

THE CRISIS OF URBAN HOUSING

Arif Hasan | Hamza Arif August 19, 2018



Urban Resource Centre

A-2/2, 2nd Floor, Westland Trade Centre,
Commercial Area, Block 7 & 8 Shaheed-e-Millat Road, Karachi Pakistan
Tel: +92 21 – 3431 5656 E-mail; urc@cyber.net.pk, Web Site: urckarachi.org

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Illustration by Soonhal Khan

Pakistan is the seventh-most populous country in the world. According to the 2017 census, its population is 207.7 million and has grown at the rate of 2.4 percent per year in the intercensal period. Its urban population, on the other hand, has grown at the rate of 2.7 percent per year during the same period and is estimated at 75.5 million.

The urban housing demand in Pakistan is 350,000 units per year. Of this, 62 percent is for lower income groups, 25 percent for lower-middle income groups, and 10 percent for higher and upper middle income groups. The formal supply per year is 150,000 units. The unmet demand is taken care of by the creation of informal settlements of two kinds: occupation and subdivision of government land (katchi abadis or squatter settlements) and, second, by the informal subdivision of agricultural land (ISALs) on the periphery of the urban settlements. In the last two decades, however, the demand is increasingly being met by densification of existing low and lower-middle income settlements.

Rural-to-urban migration is taking place at an unprecedented scale because of the demise of the village self-sufficiency model — a product of caste structures and a barter economy, both of which are in their last throes.

There is an 8.5 million unit backlog of housing in Pakistan that is growing by 200,000 units every year. Successive governments have made grand promises about providing housing but they all fail to understand the scale of the crisis or its dynamics...

At present, the state has no plans for dealing with the migrant influx nor is it in a position to provide them with homes. What compounds matters is that these internal migrants' options of living in katchi abadis or ISALs in the absence of the availability of land near the ever-expanding urban centres are becoming difficult due to an increase in cost, distances and the inconvenience related to commuting.

To respond to these problems, low-rise and low-income settlements near places of work or town centres are informally becoming high-rise, with all the physical and social problems of unplanned densification. The units are also becoming increasingly smaller so as to become more affordable. Meanwhile, for the first time in Pakistan's urban areas (especially in Karachi and the larger cities), we are seeing people sleeping under bridges, roundabouts, pavements and open-air 'hotels.'

The politician-developer nexus is producing gated communities for the elite and middle classes, segregating cities further into rich and poor areas, and thus, increasing the possibility of urban conflict. The process of gentrification is taking away space from the public and transferring it to the rich and the middle-class. This is being facilitated by large loans from the international financial institutions leading to massive speculation which needs to be contained. This speculation has put housing beyond the reach of even middle-class young couples.

The provincial governments are promoting regularisation and improvement of informal settlements. However, in Karachi, through new legislation, they are also promoting their demolition and conversion into medium- and high-rise apartments through developers. They feel that this will integrate them into the city.

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Finances for such large interventions are not available, and even if they were, they are not feasible for social and political reasons. What is required is house improvement

loans for the katchi abadis and technical advice on how to use those loans effectively. In addition, design and technical advice is also desperately required for the actors in the informal densification process. This advice can be given to individual families, neighbourhoods, or to the informal developers and contractors working in the low-income settlements.

The credit facilities available through banks and the House Building Finance Company (HBFC) are not sufficient to cater to even a fraction of the demand. Without a reform in these institutions and their means of raising and disbursing funds, the situation will not improve. A very important element that needs to be introduced if the housing demand is to be better met is the creation of credit for the purchase of land for individuals as well as small cooperatives. To freeze the shelter shortage to present levels (an 8.5 million unit backlog growing at the rate of 200,000 units a year), an outlay of 100 billion rupees would be required annually for the next 10 years, whereas the 2017-18 national budget has allocated a mere 2.329 billion rupees for housing.

The state is transferring its responsibilities to companies. A number of municipal functions have already been transferred, including the collection of revenue in some cases, which is no longer the responsibility of the state. If this policy is to be pursued, there has to be a very strong regulatory framework which protects the poorer sections of the population.

It has been seen in the case of electricity that the poorer sections cannot afford to pay their energy bills since the costs are exorbitant. They also have to bear the brunt of power load-shedding as opposed to higher-income settlements. In the case of solid waste management, the katchi abadis have been ignored. Unlike 15 years ago, a family now has to pay to enter a park for recreation purposes and has to pay a parking fee to park their motorbike or car. According to the Urban Resource Centre's (URC) research, low-income visitors to the more expensive parks have decreased.

A heavy toll tax has been placed on motorways and national highways, making travel very expensive in one's own vehicle.



With great migration to Lahore from other parts of the country, the city's low-income settlements have swelled in size. This has also created a crisis of resources | Junaid Ahmed

Unlike before, the state ignores protests from communities who increasingly use NGOs or political parties as go-betweens for negotiation purposes. The resulting culture has, apart from creating dependence, created a distance between government agencies and communities. The state does, however, listen to community projects which it showcases and which are increasingly becoming a drop in the ocean of capitalist domination.

The expansion of urban centres, in the absence of land use planning or its implementation, is swallowing up valuable agricultural land and damaging the ecology of the regions in which the cities are located, depleting water resources and polluting water bodies. It is also destroying geological formations, forests and natural drainage systems. This is causing flooding and bringing about a rise in temperature, creating heat island effects in the urban areas especially in the high-density high-rise informal settlements. If unchecked, these environmental hazards will increase. There is a need for new building design and technology which is affordable for low income groups (especially with relation to insulation of external walls and roofs of buildings and planting trees) to deal with the effects of climate change. Urbanisation on the

periphery is also destroying traditional cultural precincts, intangible cultures and archaeological sites. With the neoliberal regime and its emphasis on direct foreign investment, master and strategic planning has been replaced by unrelated projects for which funds are available in the international market and with international financial institutions.

The URC in Karachi proposes no settlement should have a density of less than 400 persons per hectare and no person who has taken a loan for house building once should be given another loan.

If we accept that this will remain so for the future, then we need to develop a criterion for judging projects. The URC in Karachi has developed the following criteria: that projects shall not destroy the ecology of the region in which the city is located; that the project should serve the interests of the lower and lower-middle income groups who form the vast majority of the populations of urban centres as priority; that land use should be decided on the basis of social and environmental considerations and not on the basis of land value alone; and that projects should not damage the tangible and intangible culture of the communities that live in urban areas.

The most important issue, however, is related to land, its use and conservation.

The URC in Karachi is of the opinion that Pakistan requires a serious urban land reform. Such a policy would involve a heavy non-utilisation fee on land and property and an urban land ceiling act whereby no one person can own more than 500 square meters of urban land. Similarly, no settlement should have a density of less than 400 persons per hectare and no person who has taken a loan for house building once should be given another loan. In the presence of a powerful developers' lobby and elite interests, it is difficult to implement such an urban land reform. But given the changing political scenario in Pakistan and the activism of the higher courts, such a conversation can take place.

The above recommendations will need time and effort. A more important reality is that for the foreseeable future, housing will increasingly be provided by the formal and informal private sector. Formal because increasingly funds are being made available for it, and informal because there is a demand for it and there are huge profits that can be made from it with very little investment. To deal with this situation there is need for some sort of intervention to make the formal and informal housing product better designed and more affordable. It is also necessary to develop ways to open land for informal development through the provision of appropriately located road infrastructure and by enacting legislation through which the state can acquire vacant land for low-income housing.

Academic institutions put a great deal of emphasis on community housing projects. This is important. However, it is equally important that they understand the present formal and informal capitalist mode of housing production, its potential and its

constraints, so that they can make relevant interventions in the process and come to conclusions, especially on density, space per person, energy and their relationship with architecture and planning, for different Pakistani contexts.

More recently, the courts have taken cognisance of the lack of housing opportunities for low-income groups, demolition of informal settlements and corruption in the real estate sector. They have also taken notice of problems in water supply and sanitation services and established a special tribunal to review them. This has generated hope but there is also considerable cynicism regarding the ability of the courts to bring about meaningful change.

There are many peasant and indigenous peoples' movements against urbanisation of agricultural land, water resources, cultural sites and orchards. These are environmental issues and need the support of academic institutions and civil society. If these movements are strengthened, then the political establishment and the courts of law, especially the environmental tribunals, will take note of it. Many related issues are already before the Supreme Court.

Arif Hasan is a town planner and architect Hamza Arif is a researcher in sociology

HOW A KATCHI ABADI GETS BUILT

Yakoobabad is an informal settlement in Orangi Town, Karachi. Before 1977, it was vacant land belonging to the Board of Revenue (BoR), who had given it on a one-year renewable lease as pasture land to an elder of the Rind tribe (hereby referred to as X).

In February 1977, Y, who is a well-known informal developer, moved on to X's land with 100 destitute families whom he provided with bamboo posts and mats for constructing shacks. X resisted the occupation and there was violence. The local police station intervened and arbitrated. It was decided that the Rind tribe would receive 500 rupees for every plot that was developed by Y. The plots given to the 100 destitute people were exempt from payment and Y also did not receive any payments for them.

It was also agreed that Y would pay 200 rupees per plot to Karachi Municipal Corporation (KMC) officials from the sale proceeds and then the police would recover 200 rupees or more from the owners when they converted their shacks into concrete construction.

After this, Y laid out Yakoobabad on a grid-iron plan, levelled the roads by informally hiring tractors and a bulldozer from the KMC staff, and left an open space for a mosque and school. Commercial plots were set aside for speculation along the main roads, some of which he retained for himself — his return on his efforts so to speak. Negotiations were entered into with representatives and touts of government officials who could be of help in the future development of the settlement and 30 percent of all plots were set aside for these officials for speculation purposes. Whoever purchased a plot — except the KMC and government officials — had to construct a house in a

month's time and move in failing which he/she would lose their plot and the money they had paid for it. Thus, speculation was prevented and the settlement expanded fast.

Y engaged donkey-cart owners to supply water (illegally acquired from the KMC water mains in Orangi) which was paid for by the residents. A few weeks after the first shack was built, a contractor, Nawab Ali, established a building component manufacturing yard in the settlement and started supplying concrete blocks and tin roof sheets along with technical advice and small credit for housebuilding.

By the year 2000, 92 percent of the families had built their homes with support from Nawab Ali and 62 percent had taken credit from him. Another entrepreneur, Faiz Muhammad Baloch, moved into the area and set up a generator and started supplying electricity to the residents at the rate of 30 rupees (payable in advance) per month for a 40-watt bulb.

Y formed a welfare association of all the households who purchased a plot from him and got it registered. Through the association, he has lobbied for infrastructure and improvements with the help of officials and politicians who held plots in Yakoobabad. As a result, by 2000, Yakoobabad had become a proper settlement with electricity, telephone, water and gas connections. Also, by 2000, the area had 10 primary schools, two secondary schools, six clinics and paved roads including 401 micro-enterprise units providing employment to over 2,600 persons in the settlement.

THE INFORMAL DEVELOPERS OF FAISALABAD

Chaudhary Ghulam Rasool Cheema is an informal developer in Faisalabad. His family came from Gurdaspur in India and lived near a village on Jaranwala Road. He has been a member of the Pakistan Peoples Party (PPP) and later of the Pakistan Muslim League-Nawaz (PML-N).

Cheema's first job was as a Water and Power Development Agency (Wapda) storekeeper. But he entered the real estate business because his meagre salary was not enough to support his big family. To launch his business, he sold a tract of land that he had in his village which is situated about 20 kilometres away from Faisalabad. He chose to work along the Jaranwala Road because the people of the area knew him because of his political activities.

He planned his first housing scheme in 1990 but work on it started in 1994. Up till now, he has completed five small schemes, each with 70 to 150 plots. The size of the plots is usually five marla [1,361.25 square feet] and the measurements are 30 feet front by 45 feet depth. The streets are 20 to 28 feet wide. He raises the streets two feet above the road level. If the streets are not raised then people do not buy the plots because they are afraid that the settlement will get flooded.

The earth-work for the streets is done by the Afghanis who have trolleys and jack machines for this job. Local people do not do this work since they have no experience in it and no machinery either. For setting up his business, he employs two persons as

office staff. However, he hires a number of “field workers”. These field workers contact prospective clients, prepare layout on site and supervise earth filling.

The most important criterion for the purchase of land for the scheme is the availability of transport, which means access to the main inter-city road, and electricity.

When a project begins, he usually has about 20 field workers who provide forms to the clients at 10 rupees each. If they sell 10 forms in a day, they earn 100 rupees. For the advertisement of a scheme, a pamphlet is prepared and is given in newspapers inviting young middle-school or matric-educated boys to come and work as field staff. These boys go to the areas which are congested or where people do not have their own houses. They brief them about the scheme and try to convince them that they should buy a plot.

Most of the boys who respond to Cheema’s ad already have experience in this field. They are given a further incentive of a commission for each plot that they sell. The planning of the scheme is done by Cheema himself, after which the sketches are provided to a draftsman for further development. The draftsmen who work for him are Faisalabad Development Authority (FDA) employees and are hired by him on a per-job basis. The most important criterion for the purchase of land for the scheme is the availability of transport, which means access to the main inter-city road, and electricity. If the land is more than two kilometres from the inter-city road, the scheme does not sell.

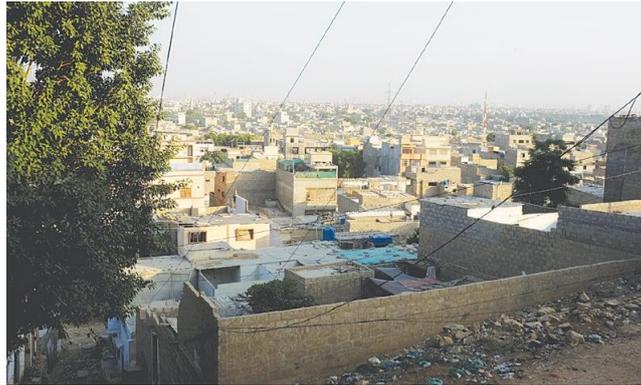
There is no attempt to develop corner plots or commercial plots. It is simply a five-marla subdivision. In the smaller schemes, Cheema provides no services such as water, sewerage or electricity. People acquire water by hand pumps, which they later convert to piston pumps, sewerage through self-help (it invariably disposes into a canal) and electricity through lobbying with Wapda.

The developer does not keep any plot for speculation but 30 percent of the plots normally remain unsold for a period of three to four years. There is a written agreement with the person who purchases the plot and proper records of receipts of instalments paid are maintained. People invariably pay regularly by coming themselves to Cheema’s office. For the transfer of land from the landowner to Cheema, both parties visit the divisional headquarters where land records are kept. Here they pay the legal as well as “other” charges. In the revenue department ledger, land remains as agricultural and streets and roads are recorded as amenities. The cost of transfer of land to the developer is borne by the purchaser.

When Cheema started his business in 1990, he had to look out for people who wanted to sell their agricultural land. Now that people know that he is in business and has an office where plans are displayed, landowners come to him themselves. Wherever he develops a scheme, he puts up a board on which the name, plan and details of the scheme are given.

Cheema says that the success of these schemes lies in the fact that the developers have understood what a poor man can afford to pay and they act accordingly. He also says that if the government could support this activity and provide the developers some loan, then in two to three years' time there would be no one left in Faisalabad who was homeless.

UNFULFILLED PROMISES: INCOMPLETE HOUSING SCHEMES



Squatter settlements seem to be the only accessible and affordable housing option for the working classes | WhiteStar

The PPP had announced a project under which the poor would be provided with affordable homes and plots in all cities of Sindh, including Karachi. This project, to be commenced under the Shaheed Benazir Bhutto Housing Cell, was to cater to around 15,000 underprivileged families. The former chief minister, Qaim Ali Shah, had approved the allocation of 350 acres of land in different parts of Karachi for this project.

Land, however, was never transferred to the Shaheed Benazir Bhutto Housing Cell. The land utilisation department under the new administration of the housing cell issued challans worth 170 million rupees to transfer ownership of the land to the housing cell in June 2016. The release of the payment was delayed and so was the transfer of the land.

Former prime minister Nawaz Sharif announced Apna Ghar Housing Scheme in 2013. The project has yielded nothing so far except for files ... Of the 350 million rupees asked for by the housing ministry, the government allocated only 10 million rupees.

Because of the delays, the land near Surjani Town has already been illegally occupied and there are apprehensions that the rest of the land will also be encroached upon.

In Hyderabad, a project was planned to provide 300 families with plots at low rates on a total of 19 acres of land. Over 4.6 million rupees were to be provided to the land utilisation department so that it could obtain ownership of the land; this is yet to happen. Twelve acres of land have been allocated for 200 families in Mirpurkhas while five acres of land has been allocated for 120 families in Nawabshah.

No work has commenced on either of these projects. Instead, the projects suffered from reports of financial irregularities, a lack of administration, and a serious questioning of the quality of construction by the housing cell. All of this resulted in the National Accountability Bureau (NAB) arresting the former chairperson and technical director of the cell, Manzar Abbas, along with several other employees in 2015.

Former prime minister Nawaz Sharif announced Apna Ghar Housing Scheme in 2013. The project has yielded nothing so far except for files. The manifesto of the PML-N promised to provide at least 1,000 clusters of 500 houses each. The provinces were to provide the land free of charge and the construction costs would be taken up by the federal government. This project was to be completed within the span of five years. Of the 350 million rupees asked for by the housing ministry, the government allocated only 10 million rupees. The project also does not have a permanent chief executive or related staff to run the programme and the project continued to be on the least priority agenda for the government throughout its term.

Imran Khan of the Pakistan Tehreek-i-Insaf (PTI) has announced that in the next five years his government will provide five million new housing units. However, his government in Khyber Pakhtunkhwa was the fourth provincial government to have failed to complete the Regi Model Town launched 26 years ago.

Regi Model Town has 26,000 plots and is the oldest and largest housing project in the province. Out of five zones, Zone 3 and 4 of Regi Model Town have 10,000 housing units in them, which the PTI government failed to develop. The Peshawar Development Authority (PDA) has also been accused of spending the funds for Regi Model Town on other projects. Only 600 houses have been built and a few dozen are under construction, but there are no facilities available to residents except for electricity and water. The residents were promised gas connections three years ago which are also yet to be provided.

Published in Dawn, EOS, August 19th, 2018

<https://www.dawn.com/news/1427893/the-crisis-of-urban-housing>