their houses and 92 with the neighbourhood. The others are unhappy about lack of electricity, sewerage, water and continuous ethnic strife in the area.

**Ethnicity:** The respondents are from various groups. 43, that is the majority, are Urdu speaking. 42 are from the Punjab and 5 are Pushto speaking. The remaining are Hindkos, Sindhis, Bengalis, Memons and Kashmiris.

**Socio-economic results:** The average family size is 5.7 persons. 57 per cent are males and 43 per cent females. Of the earning population, 27 per cent have a fixed job; 52.6 per cent have no fixed

job and 20.4 per cent are self-employed. Again, of the earning population 42.8 per cent are employed in the services sector; 18 per cent in business and 39 per cent are labourers. 56.5 per cent get a monthly salary; 35.2 per cent are daily wage earners and the rest are paid weekly or fortnightly. The average income of a family is 1,842 rupees per month and of an earning member 1,103 rupees. This is 19.9 per cent lower than the Karachi average and 32 per cent higher than the Pakistan average.

## **7. CONCLUSION**

The survey establishes that the vast majority of people moving into illegal subdivisions on the fringe of the city are residents from other squatter colonies in the inner city, and not immigrants from the countryside. The reason for their movement to the illegal subdivisions is their desire to become house owners and the search of a better physical and social environment. A large number of them move in to escape paying rent. There is also greater security of tenure in the settlements on the fringe than in the inner city, where commercial pressure on land is increasing. The survey establishes the positive role of the subdivider. Most of the plots in Yakoobabad have been purchased through him.

The important role played by the thalla in house construction also emerges from the survey. All the respondents had dealings with the thalla during construction. Concrete block and tin roofs are the main elements of construction. Sanitation is given great importance by the residents as the majority of homes have soak-pits or septic tanks in them. Electricity does not seem to be a priority, for after 10 years only 15 per cent of the respondents have acquired it. The socio-economic results show that not only the very poor acquire plots in squatter colonies but also a number of people from the lower middle income groups.

## **B. INTERVIEWS WITH ACTORS INVOLVED IN THE DEVELOPMENT OF YAKOOBABAD**

### **8. AN INTERVIEW WITH THE ORIGINAL LAND OWNER OF THE YAKOOBABAD SETTLEMENT**

Transcript of a taped interview of **Wadero Mohammad Khan Rind**, the elder of the Rind tribe. (This tribe was in possession of the land on which the squatter colony of Yakoobabad has been developed).

This interview was taken on 24 March 1987 at Mohammad Khan Rind's house in Sector 12, Orangi Township, Karachi.

Q: Does the land on which Yakoobabad has been or is being developed belong to you?

A: No, it is not our land but we have always acquired a lease for it from the government. Now the touts of the government have taken it away from us.

Q: Do you own any land in the area?

A: Yes, a little.

Q: How did you get this land?

A: In 1914-1915, the government carried out a survey of this area. Before the survey, all this land belonged to our people, the Baloch tribes. The government transferred some of this land to our elders and took the rest away from us. But all the same the government used to lease out this land (that it later took away) every year and according to the law of shifa (pre-emption), we had priority over it. So we always got this land from the government. It remained in our possession even though we did not own it in government records.

Q: This is barren land. What use was it to you?

A: Yes, the land is barren but we cultivated it. We built small dams in the gullies and when it rained the gullies got soaked. Then we tilled the soil and planted our crop. We got good harvests except when there was a continuous drought. In addition, this land is very good for grazing goats.

Q: How have the subdividers occupied this land and settled people on it when it was in your possession?

A: They have done a great injustice to us. This injustice could not have been done without the help of the government. They are to blame. These dallals (touts) are the agents of government officers and so we have lost our lands.

Q: Yes, but how has it been done? Can you explain the case of Yakoobabad?

A: These dallals came with a lot of families and tried to settle them on this land which was in our possession.

Q: But it did not belong to you?

A: No - on the government register it belonged to the Sindh government. These dallals came and tried to settle these people. We resisted and there was a fight. We used guns and one of their persons was injured. A murder case was registered against us. Due to pressure of the police and the District Commissioner's (DC's) office we had to give in for a few days. Then we filed a case in the court against this occupation.

Q: Yes, but as it was not your land on what grounds did you file a case?

A: Listen, we have the right of shifa over this land since it is next to our land. We only wanted to exercise this right. In the old days this right was accepted by the DC. But now, before 1983, the DC gave away 425 acres of Orangi land to outsiders on lease. Also, previously the lease was a yearly one. One just had to go and renew it. In Bhutto's time (1972-77) it became a 5-yearly one. In Zia's time (1977 onwards) it became a 10-yearly one. After 1983 the government stopped the leasing of land. I think that they stopped leasing this land because of my case at the DC's office where I filed an application against these leases as they violated my right of shifa. The DC gave a verdict in my case that all the leases the previous DC had given were illegal and he then cancelled all of them. However, he did not give any new ones.

Q: Coming back to Yakoobabad - you filed a case against the occupation of the land next to you. Then what happened?

A: Upon insistence from government officials I had to withdraw the case.

- Q: It is rumoured that you withdrew the case because you came to an understanding with the dallal and he agreed to pay you 200 rupees for every plot that he developed?
- A: That is an absolute lie. I just had to give up my right of shifa because the government officers were behind the dallals. I cannot fight the government servants or the police and still expect to survive. It is a lie that we have made money out of these illegal settlements. The government officials violate their own laws and make millions of rupees in the process and we get blamed for it. I ask you - is this justice?
- Q: So your involvement with the dallal is just a rumour?
- A: Listen, we, the Baluch, are just victims. Supposing I have made a deal with the dallals - but what about the others? Mine was only the right of shifa that was taken away, but the Gabools and the Farsis have actually lost their own lands to the dallals, for which they used to pay land revenue, and now thousands of people are settled on those lands. There are cases going on against this illegal occupation. Even if they win, there are thousands of persons living on this land in pucca (permanent) houses. Can anyone eject them now? They have water and sewerage and roads. They have become permanent even if they are squatters. And what is more, the Katchi Abadi Directorate people have surveyed these areas and promised leases to these people. This is justice in this Pakistan. This house, in which we are sitting, was on land which was previously ours, and to get a plot here we have had to pay 20 rupees per square yard. Even government schemes have been built on land which was in our name in government records and for which we paid land revenue. Gullu Wachani lost his lands to a government scheme and there is a case going on about it. We will all be dead before that case is decided. The people in the government scheme cannot get their lease until this matter is settled. I tell you all this is because of the badmashi (corruption) of the government officials and police who are the partners of the dallals.
- Q: How can you say that the government and the police are the partners of the dallals?
- A: Everyone knows who the dallals are. Everyone knows about their illegal business. Has a dallal ever been arrested? If he has, has he ever been charged or sent to prison? The person who is punished, if at all, is us or the person who builds the house. The culprit who creates the problems is never punished. So they are partners.
- Q: I find it surprising that you have not come to some terms with the dallal regarding the land in your possession in Yakoobabad.
- A: Listen, people say many things, let them say it. Other people of my tribe may have come to some terms. I do not know about that, but I have not.
- Q: You own land adjacent to Yakoobabad. If you were offered a good price, would you sell it for development of plots?
- A: No, never! And anyway it is so valuable that no one would be willing to buy non-regularised plots at that price.
- Q: Have you ever considered making plots on the government lands which are in your possession, thereby becoming a developer?
- A: No. This is not our business. We are agriculturists and shepherds. If we began doing this then who would grow wheat? Who would supply milk? Also we are decent people. We cannot do illegal things and we cannot bribe government officials to break their own laws.

- Q: How much land do you have next to Yakoobabad and how much of Yakoobabad is on government land which was in your possession?
- A: I cannot say off-hand how much land I have near Yakoobabad. However, I can tell you that all of Yakoobabad is built on government land which was in our possession.
- Q: You are the elder of your clan. How many people share this land with you?
- A: Maybe thirty or so.
- Q: One last question. Why did you not make a deal with the dallal?
- A: I was fighting for principles. I cannot be a party to this sort of thing.
- Q: But then why did you withdraw the case you had filed and why did you stop fighting against this injustice?
- A: I told you it was government pressure. Police pressure. It was not worth it. It would only have created problems for me.
- Q: Then you should have come to some terms with the dallals. It would have been very beneficial for you.
- A: Let's talk of something else. This can go on forever.
- Q: Do you own any property such as shops, houses, plots etc. in the squatter areas?
- A: I own this plot but it is regularised. I do not own anything else over here or in the squatter area.

**Note:**

Further investigations revealed that Mohammad Khan Rind accepted compensation from the dallals who subdivided the Yakoobabad land in his possession. The case he had made against them was withdrawn after he was assured of a share in the development process and a verbal agreement to that end was worked out. However, he has made a case against the government for permitting settlement on land which should have been leased out to him. The case has been in court for the last eight years. For every plot developed, Mohammad Khan Rind receives a sum of money. In 1978 it was 15 rupees per plot and today it is 300 rupees per plot. His relations with the dallals are excellent, notwithstanding the fact that he has made the dallals a party in the case he has made against the government.

Investigations further show that Wadero Mohammad Khan Rind has purchased a number of commercial plots in the subdivisions and is the owner of at least 7 shops, which he has rented out.

**9. INTERVIEW WITH ONE OF THE DEVELOPERS OF THE YAKOOBABAD SETTLEMENT**

Transcript of a taped interview of **Mr. X**, one of the developers of Yakoobabad. This interview was taken on 25 March 1987 at his house in Orangi.



- Q: Did the land you have developed in Orangi mainly belong to the Baloch?
- A: Yes. Actually, from Aligarh Colony to Zaki's boundary, the land belongs to Karim Bakhsh's people. There is a court case in progress about the payment for that land and these people have already taken a sum.

Actually, what happened was that when the people from East Pakistan arrived we told them (the Baloch) that we had to house these people because these wretched people are coming here destitute (loot phoot) and we had to arrange for a place for them. These newcomers were housed with the permission of the Baloch.

- Q: In the Baloch settlement?
- A: Yes. In this scheme, people like Rais Amrohvi and the Bantva Anjuman etc. were also participants. They (the Bantva Anjuman) said they would provide materials for the jhuggis (shacks), and Rais Amrohvi said that he (his organisation) would construct the houses, but we were to take on the job of planning. In this connection, we had talks with the government who issued proper NOCs (no objection certificates) for us, to settle these people. When a substantial number had been settled here, the Baloch made a claim: that this was their land and people had occupied it, therefore, they should be given compensation. After this, a then federal minister, made the decision that whatever the compensation amounted to should be given to them. So, in this connection, they were told that they would receive payment at the rate of 1.50 rupees a yard. But, when these people saw that the government was talking of 9 rupees a yard and giving them 1.50 rupees, they filed a case in the High Court.

- Q: When did this happen?
- A: In the days of the previous government. Their case is still in the High Court. They have already taken a lakh to two lakh rupees, the rest is still lying there, because a decision has not been made whether 3 rupees or 1.50 rupees will be given.

As for Wachu Wichhani's land, that extends from "L" Block to Rais Amrohvi. This is his pakki zameen (titled land). When that land was occupied, it was with the owner's consent and whatever happened.....

- Q: Did he actually say: "Alright, settle the Biharis here?"
- A: Yes. After that, the result was that a collection was made and some money was given to him.

- Q: This money was collected from the people?
- A: No. The organisation (anjuman) would issue a slip (parchi) of 2 rupees. And with that parchi.....

- Q: Was this your organisation? What was its name?
- A: Awami Ittehad. And from that 2 rupees, some would be given to the Baloch, some to the workers as expenses, some was used to provide food etc for newcomers. In this way, we solved this problem. Now about the Yakoobabad land. Over there the system is that - the land - because there they have about 21 acres of land.....

Q: Who? The Baloch? Mohammad Khan's land?

A: Yes. Mohammad Khan Wadera and Dad Mohammad and others - they are from the same family. Now these people have started a system in which they have settled with the brokers that they should be given 500 rupees, and the rest - that's up to them to do as they wish. The administration and the KMC's expenses are taken care of and 500 rupees has to be set aside for the Baloch in lieu.

Q: And how much does a plot sell for?

A: 700, 800, 900, 1000 rupees - not more than that. Now, out of that, it is essential to pay the workers who work there and the KMC staff. Somehow, people get settled here in the end. If there are any widows, or people who cannot afford to pay, they are settled free of cost.

Q: You just give them the land?

A: Yes. For this, there is even an order from the Baloch: that if there are 10 to 20 families of this kind, they should be settled for free. We have settled approximately 250 people of this kind, those without any means. We provided them with materials for their jhuggis (shacks) from our organisation. The actual land begins after Gulshan-i-Bihar.

Q: They own freehold land (khatay ki zameen)?

A: Their own land.

Q: But this is not khatay ki zameen.

A: This is state land, but these people have claimed it is theirs.

Q: You mean, they have occupied it?

A: Yes. They take money for the occupation.

Q: Have they got a lease on the land?

A: No. In British times, if someone pleased the British, they would give them land as a gift - these 10 acres are yours, these 20 acres yours.

Q: Were there no documents for these?

A: Yes. There were documents. Anyway, in those days the price of land in Orangi town was, at the most, 50 paisas, 25 paisas, or 10 paisas per yard. Even if someone bought an acre of land it would cost 100 to 200 rupees. Because all this land was baarshi (rain cultivated) land. There was no habitation, nor any farming. So these lands were taken on contract - for grass. Owners of animals that used these pastures were taxed in whatever way. These contracts were subsequently transferred to land rights. And the government has a calculation, as I have seen from the maps, that if you were given 2 acres of land, 6 acres were left empty. Then again, if 2 acres are given, another 4 are left empty.

Q: Was this done deliberately?

A: The survey department - the ones who survey - make maps - whether they do it on their own or on the insistence of these people..

Q: How much land in Orangi is actually the inherited property of these people?  
A: In the registers there must be 21 - 22 acres of land.

Q: Is that all? In Yakoobabadd or in all of Orangi?  
A: All of Orangi.

Q: And the rest?  
A: The rest was all land given on contracts (for grazing). But it has been ages since that contract was discarded. It used to take place every year, but ever since the area became developed it has stopped.

Q: The government has stopped it?  
A: Yes. Now all that remains is these people's bullying.

Q: You mean the land you have developed was largely patta land: government-owned land?  
A: Yes.

Q: How are your relations with them? For example, if you want to develop a piece of land do you first occupy it?  
A: First we used to try this method. But as soon as we got to the lands, these people would arrive and they filed cases against us in the courts, saying our land is being grabbed.

Q: Had you occupied the land? And where was it?  
A: No. (In Yakoobabad). So when we received a notice, we went to court.

Q: Did you know whose land it was?  
A: No. I did not. We just decided that people had to be settled here.

Q: How many people were involved?  
A: We had about 100 members and we wanted them to be settled.

Q: You had made a list of these 100 members?  
A: Yes. We received applications from people who said they were homeless and wanted to be given some land. There were some strange people among them.

Q: Did they all live in Orangi?  
A: Yes. Because they had several families paying rent and others living with relatives, therefore, we were asked to settle them. We said to them, okay, we will try but you will have to bear the cost of "expenses" for the authorities. It was decided that each person would pay 200 rupees for that purpose. When we got there, we found that all the Baloch had congregated and claimed the land was theirs.

Q: Did you arrive with all those families?  
A: Yes. We were beginning to shift the building materials for the temporary shelter when these people arrived in cars. They had guns and rifles. "This land is ours and if anyone so much as sets foot here we will kill them." We said, let's sit and sort things out coolly. We talked and what was agreed was that these people were allowed to be settled only after they paid 500

rupees to the Baloch.

Q: 500 rupees per plot?

A: Yes. A 120 square yards plot. And if we settled anyone else here we were to pay 500 rupees per plot. So all of us decided that instead of this fighting and hostility it was better to agree. After this, as you must have seen when you toured the area, there is a fair amount of people there.

Q: In spite of this agreement they filed a case against you?

A: No. The settlement came later, the case was filed first. They filed a case then came to us, so that their threats would carry more weight. Also, if we did something they would be able to say that they only acted because we provoked them.

Q: And is the case still in progress?

A: No. They withdrew it.

Q: So one can say that they are now party to what you are doing?

A: Absolutely. They are equal partners. Or actually, more than us. If we get 50 paisas they get 2.50 rupees.

Q: Your decision to occupy the land - before that you came to some arrangement with the KMC staff - the police?

A: The KMC and the police staff have a share - this is normal for unauthorised development. In Orangi, the custom is that if you start putting up plotting stones, a police car will arrive at the scene and so will the KMC chowkidar. So it is a proper arrangement with these people - that instead of sending a car, send one of your people over and whatever the collection is, will be delivered.

Q: One person is sent?

A: One person is designated from the KMC and one from the thana (police station). They arrive, and however many plots are being delivered, they take 200 rupees per plot.

Q: Is this the set rate?

A: Yes. It is the same for all over Orangi and Yakoobabad.

Q: The police and the KMC staff get the same sum (200 rupees) and 500 rupees for the Baloch. That adds up to 900 rupees.

A: But the KMC's share of the money is given by the person building on the plot. The police, on the other hand, deals directly with us. If you yourself have occupied a piece of land and want to build, then you have to pay that 200 rupees direct to the police. For example, if you have built a boundary wall, the police arrives, and if you pay them 200 rupees they will leave.

Q: What if you want to build an extension? Do you have to pay more?

A: No. Once you have paid, that is it. As long as it is his duty. If he is transferred and someone else takes over you end up paying again!

Q: In Yakoobabad, when the development began, how much did you charge per plot?

A: In those days we were paying approximately 250 rupees to the Baloch and about 500 -600 rupees was the price of a plot. After that things changed, and we had to pay 500 rupees to the Baloch. Then it was decided that people were moving in and we had to pay 500 rupees, or else they would give the land to some other broker. So we decided that, because we had invested so much money and hard work, we might as well concede that demand for 500 rupees.

Q: Do you leave some plots undeveloped for future use?

A: No. We give them all away. What happens is that those plots, given on the basis of influence, to the authorities or to a person of some power, are invariably bought to be sold. Because they do not build but instead sell them and give us a commission. In that case, we manage to make a few pennies as well.

Q: How many plots are of this kind?

A: It is difficult to estimate. Every official who helps us wishes to be allotted a few plots. And one has to look after their interests - if you do not your "car does not budge." The big-shots have big demands, smaller fry have small demands. But no one settles for less than two.

If, for example, forty plots are demarcated, twenty are divided among people with influence. And 10 go to the really poor. For them, we do not even inform the owners that we have given the plots away for free. When they come to take stock and say that these plots have not been accounted for, we tell them that these were for poor people who could not afford to pay so were settled for free. If you want to uproot them, go ahead and do so. But we know that they cannot do so anyway. In this way, the problems of the poor are taken care of. Even now we have distributed 150 plots in Yakoobabad to these kinds of people.

Q: First you have to give money to the Baloch. Then the KMC staff takes money when you build, the thana staff takes. What share do the councillors have in this?

A: The poor councillors only have bhatta (bribes) what else can they have? They take 500, 1000 rupees. Or they send some people and tell us to give them a plot.

Q: Do you settle their accounts every week, once a month or annually?

A: It's done on a weekly basis. And whatever the Baloch's share, they take away as the administration takes its share, and the rest the workers take. You are mistaken to think that these plots are sold. Plots are not sold. It's a matter of settling people. And you know very well that in Pakistan, without giving and taking no one can be housed.

Q: How much would these plots sell for now?

A: If it was to be sold, each plot would sell for 2500 - 3000 rupees.

Q: From your point of view this is a matter of settling people. But for those who obtain a plot, they obviously tell their friends, even if they have only paid one rupee, that they have bought a plot. I am only saying "sold" from their point of view, not casting aspersions on you. Now a constable comes around for the thana's share. But for the Deputy Commissioner's office is it the chowkidar (caretaker) who comes around?

A: No. The entire area of Orangi Town is now under the KMC. The DC office has nothing to do

with this part now. In the past there was a DC. The survey department - people used to deal with their staff.

Q: And the thana?

A: No, it is not like that, but let's believe it is that way. Because in Pakistan these days, if a constable wants to come to Orangi he has to pay 5000 rupees to his superiors and if an in-charge wants to come here he has to pay 60,000 rupees. This begins at the bottom and goes right to the top. Now their methods are different. They work in a different way - they put a burden on the SHO: "I have to fix this house", "I need to get furniture", "I am having 200 guests over and have to organise a wedding reception for them." So their needs are fulfilled in this manner by the in-charge. Weddings keep happening. With the administration, weddings, parties, fun and games etc go on. And everyone knows this happens. Because some time ago you may remember that the previous IG said in a meeting, when some people complained that the police took bribes: "Do not talk of Saudi Arabia, talk of Pakistan. Over there the pay and expenses are equal. Here the pay is only 600 rupees." What can he do? If there is a means this whole system will continue. So, everyone understands this. If there is a flaw, it's from above, not below. If they get nothing done in the area then their own livelihood is at stake.

Q: When did you start your development work here?

A: The first local who started this work was Rahim Bakhsh Kallu.

Q: Where was he from?

A: Bara Board (an area in Karachi). When he started developing the area, I got a plot from him to live on. Even then it was like this: that you give a 5 rupee parchi and get a plot. After we moved in quite a large number of people started moving in as well.

Q: What did you do before starting in this line of work?

A: I was a driver. I drove a car until the party elections.

Q: Whose car?

A: Rickshaw, taxi, whatever I could get on rent. After that, my workload increased and I thought if I continued as a driver, I would not be able to do the public's work. So I opened a small shop through which I managed to earn a little and then I started my work here: people's water supply problems, roads, etc. I started running around.

Q: You said that you settled 100 families in Yakoobabad. What arrangements did you make for their water supply?

A: I supplied a tanker.

Q: Do you still do that?

A: Yes.

Q: How did you acquire these tankers?

A: At first we used the anjuman's funds for the tankers.

Q: What was the name of your anjuman?

- A: Awami Ittehad Welfare Anjuman. After that when the councillors arrived, we informed them that people live here and have water problems. In this way, we got four tankers sanctioned for the area.
- Q: KMC tankers?
- A: Yes.
- Q: Are these free?
- A: Yes. These are free and their distribution is free too. No money is involved. The only money is the 15 paisas for the one who sits at the water tank, for his work. Because one man is picked to distribute the water. It is his job to both bring and distribute the water. It is a kind of job for him.
- Q: So these people pay for him?
- A: Yes, per person. The man who collects the water - 10 paisas or 5 paisas per container or whatever is agreed upon together, and they collect the money and pay, according to this formula. If you have a big family, 8 containers are yours etc. In this way, there are no disputes, there is a fair distribution and people get what they want.
- Q: Is there electricity in Yakoobabad?
- A: No. Not yet.
- Q: Have any applications been submitted?
- A: Yes. About a thousand forms have been submitted. A survey still has not been done, but the KESC numbers have been allotted.
- Q: Were the forms submitted together or individually?
- A: No. It is like this - a hundred submitted together, another fifty at another point in time and so on.
- Q: Did you organise this?
- A: Yes.
- Q: What is the population of Yakoobabad? How many plots have been demarcated?
- A: The developed area has approximately 3000 plots. The other empty plots which people have occupied must number round 2000 - 2500.
- Q: About 5000 plots in all..... Now those people who have occupied plots but have not built on them, what happens to them?
- A: They are given notices.
- Q: By yourself?
- A: Yes. Please develop these plots, we tell them.
- Q: Is this done in writing or verbally?
- A: Both. We tell them personally and put up notice boards telling people to develop their plots,

and if not, someone else might grab the plot, in which case, we should not be held responsible. We put whatever pressure is possible on them to develop the plots and the last resort is that if nothing else works, they are summoned and asked to take all the expenses they have incurred and hand the plot over to someone else. Because you do not wish to settle, while they do.

Q: Are there no fights over this?

A: No. It is the decision of the entire area. Everyone is involved in the decision. It is an awami (people's) decision, the decision of the mohallah (neighbourhood), that either you settle, or if you have some materials on the land, take the money for that and leave. Because, if you leave your plot untended, it is bad for us, too. There can be robberies, and other things can happen. So people generally agree. And they are also told that if they are keen to have an empty plot, they should take a plot in an undeveloped area i.e. exchange and leave this current plot for those who wish to settle.

Q: Do you make a map (plan) before plotting or is it all done in your head?

A: It is all in the head. This is a road, this is a lane, this is a plot.... everything remains in the head.

Q: You have made a very grand road in Yakoobabad.....

A: One road is 60 feet wide, another is 75 feet, another is 150 feet.

Q: What will you do with the 150 feet road? Will you make it narrower later?

A: No. The big road is for the time when the population grows. We hope that heavy traffic will ply on that road. That road connects up with Mauripur Road and the Baluchistan road. There is a possibility that a lot of heavy traffic will use the road. That is why it was made 150 feet wide.

Q: So, all these things were kept in mind?

A: Yes. Because the planning we do ... we know what will happen ten years hence, twenty years hence, .. according to that we plan.... What position this area will be in 50 years from now. It is another matter that we have left a 70 feet road and a plot owner has encroached 10 feet ahead. This happens when our control ends. While our control remains, we do not allow anyone to encroach. But this is very much a Pakistani habit: greed - wherever they see a bit of space they think let's move 10 feet further. But the end result is their own loss. Because the road we have kept will remain. If a 70-foot road is being built and you have blocked the road, it is certain that your house will be broken to make way for the road. So, we had kept the road 150 feet wide at first. Despite the fact that we had envisaged in our plan that it should be at least 80 feet.

Q: Are there any other people in Yakoobabad who developed plots?

A: Yes. Many others.

Q: Did you all get together and distribute the land?

A: No. It is like this. If you talk to the Baloch about a particular piece, that comes under your control; if someone else talks to them about another patch, it comes under their control and so forth.....



- Q: So you cooperate among yourselves?
- A: Yes. We cooperate to the extent that we do not interfere in one another's matters. And nor do we try to tamper with or infiltrate the other group. They remain within their boundaries and we remain within ours.
- Q: Apart from the lawsuits, are there ever any physical battles with the Baloch?
- A: Such a situation has not arisen so far. But if some goondas (muscle men) arrive to occupy our land, then we have no option. In that case, we try and use the authorities to drive them out. And if they join hands with the authorities and the authorities support them, then we are helpless. Both groups are then locked up in the thana (police station). And when we are locked up a decision is reached automatically.
- Q: One very crucial question. When this business of dividing schemes started in Karachi (it is quite an old business stretching back to 1954), was it started by government officers?
- A: I will tell you a special reason for this. There is one main reason. If you want to get a plot from the government, you are more likely to wear out the heels of your shoes than get a plot. So, in desperation, people think that we do not want to go there. Because all the planning the government has done, firstly it is in the hands of big shots and then when it comes down to a lower level, the pagri (development charge) is so high or the bribery so rampant, that a poor person cannot afford to pay. A poor person is one who can spend 300 - 400 rupees to occupy because he does not have any further room to manoeuvre. If his pay is 500 - 1000 rupees, how much can he save? At the most 50 or 100 rupees. So he can neither take a place in any housing society or take from the government. Even if he wanted to take from the government, there is a whole, separate rigmarole: submit an application, do this, do that - the poor get pushed from place to place. So if he gets a place he thinks he will build a hut and save himself from rent at least. In this way, he manages to survive.
- Q: From what I understand, you started doing this work as a kind of social welfare activity? And you performed your work on behalf of the People's Party, from its platform. But there must also be a lot of people who went into this business purely on commercial grounds.
- A: Yes, there are lots of people whose only aim is to earn some money. Like R... Sahib, who developed Mansoor Nagar.....
- (Another voice speaks) There are lots of people like this. And there are leaders and political people who have made money out of this business. I developed Rais Amrohvi Colony and I did not pay a penny to him, and nor did he ask for it. But I used his influence. I did not pay the Baloch either.
- Q: You did all that? What is your name?
- A: My name is Z.
- Q: And how come you did not pay the Baloch?
- A: Because I had big power.
- Q: But was there any basis for this power?
- A: The basis was the hukoomat (government) officials.

- Q: That was the strength behind you?
- A: The police in-charge used to say whenever there was a problem "call the Nawab (that's me), where is he?"
- Q: Then they must have had a share in the development you did?
- A: Absolutely. All of Karachi takes bhatta (kick-backs). Without the police no work can take place. Any KDA employee, and the KMC staff definitely is on the take - and the police.
- Q: Where do the people who you give plots to come from?
- A: (Mr. X takes over) where they are coming from you know as well as I do.....
- Q: Are they from here, from the city (Karachi)?
- A: Some are from the city, some have come from the Frontier, others from God knows where. But they are all purane log (old residents) of the city.
- Q: Old Karachi residents - not newcomers. Are they leaving their former homes and coming here?
- A: Yes.
- Q: For one they can find relative safety here. Could the regularisation of katchi abadis be a reason for their arrival?
- A. No. It is like this. The houses they have are small. Now their culture is such that they cannot live in small houses. They need at least four plots for one family. The houses they have in the city are either taken on rent, or even if they are their own, they are only one man's house with a small courtyard. This is not satisfactory for their needs. Because they are in the habit of living in groups, there should be a large open space in which you lay 10 - 12 charpais (beds). And there should be a place to sit and the house should be large. That is why they are forced to move out (to the outskirts). Our people can manage to survive in their houses, but these people cannot. Because, if one of them moves in then at least 20 guests descend on them. Uncle's sons and nephew's sons etc... they all start arriving.
- Q: Why do the Baloch not get involved in this business themselves?
- A: There is only one person among them - Gul Beg - who can measure land. The rest are incapable of measuring, making plans or telling what 100 yards is or what a foot is. They do not know even this much. There is only one man - Gul Beg - (who is their chowkidar) who knows what a foot is, a yard is .....
- Q: He is the chowkidar, looks after the land. Do you have to deal with him most of the time?
- A: No. We deal directly with those people. Because they have removed him. There was some hassle over money and their trust in him was destroyed. From their accounts I can tell that if they receive 10,000 rupees, they only get 500 - 1000 rupees for their share.
- Q: Why?
- A: Because there are 40 beneficiaries. So now a mamoo's son (maternal uncle's son) has 1/2 a plot, the chacha's (paternal uncle's) son has one plot - they are all bhagidaars (shareholders). So when money is divided among bhagidaars, they only get 100 - 200

rupees in their share.

Q: The plotting that you do - you have a plan in your head and your work according to it - do you number each plot?

A: Yes.

Q: Afterwards?

A: No. First there is a number on the parchi. After we survey and make a block, for example one block for every 500 plots or 1000 plots, we then number them according to this.

Q: Do you make a plan after this?

A: I have never made a plan. It is all in my head.

Q: In this plotting, do you employ your own men or seek help from the KMC?

A: No. We do not seek help.

Q: There is no KMC engineer etc?

A: No.

Q: And when you build roads etc do you use the KMC's tools and equipment?

A: No. Sometimes we take tractors etc. from the "government."

Q: Do you pay rent for these?

A: No. We take them on a charitable basis. And sometimes we rent a tractor the financing of which is provided by the anjuman. For example, if we have laid a road but a car cannot use it, to make the road level we have to use a tractor. So for that tractor we have an arrangement that if they charge 100 rupees from others per hour, they charge us 50 rupees, because it's work for a cause. This money comes from the anjuman.

Q: Is all the development work you undertake done under the name of this anjuman?

A: Yes, all the development work is undertaken in the name of an anjuman.

Q: So, everyone who gets a plot becomes a member of an anjuman?

A: Yes. And.....

Q: And does he donate to the anjuman every month?

A: It's meant to be monthly, but people rarely practice this. Whatever they give on joining (at first) is it.

Q: Is your anjuman registered?

A: Yes.

Q: Where?

A: With the government.

Q: Is it a joint stock company?

A: Registrar - welfare.

Q: Under the Societies Act?

A: Yes.

Q: Have you ever held elections of your anjuman?

A: We hold them every year.

Q: This is a very big thing! Even the government's anjumans do not have regular elections.

A: No. We have elections every year. It is a different matter that the same people get elected, because the elections take place among the same people. This is in general, public elections for the president are held. Sometimes every year, sometimes every two years, everyone is called to vote.

Q: When you make efforts to build roads, bring public transport, electricity etc., is this all from the anjuman's platform?

A: Yes. And we do not charge anyone for expenses. The anjuman bears the cost.

Q: Where does the anjuman's money come from?

A: From the collection we make, the 5 rupees parchi we make out.

Q: Every year?

A: No. When we first en-roll a member. That fund is used.

Q: How many members do you have approximately?

A: I think there must be more than 20 to 25 thousand. But I have never calculated. But from the books, I can estimate that there are about 20 to 25 thousand.

Q: I notice that beyond Yakoobabad a lot of land is subdivided by stone walls but it is unoccupied.

A: Yes. It is true. A proper stone boundary is built, so that it becomes occupied.

Q: How many people are involved in this work? For example, in Yakoobabad?

A: At least 8 people.

Q: And you must have a chowkidar (caretaker)?

A: Yes, there is a chowkidar.

Q: He lives there?

A: Yes.

Q: What is the chowkidar's job?

A: He is meant to keep an eye on the plots. To see that no one occupies them.

Q: So there is more than one chowkidar?

A: There are different chowkidars in each sector. His expenses are paid by the plot owners.

Q: You have had a lot of work done?

A: You have not seen anything yet. There is a whole township full of my work.

Q: What is the area of Yakoobabad?

A: Approximately.... more than 150 acres.

Q: Where the plotting is complete?

A: Yes.

Q: Would you like to add anything to what has been said?

A: Yes. The government cannot give land to the poor because it spends too much money on surveying, making plans and estimates. It is not possible for it to work without expensive machines and bulldozers. So they have to get this money back from the poor people and they do not have the money to pay back. Only we can give land to the poor for we can work without machines, fancy engineers and the like. Come again, I will tell you other things.

## 10. INTERVIEW WITH ANOTHER OF THE DEVELOPER OF THE YAKOOBABAD SETTLEMENT

Excerpts from a transcript of a taped interview of **Mr. Y**, one of the developers of Yakoobabad. This interview was taken on 22 March 1987 at his house in Orangi.

Q: How did you get into this business of abadkari (property development)?

A: The reason for this was that my mother suffered from a heart condition. We moved to this area because it was open and had fresh air. In the process of moving there was also some profit, so we sold it and moved here.

Q: Yes, but how did you start in this line of work?

A: Actually, I used to work for the KDA. I found that some people here were involved in illegal buying and selling - which still continues. So as a social worker I thought I should participate. I have been working in the field of abadkari since 1969. Almost all the unauthorised settlements of jhuggis have been done by us.

Q: What were you employed as in the KDA?

A: As a clerk.

Q: Now when you decide to occupy a piece of land and start plotting, people come to you and you talk to them about rates etc. This is one aspect. But the government must also be in on the act somewhere?

A: Actually, I did not really want to talk about this. But now that we have got to such depths... I am sure you understand that one can only work through "bargaining".....

Q: Absolutely. So in this "bargaining" - after all, it is the government's land.....

A: Actually, the KMC staff is mostly involved in this. Once upon a time, it was merely a sub-division of the KDA. But long ago, there were disturbances near Metro cinema and many official papers were burnt in the government offices there. After that, the government decided to give this land to the KMC. So, since the KMC arrived, we have largely dealt with

them.

Q: When did you start work on what is now known as Yakoobabad?

A: It has been a long time. Approximately.....

Q: Since 1977/78?

A: Yes. I think that is right.

Q: How vast an area is it? How many plots are there?

A: 10 - 12,000.

Q: And what is the average size?

A: Mainly 80 square yards. But there are also 120 square yard plots in the residential section inside.

Q: And the width of roads?

A: We have our own calculations: for example, where we are sitting is also my development. Wherever we had a road we kept 50 feet for some and 70 for others. Over there the road is approximately 70 feet wide.

Q: You do not make a plan?

A: No, we do not. We make a plan, but only afterwards - after the area is populated.

Q: Do you have someone do this for you?

A: No. We do it ourselves.

Q: You do not use a draughtsman?

A: No.

Q: Have you got any plans I could have a look at?

A: Not here. This is my in-law's house. I will show them to you at home.

Q: For plotting, do you make masonry markings or do you just draw chalk lines?

A: What we do is "pre-planning plotting". We have a proper measuring tape, string, chalk, workmen. So we make a mental map of how the plot is to be cut.

Q: Do you use right angles?

A: We use them. But by God's grace a bad right angle has not happened. They are proper plots! If it happens we correct them.

Q: When you go to the land and the Baloch arrive claiming the land is theirs, has there ever been a fight between your team members and them?

A: Yes, it often happens.

Q: On what conditions do you make peace?

A: The condition is that some local residents who have become local notables - you know when you live in an area some people become mediators - make us sign a truce urging us not to

fight and to settle matters amicably. Sometimes - and no one will admit this, but I will, as I am an outspoken person - it has happened that the "government" itself has mediated!

Q: So, you settled the area, gave away the plots etc. But that in itself does not mean proper rights of occupation. There must have been some sort of backing, and not from the KMC staff alone.....

A: The backing was from some very good representatives of the government. General Iqbal, for example, came to this area and announced that they were going to give leases for all of Orangi. That has further strengthened the hands of those who live here - that now they will get leases.

Q: How does this system of buying and selling operate?

A: The system works like this: we look at a particular location and decide that, say, it is a commercial area and calculate its value accordingly. We have become quite experienced as we have been doing this kind of work since 1969! We first see, for example, the plot opposite was sold at 400 rupees but now its worth is at least 4000 rupees. So, we sell according to this calculation. It's even happened sometimes that a plot we ourselves gave to people was both bought and then sold by us. This has happened frequently.

Q: Now let me try and understand. You make a deal with the Baloch that you will first sell a plot and then pay them an amount.....

A: If, for example, they have 4 acres of land or 2 acres, we ask around and find out from people whether they are old residents and if the land is indeed their own. Then they (the Baloch) themselves give us a rate. For example, if there are 1200 plots or 2000 or 4000, they ask for say 400 rupees a plot. We then have to think that if we give them 400 rupees there is also the question of the KMC employees with whom we have dealings and who we have to pay. For example, if they asked for 200 rupees a plot and we give it to them (there is never just one inspector, there are always 2 or 4) what it would cost. Taking all these factors in account, we then sell the plot. Then, it's obvious, and you are intelligent enough to realise, how much the plot will sell for.

Q: But the people who come to buy plots... how do they find out that there are plots for sale? Do you inform them in some way, like sending a message of some sort?

A: No. There is a saying that the needy will search. It's like this. If two or three people buy a plot they themselves advertise the fact to friends and relatives - that we have bought plots in such a place and they are good, there are no problems there etc. There is also a question of surety. For example, if you'd take a plot... we give you a surety to go ahead and build, that no one will demolish your house, whether you make it out of mud or concrete.....

Q: What sort of surety do you give? What is the basis of this surety?

A: I have talked so much and you still have not understood! The KMC staff is involved with us, you see. They give us an assurance not to worry about such an eventuality.

Q: Is the KMC staff satisfied with one payment or is this a constant affair?

A: No. The KMC receives its kickback in two ways. If we sell we pay them. If you build on a plot you too will have to pay them.

- Q: That is, if I buy a plot from you and build a house I will have to pay them.  
A: They have kept a margin - 200 rupees per plot or 400 rupees etc. As the area gets more populated their demands also grow.
- Q: What sort of arrangements do you make for water supplies? Do you arrange this or do the people who buy a plot?  
A: At first we used to organise a delegation and go to the KDA office, to the chief engineer, water.
- Q: From your own area?  
A: Yes.
- Q: And you yourself represented the residents?  
A: What could I do? We had to do everything ourselves....
- Q: So this was part of your service?  
A: Yes. But that is no longer the case. There is abundance of water here, now. So, anyway, we used to take people there and get a couple of water tankers allotted. We would sign, write an application and also make a noise and agitate.....
- Q: You mean a proper demonstration?  
A: Yes. We would take people in Suzuki vans.
- Q: So now you have got your demand for tankers accepted?  
A: Yes.
- Q: Because you developed an area did that automatically make you into a leader?  
A: One only remains a leader as long as someone's problems have to be solved. When people "develop" (advance), they do not recognise anyone as a leader.
- Q: Have you had any associations with any political party?  
A: (Laughs) Silence.
- Q: Go on, tell me!  
A: I have no connections of that kind now.
- Q: But what about the past?  
A: Yes, for a long period. There was only one party, the Pakistan People's Party (PPP), with which I had links. But now there is no political link with anyone.
- Q: The whole country had links with the People's Party once! What kind of links did you have with the PPP?  
A: Hafeez Bhai will tell you.

Hafeez Bhai: His mother was the president of the PPP women's wing.



- Q: You were in the People's Party. You had links with it - your mother was an office-bearer. Did this fact help you in your line of work?
- A: Everything I gained was through hard work. There was no external factor.
- Q: When your mother was alive, she was president of the women's wing of the PPP. The area was going to be bulldozed - what is now known as Hafeezabad but was previously called Yahya Colony.
- A: They did bulldoze the area. This house where we are sitting was the first to be demolished.
- Q: When the area was being bulldozed Khalida-tul-Kubra (your mother), Mehmooda, Meraj Bibi etc. lay in front of the bulldozers and stopped the work. After that a delegation went to meet an important PPP leader, who spoke to the DG and stopped the demolition. So there was some gain. That is why people get involved in politics.
- A: But the PPP government had not come into power, they were only trying to.
- Q: In those PPP days, did you ever use any government people for this work?
- A: A great deal. We used them a lot.
- Q: In what way?
- A: Through newspapers, by going to offices - from federal ministers to even as far as sending a circular to Bhutto Sahib. I have all that proof which I will be glad to show you.
- Q: In the same way, did you ever use the KDA staff?
- A: Yes, through pressure from our political party and also from our anjuman.
- Q: You have got it registered. What is its name?
- A: Awami Ittehad Welfare Association.
- Q: It must have a manifesto. Does the manifesto actually mention abadkari as one of its aims?
- A: Yes. We have written that. That is a must! It is registered as a joint stock. We have been registered since 1969.
- Q: And you submit your accounts each year?
- A: Actually, they have never once asked for the accounts!
- Q: So, have you ever had elections?
- A: Only once. That is more than enough for us.
- Q: After that you have never tried to organise one or submitted anything to the joint stock people, or even an audit? Have they never ever come back to you?
- A: No. And that is because they have never received any complaint about us. I am sure if there were complaints they would ask. It all depends on complaints - like waking the dead.
- Q: What were the benefits of getting registered as a joint stock company?
- A: The biggest benefit is before your eyes: we have developed such a large township.

Q: You do not think you would have managed without being registered?  
A: No. One has to have a reason. The biggest reason is that we are registered. There have been lots of companies, lots of people who came here without being registered and could not succeed. For example, where you are sitting is an area that used to be called Yahya Colony. There was a certain Kallu Sahib, who formed a society, embezzled lakhs of rupees and absconded. He could not develop the area.

Q: When you plotted an area, say Yakoobabad, did you leave plots for schools, mosques, etc?  
A: Yes. Schools and mosques have been built.

Q: These were built on plots you had left for the purpose?  
A: Yes. Whenever we do any plotting we always leave plots for certain purposes, like schools, mosques, maternity homes etc. These are essential. One cannot exist without them.

Q: And people build these amenities on the plots?  
A: Yes.

Q: Who builds them?  
A: Obviously, those with money. They come forward themselves and offer to build.

Q: So do you sell those plots for schools etc?  
A: No. We do not. Neither schools, mosques nor maternity homes are sold.

Q: Is that because if a school or maternity home is built it will raise the price of your plot?  
A: Yes, but we still do not charge. Why take from someone who is trying to practice self-help?

Q: When an area is settled and populated, and people build on the plots, do they pay the KMC through you or directly?  
A: When we sell, we deal with them. But when people build they send their own people. Either the inspector arrives himself, or sends a peon.

Q: If someone builds an extension, does he have to pay extra?  
A: That is obvious. It is paid per plot.

Q: No. I mean, if you have got a room and want to build another.  
A: On top?

Q: Yes. Do you have to pay extra?  
A: Yes. You have to.

Q: Now if you get a water connection and you have it installed in your house. The line has been laid by the government....  
A: The KMC makes you fill their challan (tax).

Q: There is no illegal payment of money for this?  
A: No.

- Q: About electricity. You said earlier that when 200-250 people get together, you go and.....  
A: Yes, on that basis we can fight....
- Q: You go there yourself?  
A: Yes. But sometimes we send local people. It is not necessary to go there yourself. We get to know people in there. You are not naive, you must know that illegal gratification takes place everywhere. The electricity office is no exception. Even then you have to "give and take" to get things done. Even there we get to know people - then a name is often sufficient.
- Q: To be able to do all that you do, you must need someone's support. Someone must provide the blessing for this development work.....  
A: The "government" has given us its blessings - (laughs) - that is how we are here... otherwise we would have long ago been blown away!
- Q: Have you ever contemplated the idea that the "government" might withdraw its blessings?  
A: Yes. Absolutely. It can do so whenever it wants. But in the present situation it is very difficult. The government has made lots of promises for these cases. So it is thought that no, it would not happen. Then our prime minister has himself said that all the old settlements....
- Q: But that refers to the old ones. You seem to be carrying on with your work.  
A: As I said, they are classified as "old settlements", but zameen khichi jati hai (land gets stretched).
- Q: It has also happened that you have left 70-feet or 150-feet roads, but if a customer came along you reduced them in width for their sake.  
A: Yes, this has also happened.
- Q: Had you deliberately left them wide, or was it only out of pressure?  
A: Neither. It was purely on the basis of profit.
- Q: The plots were more expensive on the wide road, but later the road became narrow. From sector 4 there was a road to sector 14. That road in sector 14 was 300 feet wide. And that was supposed to be the RCD road. Now someone descended on that road in such a way that the plots were sold at a very high price. Suddenly, two more lines were built on it and the people were told this is not the RCD road, this is another!  
A: Yes, that happened. It was all for profit.
- Q: When you plan do you keep in mind the relationship the adjacent area has to it?  
A: That is thought about earlier - before planning.
- Q: Is it all in your mind?  
A: Yes, it is in the head. And one has to keep one's head prepared.
- Q: Like the road in Yakoobabad which goes down then up a hill and down again. There has been quite a lot of cutting and filling. Did you do this?  
A: We shared the work with the KMC. We share our work and also our booty with them!

- Q: Sometimes an abadi is demolished with the connivance of the councillors. What is the reason behind this?
- A: That area or abadi is broken up where there is a feeling that it will bring greater profits later. 2 or 4 abadis are broken up after speaking to the councillors. We can only advance with their help. It was not like this before. But since they have arrived we say take these few houses. That gives a good impression. The next time round it is settled in a better way.
- Q: But why do you have them demolished?
- A: We do it because those houses are not occupied - they are empty. They are broken to exert pressure.
- Q: You do not demolish it to make the abadi pucca? After demolishing the houses, filing a case in court and getting a stay order ... Is it not like this?
- Q: No. It is not. Actually it is like this. Say 20-25 houses are demolished. Then one man stands up and says "stop" and becomes a leader. After the demolition stops there is a meeting at night and funds are collected from the entire abadi. If you do not pay, your house too will be demolished. The main thing is that those houses that are inhabited are not demolished, only empty houses are broken to raise funds from every house, and it is dispatched to its source: some to the KMC, some to us, some to the councillors, etc.
- Q: So this is done via the councillors?
- A: Yes. It cannot be done without them.
- Q: Before the arrival of the councillors, did this sort of bulldozing take place?
- A: No. This did not exist before them. We used to carry out our work on the basis of our fame or hanky panky. But since the councillors have arrived we have to work "through proper channels."
- Q: So by working through proper channels, people feel more secure? Is it correct to say that because of this local government system the people of katchi abadis have been given more security?
- A: Yes.
- Q: Even if they have to spend another 200 rupees?
- A: Sometimes it's 500 rupees, but their security has been enhanced.
- Q: You have certain public functions and public programmes. Do you bear the expenses yourself or do you take them from the people of the abadis?
- A: We mostly bear our own expenses, for the sake of our own publicity. But wherever we feel it is beyond our capacity, we seek help from people.
- Q: What sort of functions?
- A: Many types. In some we just gather together the abadi people and tell them, Abadi karo! rehaish karo," (get settled, build houses). There are also some musical functions and even some with political overtones.

- Q: What is their purpose?  
 A: Their purpose is to satisfy the public. Nothing else.
- Q: I can understand the political functions, but....  
 A: There are many other types - qawwalis (religious chants), urs (birthdays of holy men) etc. In an urs we can make collections.
- Q: Have you made any local pirs (holy men)?  
 A: Actually, the truth is that we consider ourselves to be pirs!
- Q: You set aside certain plots for the police, the KMC, your friends. Have you any outside political friends for whom you have kept certain plots?  
 A: Yes, we did. But they did not keep them. They would sell them themselves, some they would give to friends. Some we sold for them.
- Q: Are there any well-known people among them?  
 A: What do you want me to say!
- Q: In the local elections you put forward some of your candidates. How many of them have won?  
 A: Not a single one so far! (Laughs)
- Q: Why not?  
 A: Because of the work we do - that is why. Who would vote for us?
- Q: I have been informed that the ADM's court, the police and the DC's office are all involved in some way in getting money out of this business. Do you wish to comment?  
 A: Why talk of it if you know all this? You are a clever fellow. What do you expect me to say? Even some journalists are involved. They are given plots by us so as to make publicity for us to highlight the problems of our abadis.
- Q: Why?  
 A: It is obvious. When problems are highlighted the KMC is forced to take some action for improving things - like running transport. All this increases the value of land.
- Q: What percentage of plots are given away to people of influence?  
 A: About 35 in 100.

## 11. INTERVIEW WITH A THALLAWALA IN THE YAKOOBABAD SETTLEMENT

Transcript of a taped interview of **Nawab Ali**, thallawala (building components manufacturer). This interview was taken on 26 March 1987 at Nawab Ali's thalla in Yakoobabad.

- Q: When did you start this thalla?  
 A: I began it in 1970.

Q: You began it in 1970 over here?

A: No. I and the thalla have been moving. As the development kept expanding we kept moving the thalla accordingly. Before, we were in Abbas Market when development was taking place there. Then we moved to Shah Faisal Colony when plots were being cut there.

Q: How did you become a thallawala?

A: Before I began this work I was a scout. That is all. My brother had a shop in Nazimabad. It was a general store. He went into real estate - selling and buying plots. And we took over his general store.

Q: But how did you begin this business?

A: We saw that there was a need for this, as plots were being cut, and since our brother was in the real estate business we decided, with his advice, that we should go into it.

Q: You invested capital in this business?

A: Yes.

Q: Where did you get this capital?

A: We invested about 50,000 rupees in this business. We had some money ourselves and the rest we raised by selling our general store. We then purchased a plot and made a thalla.

Q: Was the material which you purchased originally from your own money or on loan?

A: We do not get anything on loan. Instead, we give materials on loan to the people and recover it in instalments. For example, someone has 3000 to 3500 rupees only, we take that and give him materials worth 6,000 or 10,000 rupees, double what he pays us.

Q: Do you charge extra when you give materials on credit?

A: Yes, we do.

Q: How much extra?

A: About 5 - 10 per cent -- that is all.

Q: How quickly do you recover this money from your clients?

A: That depends on the financial condition of the house builder. Sometimes he pays back at a monthly rate and sometimes pays a lump sum, (say if he wins a bisi committee, then he pays back a lump sum)

Q: Does it happen that people do not pay you back?

A: Rarely. But sometimes it happens that someone dies. Then, of course, we do not demand payment.

Q: How often does it happen that people do not pay back?

A: About 10 paisas in a rupee (10 per cent).

Q: When you constructed your thalla was there much development here?

A: No, it was a wilderness. Some poultry farms, maybe a few houses but people were coming here regularly to buy plots. Some Pathans bought plots, then others.

Q: You purchased these plots for your thalla yourself?  
A: I purchased them myself.

Q: How many plots?  
A: I purchased four plots of 120 yards each. On two of these I installed a thalla. The rest I live on. They cost me about 6000 rupees.

Q: How did you arrange for water for your thalla?  
A: I got tankers to supply water to me, KMC tankers. I paid them. Later, I got tankers from the water pump.

Q: For this water you must also have constructed a tank....  
A: Yes. I had to, for one has to store a lot of water in this business.

Q: Has it ever happened that you gave this water to your neighbours and charged them for it?  
A: I gave my neighbours water, it was a part of my business to help them when they built their houses. Even later, since I had a storage tank and they did not, I gave them water.

Q: You charged them?  
A: Many could not afford to pay. Some did - those who could.

Q: But you did not lose on this?  
A: No. I did not. I charged them money per drum. When the tanker was 50 rupees each I charged 5 rupees a drum. When it went up, I raised the price. I have supplied water for many years to some families.

Q: Why?  
A: It helps my business. It is important to have a good reputation in this kind of work. Giving water is good public relations.

Q: Do tankers still come from the city?  
A: No, not any more. There is water in Orangi now and so donkey carts bring water to Yakoobabad from places in Orangi. It is a good business.

Q: Is this water taken legally from a stand-post or is it taken from an illegal connection?  
A: I cannot say. It is difficult to comment.

Q: Where does the material that you purchase for your thalla - aggregate, crush stone etc - come from?  
A: Trucks bring this. There are Pathans who own trucks. We tell them to bring it. They do.

Q: Cement?  
A: That we get from the agency. We pay them and then we arrange for transport. We ask a truck owner.

- Q: Do you get this material on credit also?  
A: The only material we get on credit is aggregate. We have deadlines to pay these credits back. If we cannot, then we sell our plot to repay it - or something else.
- Q: How does this credit system function?  
A: The supplier gives you three or four or five trucks on credit and then you keep paying for the rest of the supplies. These trucks remain on balance.
- Q: Suppose you cannot pay back, and do not want to sell your property, what happens?  
A: Then you cannot do business, for you cannot be trusted and so people will not become your clients. In this business, trust is the key to the door of success.
- Q: But if your creditors do not pay.....?  
A: Then we have to be lenient, sometimes even forget the final sum. All this establishes us as reliable people. We can only work with trust and friendship. There is too much competition. We have to be everyone's friend.

## **12. INTERVIEW WITH A VIDEO HALL/GENERATOR OPERATOR IN THE YAKOOBABAD SETTLEMENT**

Transcript of a taped interview of Video hall/generator operator. This interview was taken on 26 March 1987 at the video hall in Yakoobabad.

- Q: Where did you live before you came here?  
A: Lyari.
- Q: What did you do there?  
A: We were in the salt business there. We ground salt.
- Q: Do you still do that business?  
A: Yes.
- Q: You go there every day?  
A: Yes, every day.
- Q: It is a long way to go, a long distance.  
A: I have a car.
- Q: But still you prefer this place to live.  
A: Yes. I prefer it. It is an open area here, it is cooler. I still have a house there. It is on rent now. My relatives still live in that neighbourhood.
- Q: I notice that you have installed a generator here?  
A: Yes. When I came here I installed a generator immediately after I constructed my house.
- Q: How powerful is your generator?  
A: It can illuminate 60 to 75 tube lights at one go.



Q: Then you rent out electricity?

A: Yes.

Q: How much do you charge?

A: 30 rupees per tube light. 60 rupees for a television.

Q: And for a fan?

A: No one has so far installed a fan. Only lights and TVs are used.

Q: How many connections have you given so far?

A: Now very few..... people have become poor after the riots. They have also left this place. Before I had given 30 to 32 connections for tube lights and 4 to 5 TVs. Along those hills in the distance... they had connections from me. Now very few connections are left.

Q: Did you recover your rent easily?

A: It works like this. We take a month's rent in advance before giving the connection. We permit another month's default and after that we disconnect the line.

Q: Do you bear the expense of the electric wire used in giving these connections?

A: I do, yes. This is at my cost.

Q: You take it overhead on poles?

A: Sometimes. But most of the time we bury it under the ground, especially long distances. It is cheaper and safer. Strong winds do not disrupt underground lines.

Q: You pass the pipe in an underground conduit.

A: No. We just bury the wire.

Q: But that is unsafe.

A: It is still safer than travelling by minibus or crossing a road in Karachi.

Q: Your generator is a diesel one?

A: Yes.

Q: How much diesel does it use?

A: About 7 litres a day when it works from about 7 in the evening to 11 at night. Oil is in addition.

Q: What are the costs?

A: About 30 rupees for the diesel per day and 150 rupees for oil per month.

Q: So it is not a bad business.

A: It is a good business only if the generator works full capacity. Then there is no business like this one. However, now we have to give connections to people far away from here. The wire costs a lot of money if other people do not take connections on the way. Recovery will take a long time on our investment if long distances without many intermediate connections are

involved.

Q: Why then, do you continue with this business?

A: That is because I run a VCR hall here. Where you are sitting is really a cinema hall. It is thanks to this that there is light in this locality. If the VCR was not here, there would be darkness.

Q: When you installed the generator did you have it in mind to set up this video hall?

A: Yes, it was in my mind - both to sell electricity and to run this video hall. Even before I put the roof to this hall I had bought the generator and installed it and started giving connections. When I was making this hall, people made fun of me. They said that when there are no people here, who will watch a film? And I said I am making it anyway. If there are no people, I will use it for something else.

Q: You have even put exhaust fans here. What films do you show here? Indian ones?

A: Indian films. Sometimes I get a good Pakistani one.

Q: You buy these films or get them on rent?

A: On rent.

Q: How many people come here, say, on Friday?

A: On Friday - only on Friday - if 100 come for the first show then 70 to 75 come for the next.

Q: What do you charge?

A: 4 rupees per person and in addition, we give them the convenience of ceiling fans and exhaust fans. There are other halls too but they do not have this convenience and so people get drenched with perspiration.

Q: Do you serve tea or drinks?

A: Yes, we have a canteen and the neighbourhood cafe serves cold drinks. Even the peanut vendor comes in here. All these people come here.

Q: If you want I can switch off this tape and ask you some indiscreet questions?

A: You can ask me with the tape functioning. I do not mind. Go ahead.

Q: How have you been given permission for this business of showing films?

A: I have not been given any permission.

Q: Then how does it function?

A: It is a joint venture. As far as the law is concerned, even having an Indian film cassette is illegal, let alone screening it publicly.

Q: Yes, that is true. That is why I am asking this question. Now this place is functioning because you have a connection with the local police station or..... ?

A: Those who are on duty, the CIA, the Special Branch chaps, the police in charge, we deal with them. They come, we seat them on a chair, give them a cold drink and negotiate. They know that if they are not reasonable the business will close down.

- Q: Did you have any difficulty in establishing this business in the beginning?  
A: No problems. When a few people came to see a movie, a few government chaps came to collect. Now there are more people so they come more often.
- Q: What sort of arrangement do you have with them? Monthly, weekly?  
A: No such arrangement. It is only when they come and it is a matter of bargaining. Sometimes in one week 6 or 7 persons turn up. There is no fixed rate.
- Q: Apart from on Fridays, you have only one show?  
A: No. Two shows every day, at 3:30 and 6:30 in the evening, like in the city cinema halls. About 20 people come here for each show on week days. So it is all right. If the cassette rent is 10 rupees and the oil burnt is 5 rupees, one still makes money and one charges 4 rupees per person.
- Q: Do you advertise these films?  
A: Yes. You see this blackboard outside? We write the name of the film to be shown, in chalk. That is because previously people used to make a noise in the hall and say they did not like the film. Now they cannot do that.
- Q: Your show begins on time?  
A: Always on time to the minute. People start coming at 2:45 pm and then we start the generator. At 3:30 the film begins.
- Q: What did your generator cost?  
A: 17 thousand rupees.
- Q: Have you recovered it?  
A: Many times over, I think.

## **Report - Six**

# **A CASE STUDY OF THE HDA'S KHUDA-KI-BASTI INCREMENTAL HOUSING SCHEME**

## **A. INTRODUCTION**

### **1. THE KHUDA-KI-BASTI PROJECT**

In March 1986, the HDA launched an Incremental Housing Scheme (IHS) in a portion of Gulshan-i-Shahbaz, a township which is being developed on the periphery of Hyderabad, Sindh. The scheme aimed at overcoming the constraints that public sector programmes face in making land, credit for housing and physical and social sector facilities available to the urban poor. In attempting to fulfill its objectives, the HDA has experimented with a number of approaches and involved various NGOs and public sector agencies in the development of its IHS. Since land became available to the very poor, (who had never dreamt of owning a plot before) through this scheme, it has been named "Khuda-ki-Basti", or God's Settlement, by the poor who have benefited from it and the residents of neighbouring low income settlements.

### **2. THE NEED FOR AN EVALUATION**

The HDA's approach to overcoming the constraints that public sector planning faces in servicing the shelter requirements of the urban poor, has generated a considerable amount of debate and discussion among policy-makers, international agencies and professionals. It has been considered as the "only solution" to the housing problem by a number of professionals and development wallas who feel that its approach should become a part of the official planning process. Others consider it less favourably. They feel that the scheme cannot be replicated in those areas of Pakistan where land values are high, and even if it could be, the environmental result would be no different from that of a katchi abadi and as such, undesirable. Doubts have also been expressed regarding the ability of government agencies, given their structure, mode of operation and the political pressures they are subjected to, to operate schemes of this nature successfully. Keeping in view the consistent failure of government policies related to housing for low income communities, and the controversy regarding the "Khuda-ki-Basti" scheme as a viable alternative to these failures, it is essential to evaluate the concept and development procedures of the incremental housing approach. Such an evaluation should determine the viability of the scheme in the larger context of the shelter sector in Pakistan, and the manner in which it can be integrated into official planning. This paper is an attempt at such an evaluation.

### **3. THE METHODOLOGY OF THE EVALUATION**

The methodology of the evaluation has consisted of:

- a) Reading all available literature on Khuda-ki-Basti.
- b) Carrying out in-depth interviews with the various actors in the planning, implementation and development drama of the scheme. These interviews were carried out at the HDA office and Khuda-ki-Basti between 19 and 21 June and 1 and 3 July 1990. In addition, the author of the scheme and ex-HDA Director-General, Mr. Tasneem Siddiqui, was interviewed in Karachi earlier.
- c) Carrying out a survey, based on a questionnaire, of the residents of Khuda-ki-Basti. 100 questionnaires (see appendix 3 for questionnaire sample) were served in the various sectors of the basti between 4 to 7 July 1990. The number of questionnaires served per sector of the basti corresponded to the percentage of population residing in each sector.

The author has served on a number of national and international agency shelter sector missions. Information acquired during these missions and opinions expressed by various agencies regarding the Khuda-ki-Basti approach, have also been made use of for evaluation purposes.

#### **4. CONDITIONS IN HYDERABAD DURING THE EVALUATION**

Conditions in Hyderabad during the period of this evaluation were tense due to the after effects of riots and prolonged ethnic and civil strife. Khuda-ki-Basti has also been affected by these conditions. A large number of residents have left the basti due to the difficulty of getting to their places of work because of the breakdown of the transport system. Monthly payments to the HDA for the plots and repayments against the house building and income generation loans programme of the HDA have also fallen due to a major economic crisis in the basti. These are extraordinary conditions and they, and their results, have not been taken into consideration in this evaluation.

### **B. THE SHELTER SECTOR IN PAKISTAN AND LOW INCOME COMMUNITIES**

#### **5. PUBLIC SECTOR POLICIES AND THEIR INADEQUACIES**

Public sector policies and their incompatibility with the sociology and economics of the urban poor have been the subject of a number of research publications, seminars and workshops. The main points regarding this subject are summarised below as an understanding of them is essential in unraveling the strategy adopted by the HDA in its Khuda-ki-Basti scheme.

##### **5.1 Sector needs**

Pakistan requires approximately 520,000 housing units per year to accommodate its growing population. Of these, 250,000 are required in the rural and 270,000 in the urban areas (1). Over 70 per cent of this requirement is for the 50th percentile and below income population. These figures do not include the housing back-log or required replacement of dilapidated housing stock.

##### **5.2 Land and housing supply**

Land supply for housing and/or built-up units through the public or formal private sector does not

even fulfill a fraction of this need. The KDA is the only agency in Pakistan that has had any major programmes for low income groups. However, in the last decade the KDA has been able to deliver at an average only about 5,000 plots per year against an annual demand of about 40,000 (2). Similarly, the Punjab Physical Planning and Housing Department, which is by far the most efficient of the various provincial departments related to housing, has marketed only 117,000 small plots since 1972, against an annual Punjab demand of about 150,000 (3).

### **5.3 Missing the target group**

Land ostensibly developed by the public and the formal private sector for low income groups does not reach them. It is purchased by the middle classes for speculation and lies empty for years on end (4). The reasons for this are:

- a) Land developed by the state and the formal private sector is far too expensive for the poor to afford.
- b) The procedures for acquiring the land are long, cumbersome and bureaucratic in nature and do not guarantee the acquisition of a plot on their completion.
- c) The time lag between payment for the plot and its development and possession may be anything between three to ten years, whereas the poor want land for immediate occupation.

### **5.4 House building advice, credit and social sector facilities**

Even if the poor were to acquire formal sector developed land, they would face a number of difficulties in settling in. These difficulties are encountered in a big way by lower middle income households when they move to public sector housing schemes, although they are much better equipped than the 50th percentile and below groups to deal with them. These difficulties, which are summarised below, are major reasons for public sector schemes to remain vacant, long after development has been completed.

**Building bye-laws:** Construction in all public sector schemes is governed by bye-laws which require standards which lower income families cannot afford without access to formal credit.

**Building advice:** Most construction in formal sector low income settlements is of poor quality and design and constitutes a major wastage of scarce financial resources. This is because of an absence of affordable and easily available technical advice to the house owner (5).

**Housing credit:** The only source of formal credit available for housing is from the HBFC. This credit is given for house construction with the plot as a collateral, whereas low income families require loans more for the purchase of a plot with a legal title, than for construction purposes. In addition, loans for construction purposes seldom need to be more than a few thousand rupees. Such small loans are difficult and un-economical to process and monitor by formal sector banking institutions (6).

**Location, transport and income generation:** As land becomes scarce and more expensive, public

sector schemes are increasingly being located far from income generation zones. Because of a lack of coordination between public sector development agencies and transport sector agencies, or due to a lack of interest on the former's part, transport often lags behind development and occupation, making access to one's place of work difficult and expensive, if not impossible. It may take ten years after residents start moving in before an acceptable level of transport service, by Pakistani standards, can be established (7).

**Social sector facilities:** Health and education facilities are also absent from public sector settlements until the settlements become large enough to interest the private sector in investing in them.

## **6. CAUSES FOR INAPPROPRIATE GOVERNMENT SHELTER SECTOR POLICIES**

### **6.1 Conventional planning, strategies and procedures**

Government planning and delivery systems in the shelter sector follow conventional western models. They do not respond to the social and economic conditions of low income groups in Pakistan.

### **6.2 Awareness of shelter sector issues related to low income housing**

Most public sector policy-makers are unaware of the needs and problems of low income groups and of how the informal sector or they themselves overcome them. In the absence of this awareness and understanding, the development of appropriate policies is impossible.

### **6.3 Institutional constraints**

Government sector planning and implementation agencies are not structured to develop radical, or even new, models of land delivery and related housing systems. They lack research, monitoring, extension and evaluation facilities without which even conventional planning on a larger scale is becoming increasingly difficult to conceive and implement. Thus, not even one of the 3 marla schemes undertaken as part of the previous government's Five Point Programme has been completed so far (8). In many cases, the necessary land acquisition or assembly has not yet materialised. The 7 marla schemes that have been completed are lying vacant and no study or research into the causes of these failures have been initiated. In addition, over 40 per cent of the funds allocated for the Katchi Abadi Improvement and Regularisation Programme (KAIRP) was not utilised last year due to a lack of capacity and capability on the part of local implementing agencies.

## **7. THE RESPONSE OF THE INFORMAL SECTOR**

The response of the informal sector to the shelter needs of low income groups has, again, been well documented. A summary of this response is given below as the strategy adopted by the HDA in the Khuda-ki-Basti scheme tried to adopt and formalise this response.

### **7.1 Land delivery**

**Illegal subdivision of state land:** Where state land is easily available, middlemen, backed informally by key government functionaries, occupy state land, subdivide it and sell it to the urban poor at a price that they can afford. This land is un-serviced and for this reason it is affordable (9). This procedure is followed mainly in Sindh.

**Informal subdivision of agricultural land:** Where state land is not available, the poor are housed through the subdivision of agricultural land on the urban periphery. A subdivision on good agricultural land is usually far too expensive for the poor to afford. Therefore, low income settlements develop on agricultural land prone to seasonal flooding, on waste lands and abandoned quarries (10). The residents raise their dwellings above the flood level by filling them in with municipal garbage over a period of time. Again, land is affordable due to an absence of services and the poor ecology of the location. Such development is common in the Punjab and the NWFP.

## **7.2 Killing speculation**

The middlemen who create these subdivisions force the plot owners to build on them at once and move in. If this is not done, then the plot is taken away and the money paid for it is confiscated. This is essential if the settlement is to grow and its land value increase. The success of this anti-speculative action depends on the muscle power of the subdivider. Thus, only those people purchase plots in these subdivisions who are in dire need of shelter and are as such, willing to put up with the inconvenience of living in an initially un-serviced settlement (11).

## **7.3 Services**

Services are acquired by the community over a long period of time through lobbying, illegal gratifications to officials of relevant government agencies, small scale municipal funded development programmes and the KAIRP and slum improvement programmes of the provincial governments. The subdivider and other local entrepreneurs represent the community in the entire lobbying effort and pocket part of the money collected by the community for this purpose (12).

## **7.4 Other facilities**

Through illegal gratification, made possible by collections from the community, the subdivider manages to get his settlement served with adequate transport at a fairly early stage in the settlement's life. As the population grows fairly rapidly in informal settlements, the private sector moves in to establish schools, clinics and small scale industrial and artisanal enterprises.

## **7.5 Housing**

Housing in the settlements remains of poor quality and though most of the homes manage to put up pucca walls, the roofs remain of either GI sheets in Karachi, or of thatch in the rest of the country, for at least five to ten years (13).

## **7.6 The role of the subdivider**

The role of the subdivider is crucial to the development of the settlement since he is obsessed with



increasing the land and property values of the basti. This obsession is due to the fact that he retains a sizable chunk of plots in the settlement for speculation purposes. Since he also holds land in the settlement for key government officials and politicians, he is able to get informal official and political patronage for upgrading the settlement (14).

## **C. THE ORIGINS AND CONCEPT OF THE KHUDA-KI-BASTI**

### **8. OBJECTIVES OF THE SCHEME**

The basic objective of the Khuda-ki-Basti scheme was to make land for housing available at an affordable price to low income groups and to help them acquire services incrementally over time, and at a pace determined by their paying capacity. To make this possible meant a major departure from the manner in which the public sector operates in the housing sphere and the development of a new and innovative approach.

### **9. THE CONCEPT OF THE SCHEME**

The authors of the scheme studied published literature on the inadequacies of the public sector policies and on the functioning of the informal sector in land and housing supply. As a result, they debated whether the housing problem for low income communities could be solved if the state adopted the strategy of the informal sector, suitably modified, for the development of human settlements. As a result, they decided to give it a try and take on the same role as the middleman has in developing informal settlements. The basic concept of the scheme was:

- a) The cost of raw government land is 25,000 rupees per acre or about 800 rupees per 80 square yards plot. This is affordable by the vast majority of the below 50th percentile population. The cost of services on the other hand for an 80 square yards plot works out to over 8,000 rupees. This cannot be afforded by the population. Therefore, initially only raw land would be made available to the people with some provision for potable water. The rest of the services would follow and for them the population would pay a small sum of about 50 rupees per month for a period of 8 years.
- b) As the population would grow, the HDA would contact relevant government organisations and/or the private and NGO sector to establish necessary physical, economic and social facilities in the settlement.
- c) The key to the success of the project was seen as the occupation of the plots. For this speculation was to be made difficult, if not impossible.
- d) Changes and modifications would be made in strategies and procedures depending on feedback from the field.
- e) Procedures for application, payment for the plot and other dealings with the HDA would be a one window affair and would be taken care of by the site office.

### **10. DEVELOPMENT OF THE SCHEME**

The scheme was established on a small part of a larger on-going housing township called

Gulshan-i-Shahbaz on the Karachi-Hyderabad Super Highway. It was thus able to utilise the trunk infrastructure and access roads being developed for the township. It was launched on 25 March 1986 and has since then, passed through various stages and seen the evolution of a number of programmes that responded to the needs, as and when they appeared, of the local population. This process of development is described in the paragraphs below and the lessons learnt from it form an important part of the evaluation.

## **D. THE PROCESS OF DEVELOPMENT OF THE KHUDA-KI-BASTI**

### **11. LAND DELIVERY**

#### **11.1 Initial procedures**

Initially the HDA contacted a number of local leaders, welfare organisations and residents in the katchi abadis of Hyderabad and Kotri and informed them that un-serviced plots were available in sector D-6 of Gulshan-i-Shahbaz for a down payment of only 460 rupees. The balance 9,140 rupees was to be paid over an eight-year period in small, monthly instalments. People who applied were given allotments with the provision that they were to build their houses in a six month period of time.

However, though a large number of people did apply, no one moved in to occupy the plots or build their homes. Conversations and interviews with the residents of the area and local leaders reveal that most of these initial plots were indirectly purchased by middlemen and professional land grabbers of the established katchi abadis for speculative purposes. Of the 300 plots that were allotted in this sector, only 20 are owned by their original owners (15).

#### **11.2 Changes in procedures**

As a result of the initial failure to inhabit the settlement, the HDA changed its procedures in August 1986. It began plot development in a new sector, E-4, far from D-6, so as to emphasise the fact that this was a new scheme with new procedures. No allotment was made to the applicant under the new procedure. Only a receipt against the down payment was given. Ownership papers were to be given only after the full payment of 9,600 rupees was made. In addition, applicants were required to build their homes within a month of payment or have the right of possession to the plot cancelled.

During this period, the HDA established contact with Nawab Hashmi, a social worker and an office bearer of Majlis Samaji Behbood, a local social welfare organisation in Behar Colony. Nawab Hashmi identified about 700 persons in Behar Colony and the neighbouring Kotri settlements who did not own houses but who paid rent in the katchi abadis. Some of these applied for and moved onto their plots in sector E-4 of the township. However, many applicants built some structure on the plots but did not start living there with their families. It was obvious that these applicants had occupied the plots for speculative purposes.

#### **11.3 The reception area concept**

To overcome the problem of speculation, the HDA made further changes in its procedures. Its aim was to ensure that only families who were willing to stay in the settlement should be given possession of plots. For this purpose, a reception area was created at the end of 1986 for the applicants. They had to move into this area, stay here for 15 days with their families and belongings,

be observed by the HDA staff, and if considered to be genuine, they were moved onto a plot where they immediately constructed their shacks. The reception area thus became a filter for removing speculators and the outsiders to the HDA's target group. It was felt that only those who could put up with the hardships of this procedure would ultimately live in the basti. Vendors of materials for shack building soon established themselves in the neighbourhood of the reception area. The HDA charged 100 rupees as rent for 15 days from families using the reception area. If families were unwilling to pay, they could always put up their own shacks in an open space identified by the HDA staff.

#### **11.4 Development of the reception area**

Applicants complained that the reception area did not guarantee privacy to their families and lacked proper facilities for them to reside there for so long a period. For this reason, the HDA built proper rooms with courtyards and with sanitation and water facilities for the applicants.

#### **11.5 Influx of applicants**

In July 1987, the HDA advertised the IHS in newspapers, over the radio and on television. As a result, a large number of people from the interior moved into the basti. The procedure followed by the applicants was that first, one person came and investigated conditions at the basti and then went back and came to settle with the entire family and all the belongings. In many cases, they brought with them elements of their previous homes such as bricks, doors, windows and roof members.

#### **11.6 The role of the middlemen**

In land delivery, the HDA inducted established land grabbers and middlemen into the settlement process at the basti in the very early stages. They were able to bring a large number of applicants to the basti and also helped the HDA staff in demarcation, handing over of plots and collection of down payments and instalments. However, they were interested in acquiring plots for speculative purposes for themselves and knew that the price of property would go up if the settlement was quickly inhabited. While the later point helped the settlement to grow, the former put the land grabbers at loggerheads with the HDA staff once the settlement was sufficiently inhabited.

#### **11.7 Increase in price**

In December 1986, the down payment of the plot was increased from 460 to 910 rupees. This was done for two reasons:

- a) The HDA felt that among persons paying 460 rupees as down payment there were bound to be those who could not afford to pay 50 rupees plus per month instalments.
- b) A survey of residents showed that people were willing to pay extra for piped water supply, rather than depend on bowzers and open tanks. With this increase, the HDA was able to extend its water supply lines.

#### **11.8 Further increase in price**

Two further increases in price have taken place since December 1986:

- a) First the price was raised from 910 to 1,000 rupees because of problems related to the returning of 90 rupees as change as applicants normally paid in ten 100-rupees notes.
- b) In 1988, the price was increased to 1,100 rupees. This increase added on to the down payment the fee of 100 rupee reserved for house water connections.

### **11.9 Cancellations, transfers and re-allotment**

Constant attempts have been made by individuals, middlemen, office bearers of social welfare organisations and others to acquire plots for speculative purposes through inducing fake applicants, building shacks and keeping them empty, involving HDA staff in their activities and other means. In addition, a number of residents have not paid their monthly instalments and many others have sold their homes on the open market. Under the terms and conditions of possession, all such applications should be cancelled and the plots should revert back to the HDA. However, cancellations are possible only in the early stages of development when no construction has taken place on the plot, and that too, if there is the will and the muscle power available with the administering authority to carry them out. For this purpose the HDA, in December 1986, organised uniformed security guards to implement and supervise its cancellation orders. This did have an effect and the number of fake applicants declined (16). However, the sale of developed property, or property developed on clandestinely sold raw land, could not be dealt with in the same manner. Therefore, the HDA decided to regularise such sales and transfers by imposing a transfer fee of 2,000 rupees per plot on the new owner. More recently, August 1988, the HDA handed over the power of identification of plots for cancellation and of plots illegally occupied, to the newly elected block committees (for details see paragraph - 16).

### **11.10 Guarantee of the availability of land**

One of the major advantages of the Khuda-ki-Basti scheme has been that it has been able to guarantee land with immediate occupation even to those who may require many months to collect enough money for making the down payment. A large number of persons who were interviewed expressed the opinion that they would not have been able to purchase a plot if they had been given a period of only one or two months to make a down payment. This advantage was enjoyed by the scheme because of the availability of large tracts of barren Board of Revenue (BOR) land in the vicinity of Khuda-ki-Basti.

### **11.11 Allotment and related procedures**

Allotment and related procedures were all handled by the office on site. All bureaucratic red-tapism was dispensed with. Payments could be made in cash and later on in the bank, once it was established in the basti.

## **12. THE DEVELOPMENT OF PHYSICAL INFRASTRUCTURE**

### **12.1 The original concept**

According to the Khuda-ki-Basti concept, the physical services were to be developed by the HDA incrementally through finances collected through the monthly instalments from the residents. In the initial stages this procedure was followed. However, government procedures for executing civil works are fairly complex and rates of execution are excessive. In addition, the amount collected as instalments, because of the meagre monthly sum involved, were insufficient to deliver services at the speed desired by the residents. This was especially true of electricity which, after water, was a priority with the residents and an expensive item to acquire. In addition, the residents complained about the quality of work done by the HDA contractors and accused HDA staff and the contractors of corruption. Due to these reasons the HDA revised its earlier procedures for developing the physical infrastructure of the basti.

## **12.2 The evolution of the present concept**

The HDA decided that the residents should be given the option of developing the internal services of their blocks themselves - especially sewerage. If they did so, then the cost that the HDA would spend on developing these services would be deducted from the gross payment the residents have to make for the plot. If the people spent less than this amount the benefit would go to them. For this purpose attempts were made to motivate residents to organise at lane level, collect finances and lay their sewerage lines on the pattern developed by the OPP in Karachi. This, however, did not materialise as the people did not know each other well enough to cooperate with each other. Subsequently, acting on the advice of the AKRSP, the HDA developed the idea of a representative organisation for each block in the basti which would, if it preferred, collect monthly instalments from its members or additional money if the need arose, and undertake to develop, or have developed, the infrastructure required by its members. This work was to be carried out under the supervision of the HDA engineering staff and to their designs. All the blocks of the basti have opted for having work carried out through the block organisation rather than through the HDA. The details regarding the creation and operation of the block organisation is given in paragraph - 16.

## **12.3 Recovery of instalments**

Recovery of instalments in the early stages of habitation were more regular. With the passage of time defaulters increased (17). According to one estimate, in mid 1989, 60 per cent of the inhabitants paid their instalments regularly and 12 per cent had not paid any instalments at all (18). To overcome this problem, the HDA has at various times introduced new forms and papers which one must acquire to establish ownership rights on the plot. To acquire the new papers, one has to clear one's dues. This process has usually helped in the collection of arrears. However, many blocks have accumulated funds far in excess of their due instalments so as to acquire services quickly. They have also raised finances for illegal gratification of the staff of certain line departments so as to expedite the acquisition of services.

## **12.4 Breakdown of development charges**

The block leadership, the HDA staff, and the residents are unclear as to the breakdown of development charges for each item of work. If the 9,600 rupees plot price could be broken down clearly into land, external and internal development costs, and then if the internal development costs could be further broken down into their different components and advertised, the management of

finances related to recovery, and simplicity of procedures and community involvement, would all be far more efficient.

### **12.5 The promotion of soak-pits**

In the absence of a sewerage system, the HDA tried to extend to the residents the concept of soak-pits. Designs for them were prepared and given to the residents. These, however, did not catch on as the residents were anxious to acquire an underground sanitation system as fast as possible.

### **12.6 Water charges**

The HDA has imposed a water charge of 10 rupees per month on the households in addition to the connection charge of 100 rupees. Bills for recovery of the user charge have been served on the residents but not much of a recovery has been affected, as the bills cover charges for the past one, and in some cases, two years. People consider the charge to be reasonable and are willing to pay more for a better service.

## **13. HOUSE BUILDING**

### **13.1 Market mechanisms and building material contractors**

As soon as people started to settle on their plots, building material suppliers started operating in the basti. Mat, thatch and bamboo suppliers set up their businesses in and around the reception area, and bricks and cement were sold through building material contractors. The rates of these materials were 10 to 15 per cent higher than in Kotri. At the height of the expansion of the basti, in mid 1987, materials were also given as a loan to the residents by contractors and many residents admit that without these loans they would not have succeeded in building their homes so quickly. Building activity also became a major means of livelihood for the residents.

### **13.2 Built up units**

In early 1987, some applicants requested the HDA to provide a room along with the plot as they were not willing to live in the reception area. The HDA complied with the request and charged an additional 2,500 rupees for the room. The room size was 10 feet by 10 feet in the beginning but at the request of the applicants it was increased to 10 feet by 14 feet. The construction was contracted out to the middlemen and entrepreneurs of the basti. Construction was discontinued in April 1987 due to substandard construction on the part of the contractors and the unwillingness on the part of the applicants to pay for it.

### **13.3 Housing quality**

Housing quality in the Khuda-ki-Basti is of poor design and construction. Although the residents do manage to put up their walls, which often develop cracks, they do not manage to put up a weather-proof roof to their homes. To overcome these two problems the HDA initiated two programmes.

**An HBFC housing loan:** This loan programme is described in paragraph 17. Its primary purpose

was to help the residents in putting up a weather-proof roof over their heads.

**Building construction advice:** Through this programme the HDA tried to advise the residents, through its architects, on design and construction techniques. Plans and extension material were developed for this purpose. The programme had to be shelved because the HDA staff could not develop an extension programme which could relate to the incremental nature of house construction in the basti.

#### **13.4 Building bye-laws**

No building bye-laws have regulated house construction in the basti. Any materials of construction are permitted. The only regulation that was set was that three feet should be left as open space at the back of the house to facilitate light and ventilation. Since this was not followed by the residents in the earlier phases, a back lane of 10 feet was instituted by the HDA planners for the new blocks.

### **14. THE PROVISION OF ESSENTIAL SERVICES**

#### **14.1 Transport services**

As soon as there were 40 to 50 families settled in the basti, the HDA approached the SRTC to ply buses from the settlement to the Kotri industrial area and Hyderabad so that people could get to their places of work. The SRTC had doubts about the financial viability of these routes but these doubts were set aside due to the personal relations of DG HDA and the SRTC bosses. The plying of transport between the basti and the income generation zones was one of the major reasons for the expansion of the basti. Once the population increased, private Suzukis also started to operate on these routes, but at a higher cost.

#### **14.2 Post office**

Again, the HDA approached the postal department for opening a post office in the basti. The department was reluctant. However, a settlement was reached that if the HDA could provide a room for the post office and a part time employee, then a postal system could be established for the settlement. This arrangement was provided by a local community organisation in the basti. Again, the personal contacts of the DG HDA with the postal department were required to make this possible.

#### **14.3 Bank**

For the establishment of a bank in the basti, with a two member staff, the banking authorities required an initial 8 million rupees deposit. The HDA undertook to deposit its FDRs of 4 million rupees if the bank was opened and further promised to transact all business related to the development of the basti through the bank. Due to this undertaking the Allied Bank of Pakistan established a branch in Khuda-ki-Basti.

#### **14.4 Police station**

At the request of the residents, the DG HDA spoke to the DIG police in Kotri and requested him to provide police for the basti. However, after a few weeks, the police began to harass the residents. The residents then requested the DG HDA to have the police removed. This was done once again through personal contacts rather than through official channels.

## **15. THE DEVELOPMENT OF SOCIAL SECTOR FACILITIES**

### **15.1 The role of entrepreneurs, middlemen and welfare organisations**

Local entrepreneurs and middlemen have played a major role in the development of social sector facilities in the basti. One of the middlemen established the first school in the basti and organised sport activities and competitions. His logic for doing so was that these activities would raise the price of land and property, as the basti would look alive, and he was indirectly the owner of a number of plots. In addition, welfare organisations, such as the Shahbaz Social Welfare Society which now operates an ambulance service, have stepped in to promote education and health facilities. The ambulance operated by the Shahbaz Welfare Society was provided by the Women's Division through the efforts of the HDA. A lady in block - D of sector E-4 undertook the establishment and promotion of home schools. At one stage, there were 42 home schools in the settlement. In addition, other welfare organisations have taken it upon themselves to act as arbiters in disputes of residents, and the general view is that this has prevented litigation and the registration of police cases.

### **15.2 The role of the HDA**

The role of the HDA in promoting social sector facilities has been at two levels. One, it has encouraged the involvement of social welfare organisations and entrepreneurs in this sphere by taking them into confidence, involving them in development work and making amenity plots available to them to house their activities. Two, it has contacted a large number of NGOs and government departments and induced them to involve themselves in the development of the basti. A list of the NGOs who have been involved in providing social sector facilities and a brief description of their work is given below.

**Health:** As soon as it was felt that the basti required health services, the HDA requested the Red Crescent to start operating its mobile dispensary on alternate days. Later, when the population increased, the HDA requested the Lions Club to do the same for another sector of the settlement. Later, the Al-Mustaid Scouts opened yet another dispensary. Still later, it was felt that the population was large enough to warrant a clinic in the basti. At this stage, the Institute of Chest Diseases at Kotri opened a clinic in the settlement, with a part time doctor and a compounder. The Institute was given possession of a plot for its building but no allotment, as according to the policy of the HDA, allotment for amenity plots should only be given if the institution which was operating from it was really beneficial to the local population. The Family Planning Association of Pakistan and the Women's Division were also both inducted into the basti by the HDA. The former set up an office in a room given to them by the HDA in the reception area. They later obtained an amenity plot from the HDA and are in the process of building a Women's Centre with an ambulance, lady doctor and an LHV. The BUSTI organisation from Karachi has also opened an office in the settlement, and with the help of two full time organisers, have carried out a detailed health survey, and tried to extend the



concept of soak-pits for sanitation purposes. In addition, the HDA arranged for the sanction of a basic health unit from the health department through the MPA funding under the ADP. This is under construction.

**Education:** Apart from providing amenity plots to entrepreneurs and welfare organisations for the operation of schools, the HDA also arranged for the training of the teachers in these schools through refresher courses arranged by the Education Programme of the OPP. The Karachi-based BUSTI organisation also floated its home schools concept, and by end 1987, there were 42 home schools in the settlement. Again, in late 1987, the HDA lobbied with the government's education department for the opening of a primary school. The department agreed to opening a branch of an existing primary school in another settlement in the basti if the HDA could make a building and benches available. The HDA turned over three of its reception area rooms to the school, and benches were arranged through donations collected from the residents. Still later, again through the efforts of the HDA, the education department sanctioned a regular primary school through the MPA fund under the ADP. This school is now under construction.

**Training for income generation skills:** The HDA had a carpet training centre for women established through the Women's Division and the Small Industries Corporation. The HDA provided two-room accommodation for the centre, and the first batch that was trained at the centre qualified three months earlier. They have all been employed. The DG HDA also adopted the income generation model of the OPP in Karachi and began a family enterprises loan programme. This loan was acquired from the Allied Bank of Pakistan against an HDA collateral. In addition, the ATDO was also inducted into both the income generation and the housing advice programme of the HDA.

The HDA was able to involve these NGOs and government organisations in the development of the basti because the DG HDA was aware of the existence of these organisations, their mandates and the manner in which local administration functions. He also invited MNAs, MPAs, journalists, professionals and local leaders to the basti and discussed its development options with them. In addition, the HDA has been publishing a magazine by the name of "Khuda-ki-Basti", which deals with the problems and development programmes of the settlement and is financed by the UNICEF and the Women's Division. Its copies are sent to various social welfare and community organisations, NGOs, relevant professionals and libraries.

## **16. THE DEVELOPMENT OF BLOCK ORGANISATIONS**

### **16.1 Formation of a working committee**

In February 1988, the HDA felt the need to have block level community organisations. Each sector of the settlement has two to six blocks of about 100 to 250 houses in it. These organisations, it was felt, would help in the development of internal infrastructure, collection of payments and take on other social sector responsibilities. Thus, a working committee for the whole basti was created. This committee consisted of vocal residents, one or two from each block. The committee broke down as the people were not willing to accept its non-representative nature and because there was a clash of interests in the requirements of different sectors and blocks.

## **16.2 The emergence of the block organisations**

In August 1988, the HDA arranged elections in all the 11 blocks of the basti for the formation of block organisations. Each organisation consisted of three members. Most of the elections were held through the show of hands. The members elected were, by and large, middlemen, land grabbers and small-time entrepreneurs and their musclemen. The powers of the block organisation include the power to collect instalments; decide on development priorities and have them implemented; cancel possession of plots and imposition of transfer fee; operation of a block level bank account jointly with the HDA; supervision of social welfare activities in the block and the power to take legal action against the unauthorised occupation of HDA land. Other powers could be conferred on the organisation as and when the need arose.

## **16.3 Problems of the block organisation**

The HDA's relationship with the block organisations has not been a very happy one. From the very beginning, there was strong opposition to them from the defeated group within the block, making their functioning difficult. In addition, the leadership tried to pressurise the HDA into giving them benefits which conflicted with the concept of the scheme thus turning the block organisations into lobbying groups. And then the block leaders had their own financial interests which had to be catered to. This aspect came out clearly in the HBFC-funded loans programme described in paragraph 17 of this report. Due to these reasons, it can be said that although some block organisations have achieved a lot for their areas, by and large, the experiment has not succeeded in fulfilling its objectives. The HDA has also stopped depending on the block organisations for support and thus there is a void that needs to be filled.

## **17. LOAN PROGRAMME**

### **17.1 HBFC loan programme**

The HDA negotiated a block loan of five million rupees from the HBFC against its FDRs. The loan was for helping the residents to put up weather-proof roofs to their homes. The value of each individual loan was set at between 5,000 to 20,000 rupees for a period of between 5 to 10 years. The rationale of the loan was established after a survey of the basti in early 1988 showed that 80 per cent of the houses did not have proper roofs because the residents could not afford them. The identification of the beneficiaries was left to the block organisations as was the recovery of the loan.

To qualify for the loan, the applicant had to have invested twice the value of the loan in the construction of his house. Two persons from the same block, who had taken no loan, were to stand guarantee and surrender the possession cards of their plots to the HDA along with that of the applicant. From these terms and conditions, it is obvious that the operation of the programme was for all practical purposes handed over to the block organisations, and that the HDA had no role to play in its mechanics. A sum of 100,000 rupees was set aside for each block organisation to disburse to its members. Thus, so far 1.1 million rupees has been disbursed.

### **17.2 Results of the HBFC loan programme**

Residents complain that the HBFC loan has been misused by the block organisations as they have given it to their friends, relatives or to themselves, and not for roofs but for businesses, marriages

and other uses. Although no figures for repayments could be provided by the HDA, it is generally agreed, by both the HDA staff and the residents, that it is poor.

### **17.3 Income generation loans for family enterprises**

This loan programme was inspired by a similar programme operated by the OPP in Karachi. For this loan, the HDA has a proper two-member staff that evaluates the business of the applicant and its potential. After the loan has been given, its use and benefits are monitored. This loan varies from 1,000 to 20,000 rupees. The loan has benefited a number of families and created a large number of jobs in the basti. So far loans of a value of 178,600 rupees have been disbursed. The loans carry a mark up rate of 16 per cent and the repayment period is between one and two years. According to the HDA staff, over 80 per cent recovery is being made on these loans.

## **18. REACTION OF THE HYDERABAD LAND MAFIA TO THE SCHEME**

Land grabbers and their supporters in the local government organisations were not happy with the scheme when they discovered that they could not make money through speculation in it. In addition, their potential clients, the urban poor, had found an alternative means of acquiring legal title to land. Thus, land grabbers, supported by the functionaries of the revenue department and the police, tried to disrupt the development of the basti through the use of musclemen armed with guns. Again, the DG HDA's personal connections with the DIG police helped in tackling this problem. The interest of the land grabbers can be appreciated by the fact that possession of a plot of land in the basti by early 1988 was selling for 10,000 rupees against the allotment price of 1,100 rupees.

## **19. STAFFING**

### **19.1 The staff and its functions**

Apart from the employment of two persons, paid for by the Women's Division and UNICEF, to produce the "Khuda-ki-Basti" magazine, no new staff was employed by the HDA for the scheme. The regular engineering staff of the Gulshan-i-Shahbaz Scheme managed the external development. The staff of the MPD of the HDA managed the implementation of the scheme and the income generation and HBFC loan programme. When the development of the basti was at its height, the site office staff consisted of (18):

- Project manager: grade 17
- Sub engineer for supervision of implementation of services: grade 10
- Junior clerk for registration and accounts: grade 5
- Person for giving possession of plots to applicants: grade 4
- A hired surveyor who was paid 20 rupees for the demarcation of each plot.

The contacts with NGOs, government departments and professionals were managed by the DG HDA himself as were most of the conflicts and clash of interests that any development process creates. Monitoring and documentation of the project was done to promote its immediate objectives but not as a research and development exercise, nor was there any trained staff to undertake this.

## **19.2 Staff costs**

Given the staffing pattern described above, the HDA'S Khuda-ki-Basti scheme has had no overheads except for POL and related expenses and costs of a surveyor for plot demarcation.

## **19.3 Relationship between HDA staff and basti residents**

Relationship between HDA staff and basti residents in the formative stages of development was different from that of government officials and low income groups. This was because a great deal of commitment to the scheme was generated by the HDA bosses. Without this commitment, it is unlikely that the scheme would have progressed at all. The HDA has not been able to keep up this momentum. The new staff, much of which was not involved with the settlement in its initial stages, has a more bureaucratic attitude to its work and spends most of its time in the office. The residents feel that this is the most serious crisis that the basti faces (19).

## **20. PHYSICAL PLAN OF THE BASTI**

### **20.1 Part of a larger township plan**

The plan of the basti is part of a larger conventional township plan. It consists of various sectors which in turn are divided into blocks of between 100 to 250 houses. Minimum size of roads is 30 feet. The plan responds poorly to the HDA's concept of having the internal development done by the community as it is difficult to clearly segregate internal from external development.

### **20.2 Land utilisation**

The layout of the scheme, because of the grid iron plan and large widths of roads, results in poor utilisation of land with only 26 plots to an acre and a large number of cross-roads which are traffic hazards. Due to these reasons, an intimate architectural scale is difficult to achieve in the settlement. The layout is primarily designed for vehicles and not human beings, and in low income settlements vehicles, except for public transport, are almost non-existent. Furthermore, such planning is bound to lead to encroachments on the road sides and other open spaces in the absence of strict administrative supervision or organised community action. It will also facilitate, due to easy access and circulation for vehicles, the change of ownership in the basti from low to upper income groups and from residential to commercial land-use.

### **20.3 Size of plot**

Initially the size of the plot was kept at 20 feet by 36 feet. However, at the request of the people, the HDA changed the size of the plot to 24 feet by 30 feet. This was done as the residents wanted to have two 12 feet wide rooms on the road front.

### **20.4 Development of a back lane**

Since residents were ignoring the HDA bye-law of leaving a 3 feet wide open space at the back of their plot, the HDA decided to have a lane at the back of the plots so as to facilitate ventilation and light. Residents are critical of this lane as they believe that its existence facilitates thefts in the

settlement.

## **21. TREE PLANTATION**

The HDA has tried to develop tree plantation in the basti. Various incentives for this were developed. One such incentive was that no HBFC loan could be given to a resident whose house did not have a tree in it nor would a plot be transferred to a new owner unless the same condition is met. In addition, the HDA had arranged with the IUCN to launch a social forestry project in the basti. However, civic strife in Hyderabad has prevented the project from materialising.

## **22. LOCATION OF KHUDA-KI-BASTI AND THE JOB MARKET**

Initially the main problem that faces any settlement is easy access for the residents to the job market. In Khuda-ki-Basti, the situation was no different. Although the HDA managed to operate SRTC buses to the city, and the industrial area rather early in the settlement's history, the services were not punctual. It was only with the operation of private sector transport that this problem was eventually solved. Residents complain that private transport is far too expensive and consumes at least 20 per cent of their earnings. In the case of women, who receive a lower wage, the percentage is much higher. For example, about 60 girls go out of the basti to work in the garment industry. They earn 450 rupees per month and spend 150 rupees per month on private transport as public sector transport is not reliable. However, a considerable amount of commercial activity has developed in the basti itself with the result that almost 30 per cent of its population is locally employed. This activity has benefited from the loans programme of the HDA and by the HDA's policy of permitting commercial activity to mushroom in any sector or street of the basti.

## **E. EVALUATION OF THE VARIOUS COMPONENTS OF THE KHUDA-KI-BASTI SCHEME**

### **23. METHOD OF EVALUATION**

For the evaluation of the various aspects of the development of the Khuda-ki-Basti, use has been made of interviews of local leaders, HDA staff and residents carried out by the consultants; results of the questionnaire served on 100 residents in different blocks of the settlement; information available in the "Khuda-ki-Basti" magazine and discussions and comments given by other professionals and government officials.

## **24. LAND DELIVERY: CONCEPT, PROCEDURES AND RESULTS**

### **24.1 Evaluation**

**Concept and procedures:** Most of the residents interviewed have expressed their satisfaction on both the concept and the procedures of land development and delivery. In the survey, 71 per cent of the residents expressed satisfaction with procedures, 19 per cent did not and 10 per cent had no opinion.

**Knowledge regarding the basti:** Most of the residents got to know about the basti from friends

and neighbours and not through the HDA, and only six per cent were informed by middlemen. 55 per cent of the respondents have relatives in the basti.

**Meeting the target group:** The basti has been able to meet the needs of the 50th percentile and below population. This is borne out in the interviews with the residents, in the socio-economic information collected through the questionnaires, the reasons given by the residents for moving to the basti and details of their previous residence. Thus, 54 per cent of the respondents earned less than 1,500 rupees, 32 per cent between 1,500 and 3,000 rupees per month, and only 14 per cent above 3,000 rupees. Density per plot is 7, slightly more than most low income settlements. 75 per cent of the residents moved to the basti to become plot owners and 4 per cent to save on rent. 25 per cent had tried previously to get a plot and only 3 per cent had succeeded in doing so. 53 per cent of the respondents were previously renters and 17 per cent were living with relatives. Of the 30 per cent that were house-owners, the vast majority were living in extremely congested conditions. Another indication that the target group has been met is that the vast majority of respondents came from areas with considerably higher service levels than the basti could initially provide and 68 per cent of them had been living in their previous residence for more than 10 years.

**Reception area as a filter for determining the target group:** Only 21 per cent of the respondents had used the reception area. The others had moved onto the plot directly. The general feeling was that the reception area had been a help to those who had moved with their belongings from the interior of the province but had served no purpose for the others or met its objectives. The reason why speculation was controlled was because of the cancellation drive of the HDA and because the low price of the plot and its simple allotment procedure answered a need of low income groups. The origins of the people also tally with the extent of use of the reception area. 20 per cent of the respondents have come from the interior of Sindh, 6 per cent from Karachi and 71 per cent from Hyderabad and Kotri.

**Speed of expansion:** Between March 1986 and January 1990, 2,883 plots had been allotted in the scheme. Of these 2,683 had been constructed upon (20). A large number, 708, of the constructed plots were vacant in the survey of January 1990. The residents maintain that this was because of civic strife in Hyderabad, the insecurity associated with it in the basti and the difficulties of getting to work due to the breakdown of the transportation system. The rate of occupation of the basti is much higher than compared to any conventional government housing scheme or informal sector developments in the intermediate cities of Pakistan. In Karachi, however, katchi abadis in choice locations have a faster growth rate, but then Karachi needs 40,000 housing units a year as opposed to about 6,000 for Hyderabad. Maximum growth of the settlement took place in its second year, and by 1989 the growth rate had fallen to no more than 3 per cent.

**Speculation:** According to the survey, 79 per cent of the respondents purchased plots from the HDA, 11 per cent from brokers and 10 per cent from the original owners. 23 per cent of the plot owners have paid more than the HDA price for their plots. To another question of, in the respondents' opinion, how many people living in the basti are original owners, the opinions are extremely mixed and can as such be discounted.

**Comparison of data of different sectors:** Comparison of data between different sectors in the basti also points to the success of the HDA's policies in controlling speculation. In sector D-6 where the HDA gave ownership rights immediately, density is much lower than in other sectors, indicating a

higher income group. The survey shows that families earning over 1,500 rupees per month are substantially higher in this sector than in the other sectors. In addition, 40 per cent of the respondents in sector D-6 purchased plots from middlemen and original owners as opposed to an average of 12.33 per cent for the other blocks.

## 24.2 Comment

According to the data collected, the Khuda-ki-Basti scheme land delivery concept and procedures, judged by the results, have been most successful. The key to this success have been the low cost of land which has been made possible by separating land and services costs, and initially charging for the former only, and the development of strategies for preventing speculation from taking place.

However, a number of government officials and planners and professionals in private practice have raised a number of issues due to which they feel that not only the scheme but even its principles cannot be universally replicated in Pakistan. Two such issues are worth mentioning.

**The need for missionary zeal:** It is felt that the Khuda-ki-Basti scheme was successful because of the missionary zeal of the DG HDA and that he was able to transmit this passion to his staff. It is felt that normal Pakistani government policy-makers, administrators and planners cannot be expected to have this zeal, given the climate of graft and corruption they operate in. While the point is well taken, it has to borne in mind that developing effective policies and implementing procedures for dealing with the shelter problems of low income groups is pioneering work and no pioneering work can succeed without dedication. This dedication can be inculcated by developing an understanding of issues, their causes and their possible solutions, something few officials involved in the drama of low income settlements are aware of.

**The price of land:** It has been argued that the low price of raw land is possible only where state land or waste land is available. On the periphery of the Punjab cities and in the settled areas of the NWFP, neither is possible. Here the aim should be the acquisition of land prone to flooding or abandoned quarries and the building up of this land by municipal garbage, as the informal sector in these cities does at present. Alternatively, or in addition to this, part cost of land and services should be recovered in instalments following the principles and procedures developed in the Khuda-ki-Basti scheme. The tables below give an idea of land costs and instalments to make the scheme viable in the Punjab cities.

**Table: Land Costs**

	Location	Average land cost per acre in Rs.	Raw land per plot of 75 sq.yds.	Cost of services in Rs.	Total cost in Rs.
1.	State land	25,000	834	7,125	7,959
2.	Private land in Lahore	250,000	8,334	7,061	15,395
3.	Intermediate Punjab cities	150,000	5,000	7,061	12,061
4.	Small Punjab towns	75,000	2,500	7,061	9,561

**Table: Payment Schedule**

	Location	Cost of plot services (Rs.)	Dawn payment (Rs.)	Balance (Rs.)	Monthly instalments with 10% mark-up (Rs.)
1.	Lahore	15,459	5,100	10,359	172.66 for 10 years
2.	Intermediate Punjab cities	12,061	3,000	9,061	151 for 10 years
3.	Small Punjab towns	9,625	2,500	7,125	118.75 for 10 years

The tables above show that while the costs make it impossible for the 30th percentile and below to purchase plots in these schemes, they can be afforded by populations of between the 30th and 70th percentiles.

## **25. THE DEVELOPMENT OF PHYSICAL SERVICES**

### **25.1 Evaluation**

**Concept:** The original concept of the Khuda-ki-Basti scheme was that all services had to be acquired incrementally over time. However, since the price was increased to 1,100 rupees, water with house connections is provided by the HDA. For the development of other internal services and recovery of part of external development costs, the HDA has formed block organisations through which it has tried to function. In addition, the HDA has taken upon itself to lobby with government and private sector line departments for electricity and gas.

**Procedures:** On the face of it, block organisations are not too popular with the residents. Only 39 per cent of the respondents are satisfied with them, 27 per cent participate in their activities and 35 per cent feel that the organisation represents them. In addition, 72 per cent of them would like to deal with the HDA directly rather than through the organisation. Interviews reveal similar attitudes. The HDA staff also feels that given its size, the nature of the self-styled leaders of the residents, and lack of police support, it cannot recover instalments from the residents and some community organisation that can act on its behalf is necessary.

**Speed of acquisition of services:** In spite of the problems posed by the block organisations and the constraints faced by the HDA staff in its operations, the basti has done remarkably well in the acquisition of services. 1,367 water connections have been given in addition to 90 water stand-posts. 216 electric connections have been acquired (which serve more than 600 houses through indirect connections), and NOCs for an additional 500 have been given. Sanitation has been slow to develop as it is a priority only after electricity. However, of the respondents, 20 per cent have sewerage connections and 35 per cent have built soak-pits. This speed of development is considerably higher than that of informal settlements anywhere in Pakistan, which take about 8 to 10 years to reach similar levels.

### **25.2 Comment**

The system of acquiring services developed by the HDA is basically sound and in spite of the constraints, the results are impressive. Given the age of the settlement and the lack of shared



experiences between residents, even the performance of the block organisations has to be appreciated. That the procedures have not fully met the objectives for which they were created is because:

- a) A clear breakdown of land and external and internal development costs of various services components were not provided to the residents and block organisations by the HDA.
- b) A uniform process of election to all block organisations, backed by the power of the HDA administration, was not adopted. In addition, in working out its relationship with the block organisations, the HDA surrendered too much of its control. The basti was too young a settlement to control and effectively make use of such representative organisations.
- c) A senior, experienced and full time administrator is needed to deal with the social pressures developed by any settlement process, and more so if the process is an experimental one. Although the DG HDA was there, he did not have the time to attend personally to the problems of the block organisations or of problems created by them.
- d) The HDA was not able to develop coercive powers which are essential to effect recovery from habitual defaulters. Shaheen Nagar, a private sector scheme near Khuda-ki-Basti which follows the same procedures as the HDA for allotment and development, has no defaulters because of the muscle power of the developers.
- e) The block organisation represents on average 200 to 250 households. This is too large a unit to be cohesive or to involve all members in development activity. A small unit of not more than 100 households would undoubtedly have been much more successful.

Since the Khuda-ki-Basti scheme is part of a larger conventional scheme, water supply, sewerage lines and access roads have been easy to provide. If this was not the case, the cost of developing a water source itself would have put the scheme out of reach of HDA's of target group.

## **26. THE DEVELOPMENT OF SOCIAL SECTOR FACILITIES**

### **26.1 Evaluation**

**Concept:** The concept of providing social sector facilities was that the HDA would initially help and encourage middlemen, entrepreneurs and the NGO sector in providing health and education facilities. Then when the settlement was large enough, it would induct the public sector into the process through regular official channels.

**Procedures:** The identification and induction of NGOs and public sector agencies was managed personally by the DG HDA himself. For this, he made use of his personal contacts in a big way. A number of facilities, such as the bank for the basti, for instance, could not have been achieved without the direct involvement and FDRs of the HDA. In paragraph 15 the processes are explained in detail.

**Results:** The results compared to public sector and informal sector schemes are impressive. There are now 5 proper schools in the basti and 6 clinics, including one BHU and one Women's Centre.

Normally in low income settlements, these services do not develop to this extent for so small a population. Home schools, however, have ceased to function and most of the NGO programmes have fizzled out without being appropriated by the local social welfare or block organisations. 79 per cent of the respondents of the survey felt that they had not benefited from the NGO programmes and 6 per cent had no opinion regarding them.

## **26.2 Comment**

The public sector facilities in the basti, such as schools, clinics and banks as in other settlements, will be looked after by their respective departments with some pressure from the residents. Most NGO facilities and programmes, however, need to relate to local organisations or an official HDA cell made exclusively to receive and extend their inputs. The HDA did not develop such a cell or related community organisations. As a result, the NGO programmes have not taken root in spite of the DG HDA's efforts. In addition, the political climate of Hyderabad, ridden with civic strife, is not conducive to the functioning of development-oriented NGOs.

## **27. HOUSE BUILDING**

### **27.1 Evaluation**

House building quality and design in the basti has been poor by the standards of informal Karachi settlements but average by Hyderabad standards. Initially, 51 per cent of the residents constructed a room; 46 per cent made it out of mat and bamboo and 51 per cent out of brick and thatch. 37 per cent first built a compound wall and not one constructed a latrine in the initial stages. 60 per cent built these initial rooms themselves and 40 per cent acquired the services of a local mason. 73 per cent financed the construction from savings and 16 per cent from loans. 15 per cent have spent more than 50,000 rupees on construction and 23 per cent less than 5,000 rupees. 52 per cent have known about the existence of bye-laws but only 49 per cent have followed them. 44 per cent feel that the plots should be larger than 80 square yards. 59 per cent require a loan for putting a weather-proof roof on their house and 22 per cent for a compound wall.

### **27.2 Comment**

Construction quality and design of houses could have been improved by the HDA if research into the housing process had been carried out and areas of intervention identified. Such a research and development project could have been a major contribution to developing ways of improving design and construction quality in new settlements. However, facilities and personnel for carrying out this research and follow-up actions were not available with the HDA.

## **28. LOAN PROGRAMMES**

### **28.1 Evaluation**

The general opinion regarding the HBFC roof loan programme is that it has been misused by the block organisations. However, the residents feel that if properly operated it could have been very beneficial to them. Only 6 per cent of the residents said that they did not need the loan at all. Of the respondents, 12 per cent had availed of the loan facility. Of those who wanted to but could not take

the loan, 48 per cent said that they had procedural problems in negotiating the loan with the block committees while 39 per cent said that they did not get it simply because of straight-forward nepotism on behalf of the block committees. The income generation loan, however, is generally considered a success by the residents and the HDA staff.

## **28.2 Comment**

Few, if any, low income or even lower middle income settlements have been the recipients of such loan programmes as the HDA launched in the Khuda-ki-Basti. Proper administration and expansion of these programmes is bound to lead to improved incomes and improved housing conditions. For the housing loan to be effective it has to be taken over from the block committees by an HDA cell which manages it, evaluates the applicants and monitors the use of the loan. In addition, if the programme can be tied to a technical assistance programme it can be far more effective.

## **29. PHYSICAL PLAN**

### **29.1 Evaluation**

An evaluation of the physical plan has already been given in paragraph 20. Briefly, it does not respond to the concept of internal services being developed by communities; it caters more to vehicles than to human beings when there are almost no vehicles except public transport in the basti; its planning will facilitate the change from a low income to a middle income settlement and from a residential to a commercial one.

### **29.2 Comment**

Planning should be in clusters with community open spaces protected from vehicular traffic and access, so as to make land use changes difficult and guarantee safety from traffic. In addition, the number of units per acre should be increased from 26 to 40 so as to conserve land. Back lanes should be done away with and the HDA should enforce the provision that 3 feet are left open at the rear of the plot to guarantee light and ventilation. A clear segregation between external and internal infrastructure should be part of the physical plan and one block should not consist of more than 100 houses so as to create a more homogeneous block organisation.

## **30. STAFFING**

The HDA has operated the scheme with considerable success with a small staff. However, a senior social sector officer was required to deal with the NGO programmes and with the problems associated with the daily functioning of the block committees until they matured. In addition, a cause-and-effect monitoring and documentation of the development drama of the basti would have left us with literature from which training manuals for replicating the scheme could have been prepared easily.

## **F. CONCLUSIONS AND RECOMMENDATIONS**

### **31. CONCLUSIONS**

#### **31.1 Achievements of the scheme**

The Khuda-ki-Basti scheme was really a pilot project aimed at identifying land delivery and development models that could overcome the constraints faced by public sector policies in serving the shelter needs of the lower income groups in Pakistan. To fulfil its objectives, the scheme has innovated, borrowed from informal sector strategies and NGO programmes and sought support from government social sector programmes and international agencies. As a result, the project has, in spite of certain problem areas, demonstrated that:

- a) Land at an affordable price can be delivered to the urban poor without subsidy and without burdening the state.
- b) Services can be acquired in a short period of time by local communities if proper representative organisations, supported and backed by government administrative machinery, are created and allowed to develop.
- c) Social sector and income generation facilities can be acquired through existing government, international agencies and NGO programmes, provided the implementing agency has knowledge of them and they are intelligently tapped.
- d) The whole process of development can be aided by understanding and promoting the organisational, managerial and technical potential and capacity of local middlemen, entrepreneurs and the residents.

#### **31.2 Reasons behind the achievement**

The reasons for the success of the programme are briefly:

- a) The authors of the programme had acquired a knowledge of existing government policies related to housing and their inappropriateness and constraints. They were also aware of informal sector strategies and operators, various NGO programmes related to development and had a commitment to discovering relevant alternative models of development.
- b) Constant monitoring of the development and settlement process in the basti took place so as to modify changes in procedures and strategy and to respond to the needs of the settlement as and when such needs arose.
- c) The transfer of the vision of the Khuda-ki-Basti development model to the HDA staff, which in turn motivated them to take on a role in the process not normally enacted by government officials.
- d) The need of low income groups to find shelter, their willingness to put up with hardships to fulfil this need, and their ability and potential to respond to initiatives taken in this regard, especially if

these initiatives bear the seal of the government or its approval.

e) The willingness on the part of the HDA to innovate, bend HDA rules and regulations to suit its objectives, and to attempt to shed deep-rooted pre-judices that government agencies (and even NGOs) have towards low income communities.

### **31.3 Constraints faced by the HDA**

The HDA's housing and roof loan programme and the development of representative organisations has not been too successful although all three programme objectives are sound and respond to the felt needs of the residents. This is because the HDA, due to staff constraints, could not develop the necessary research, monitoring and evaluation capacity and capability that is necessary to quickly modify programmes, identify problem areas and change course or direction. Such a capacity would also have left us with a scientific description and analysis of the experiment and its various stages.

### **31.4 Replicability**

The HDA's Khuda-ki-Basti scheme as a whole, and/or any component of it can, if suitably modified to suit local conditions, be replicated. This is because the basic nature of the shelter needs of low income communities all over Pakistan are similar, if not identical, and so is the nature of the government and of the formal and informal sector responses to it. Of special relevance to the sector are the land delivery system, the development and operation of representative intermediary organisations, and the roof loan and income generation programmes.

## **32. RECOMMENDATIONS**

### **32.1 For the Khuda-ki-Basti**

The Khuda-ki-Basti has been badly affected by the civic strife in Hyderabad. Its population has declined, transport to income generating areas has become irregular and the economic condition of its residents is fast deteriorating. However, residents feel that these trends are not only the result of civic strife but also of the HDA's indifference to the settlement and its problems over the last six months and are confident that given attention they can be reversed. Irrespective of whether this is true, the Khuda-ki-Basti experiment, as demonstrated in this report, is far too valuable an experience to be lost. Therefore, it is recommended that:

a) The Khuda-ki-Basti should be reactivated. A study should be undertaken to identify its development problems and their social, economic and technical aspects and a blueprint prepared to overcome them through the participation of the community and within the parameters defined by its original concept.

b) A proper research, monitoring, documentation and training unit should be set up, with proper staffing, to document and analyse the development process and its various aspects with the intention of replicating the project or any part of it.

c) Keeping in view the lessons learnt from the formation of block committees and the roof loan

programme, these programmes should immediately be reactivated with necessary changes.

d) The project should be run by a senior professional with the intention of eventually transforming it into a Research and Training Institute.

### **32.2 For replication of the concept**

The Khuda-ki-Basti experience will go to waste unless its concept and principles can become an integral part of the official planning process. This can only happen if the government planners, policy-makers and private sector operators accept it as a viable alternative to their present unsuccessful shelter sector policies. It is therefore recommended that:

a) The programmes of the shelter sector in Pakistan, along with government and informal sector shelter solutions, should be presented and debated with high level government policy-makers and planners. The Khuda-ki-Basti model, along with the problems it poses for the different parts of the country, should be discussed as an alternative. These discussions should be held through proper consultant organised workshops. This should develop a commitment to the concept on the part of planners and policy-makers.

b) Based on such a commitment, it should be decided that every public sector housing scheme should have a part of it reserved as an IHS on the Khuda-ki-Basti model. New independent pilot schemes, both in the public as well as private sectors, can also be launched if the government development agencies and private developers agree to it.

c) The staff that will run these IHSs can be trained at the proposed research and training centre at the Khuda-ki-Basti and for community participation and organisation at the OPP in Karachi.

d) These pilot projects should be monitored and documented carefully with the intention of helping in their further replication.

e) The process of creating these projects and operating them will produce a new breed of planners in Pakistan who will have a practical and realistic perspective to the housing problems in the country, something that the shelter sector desperately needs.

f) The replication, in already settled low income areas, of the roof loan and income generation programme should be encouraged through NGOs and/or other development agencies and rules and regulations bent or altered to make this possible. The programmes should be accompanied by technical advice, through a research and extension process, for the beneficiaries and orientation programmes for the NGOs or other development agencies. Housing credit giving agencies need to enter into this development field by making finances available.

g) The necessary funding for the setting up of the proposed institutions and their functioning and for the training and orientation programmes should come from the Environmental and Urban Affairs Division, government of Pakistan or the National Housing Authority.

### **Footnotes**

1. Pakistan: Project Preparatory Technical Assistance for Low Cost Housing Project: ADB, October 1988
2. A study of Metropolitan Fringe Development in Karachi: Arif Hasan/UNESCAP, April 1987
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4. Between Busti Dwellers and Bureaucrats: Schoorl, Linden and Yap: 1983
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9. Dallalabad: An inquiry into illegal subdivisions in Karachi: J.J. Van der Linden
10. Community Groups in the Urban Field in Pakistan: Arif Hasan/SDC, August 1989
11. Dallalabad: An inquiry into illegal subdivisions in Karachi: J.J. Van der Linden
12. The Low Cost Sanitation Programme and the Process of Change in Orangi: Arif Hasan/OPP, 1986
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14. A study of Metropolitan Fringe Development in Karachi: Arif Hasan/UNESCAP, April 1987
15. Azhar Khan, Town Planner, HDA, in his interview with the author
16. Ibid
17. Hussain Rizvi of the HDA, in conversation with the author
18. Successful Supply of Plots for the Poor: the Case of Hyderabad: J.J. van der Linden
19. Azhar Khan, Town Planner, HDA, in his interview with the author
20. HDA's progress report published in the January 15, 1990 issue of the "Khuda-ki-Basti" magazine

## **ISSUES IN RURAL HOUSING**

### **1. INTRODUCTION**

The population of Pakistan increases at the rate of 3.2 per cent per year. To accommodate this increase, 520,000 new housing units are required every year. Of these, 250,000 units are required for the rural areas of the country. However, no more than 30 per cent of the required number are actually constructed, mainly because the cost of access to land for the rural poor is far beyond their financial and social means. Of the units that are constructed, the vast majority are of poor design and of even poorer construction quality. This is because artisanal skills and traditional building materials required for construction are no longer available at affordable prices. Because of these factors, densities on existing plots are increasing, adversely affecting the rural built environment, and the existing housing stock is rapidly deteriorating due to a lack of maintenance.

The reason for this crisis is that the old social economy which organised and governed rural society in Pakistan, and made land, skills and materials available to the village population, has disintegrated due to major social and economic changes and no new grass-root institutions that can take care of these aspects of life have as yet developed.

### **2. HOUSE BUILDING UNDER THE OLD SOCIAL ORDER**

#### **2.1 Land**

Under the old social order, every village had a chunk of land which belonged to the community. This community land was known as shamlaat and was controlled and managed by the feudal, tribal or clan order that controlled the village community. This land was used for cattle grazing; for forest reserves, that provided timber to the community for house building and fuel; and for the physical expansion of the village. Thus, land for housing was guaranteed to the rural poor under the old system.

#### **2.2 Skills**

Every village had families of hereditary artisans working for them. The main artisans were masons, carpenters, mat-makers, potters, tanners, barbers, dhobis, water carriers and entertainers. They were housed and maintained by the village community which also took care of the expenses incurred for their family weddings and the burial of their relatives. These artisans could be called upon to serve any member of the community who contributed agricultural or dairy products seasonally for their maintenance. Cash was not used at all in this relationship, nor was the quantum of work done by the craftsman a measure of the payment they received. Artisan families belonging to one village were normally not permitted to work in other settlements, and apart from following their trade, they did no other work.



## **2.3 Materials of construction**

Most community land had trees on it and also reserves of wattle and reeds. These were jealously protected and a variable quota was reserved for fuel and construction purposes for different families according to their social status. Use of these trees and reserves for commercial purposes was not permitted and wastage was prevented. Mud was excavated from specific areas on community lands and the depressions so caused were used as ponds for the watering and washing of animals.

## **2.4 Maintenance of houses**

Previously, the village population had a considerable amount of leisure after harvesting and sowing. These periods were utilised for repairing and improving the house. In the monsoon belt, lepai after the rains was a regular ritual. In many areas of Pakistan, nomads from Afghanistan or Balochistan came down to the plains in winter. They were experts in mud wall erection and plastering. They helped in putting up new construction and in maintaining the old. However, leisure is a fast-disappearing aspect of life in the rural areas: most families, in order to survive, have to supplement their agricultural incomes by working in other sectors. The nomads, meanwhile, have ceased to visit the plains.

Their movements have been curtailed by frontier restrictions and changes in their own socio-economic structure.

## **2.5 House design and village planning**

The design of houses and the planning of villages followed systems that had been developed over centuries. They catered to social and economic activity both at the family and community level. Thus a tanner's house was different from that of a serf and that of a merchant different from that of a baker. Due to centuries of experience, village artisans were experts in the use of traditional materials, and had developed techniques that responded to the climate of the area.

# **3. CHANGES IN RURAL SOCIETY**

## **3.1 Cash as a means of exchange**

Before the turn of the century, all exchange relations in the rural economy were based on barter. It was because of this factor that social and economic mobility for the rural population was difficult, if not impossible; caste distinctions remained intact and the economic self-sufficiency of the village was ensured. The introduction of cash as a means of exchange, along with massive urban growth and industrialisation, has destroyed the political structure of the rural areas and made village self-sufficiency impossible. At different stages after the Second World War, industrially-produced goods started to find their way into the rural economy, and by the 1960s, village artisans in the more developed areas began to calculate the labour they put into production in rupees per man day. Mechanisation, fertiliser, new variety of seeds and pesticides, all acquired through cash transactions, followed. New modes of transport revolutionised marketing, and since the generation of cash became the main objective, all rural produce that did not have an industrially-produced alternative became a marketable commodity.

### 3.2 Effects of the introduction of cash

**Encroachment of community lands:** With the break-up of the old rural structure and social cohesion, a lot of village community lands have been encroached upon by the influential classes. Where such encroachment has not taken place, they are either a subject of dispute or are not administered. In many places, the communities have leased them out to outsiders or even sold them. Due to these factors the acquisition of affordable land for housing has become very difficult for the rural people, especially in the agricultural areas where land values are high.

**Migration of skills:** Given the conditions described above craftsmen migrated to the urban areas where they could earn more in cash terms, and in most rural areas the old system of village communities maintaining artisans is dead or dying. This change has had three effects. One, it has made social and economic mobility possible, thus putting an end to the hereditary artisanal tradition, and this in turn has adversely affected the competence of the craftsmen. Two, it has created an acute shortage of artisans in most rural areas. And three, it has made the hiring of skills beyond the reach of the rural poor and lower middle income groups. Thus, new houses are of much poorer quality than the older ones and are devoid of surface decorations and details that characterise the older houses.

**Sale of forests and plantations:** The demand for cash has also led to the sale by the village community, or its traditional chiefs, of forests and plantations on community lands. This has raised the price of timber and reeds and, in the absence of effective village government, made the rural communities dependent on contractors for meeting their demand for construction material.

**New aspirations:** A large number of villages have now become semi-urban and this trend is likely to continue. Electricity, piped water schemes, sewerage systems are being demanded and acquired. Mechanised transport has to be catered to and with a change in production techniques and relationships, the old pattern of planning a home, or the village itself, will have to undergo changes. In a haphazard manner, these changes have already begun and the copying of urban styles reflects the unequal relationship that the rural areas have with urban settlements.

**Marginalisation of the poor:** The factors discussed above have made it impossible for the poor in the rural areas to acquire land, purchase building materials or hire skilled labour for constructing a house. This, along with the breakup of traditional structures and the absence of new appropriate institutions, has marginalised them. As a result, in many areas landless labour is forced to work at much less than half the minimum wage, or even bond themselves to a landlord, so that they may have a place to stay. In such cases, their families do begar for their benefactors. So, while cash has broken down old feudal relations, the new order has created a new set of problems for the poor. These problems can to some extent be overcome if access to land for house building is made available.

**Absence of information on the nature of change in the housing sector in the rural areas:** There is a complete lack of research and information on the nature or extent of change related to the housing sector in the rural areas. Issues like land-use changes, very important in the case of central Punjab; changes in densities; degradation of housing stock; accumulated deficit estimates in housing; performance of the housing industry; development of new functions due to change in production methods and marketing, have yet to be researched into. Without an understanding of

these issues, it is difficult to formulate a policy for rural housing. A data base, however, does exist in the form of the 1980 housing census, and needs to be built upon and analysed.

#### **4. AN EVALUATION OF GOVERNMENT POLICIES**

Government policies related to the housing sector in the rural areas are of four varieties. One is the sub-division of land and its distribution among the poor as provided under the seven marla scheme. Two, village improvement schemes that seek to involve people in the development process. Three, the HBFC's house building and improvement loan. And four, house building for the mustahqeen with zakat funds.

##### **4.1 The seven marla scheme**

Under the seven marla scheme, community or state land is subdivided by the state and distributed among the rural poor free of charge. Evaluation of parts of this scheme have shown:

- a) That these schemes have almost depleted village community lands and in some areas state lands as well. Thus, very soon this programme will come to a halt after depriving rural communities of land required for their collective activities.
- b) Most of these schemes are located in areas where there is no road access and many others where water is not available.
- c) In spite of the fact that this programme began in 1985, the majority of the schemes are still unoccupied. This is not only because of the reasons mentioned in (a) and (b), but also because a large number of plots have been acquired by influential people in the name of their retainers and dependents and held for speculative purposes.
- d) The planning of the seven marla schemes is on a grid iron without a hierarchy of spaces. It is more suitable for urban middle income groups who own automobiles than for rural communities.

##### **4.2 Village improvement scheme**

A number of schemes for village improvement with community participation in terms of finance and/or a labour component are operative in various areas of the country. These schemes consist of piped water projects, street paving, sanitation and school building programmes. They are promoted and managed by the local government and rural development departments (LG and RDD) and the district councils. Some form part of the district development plans, while others are funded by the annual development plans. A few are also supported by international agencies.

Evaluations of these programmes have shown that these schemes get implemented only where the district councils are financially and politically strong. Even where they do get implemented, the end result is technically defective and it has been noted that usually only the influential benefit from them. Operation and Maintenance (O & M) of these schemes inevitably poses problems and many of them become inoperative after a few years or function erratically. It must be borne in mind that O&M, in both financial and technical terms, is becoming an increasingly difficult problem for the government to handle and unless communities take it over no sustainable development is possible.

The reasons for the problems mentioned above are:

- a) The engineering wings of the LG and RDD and the district council are organisationally and technically weak.
- b) No motivational or organisational work is undertaken in the community before work is begun. Thus, the community's involvement is missing in the maintenance and operation of schemes as well.
- c) There are no proper monitoring and evaluation facilities with the LG and RDD or the district councils and without these facilities periodic modifications required for the success of these schemes cannot be made. The Rural Development Academies can fill this gap but their involvement with these programmes is negligible.
- d) It has been noted that in certain NGO projects in the rural areas, such as the AKRSP, the technical results are much better and the villagers effectively operate and maintain the infrastructure they create. This is because of the motivational, extension and monitoring work done by the NGOs. This cannot be done by local governments without prior social research. The institutions for such research either do not exist, or if they do, they involve themselves with theoretical issues only.

#### **4.3 Loans for building and house improvement**

Government loans for building and house improvement are available. These loans are given by the HBFC to plot or house owners. However, access to these loans is denied to a large majority of the rural population because:

- a) Most house owners in the rural areas do not have ownership papers for the houses they live in, although their right to their property is recognised by the village community.
- b) The process of acquiring a loan is long and cumbersome, and apart from bureaucratic red tapism, involves catering to corruption and nepotism. Thus only the affluent or those close to them can make use of these schemes.
- c) The recovery of the loan also poses problems and there is a very high percentage of default. If this continues, the programme cannot possibly continue without the government writing off these loans, something it is in no position to do.

#### **4.4 House building for the mustahqeen**

This programme is so small that it deserves very little attention. It involves the building of small houses from zakat funds and their allotment free of charge to the deserving. It could be a much larger programme if land instead of houses was made available to the "deserving".

## **5. POLICY NEEDS**

### **5.1 Information collection and research**

Keeping in view the discussion above, it is essential that a better understanding of the nature and extent of the social and economic changes in the rural areas and their effects is developed. In the absence of such an understanding and supporting statistics, no effective housing policy which caters to the needs of all income groups can be evolved. The National Housing Authority is the appropriate organisation to initiate relevant research work by involving professionals from the Rural Development Academies and other relevant agencies. It must be understood that state involvement in the housing sector in the rural areas is an open field and appropriate models can only develop over a period of time through research and extension.

### **5.2 Management of community lands**

A new and viable social model, keeping in view the changes that have taken place, needs to be developed to replace the old and now extinct form of village government. Through this model, the management of community lands, forests, skills and credit may be undertaken. Extension of technical research to this model or to already existing rural building industry, can then become possible. If this scheme can work on a pilot level, its replication on a larger scale way must be promoted. Action research, social and technical, and its extension, is the first need for such an exercise.

### **5.3 Access to land**

Instead of depleting community and state lands for rural housing schemes, the government must purchase private land on the open market and at appropriate places for rural housing. Since the cost of this land will be exorbitant, its price should be recovered from the allottee through an affordable down payment and then in small monthly instalments along with interest. Ownership should be conferred only after the full payment has been made. To contain speculation, ownership of plots that are not occupied within fifteen days after allotment should be cancelled. Community organisations for the development of an effective system of cost recovery and development of services must be created. Again, if such pilot projects are successful they should be replicated. Finances for the purchase of land for these projects will be beyond the means of local or provincial governments. Loans for this purpose, instead of loans for infrastructure developments, will have to be sought.

### **5.4 Village improvement schemes**

To make the existing government schemes viable it is necessary that:

- a) The technical, monitoring and evaluation capacity of the LG & RDD and the local councils is enhanced. In addition, techniques of involving the people in the programme and motivating them should become a part of the LG & RDD and local government programmes.
- b) To make this possible, social and technical research as mentioned earlier should be undertaken at the Rural Development Academies. To extend the results of this research to the

people, appropriate training and orientation should be provided to the staff of the LG & RDD and the local councils at pilot projects or at relevant projects run by NGOs.

c) Such research should also look for easily adoptable and cheap alternatives to the traditional materials of construction, and search for ways and means to develop the necessary skills at village level in order to use these alternatives.

d) It must be realised that these development projects through the local government can only be successful if the local government institutions are strong and effective. This will only happen if the local councils have the possibility of raising their own revenues, deciding on how they are used, and evolving their own priorities.

## **6. CONCLUSION**

A number of pilot projects aimed at overcoming the weakness in government policies have been suggested in this paper. Pilot projects can only be replicated if constant monitoring, documentation, and by carrying out periodic evaluations. These in turn must make appropriate modifications in the project methodology or implementation procedures. For this process, the involvement and/or creation of institutions that can undertake these activities is essential. The suggestions made in this paper for modifications to the existing government policies sound very ambitious. However, the enormity of the problem and of the change in rural society; the technical and financial inadequacy of rural agencies involved with development; the increasing burden of foreign debt on the federal exchequer, all demand a search for new and viable models of development. If this search is not successful, then all planned development will come to a grinding halt.

## Appendices

### Appendix - I

#### Comparative Profiles of Karachi, Hyderabad, Faisalabad, Lahore and Peshawar

##### 1. Demographic:

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
1.1 Population(1)					
1951	1,068,459	241,801	187,185	859,221	151,435
1961	1,912,598	434,537	435,117	1,317,119	218,697
1972	3,515,402	628,631	839,621	2,198,890	272,697
1981	5,208,132	751,529	1,121,629	2,988,486	566,248
1988(2)	7,180,000	980,000	1,520,000	3,870,000(3)	770,000
1993(2)	9,160,000	1,140,000	1,920,000	4,750,000	970,000
1.2 Population as % Pakistan population 1988	6.8	0.93	1.4	3.7	0.73
1.3 Population as % Pakistan urban population 1988	21.4	2.9	4.5	11.5	2.3
1.4 Annual Growth Rate (%)					
1972-81(4)	4.5	2.0	3.6(5)	3.7(6)	8.4
1981-88	4.96	2.6	4.6	3.8(7)	3.3
1.5 Growth Rate 1972-81(8)					
- Natural	1.9(9)	NA	NA	2.95	3.1(10)
- In-migration	2.5(9)	NA	NA	0.75	1.2(10)
1.6 Population density					
1981(11)	154	66	190 90-775	160(12) 62-1100	NA
1.7 Household size					
1972(13)	5.8	5.96	8.51	6.19	5.9
1981(14)	6.6	7.0	6.7	6.9	6.9
1.8 Crude birth rate					
1981(15)	44.1	33.67 38.7(16)	36.09	37.64	39.52
1.9 Total fertility rate(17)	5.6	6.92	5.99	6.01	6.73
1.10 Max.avg. age at marriage	21.5	20.37 21.6(18)	21.41	21.74	21.2

## 2. Employment:

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
2.1 Labour force participation rate 1981 (% of total population)(19)					
- Total	25.7	23.6	26.3	26.4	25.3
- Female	2.9	1.9	2.6	2.5	2.6
2.2 Civilian labour force 1981(20)	1,234,354	219,466	324,637	788,746	150,055
2.3 Unemployment 1981 (% of CLF)(21)	8.2	2.6	5.6	8.9	3.4
2.4 Employed persons 1981 (% of total population)(22)	25.8	26.7	28.5	27.0	44.41
2.5 Employment structure 1981 (% of total population)(23)					
- Professional, technical & related workers	7.2	47.0	3.6	6.2	9.1
- Admin. & managerial workers	3.58	1.98	0.97	2.15	2.2
- Clerical & related workers	8.4	7.04	2.7	8.2	10.7
- Sales workers	17.0	17.8	10.6	17.1	25.6
- Agri. & animal husbandry and forestry workers	7.9	5.81	4.3	10.6	8.51
- Production & related workers, transport, equipment, operators & labourers	42.4	46.2	35.7	37.4	39.89
- Workers not classified by occupation	8.7	4.4	1.9	3.6	8.0

## 3. Household income

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
	5,000-10,000 6%	4,000 6.28%	2001+ 0.9%	2,501+ 9.4%	2,500+ 9.4%
	1,500-2,000 19%	2,000-4,000 24.5%	1,000-1,499 4.2%	1,000-1,500 22%	1,000-2,500 36%
	1,000-1,500 22%	2,000, Less 69.2%	300-499 70.66%	300-1,000 45.6%	1,000 54.6%



#### 4. Land

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
4.1 Publicly owned (as of total)	80(29)	-	17(30)	14(31)	-
4.2 Privately owned (as of total)	20	-	83	86	-

#### 5. Housing

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
5.1 Housing units (per 1000 persons)(32)	158	143	153	151	145
5.2 Persons per D.U.	6.7	7.5	6.9	6.8	7.4
5.3 Persons per room	3.1	3.8	3.5	2.9	3.0
5.4 Owner occupied houses (as % of total)(33)	57.0(34)	77.5	83.12	67.8	64.73
5.5 Population in slum (as % of total population)	50	60	60	50(35)	50(36)

#### 6. Katchi Abadis

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
6.1 Population (as % of city Population 1985)	37(37)	25(38)	60(39)	21(40)	2
6.2 Area (ha)	6,105(41)	566	242.5	569.8(42)	-

#### 7. Services and infrastructure

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
7.1 Piped water supply 1980 (individual connection % of units)	46(43)	63	31	65	38(44)
7.2 Average daily pipe water supply (litre p/capita)(45)	90	246	187	225	332
7.3 Sewerage 1980 (% of units)	53	27	28	30	15
7.4 Elect. 1980 (% of units)	66	81	79	86	86
7.5 Gas main supply (%)	57(46)	-	-	20(47)	-

## 8. Health and education

	Karachi	Hyderabad	Faisalabad	Lahore	Peshawar
8.1 No. of hospital beds (% 1000 population)	1.4(48)	2.85(49)	0.79(50)	2.03(51)	4.37(52)
8.2 Infant mortality(53) (10-years) 1981 (%)	85-107	126	128	108	112
8.3 School enrolment ratio 1981 (%) (54)	41.1	21.1	21.9	25.8(55)	23.9
8.4 Female enrolment ratio (%) (54)	39.9	18.9	20.1	24.6	19.7
8.5 Literacy rate(56)					
1972	51.7	42.2	36.1	44.1	34.6
1981	56.6	41.2	46.2	53.4	36
8.6 Female literacy rate					
1972(57)	45.7	32.2	24.7	35.6	
1981	50.5	33.0	36.4	46.4	23.3

### Footnotes to appendix - 1

1. Data for 1951-81 are from Census of Pakistan 1981.
2. Estimates for 1988 and projections for 1993 by government of Pakistan Planning Commission, Working Group on Urbanisation for the Seventh Five Year Plan 1988-93.
3. All independent estimates provide a figure of over 4 million for the same administrative boundary.
4. World Bank Shelter Sector Review p. 65 with adjustments for Faisalabad and Lahore (see next footnote).
5. As the World Bank Shelter Sector Review uses population figures for 1981 pertaining only to municipal corporation areas of Faisalabad and Lahore, while using 1972 figures for total urban area (municipal and cantonment), therefore, the growth rates given in this table have been adjusted to the correct figures.
6. Ibid. (same as footnote 5).
7. Lahore Profile by Reza Ali 1989.
8. District Census Reports 1981.
9. Karachi District Census Reports 1981 and 1972.
10. Development Planning Programme for Peshawar: Shelter project preparation; Final Report June 1988, Peshawar Development Authority, by Gilmore Hanke and Kirke pg. 8.

Note: In Peshawar with the in-migration of Afghan refugees we must assume two alternative rates of in-migration of Pakistanis between 1991 and 2000: a) With lower level of Afghan out-migration we will use an average annual growth rate of Pakistani in-migration of 1.2%; b) but with a level of Afghan out-migration we will use an average annual growth rate of Pakistani in-migration of 1.4%.

11. District Census Reports 1981.
12. Ibid.
13. District Census Reports 1972 (Karachi, Hyderabad, Faisalabad, Lahore and Peshawar).
14. Ibid. 1981
15. Ibid.
16. Karachi East District: 44.1, West and South District: 38.7.
17. District Census Reports 1981; by Rele's method.

18. Karachi East District: 21.5, West and South District 21.6.
19. Census of Pakistan 1981.
20. Ibid.
21. Ibid.
22. Ibid.
23. Ibid.
24. Karachi Development Authority: Karachi Master Plan 2000.
25. Greater Hyderabad Master Plan 1985; by Hyderabad Development Authority
26. 1981 District Census Report of Faisalabad, February 1984, Population Census Organisation Statistics Division, Government of Pakistan, Islamabad.
27. Lahore Profile by Reza Ali 1989.
28. Development Planning Programme for Peshawar; by UNDP, UNCH Shelter Project Preparation, Final Report. p.15.
29. Karachi Master Plan Year 1974-85.
30. Faisalabad Master Plan; public land; federal and provincial government 8%, semi-government organisation, Agricultural University etc. 0.9%.
31. From Lahore Master Plan 1966, public land; federal government including Defence, Railways, WAPDA etc. 6.2%; provincial government 6.3% and Azad Kashmir government 0.9%
32. Housing Census Report 1980.
33. District Census Report 1981.
34. Human Settlement Atlas for Asia and Pacific. Part III. UNESCO for Asia and Pacific, Bangkok, Thailand 1988. p.86.
35. Lahore Profile by Reza Ali 1989.
36. Development Planning Programme for Peshawar; by UNDP, UNCH, Shelter Project Preparation, Final Report.
37. World Bank; Pakistan Shelter Sector Review, June 1988 p.16.
38. Hyderabad Municipal Corporation Katchi Abadis Directorate: Report.
39. World Bank; Pakistan Shelter Sector Review, June 1988.
40. Community Development in Katchi Abadis (slum) Project Lahore; Planning and Development Department, Government of the Punjab/UNICEF, May 1981. p.5, Vol. II Part 2.
41. Housing Study 1986 - PEPAC; Greater Hyderabad Master Plan - 1988
42. City Monograph: Development of Lahore by Manzoor Malik, LDA. Paper presented at the 2nd Regional Congress of Local Authorities for development of Human Settlement in Asia and Pacific, July 1987.
43. Karachi Development Authority: Karachi Master Plan 2000, table 17.
44. Community Survey Regarding Child Survey themes at Tahkal Payan, Peshawar. p.5.
45. Master Plans of these cities.
46. Human Settlement Atlas for Asia and Pacific, Part III. UNESCO for Asia and Pacific, Bangkok, Thailand 1988. p.86.
47. Profile of Lahore by Reza Ali, 1989.
48. Human Settlement Atlas for Asia and Pacific, Part III. UNESCO for Asia and Pacific, Bangkok, Thailand 1988. p.86.
49. Greater Hyderabad Master Plan 1985; Hyderabad Development Authority / PEPAC.
50. Punjab government data, June 1986.
51. Ibid.
52. District Census Report 1981, Peshawar.
53. 0-1 year age by Trusels method from Census of Pakistan 1981.
54. Enrolment ratio 1980 refers to % of students in total population of the age 5-24 years; from Census of Pakistan 1981.
55. Lahore: In 1980 it was estimated that 83% of primary school-age children and 50% of middle and high school children were enrolled. World Bank Staff Appraisal Report, Nov. 1982 and Lahore Urban Development and Traffic Study, 1980.
56. Census of Pakistan 1981.
57. District Census Reports, 1972.

**Survey Questionnaire for the Yakoobabad Case Study**

Name of Colony/Illegal Subdivision

Plot Number/Address

Name of Household Head

Name of Person Interviewed

1. When did you acquire this plot?
2. When did you come to live on it?
3. What was your previous place of living?
  - outside Karachi : Specify
  - elsewhere Karachi: Specify
4. When did you come to Karachi?
5. What was the tenure position in your previous place of living?
  - owner
  - renter: How many rooms did your house have ?
  - staying with family
  - other: Specify
6. Was this previous position formal or informal?
7. Is the house in which you live
  - rented? What rent do you pay?
  - bought? What price did you pay inclusive of land?
  - constructed on vacant land? What was the price of plot?
8. Why did you move to this place?
  - additional security of tenure
  - location closer to place of work
  - better neighbourhood
  - wanted to be a plot/house owner
  - had to move from previous place of living: reason
  - other: Specify
9. This plot is used as
  - purely residential
  - residential-cum-commercial
  - other: Specify
  - if commercial, specify nature
10. If you are a plot owner from whom did you buy the plot?
  - broker
  - relative
  - people of your home village
  - do not know
  - other: Specify
11. If you are a plot renter, where does the plot owner live?
  - on the same plot
  - elsewhere in the neighbourhood
  - do not know
  - other: Specify
12. Did you split your plot since you bought it?
  - If yes, specify and give reason
13. Is there any tenant household(s) living on this plot? If yes
  - how much rent do they pay to you?
  - did you receive any advance? How much?
14. What would be the approximate price if you had to buy an unoccupied plot close to your plot?
15. What are the facilities in your house?

- Mode of water supply
    - private connection
    - public tap
    - bishti
    - donkey cart
    - truck
    - other: Specify
  - Mode of water storage
    - roof tank
    - ground tank
    - container
    - not applicable
    - other: Specify
  - Type of latrine
    - bucket latrine
    - soakpit
    - septic tank
    - no latrine
    - other: Specify
  - How much do you pay for water?
  - Electricity
    - not available
    - available KESC
    - other: Specify
    - applied for
16. What did you build or improve on/of you house since the time you moved here?
- New building for the house
    - compound wall
    - kitchen
    - bathroom
    - latrine
    - extra rooms, how many
    - verandah
    - extra floor
- Specify for each amount spent on construction
- Improvement of the construction standard. Are there any differences in building materials used now and when you acquired the house? If yes, specify.
17. How did you construct this house?
- with family labour
  - mason with family labour
  - labour subcontractor with materials from the thalla
  - labour and material contract
  - other: Specify
18. Define the role of the thallawala in your house building effort; he
- sold materials on cash to you
  - sold materials on credit to you
  - arranged for the supply of skilled labour
  - arranged for the supply of skilled and unskilled labour
  - arranged for a labour contractor
  - arranged for a total contract
  - took the contract himself
19. How did you manage money for the new building and or improvements?
- savings
  - selling plots
  - loan from friends
  - loan from money lender
  - loan from institutions
20. Was there any interest on the loan you took If so, how much?

21. Are you satisfied with
- this house
  - this neighbourhood
22. Are there any items that you dislike about your house/neighbourhood? If so, which and why?
- house
  - neighbourhood
23. What is the construction standard of the dwelling?
- Compound wall
    - plastered cement blocks
    - unplastered cement blocks
    - stones/mud/planks
    - chatai/canister
  - House wall
    - plastered cement blocks
    - unplastered cement blocks
    - stone/mud/planks
    - chatai/canister
  - Roof
    - reinforced concrete
    - tiles/asbestos sheets
    - corrugated iron sheets/mud/planks
    - chatai/canister
  - Floor
    - katcha
    - o concrete
24. How many people are living on this plot and what is their relation to Head of Household (HOH)? What is their ages, sex, employment, mode of payment and indication of income? Specify for each person.
- Relation to HOH
- Sex
- Employment
- Mode of payment
- Profession
- Income (indication)
25. What is your mother language?

Name of Interviewer

Signature

Date:

### Survey Questionnaire for the Khuda-ki-Basti Case Study

#### 1. House address

1.1 Number \_\_\_\_\_ 1.2 Block \_\_\_\_\_ 1.3 Sector \_\_\_\_\_

#### 2. Household details

2.1 Name of head of family \_\_\_\_\_

2.2 Mother tongue \_\_\_\_\_

2.3 Size of family \_\_\_\_\_

2.3 Relationships with head of family \_\_\_\_\_

S.No.	Relationship	Age
----	-----	-----
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

#### 3. Relationship with Khuda-ki-Basti

3.1 Date of purchase of plot \_\_\_\_\_

3.2 Date of occupation of plot \_\_\_\_\_

3.3 Plot purchased from

- a) HDA                      b) dallal  
c) original owner        d) others \_\_\_\_\_

3.4 Price paid for the plot: Rs \_\_\_\_\_

3.5 Did you use reception area?

- a) Yes                      b) No

3.6 How did you get to know about Khuda-ki-Basti?

- a) from friends              b) from neighbours  
c) from a dallal              d) others

3.7 Do you have relations in the basti?

a) Yes            b) No

3.8    (If yes) How many families? \_\_\_\_\_

3.9    Have you ever tried to get a plot before?

a) Yes            b) No

3.10   (If yes) Did you get it?

a) Yes            b) No

3.11   If you did get it then from whom? \_\_\_\_\_

and where?            \_\_\_\_\_

3.12   If you did not get it then why? \_\_\_\_\_

3.13   If tenant

a) rent per month    b) reason for selecting KKB

#### **4.    Details of previous residence**

4.1    Where did you live previously? \_\_\_\_\_

4.2    How long did you live there? \_\_\_\_\_

4.3    Were you?

a) a renter            b) a house owner  
c) living with relatives

4.4    What was the reason for moving?

a) to own a plot            b) to save on rent  
c) others \_\_\_\_\_

4.5    Services in previous residence

a) water            b) sewerage  
c) electricity        d) gas    e) other \_\_\_\_\_

4.6    Distance from work

a) less than KKB            b) more than KKB  
c) same

4.7    Transportation to work

a) better than KKB    b) worse    c) same

4.8    Existing type of transportation

a) public            b) private



## 5. Family income

Earner	Age of work	Type of work	Place of work	Distance from Basti	Mode of transportation	Per day cost of transportation	Income
i)							
ii)							
iii)							
iv)							
Total Rs							

## 6. Opinions regarding HDA allotment procedures

6.1 Are you satisfied with HDA allotment procedures?

- a) Yes      b) No      c) No opinion

6.2 If not then why?

- a) too bureaucratic      b) complicated  
c) unclear      d) others \_\_\_\_\_

## 7. Opinion regarding planning

7.1 Are you satisfied with the size of your plot?

- a) Yes      b) No

7.2 If no then why not?

- a) too small      b) wrong dimensions  
c) other \_\_\_\_\_

## 8. House building

8.1 What did you construct first?

- a) room      b) compound wall  
c) latrine      d) other \_\_\_\_\_

8.2 What did you construct in?

- a) mat and bamboo      b) brick and tatch  
c) others \_\_\_\_\_

8.3 Did you get assistance from

- a) a mason      b) a contractor  
c) did it yourself      d) others \_\_\_\_\_

8.4 How did you finance your construction?

- a) from savings      b) loan from friends

c) loan from suppliers    d) others \_\_\_\_\_

8.5    How much have you spent so far on construction: Rs \_\_\_\_\_

8.6    Do you know of the existence of construction bye-laws?

a) Yes                      b) No

8.7    (If yes) Did you follow any?

a) Yes                      b) No

8.8    (If no) Why not? \_\_\_\_\_

## **9.    Services**

9.1    Have you used the HDA promoted soak-pits?

a) Yes                      b) No

9.2    What are the existing services?

a) piped water    b) sewerage    c) elect.  
d) transport    e) gas            f) others \_\_\_\_\_

9.3    Future priorities

a) piped water    b) sewerage    c) elect.  
d) transport    e) gas            f) others \_\_\_\_\_

## **10.   Block organisations**

10.1   Are you satisfied with your block organisation?

a) Yes            b) No            c) Indifferent

10.2   Do you participate in its activities?

a) Yes                      b) No

10.3   Do you feel it represents you?

a) Yes            b) No            c) Do not know

10.4   How you deal with HDA?

a) directly    b) through block organisation  
c) other \_\_\_\_\_

## **11.   Speculation**

11.1   How much would your plot sell for now? Rs \_\_\_\_\_

11.2   How many people living in the block are original owners

a) 75%            b) 50%            c) below 50%

## 12. HBFC loan

12.1 Have you used the HBFC loan facility?

- a) Yes                      b) No

12.2 (If no) Why?

- a) do not need it              b) other reasons

12.3 (If other reasons) Are they related to?

- a) procedural problems              b) nepotism

12.4 If you need the loan then for what element of the house is it?

- a) roof                              b) latrine  
c) compound wall              d) other \_\_\_\_\_

## 13. NGO involvement in KKB

13.1 Have you benefited by the NGOs programmes in KKB?

- a) Yes                      b) No                      c) No opinion

13.2 (If yes) Which particular one? \_\_\_\_\_  
\_\_\_\_\_

.....

Signature \_\_\_\_\_  
Team No. \_\_\_\_\_  
Dated: \_\_\_\_\_

## Survey Team

1. Shoukat Ali  
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