

REIMAGINING PAKISTAN'S CITIES: MAKING CITIES MORE COMPETITIVE

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Abstract

This policy paper seeks to present a framework that enables cities to be better and more competitive than they are currently configured to be. We use the term competitive to specify more livable cities that are able to attract more investment, steer economic growth, generate greater fiscal strength, have cleaner environment and most important of all, contribute to the wellness of their inhabitants. In short, we aim at cities that foster inclusive and sustainable growth.

Globally, cities compete for human capital, productive firms, higher revenues and greater share in the national and international output. Many cities around the world have deployed the right resources at the right time to transform from a state of stagnant growth or dilapidation to that of a vibrant and strong economy. Pakistan is the fastest urbanizing country in South Asia with an urban population, according to unofficial estimates, of over 50%.¹ The cities in Pakistan need to take advantage of this resource of talent and transform themselves into competitive cities.

Based on international best practices of city management, urban growth literature and our understanding through research and policy work, we argue that four areas merit urgent attention. The first is cultivating capable, autonomous and fiscally sound local governance mechanisms. The second is attracting, enabling, empowering and facilitating business-especially small and medium sized enterprises. The third is to focus on smart urban planning of cities, in a manner that elevates the concept of urban design beyond just aesthetics and towards functionality. And the fourth is to foster communities, networks and the broader concept of social development through wholesome relationships between people, firms, and institutions.

Key Words: Urban, Economic growth, Environment, Global, Governance, Investment

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Introduction

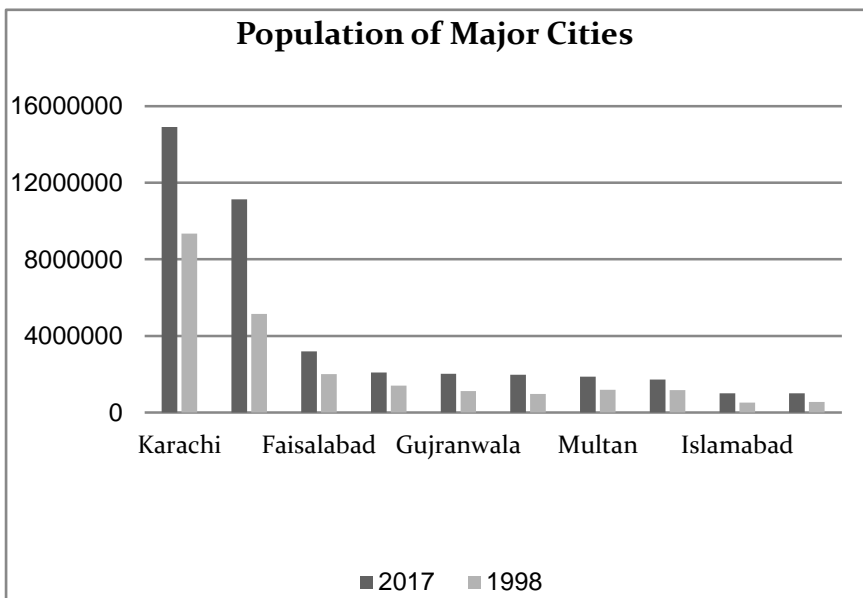
This policy paper attempts to present a framework for making cities more competitive. Pakistan is the fastest urbanizing country in South Asia, with an annual urbanization rate of 3%.² The pace of urbanization in Pakistan is higher than the rate of natural growth due to continuous rural-urban migration. Media reports and government officials claim that urban areas in Pakistan contribute up to 78% of national GDP. This desire for a better life based on an expectation of higher wages and social mobility is what has brought about the influx of people into the cities of Pakistan. However, most of the Pakistani cities have not yet been able to tap the economic potential of urban agglomeration.

According to a 2012 report by UN Habitat, cities contribute over 70% of the world's GDP. Cities attract people since most job opportunities are in urban areas. A study by McKinsey Global Institute (2011) focusing on 600 urban centres around the world that generate about 60 percent of global GDP, indicates that in the year 2010, the economic contribution to the national GDP of two major cities of Pakistan - Karachi and Lahore was 15 and 7 percentage points respectively. Karachi is considered the country's financial and economic hub, yet according to a recent World Bank report "*the city and its surrounding economic agglomeration are not generating economic productivity gains for the country*".³ The city has been ranked amongst the 10 least liveable cities for a consecutive four years by the Economist Intelligence Unit in their Global Livability Index.⁴ Cities are considered as engines of growth. Pakistan's economic growth rate has remained slow, sporadic and volatile during the recent decades. There is a need to examine issues relating to governance and urban design of cities that may have restricted the country from exploiting the full potential of cities and urbanization in Pakistan.

With so many people currently living in and migrating to cities, there is a dire need for cities to maintain and build the infrastructure, resources and governance systems needed to take advantage of the increasing workforce. In Pakistan, while the number and size of cities is increasing, the country is unable to take advantage of this since the cities are poorly governed.⁵ Cities around the world work hard to attract and retain people and make use of their human capital to operate competitively.

Figure 1 below shows the increase in the population of the major cities, between the 1998 and 2017 censuses.⁶ It is important to note that leading Pakistani demographers and social scientists believe that the urban population figures are significantly underreported in the censuses of 1998 and 2017.⁷ The underreporting is a result of methodological flaws in the definitions of urban used in the 1998 and 2017 censuses. According to evidence-based research, the urban population in Pakistan may have been close to 50% in 1998.⁸ This figure is likely much higher today, two decades later.

Figure -1: Population of Major Cities



The population of the major cities in Pakistan has grown significantly over the past twenty years. Experts believe that the current population of these cities is much higher than what has been reported in the 2017 census.

While Pakistani cities are constantly attracting people, the infrastructure and governance systems are not being upgraded to accommodate and serve the new population. Improving city competitiveness not only facilitates economic growth by creating hundreds of jobs annually, it also helps eradicate poverty and increases shared prosperity.⁹ The question then arises, how can Pakistani cities be made more competitive so as to achieve their true potential and contribute positively to the nation's prosperity? Before we answer this question,

it is important to shed some light on what competitive cities are and how cities around the world have achieved this status.

The World Bank defines a competitive city as one that “*successfully facilitates its firms and industries to grow jobs, raise productivity and increase incomes of citizens.*”¹⁰ This definition focuses on the importance of firms, jobs and industries to grow in order to allow a city to grow. As per data collected from 2005 to 2012, the World Bank study titled *Competitive cities for jobs and growth* (2015) noted that competitive cities have several common characteristics including accelerated economic growth and outstanding job growth. In addition to this they have increased incomes and productivity and are magnets for foreign direct investment. The study notes that while cities are the hubs of innovation and opportunities, they are also the centres of poverty and quite often, unemployment. To address these challenges, cities should work towards improving their competitiveness and transforming into bustling urban centres that have a high standard of living, a vibrant economy and high income and productivity.

The A.T. Kearney 2019 Global Cities Report, on the other hand, underscores the importance of human capital in competitive cities. The most successful cities have a diverse and growing working class. The presence of a talented working class helps generate business activity, which in turns attracts more human capital. Furthermore, cities that are able to provide a high quality of life to its citizens may retain their competitiveness in the global arena. The report identifies cities that have become bustling global hubs and stresses on the importance of focusing on human capital to achieve this success. In addition to investing in human capital, implementing sound municipal policies, making smart corporate investments and committing to advancing technology are some of the other factors that help cities attract people and businesses to the city, which in turn helps the economy grow.

Our understanding of a competitive city is “*a city that provides inclusive opportunities for social and economic mobility of individuals, businesses, and communities in an environmentally responsible way.*” The emphasis here is on social mobility in addition to economic mobility, as well as on environmental sustainability, which is an increasingly important subject today. A critique on these ideas of competitiveness is that these are motivated by capitalist development strategies where little importance is accorded to human

inhabitants, and no attempt is made to attain convergence. The debate on targeting an egalitarian society as opposed to the capitalist model of uneven development is inconclusive and it is expected that this paper shall contribute to improving our understanding of these concerns.

Based on this understanding the next section of this paper attempts to assess the current state of Pakistani cities. The third section discusses four key areas that need to be focused on to enhance competitiveness of cities in Pakistan. The fourth section concludes this policy paper.

State of Pakistani Cities

Pakistan has become increasingly urbanized in recent years. Even more rural-to-urban migration is expected in the near future. While urbanization has the potential of boosting growth, poor city management has led Pakistani cities to not make use of it. On international rankings of competitiveness, Pakistani cities have performed poorly. The 2013 Economist Intelligence Unit report titled *Hotspots 2025: Benchmarking the Future Competitiveness of Cities* ranked 120 cities in terms of competitiveness prospects in 2025. Competitiveness was seen as the “ability to attract capital, business, talent and visitors”. Karachi was the only Pakistani city that made the list at 111 out of the 120 cities ranked.

Until recently, Pakistan’s political landscape has largely been dominated by rural dynamics. This may be one of the reasons that no attention has been paid to making cities competitive. In addition, urban planning and city administration is still marred by archaic ideas and planning processes. Cities are complex spaces that require interdisciplinary and inclusive management. The current forms of colonial administration and sole focus on engineering approaches (such as widening of roads) has undermined competitiveness of Pakistan’s cities.

Table - 1: Ranking of 10 cities on the Hotspots 2025 report by the Economics Intelligence Unit (2013).

Rank	City	Score
1	New York	75.7
2	London	73.1
3	Singapore	71.2
4	Hong Kong	68.1
5	Tokyo	68.0
49	Beijing	54.9
51	Mumbai	54.3
74	Jakarta	48.1
111	Karachi	37.0
120	Tehran	25.0

Hotspots 2025 assesses the competitiveness of 120 cities at two points in time – 2013 and 2025. A total of 32 indicators are grouped into eight categories of economic strength, physical capital, financial maturity, institutional character, human capital, global appeal, social and cultural character and environment and natural hazards. The score for each city shown in Table 1 is a weighted score of the individual categories. New York City is the most competitive city with high scores in almost all categories. It serves as a magnet of opportunity for talent across the country and around the world. Karachi is the only Pakistani city on the list with a score of 25.

While there are many issues regarding the governance, economic policies and urban planning in Pakistani cities, this does not imply that all cities in the country have succumbed to this state or do not have potential to grow. We will look at the case of Sialkot in the following section where an excellent example of civic capacity was exhibited by the business community in partnership with the different tiers of the government, which enhanced the economic potential of the city.

Pakistan also has great potential to develop urban tourism. In the 21st century, the focus on cities as top destinations for tourism is rising. However, due to lack of walkability, safe public transport, decent hotels, aesthetics of urban design, avenues of entertainment, and reliable street food, Pakistan has not been attracting urban tourists. While there is a strong focus in the country to improve the tourism of the northern hilly parts of Pakistan, there needs to be an emphasis on cities to develop and brand their own niche for attracting domestic tourists.

The following section builds on the discussion above and provides recommendations on how Pakistani cities can become more competitive.

Making Pakistani Cities Competitive

There is no shortcut or one single way for cities to become competitive. However, common patterns can be identified through lessons from cities that have achieved competitiveness, which can be used to guide the economic development strategies of Pakistani cities. Based on the above discussion on city competitiveness and the state of Pakistani cities, we set forth a series of recommendations to improve their competitiveness. These recommendations are supported by case studies from competitive cities around the world and are based around four pillars. The discussion on each pillar begins with an introduction delineating the issues that exist in Pakistani cities, followed by examples of relevant best practices and finally recommendations on how the issues described can be addressed by city governments and policy makers.

Capable and Autonomous Local Government

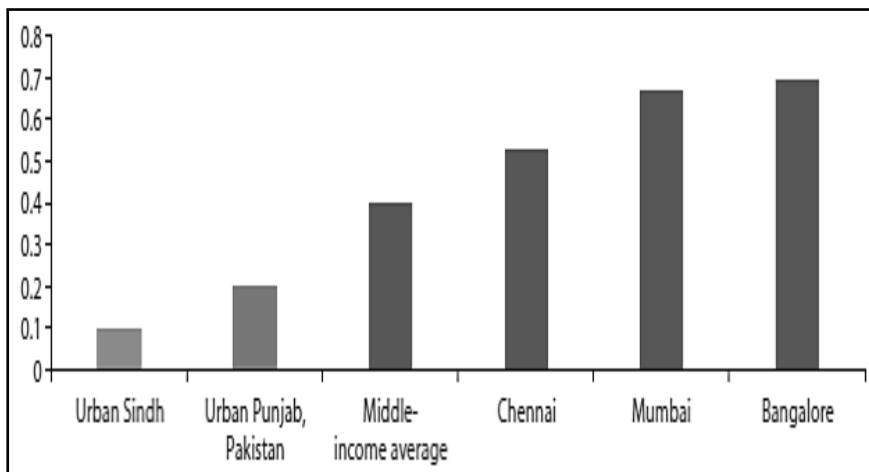
Pakistan still follows the colonial form of administration with centralized and weak participatory governance as strong features of local governance. The issue of weak service delivery penetrates each city and has been marred by poor governance. There are overlapping layers of accountability and a resistance towards service delivery reforms. Consider the example of the Capital city, Islamabad where three entities – Islamabad Capital Territory, Capital Development Authority and Municipal Corporation – are simultaneously operating with overlapping jurisdictions and separate accountability structures. This hotchpotch form of government, results in inefficient delivery of public services and hinders growth.¹¹ The fragmentation of authority makes the efficient management of a city difficult.

These issues are harder to resolve only on a macro level, being distant from the ground realities. Currently, cities in Pakistan are governed by provincial chief executives. City level governance is completely missing in Pakistan, which often puts a constraint on the development of local and vertical partnerships needed to address the problems faced by cities. The revenue generation capability is also weak. As a result, cities rely on provincial transfers and cannot finance services. Even larger cities like Lahore and Karachi do not have city-level

economic development offices to develop policies for the private sector in their jurisdiction.

Cities in Pakistan still lack own-source revenue generation, which has not been addressed under the local governance laws. Pakistani cities have been collecting very low urban property taxes as compared to even Indian cities. The following graph of Urban Property Tax to GDP ratio taken from The World Bank's Karachi Transformation Strategy compares Punjab and Sindh with a few Indian cities.

Figure -1: Urban Property Tax to Urban GDP Ratio



Sources: World Bank analysis based on official budget data for FY 2015-16. Middle income average from Norregaard 2013. Urban GDP estimates from World Bank 2014 and McKinsey 2011.

The chart above shows that Pakistani cities have a long way to go to catch up with its neighbors. Better municipal policies and stronger local governments are required to steer the cities towards a prosperous future.

In recent decades, many countries have gone through some level of decentralization in their governance structures. Transferring certain administrative and fiscal functions from national to local governments allows for more efficient provision of public services.¹² Stansel, Hammond and Tosun found evidence that decentralization contributes to employment and income growth in metropolitan areas.,^{13,14} Decentralization and some level of autonomy for local governments is important to allow cities to flourish.

Considerable evidence from cities around the globe point to the fact that citizen engagement through local governments encourages inclusive ownership and fosters responsibility in society, which in turns leads to better service delivery, trust and economic gains.¹⁵ Local governments of competitive cities tend to develop their in-house thinking capabilities by investing in data and technology. The Seoul Municipal Government (SMG) has an in-house think tank, Seoul Institute, for policy advice. SMG has established and financed the University of Seoul for teaching and research on urban issues. Lahore and Karachi are bigger cities than Seoul but do not have any such initiative to undertake informed urban policy decisions.

Internationally, successful Special Economic Zones (SEZs) and new economic cities have ensured clarity in organizational structures and effectiveness of governance in order to attract human capital and investors.¹⁶ Shenzhen is one such example. This city was designed in the 1980s and today has exports worth around US\$ 100 billion. China experimented more with economic reforms and inclusive governance in Shenzhen as compared to other cities. This model of considering city managers responsible for governing the city and attracting domestic and foreign investment has provided economic strength to China's economy. Pakistan can especially learn lessons and adopt city management practices from Shenzhen while designing the governance structures of its cities.

In Pakistan, there is a dire need to revise the organizational structure of local governments and correct the governance framework to allow cities to function as engines of growth. The Local Government Acts by Punjab and Khyber Pakhtunkhwa provinces introduced in 2019 can be considered a step forward towards devolution. Direct election of Mayors of municipal corporations and a transfer of significant portion of revenues to local governments under these laws appears to be a good decision. However, there is still a strong role of bureaucracy to monitor these local governments. Some level of autonomy will also allow local governments to enhance their revenue generation models. Letting cities manage their revenue sources allows them to solve their own problems.

Decentralization of local governments can lead to more effective service delivery.¹⁷ The solutions need to be tailored to each community. Involving the

local stakeholders in the process through an effective feedback mechanism can make the service delivery even better.¹⁸

The in-house thinking capability of local governments also needs to be improved and relationships with all stakeholders needs to be developed and maintained for sound outside advice. Data and technology play an important role in cities of today to inform decision making and help towns in functioning smartly. Therefore, methods of data collection and analysis should be enhanced using the human capital inflow in the city.

Finally, while empowering local governments is crucial for the growth of cities and some form of autonomy helps eliminate red tape and supports progress, it is important to realize that cities cannot operate as silos.¹⁹ Local governments need efficient levels of vertical and horizontal coordination with the national government and neighboring cities. A collaborative governance model with shared responsibility helps cities prosper.

Private Sector Facilitation

Pakistani cities do not have an explicit mechanism for encouraging the growth of private sector or fostering a start-up culture. Under the current governance structure, city management is neither responsible nor held accountable for contribution towards business growth and entrepreneurship in cities. Private sector development policies and plans are generally developed and steered by federal and provincial governments in Pakistan. The city management does not deal with such issues directly. As a result they may not have any incentive to develop business friendly regulations and zoning. In Pakistan we observe that zoning laws restrict commercial development.²⁰ Supply of commercial land in Pakistani cities is very low, which hinders economic development.

Moreover, urban planning practices in Pakistan are still following the model of early twentieth century when separation of uses was the common zoning practice in the United States. Over time cities have become hubs of commercial activity and many cities in the United States have adopted other forms of zoning that stimulate economic activity. However, in Pakistan even the commercial activities that do not pollute are not allowed to operate in centre of cities to provide more space for residential development. As a result,

commercial spaces are seldom available and expensive for businesses. Moreover, urban sprawl has added to transportation costs for workers and entrepreneurs alike. Such issues are some of the factors that inhibit the growth of the private sector in Pakistani cities.

Tangier, Morocco is an ancient port city that has achieved the status of a competitive city by facilitating the private sector. Owing to a range of national, regional and local policies that include infrastructure investment, open market approach to facilitate trade and investment and rapid improvement in quality of life, Tangier has undergone rapid development and modernization over the past several years. The city used national funds to invest in a large port, which has the capacity to accommodate large container ships and a greater volume of commerce than the old port. The city then attracted private investors, like the automobile manufacturer Renault. The public sector in Tangier incentivized Renault by offering to set up a dedicated automotive training centre that would identify skill-needs through working groups with the industry, and provide a trained workforce to the manufacturer.

The recruitment of Renault served as an anchor investment that accelerated private sector growth in the city. The presence of the automaker subsequently brought many of its top suppliers to Tangier. This resulted in a ripple effect that created thousands of jobs in the city. As a result of these efforts, Tangier today has one of Africa's largest seaports, multiple free trade zones and industrial parks. The large intermodal facilities on the port, which has an annual capacity of 3.2 million 20-foot equivalent units, have led to a rapid increase in investment in the region.²¹ The example of Tangier shows that such public private partnerships can unlock huge growth potential if leveraged well.

Another example of private sector facilitation that led to great economic benefits can be found in New York City. Michael Bloomberg, former mayor of New York City, rolled out a competition in 2011 to attract a top-flight applied sciences school in the City. Capital and public land was offered to the university with the winning proposal. It was envisioned that the development project would transform the local economy and make it less dependent on Wall Street amidst the financial crisis. It would also attract human capital in the applied sciences sector and increase the supply of skilled workforce for the market in New York.²² Today Cornell Tech is located on Roosevelt Island in New York

City, making the City home to two Ivy League Institutes that attract talent from all over the world and provide a skilled workforce to the market.

Competitive cities achieve their success by facilitating the private sector and engaging it in local governance. Partnering with the private sector allows local governments to scale projects and improve service delivery. Providing a stable and not too strict regulatory environment is necessary for the private sector to flourish in a city. Too much regulation restricts activity growth and hinders development. Zoning laws need to be revised and enforced, with an increased supply of commercial and industrial land. This will lead to growth in economic activity and allow the private sector to flourish.

Pakistani cities also need to be open to research and innovation and provide a thick supply of entrepreneurs and talent. Developing an educational centre as an anchor institute in the city will help attract talent from around the country and supply trained human capital to the job market. Similarly, developing educational institutes or special technology zones in the largest cities of Pakistan as an anchor will help attract talent from around the country. Developing regulations that support a start-up culture will allow the creation of jobs. They will also help foster entrepreneurship, which will in turn facilitate business dynamism and opportunity.

It is also important to create a welcoming community in order to attract talent. Cities like St. Louis and Louisville in the US have recognized the connection between developing a welcoming environment and business success. St. Louis has adopted the Mosaic project to ensure that the region is equipped to leverage the talent and potential of immigrants and foreigners to stimulate local economic development.²³ Cities that are able to support family and community bonds can also lead to long-term prosperity.²⁴

People flock to cities in search of opportunities. Cities need to be able to shape the labour into human capital that can help the economy grow. Partnering with the private sector can facilitate this process and allow it to happen more efficiently.

Smart Urban Planning and Design

As mentioned above, Pakistan is the fastest urbanizing country in South Asia. This has led to a myriad of problems in its cities. One such issue is the

focus on low-rise suburban development that has led to sprawl. Pakistani cities seemingly have no downtown or city centre, that is, areas that are dense, walkable and mixed use. Cities have been designed primarily for housing with little room for commercial, cultural and other civic activities. which adds a constraint on the growth of economic activity.²⁵ Moreover, the restrictions on vertical growth and lack of safe public transport has led to sprawl and heavy focus on widening of roads for cars leading to environmental, economic, and social costs.

Increasing distances between residential areas and offices and a lack of transportation options significantly reduce productivity of the workforce and add to the frustration of citizens. Furthermore, aesthetics of physical urban designed are completely ignored in Pakistan. Islamabad, for example does not have a vibrant city centre. There is a need to engage creative minds to innovate the urban design of our cities.

Environmental issues also need to be addressed in Pakistani cities. There is an increasing focus on environmental sustainability in the global arena. Pakistani cities need a massive improvement in their waste management and disposal sector. Air pollution in Pakistan is also a public health emergency according to environmental experts. Lahore, the second largest city in Pakistan, experiences heavy smog year after year ever winter season. Crop stubble burning and brick kilns are some of the major sources of air pollution in the country.²⁶ With increasing population in cities, these issues will only get worse if not addressed through sound environmental policies.

Competitive cities are able to anticipate the future needs of a city and plan for them through sound urban planning and design techniques. Medellin, Colombia is such a city that invested in its urban planning to transform itself. In 2013, Medellin was named the world's most innovative city by the Urban Land Institute.²⁷ The city was, not long ago, a centre for drug cartels and one of the most dangerous cities in the world. The transformation of Medellin in under two decades is a feat few cities have been able to achieve.

Public-private partnerships (PPPs) played a big role in the transformation, with PPPs funding the transportation projects in the city. The local government invested in upgrading urban infrastructure to aid marginalized populations. Isolated, hillside neighborhoods were rejuvenated through the construction of

public libraries, parks and educational institutes.²⁸ The transportation network between these lower income neighborhoods and the commercial and industrial centres was upgraded. The transport links that included metro cable cars and escalators on the hills helped reduce commute times and improved social equity. This modern transport network stimulated the economy by attracting private investment, and was also environmentally sustainable.²⁹

The case of Medellin demonstrates the transformation potential of cities. Entire nations and countries may not succeed in drastically altering their state, but for cities it is possible. Policy making at a local level is easier as compared to national levels where there are too many voices and political issues are more complex, which further reinforces the first pillar of strengthening local governments. The good governance and urban planning exhibited in the city allowed Medellin to rise and be recognized as an innovation hub.

As the population in cities increases, cities need to function more efficiently and provide the right resources to ensure a good quality of life and standard of living for its residents. Pakistani cities are in dire need of better urban planning. With rapid changes in physical and social dynamics of these cities, the master plans that were made for them have become obsolete.

The cities in Pakistan are in need of new approach that guide their development. Urban planning may be more effective if designed for a smaller scale to cover local area development. Revision of the zoning laws is also necessary to address issues like urban sprawl and lack of affordable housing. One way this can be achieved is by relaxing the height restrictions to allow vertical growth. There is evidence that decreasing densities leads to urban sprawl. Therefore, increasing density can limit sprawl.³⁰

Second, the transport policies need to be revised. On the Islamabad expressway, for instance, repairing the transport infrastructure can help avoid bottlenecks and allow a smooth flow of traffic. Providing alternate routes to heavy vehicles or restricting their use of the expressway can also ease the flow of traffic and prevent accidents. Furthermore, implementing congestion pricing can encourage carpooling and reduce the number of vehicles on the road. Thus by developing and implementing comprehensive local area plans complete with sustainable transport policies, the urban issues of Pakistani cities may be addressed piece by piece.

Environmental policies need urgent attention in Pakistani cities. Abid Omar, Founder of Pakistan Air Quality Initiative, suggests focusing on developing sustainable methods and policies for industry, agriculture, urban waste and transportation to address air quality issues in the country.³¹ Planting more trees and shifting to renewable energy are also ways to tackle climate change and address the air pollution issue in Pakistani cities. According to Abid Omar, more studies are needed to identify the composition of smog and subsequently the major sources of pollution.³²

Until the urban issues of a city are resolved, it cannot function efficiently or provide a good quality of life to its residents. Edward Glaeser, in his 2012 paper *The Challenge of Urban Policy* stressed on the importance of better urban policies stating; *"If cities are going to serve as engines of economic success, rather than places of sickness, crime, and despair, the world will need better urban policies"*. Smart urban planning and design result in a higher density, walkable city with a mix of uses that allow the development of vibrant spaces for people to live and work in.

Participatory Planning and Civic Capacity

The fourth pillar of our recommendations is participatory planning and civic capacity, or the ability of a city to bring different stakeholders together in the political decision-making process for a common purpose to achieve shared prosperity. The cases discussed above underscore the positive results from collaborating with the private sector and other levels of government. The people inhabiting a city are another, and perhaps the most important, stakeholder present in the city.

The policies designed by the local government directly or indirectly impact the daily lives of its citizens and can decide on the level of growth inclusivity. The potential of cities in this regard has not been given due attention by the policies. For example, in his paper "Female Entrepreneurship: Do Urban Centres Ease Out the Challenge? An Analysis for Pakistan," Hassan shows that women entrepreneurs in cities are more successful in terms of growth and profitability.³³ However, being the gender that does not dominate the markets, women find it harder to enter and sustain in the corporate world.

In Pakistan, public consultation is not built into the planning processes and systems of cities. Residents do not get a say in how cities are planned and lack of

an effective feedback mechanism adds to the problem. Local government officials and bureaucrats also tend to largely ignore the youth population. Pakistani youth make up a major chunk of the total population. 64% of the population is below the age of 30, and 29% of the population is between the ages of 15-29.³⁴ It is essential to train the youth and engage them in the decision making processes. Participatory planning systems that engage women, minorities and the youth will allow for more sound policies and smarter, more competitive cities.

Improving civic capacity and using a participatory and collaborative approach to decision making can help cities achieve goals more effectively and efficiently. Pakistani cities can learn from not only international examples but their own neighboring cities as well about the positive economic benefits of enhancing civic capacity.

The example of the construction of an international airport in Sialkot, Pakistan, is a great example of how civic capacity can yield favorable results for a city. The Sialkot International Airport presents an example of a public private partnership, which was an initiative of the private sector. The business community in Sialkot wanted to connect the export-oriented city with international trade markets. When the traders were unable to convince the government to construct an airport, the Sialkot Chamber of Commerce and Industry (SCCI) took the initiative and constructed the airport on a Build, Operate, Own model.³⁵

This initiative, an excellent example of civic capacity, opened many opportunities for Sialkot and its businesses. The city is internationally known for its sports goods, surgical instruments, cutlery, ceramics and leather garments. The presence of an international airport has stimulated the economy further and generated employment in the region.³⁶

The Changa Pani (Clean Water) program implemented in the outskirts of Faisalabad, Lahore and recently Bhalwal is another manifestation of community government partnership that can unleash the potential of our cities. The Changa Pani Program (CPP), developed in Faisalabad, is a component sharing model of clean drinking water provision. Anjuman Samaji Behbood (ASB), an intermediary organization, mobilizes community members to form a partnership with the government. ASB provides training to community

members to carry out the project, which is mostly financed by the government. The community undertakes the procurement process and contributes to about 20% of the finances. The management of the project falls under a local community organization, which includes community members and local government officials.

In Bhalwal, the initiative was a joint effort of the city government and residents. Prior to CPP, the groundwater in Bhalwal was brackish, and the water delivered from a nearby canal was of poor quality and expensive owing to the transportation costs. When government efforts to initiate a piped drinking water scheme failed, community members turned towards implementing CPP in the city. They were able to successfully implement this community-government partnership in Bhalwal, and develop and operate a water distribution system that supplies metered clean water to residents.

The examples above display the importance of engaging community members in policy making, planning of cities, and problem solving matters. Building civic capacity and developing a participatory planning system can lead to innovative ideas that improve the quality of life in cities.

Developing an environment in which all stakeholders get an opportunity to engage and give feedback allows the city to receive useful information about the wants and needs of the community, which otherwise would go unheard. This information can be used to facilitate the efficient functioning of the city. Furthermore, collaborating with different stakeholders can accomplish goals that the local government alone would have been unable or unwilling to achieve.

Collaboration and partnership outside of a city's borders is also a key concept. Sylviane Toporkoff and Gérald Santucci in their forthcoming book, *Innovative Solutions for Creating Sustainable Cities*, note that cities in the 21st century are taking a turn towards cooperative cities. While cities have individual problems and their own problem solving techniques, they do not exist as silos and need to collaborate rather than always compete to efficiently and effectively achieve desired results. Sharing of knowledge and resources becomes essential. For example, in Europe, several municipalities are collaborating under the URBi NAT project for innovative, nature-based social housing solutions.³⁷

The *Living Cities and Civic Capacity* report published by The Aspen Institute looks at the relationship between community development and civic capacity. The report finds that investing in building civic capacity have helped build resilient local community development systems that adapt well to changes in the macro environment. These communities are also able to develop an inclusive environment for residents and connect the previously marginalized neighborhoods to external opportunities.³⁸

Therefore, allowing the public to participate in policy making and to give feedback on the policies that affect their day-to-day lives should be a focus of all local governments. Building civic capacity allows cities to forge coalitions and develop and implement a shared agenda to undertake collective response to address common problems. As Christopher F. Rufo in his article *The Rise of the New Left Urbanists* (2019) puts it;

“Life in a metropolis is simply too complex, too variable, and too ephemeral—it will evade even the most careful planning. If we want better, more beautiful, cities, we must bring neighbors, developers, employers, and governments into the conversation. Our cities must be built through cooperation, not compulsion.”³⁹

Conclusion

*“The agglomeration of talent, capital and firms is a catalyst for growth and gives rise to civilizations, revolutions and scientific developments.”*⁴⁰ This statement aptly summarizes the discussion in the previous sections. Since nations rely so heavily on cities to drive economic growth, cities need to devise policies that allow for the most efficient and productive utilization of talent and capital. Cities do not always need to be capitals of countries or global centres of commerce to succeed. Secondary cities that are often landlocked or situated in a lagging part of the country can also be competitive. Building welcoming communities and investing in smart urban planning practices and policies that spur growth and lead to safe, liveable cities aid in the success of these cities. Cities need to customize their approach towards local conditions and effectively utilize the tools that are available to them. Strategies and policies that bolster human capital and allow vibrant economic activity may determine whether a city finds success or falls behind.

Endnotes

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