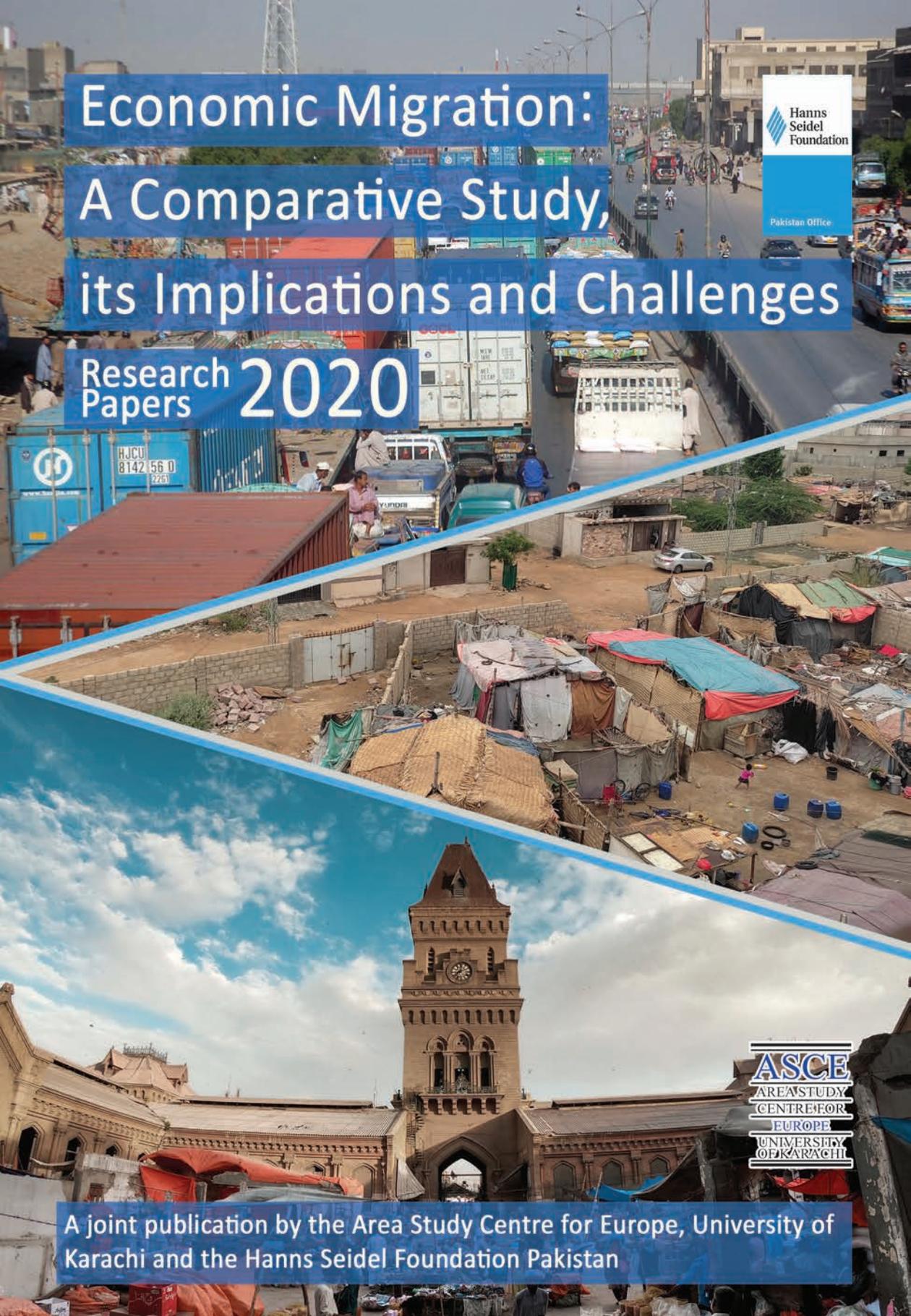


Economic Migration: A Comparative Study, its Implications and Challenges

Research Papers 2020



A joint publication by the Area Study Centre for Europe, University of Karachi and the Hanns Seidel Foundation Pakistan

Economic Migration: A Comparative Study, its Implications and Challenges

Edited By:
Uzma Shujaat

Area Study Centre for Europe
University of Karachi
in collaboration with
The Hanns Seidel Foundation, Islamabad

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CONTENTS

	page no.
Acknowledgement	i
Foreword	ii-vi
Speech by Dr. Stefan Kudella , Resident Representative, Hanns Seidel Foundation, Islamabad	vii-viii
Speech by Prof. Dr. Khalid Mahmood Iraqi , Vice-Chancellor, University of Karachi	ix-x
World System Theory, Economic Migration, and Karachi: A Comparative Study, its Implications and Challenges Rabia Mansoor	1-29
EU-origin Companies and the Impact of their Operations on the Economic Migration Trends in Karachi Muhammad Malhan Khan	30-59
Internal Migration: A Substantive Case for Networks Theory Waseem Uddin	60-71
Role of European MNC's in the upward Social Mobility: A Study of Migrants from Gilgit Baltistan Muhammad Ayaz	72-82
Human Capital and Urban Labor Supply: A Study of Karachi's Growing Economic Migration Furqan Ahmed	83-112

Economic Migration: A Curse or Boon for Karachi? Saima Yousuf	113-144
About the Authors	145-146
Abbreviations	147

Symposium
Economic Migration – A Comparative Study, its Implications and Challenges
November 25, 2020



From left to right Ms. Meher Ghawas, Ms. Nikhat Sattar, Dr. Steffen Kudella, Prof. Dr. Uzma Shujaat, Prof. Dr. Khalid Mahmood Iraqi, H.E. Mr. Holger Ziegeler, Ms. Yasmin Hyder, Mr. Amir Niazi, Dr. Sajid Mahmood Awan, and Dr. Sarfraz Khan.

Second row from left to right Ms. Sehar Azhar Dar, Ms. Ayesha Qadeer, Mr. Muhammad Malhan Khan, Mr. Muhammad Ayaz, Mr. Furqan Ahmed, and Mr. Waseem Uddin.

Acknowledgment

I would like to express my special thanks and gratitude to the Hanns Seidel Foundation Pakistan who gave the opportunity to the M.Phil. student of Area Study Centre for Europe, and the University of Karachi to do a Research Grant Project (RGP) on ***Economic Migration: A Comparative Study, its Implications and Challenges*** which also helped me in doing so a lot of research as a focal person and supervisor for the project. There are many others to whom I owe to debt of gratitude: H.E. Mr. Holger Ziegler, Consul General of Germany in Pakistan, Prof. Dr. Kahlid M. Iraqi, Vice-Chancellor, University of Karachi. Dr. Sajid M. Awan, Director, National Institute of Historical and Cultural Research, Quaid-e-Azam University, Islamabad, Dr. Safraz Khan, Department of Sociology, Quaid-e-Azam University, Islamabad, Ms. Nikhat Sattar, a Development and Research professional in the social sector, and members of the civil society tirelessly working for the people living on the edge. While we approach immigration as researchers, migration is an important part of our own biographies and biographies of our parents and grandparents.

Prof. Dr. Uzma Shujaat

Foreword

This Research Grant Project has its roots in the society. Pakistan, and especially a big city such as Karachi, has been experiencing international and internal migration since recorded history. When Hanns Seidel Foundation asked if the Area Study Centre for Europe (ASCE) at the University of Karachi (UoK) would be interested in a research collaboration on the topic ***Economic Migration: A Comparative Study, its Implications and Challenges***, the ASCE felt that it was an opportunity that it must take up, by engaging its research students, since to do so meant addressing some of the crucial questions facing a big city such as Karachi in current times.

Although HSF and the ASCE, UoK have been collaborating for the past 28 years, this was the first time that a research grant project such as this one was discussed and taken up amongst the two organizations. The project was started in 2020. This was a unique time due to the Covid-19 pandemic.

In the context of Pakistan, multiple terms have been used for those who leave their native land. It depends on who defines what is being stated, and for what purpose. This study is an attempt and to be as inclusive as possible in capturing the experiences of those leaving their native lands.

This topic of internal migration has initiated many debates amongst political analysts. These debates, however, end without resolutions that could equip our readers with accurate knowledge of economic migration, its social impacts, and associated political dynamics.

It is, however, a set pattern and followed globally that there is a certain limit for an urban city to host internal migration. But when it comes to Karachi, no such policies have been formulated on how to better manage such movements. Who are the migrants and for what reasons did they migrate? Questions such as: did these internal migrants have an alternative option similar to Karachi? Karachi, a city that always offers multidimensional opportunities despite having fragile infrastructure and many administrative and social issues.

The six-month-long Research Grant Project was successfully concluded in November 2020. This book presents the findings of the research. Five students from ASCE and one from the International Relations Department

from the UoK carried out this research individually with the guidance of esteemed researchers as their supervisors.

Through the compilations in this book, we hope to explain human migration clearly and concisely. Because this book is so closely tied to the umbrella concept of internal migration, a project meant exclusively for the students, it seems fitting that we must begin by acknowledging the Hanns Seidel Foundation's Research grants proposal, logistics, and finally this book. Secondly, the students of the Area Study Centre for Europe and the University of Karachi whom we have taught and guided through the year. Typically, our students come to us with a background in social sciences but with no familiarity with migration studies. However, they do recognize that migration is one of the most deliberated issues in public discourse. The students who engaged in this project also shared their own migration stories, after migrating from their native places. In these ways, our students have made us better teachers and researchers.

Regarding the migration experiences – there are two levels: global and internal. The crossing of borders, the maintenance of ties with places of origin, the process of settlement, and most of all, the feeling of alienation. These are the experiences shared at both levels. Rather they are woven into the memories of people whether they migrate from one country to another or migrate from one city to another.

This book is an attempt to compile the research of the student for this particular Research Grant Project (RGP), dealing with the case studies, issues theories, and implications on the host society. These findings raised a number of issues that require further investigation. The students have tried their level best to answer certain empirical questions about the nature of migration processes like What drives people to leave their homes and to go to unfamiliar places? What kinds of people are most likely to move? How do migrants choose their destinations? How do they become incorporated into the economic, political, and social systems in places like Karachi? Where do they settle? What is the role Multi-National Companies (MNCs) play in providing opportunities to an educated, non-educated, skilled, and non-skilled class of migrants? This book is intended to help readers make sense of these complex and often bitter questions.

The one-dimensional approach for a better life in Karachi usually creates socio-economic and ethnic disparities. There is a dire need to address these issues on an urgent and calculative basis. Otherwise, the city would succumb to these pressures.

The cornerstone of managing internal migration is to carefully plan for the provinces through fiscal distribution equally among them. This can be achieved if the distribution of resources at federal and provincial levels is judicious, based on the need, issues, demography, and infrastructure.

The six Research Grant Project Studies successfully explained what we meant by internal migration. This may seem pedantic, but the jargon surrounding migration is more complex if we consider the definition of social scientists; they usually define migration simply as movement from one location (region) to another. We can include movement from one region to another in the same country – called internal migration but there are many factors and kinds of migration that complicate distinctions. One example is rural-to-urban migration, a phenomenon common in industrial societies, mega and cosmopolitan cities, which can take place over a short period, distance, and for a long time. It can involve everything from permanent moves to frequent relocations between urban centers and rural areas. Another dimension is sojourning, which is short-term, seasonal, or circular migration.

The Research Grant Project study reveals that there is a huge gap in rural-urban settings that requires a deep understanding of the subject. Karachi is on the brink due to internal lapses and fragile infrastructure. The study on internal migration provides the consistency of evidence that every megacity has gone through the process of movement of the labor force from agri-based to non-agriculture sector.

This project aims to explore how migration has taken place in and out of these areas over the past decade, specifically, in the context of economic migration. What have been and are the patterns of economic migration and its types? Why, when, how, and who migrated followed by a comparative analysis of the types of groups migrating? In addition, in terms of employment generation activities, what kind of opportunities have been generated by the European companies in Karachi?

The key outcomes of the studies reveal that mass migration has reconfigured the equilibrium of supply and demand. In addition to the pressure on utility services and infrastructure, it has also badly affected the demographic balance causing a law-and-order situation and ethnic tensions. The first comparative study suggests that the future of Karachi as a host for immigrants is still sustainable for economic immigrants. With the development of new seaport and dry ports and economic corridors routes (CPEC), it is assumed that the flow of economic migration will be heading towards these new financial hubs.

The second study is based on the EU companies and their operations on the economic migration trends in the city are employing an educated young population of the city by investing in the IT sector. Still, there is a huge opportunity. A smart and timely move by any EU company can make it a big player in the industry and can change the lives of millions of young Pakistani youths.

The third study used Network Theory as a substantive case for internal migration. The study endorses the vital role of networks in internal migratory patterns. These patterns are present in intra-province movement between rural (Sindh) and urban (Karachi) so migratory trends are indeed are influenced by networks established at the destination sites. This valuable assistance to those who opt for migration to urban centers offers a stable economic outlook for their future as compared to those who don't have such kind of backings.

The finding of upward social mobility reveals that migration from Gilgit-Baltistan is mostly due to economic reasons for better job opportunities and facilities, and for this purpose, the European MNCs are playing a positive role in the social mobility of the Gilgit Baltistan. As the young population enhances the educational qualification plus work skills, the MNCs are focused on human development and turned themselves as benefitting agents for the host society.

The fifth study suggests that human capital and urban labor supply can be managed through viable like designing, planning, and developing intermediate cities or towns in the outskirts of the megacities. They can serve as pivots between large cities and rural areas by facilitating access to the labor markets through fast transportation facilities.

The final finding stresses the fact Karachi may have started as a rural abode of Sindhis and Baloch peoples but it is now a heterogeneous society and a commercial hub that provides sustenance to all its inhabitants irrespective of their residential status.

Despite all the merits, that in-migration promises for migrants and their destinations venues, there persist problems of settlements and resettlements. However, it is critical that local governments, particularly, interest groups work for migrant settlement with vigor, and local governments must allocate separate budgets exclusively earmarked for rehabilitation and settlement.

**Speech by Dr. Steffen Kudella, Resident Representative,
Hanns Seidel Foundation, Pakistan**

Ninety percent of all migrants worldwide are economic migrants. Usually, migrants who move from one place to another earn more at their new place than they earned at home.

The act of moving seems to make them more productive. Therefore, according to The Economist, the simplest way to make the world richer is to allow more economic migration.

Karachi might be a great example of that. When the British arrived here, Karachi had been a small town of 14000 people only and Karachi's economy was mostly based on fisheries.

By the independence of Pakistan in 1947, Karachi had a population of about fifty thousand people and was the largest city of Pakistan. With the arrival of hundreds of thousands of Muslim migrants from across the Radcliffe Line, the city's population increased dramatically. And with economic migration, the city also experienced rapid economic growth attracting even more migrants from all over Pakistan and South Asia.

By the census of 1961, Karachi had more than two million inhabitants; by 1981 five million. By 1989, Karachi was 8 million strong that made it bigger than London as a city. Today Karachi has more than 60 million inhabitants.

Karachi is one of the world's fastest-growing cities and it is Pakistan's premier financial and industrial center. Karachi's economy is the largest in Pakistan. It collects more than a third of Pakistan's tax revenue and generates around 20% of Pakistan's GDP. Nearly all multinational corporations working in Pakistan are headquartered in Karachi.

So how has economic migration affected such a big city? What have been its implications? And what are the challenges that have arisen as a result? How has the economic migration taken place both in and out of Karachi? And what have been the role of European companies and the impacts of their operations in the economic migration trend here?

Today, we are going to discuss the implications and challenges of economic migration with six young graduate students who are all studying in Karachi.

This symposium is based on a six-month-long academic research grant project; a joint initiative between the Hanns Seidel Foundation Pakistan and the Area Study Centre for Europe at the University of Karachi.

It is a great pleasure to be back in Karachi and to work with our long-standing partner institution, the Area Study Centre for Europe.

The collaboration between our organizations started more than 25 years ago and I am glad that it is still as active and forward-looking as it has been in 1994.

The Hanns Seidel Foundation is Germany's oldest political foundation working in Pakistan and we are dedicated to promoting peace, development, and democracy worldwide.

**Speech by Prof. Dr. Khalid Mahmood Iraqi,
Honorable Vice-Chancellor, University of Karachi**

H. E. Mr. Holger Ziegeler, German Consul General, Karachi. Prof. Dr. Uzma Shujaat, Focal Person Fellowship Program. Dr. Steffen Kudella, Resident Representative of Hanns Seidel Foundation, Pakistan. Distinguish guests and students.

I am pleased that Area Study Centre for Europe, University of Karachi, and Hanns Seidel Foundation are keeping high their 25-year-old collaboration on academic research in the shape of workshops, international conferences, and now this Fellowship Research Grant Project for the year 2020 on Economic Migration – A Comparative Study, its Implications and Challenges.

Over the last decade or so, considerable attention has been given to international migration. More recently, the pendulum has begun to swing back a little to the more traditional focus upon internal migration. Much of the interest in internal migration in developing countries like Pakistan has focused upon population movements from the rural to urban sectors.

Rural-urban migration attracts much of the attention in part because it is a key element in the structural transformation of economies from agriculture to industry and services, as development proceeds.

Migration is a phenomenon that has taken place in the world in one form or the other over millennia. In modern times, internal migration, especially, in less developed countries, is a verifiable reality. In this regard, the urban and rural divide has played an integral part as to the movement of the latter to the former. This divide is palpably seen within third-world countries. Within Pakistan, the epicenter of such migration has been the province of Sindh due to several underlying factors. These factors influence Pakistan's economic migration and are difficult to anticipate. It is exceptionally difficult to anticipate social, political, and economic developments. Decisions are usually made based on existing circumstances. Economic migration often relates to the labor standards of a country, unemployment, and the overall health of its economy. If the risks of economic disparity are increasing, a large number of individuals will probably emigrate elsewhere, which offers better economic conditions.

Frequently this will prompt people to move from rural to urban areas while remaining within the confines of their state borders.

Internal migration takes place within a country (herein referred to Pakistan); inter or intra-provincial. Moving from rural to urban areas is often feasible in the context of intra-provincial migration. It happens because this kind of migration is less consequential on the part of the migrant. While inter-provincial migration, on the one hand, bears more results, it is generally riskier. Since migration is prompted primarily by an economic urge, the prospects of it increase if the distance is minimized. This is especially true in the case of Pakistan where there has been an exponential flow of migrants from rural to urban areas. However, this flow largely remains intra-provincial.

These kinds of academic activities always generate research culture and offer ideas for those seeking to improve research performances in upcoming researcher students and young faculty and it also provides an opportunity for the younger generation of researchers to be heard differently.

Here, I reassert the importance of collaboration like the one between the ASCE and HSF for research that can both enhance research skills and empower early career researchers.

Thank you.

World System Theory, Economic Migration, and Karachi: A Comparative Study, its Implications and Challenges

Rabia Mansoor

Abstract

This section is an interdisciplinary research linking the process of internal migration, the state of immigration hubs, and the economic speculations.

This chapter highlights the issues, effects, and concerns linked with economic migrants and the epicenter of migration of Pakistan - Karachi. Whether or not Karachi still has the capacity and sustainability to support economic immigrants. It employed different economic theories and models to substantiate this premise, notably Wallerstein's World System Model and the Kondratieff Cycle.

The study concludes that economic migrations are still an integral part of any economy.

However, long-term planning, management, and an adequate system are essential for Karachi in hosting any further influx of internal migrants. Moreover, a strategy based on equitability is necessitated to lessen the ethnic tension between migrants and the indigenous population.

Keywords: Karachi, Economic Migrants, World System, Wallerstein's World System Model, Kondratieff Cycle

Introduction: Economic Immigrants

Migration is a hallmark of human civilization.¹ For better prospects and subsistence, humans move from one region to another. Migration plays a vital part in social and economic development across the world. The modern nation's progress is heavily indebted to migration.

Among any other sort of migration, economic migration is part of the modern world, where the movement of masses moves from stagnant economic regions to more compelling areas. History witnesses this mass

¹ URBANET. 2018. "Migration: An Essential Pillar of Human Civilisation"<https://www.urbanet.info/global-compact-migration-cities/>

economic migration with the discovery of the New World. To date, it is an ongoing event across the globe.

Economic migration brings new human resources to the labor market of the hosting community. The new labor forces are provided niches in different sectors, from the low-skilled to the highly trained laborers. This addition of human capital, in return, contributes to the growth of the economy and joining the public sphere of the host community. Both immigrants and the host states establish a symbiotic association.

Implications and Effects of Economic migration

Economic migration is highly dependent on job opportunities in any labor market. If the demand is higher for labor in a market, there is more probability that workers will head to that market.

In most free markets, job opportunities are generated by capitalism alternate to the local government. In the capitalist market economy, Multinational Corporations (MNCs) play a significant function. These MNCs are the pinnacle in accomplishing the task of producing maximum employment opportunities across the globe. These MNCs assist in the expansion of global economics. Hence, these MNCs and their employment situation put up the economic migrants.

Challenges

Like any other developing country, Pakistan is facing the challenges of internal migration in its cosmopolitan hubs. More than half of Pakistan's population is affected by internal migration.² Demographically, socially and economically, the design of the metropolis undergoes several revamp with each influx. Most of the economic migrants in Pakistan belong to the rural areas, which have a concentrated passive agricultural market. The industrialized urban centers with their potential job market offer opportunities for this labor class. Thus, this flow of human resources contributes to the growth of the country's economy.

² Farah Naz Ata, Qurra-tul-ain Ali Sheikh and Prof. Dr.Mahpara Begum Sadaqat. 2019. "Socio-Economic Factors of Female's Rural to Urban Migration: Two Time Period Analysis in Pakistan" *International Journal of Research and Innovation in Social Science* (IJRISS) III.IV

With other individual industry sectors, the MNCs have been creating work situations for different levels. From low-skilled labor to the management position, producing distinct work spheres. The tradition of providing apprenticeship and vocational training is also another way the European MNCs aid the native population. The MNCs tend to adapt to contemporary trends.

With all these developments and the contribution, still, there is a vast difference in the economic imbalance in developed and developing countries. Why with all the economic opportunities and economic growth is the epicenter of the economic migrants yet to cross the threshold of economic prosperity?

The economic immigrants and the hub of these are not as accomplished as they must be in theory. There is some grey area between the associations of economic migrants and the obstruction in their economic welfare.

For most economic migrants, the grass is greener on the other side, but the fact paints a different picture.

Likewise, different economic theories generally proclaim that the world will be prosperous with this development and technology. Still, countries at the bottom of the ladder will follow the rich and advanced countries' path. Developing countries will be standing beside the developed countries on the top of the ladder.

However, we witnessed a different situation. What does the theory propose then? Developing countries are still developing states, and developed nations are way too advanced than these struggling economies.

The world-systems analysis can describe this disagreement between theory and reality.

World-systems analysis was developed by Immanuel Wallerstein, an American economic historian, in 1974. This analysis becomes a widely applied methodology in history, political science, economics, and sociology. It is also a popular subject of reference in discourses of globalization and its impact.

World-systems analysis works on the general assumption of world-systems rather than nation-states. The analytical framework is that all societies or nation-states are part of an extensive system. Wallerstein illustrates how multiple interacting states function as a single purposive economic unit.

World-system is defined by the logic based on the single world market, secondly, by multiple state systems, and, lastly, by a three-tier structure. The economic mode of production is for exchange rather than the use of commodities. Several political and social states are part of the world economy. Three-tier structures that facilitate economic production and growth are capital, labor, and the consumer class.

Wallerstein segregates the world economy states based on their role in the world system as core and periphery states. The core area directs the capital and production, whereas the periphery regions manage the economy's labor.

With core-periphery models, a general assumption associated is that the periphery is exploited in the hands of the exploiter-core.

However, in the World-system, complex production relations are present. The core consists of relatively high wages, advanced technology, and a diversified production process. The periphery states involve low wages, more basic technology, and a single and straightforward production operation.

Wallerstein's approach introduces another intriguing concept known as the semi-periphery. This structure is neither core nor periphery but blends the two. The semi-peripheral areas, regions, or states do not exhibit a predominance of either the core or periphery.

Semi-periphery has tangled ties with core and periphery. It suffers a similar fate to that of the periphery, but it can act as core too, attaining political dimension. C considers the role of semi-periphery states to be more political than economic. It is the crucial middle zone in the world economy. Furthermore, Karachi is a semi-periphery region.

Karachi- at a glance

The epoch of globalization triggered the cross-border movement, notably the migration seeking job opportunities overseas. The international labor market and the migration processes proliferated in the last two decades.

South Asian countries, including Pakistan, are the major contributors to the international labor markets. With the lack of employment opportunities and low-income earnings within these countries, most workers seek foreign employment.

Similar is the situation within the countries; absence of job potential and limited occupation in an agricultural society. The inadequacy of the potential job market drives the movement of the labor force from rural areas to more promising land of opportunities in the urban centers.

Countries that are part of the "periphery" in Wallerstein's World System endure external and internal migrations. Mass migration to the epicenter gives these urban centers the status of semi-periphery. These semi-periphery cities/states are sandwiched between the core and the periphery regions.

In Pakistan, Karachi is a semi-peripheral state that links the core and the periphery. It has a different economic, political and cultural standing as compared to any other city of Pakistan.

Karachi is believed to be *the promised land*, heaven for labor. Skilled, low-skill, and unskilled labor from across the country is attracted to this land of opportunities. Not just the workforce within Pakistan but also foreign workers as illegal migrants are settled in Karachi city for better jobs.³

Karachi is a megacity with more than 20 million people living. It is among the world's fastest-growing cities. It also happens to be Pakistan's largest city.⁴

³ Mansoor, Hasan (2013); 221 Illegal aliens registered in two month drive; Daily Dawn Karachi, 17 December 2013 <https://www.dawn.com/news/1074574>

⁴ Cox, W. (2012); World urban areas population and density: A 2012 update; New Geography, 5 March 2012 <http://www.newgeography.com/content/002808-world-urban-areas-population-and-density-a-2012-update>

Karachi is the financial hub and the economic core of Pakistan with its fully operative ports. It is estimated that 9% of the total population of Pakistan resides in Karachi, with 24% of it as the urban population. Karachi generates around 15% of the national GDP and 25% of Pakistan's economic revenues.⁵

History of Karachi

Karachi has a vital geographical position on the internal map. From antiquity, the towns that had natural harbors have been an integral part of the state's economy.

In the seventeenth century, after the obsolescence of Karak Bunder (a small port on the Arabian Sea 40 kilometers west of present-day Karachi), economic activities were moved to Karachi port.

During the British era, the city of Karachi rapidly developed. It was an important port, not just a supply line for the British troops in Afghan campaigns, but also a trade route connecting the port and Punjab and Sindh's agricultural land through a vast railway network. By 1869, Karachi earned the status of the largest exporter of wheat and cotton in British India. With the Suez Canal opening in 1869, the port of Karachi became the first port for ships coming from Europe to this region. Karachi port is still a busy transit point for the Far East and Central Asian trade route.

By 1935, Sindh was separated from the Bombay Presidency, giving it autonomous power. Karachi became the capital of Sindh, with its sovereign government offices and trade unions. As a result of this, trade organizations shifted from Bombay to Karachi as independent associations, converted the city into an industrial estate, and after independence in 1947, Karachi became Pakistan's first capital.⁶

⁵ Hasan, Arif. *Emerging urbanisation trends: The case of Karachi*. Working paper No. C-37319-PAK-1). London: International Growth Centre, London School of Economics and Political Science, 2016.

⁶ Hasan, Arif. *Emerging urbanisation trends: The case of Karachi*. Working paper No. C-37319-PAK-1). London: International Growth Centre, London School of Economics and Political Science, 2016.

The population of Karachi has grown 40 folds in the last seven decades. It expanded from a total of 450,000 in 1947 to over 20 million in 2015.⁷

This massive increase in the population of Karachi is mainly due to the mass movement of the people, which also disturbed the demographic, social, and economic balance.

First, the mass movement was of immigration from India. Subsequently, this mass immigration became economic migration as laborers and workers started pouring from other parts of Pakistan during different periods under the complex country's situation.

After partition in 1947, the Muslim migrants from India instantly added up to the Gujrati and Sindhi local population. From 1947 to 1951, the population increased by 161 percent. This influx of population turns the country's capital and industrial estate into a cosmopolitan city.⁸

Being an industrial estate, Karachi was the focus for investors, laborers, and government machinery. With the development in the industrial sector and the policies of industrialization, the demand for labor rose; in turn, the city's population also climbed.

In the 1950s, rural-urban migration to Karachi increased manifold. The economic migration of Pashtuns also brought a change in the dynamics of the city, especially the transportation industry. With the nationalization of the industries in the 1970s, new markets developed with the workers' rising demands.

Karachi's population grew exponentially, but the adequate development of the city remained unaddressed by the authorities. The administrative negligence in creating the low-income settlements leads to the setup of multiple municipality slums or *katchi abadis* in Karachi. The city's industrial sectors faced the direct consequence of ethnic tension in the city.

⁷ Hasan, Arif. *Emerging urbanisation trends: The case of Karachi*. Working paper No. C-37319-PAK-1). London: International Growth Centre, London School of Economics and Political Science, 2016.

⁸ Hasan, Arif, and Masooma Mohib. "Urban slums reports: the case of Karachi, Pakistan." *Underst Slums Case Stud Glob Rep Hum Settlements* (2003).

Industries and labor started to shift to other new industrial hubs in different parts of the country.

In the 2000s, globalization and corporate culture brought a change in the momentum of economic migrants. The Multinational Corporations (MNC) and their joint ventures in the city resulted in a fresh market with distinct needs and a new workforce. The city witnessed the emergence of shopping centers, international food chains, entertainment and recreational centers, departmental stores, contributing to absorbing the educated workforce.

Karachi still faces the threat of political instability, ethnic violence, and crime with its potential workforce and market.⁹

Economy and migration

Karachi is the commercial hub of Pakistan's economy. The major industries and businesses are based in Karachi. With its port, all the export and import industry is dependent on its wellbeing. The government of Pakistan collects around 70 percent of the income tax and 62 percent of the Sindh province's sales tax.¹⁰ Ninety-four percent of it is contributed from Karachi, which is a major share in the economy.

Karachi has more than five thousand industrial units in the formal sector, which are registered. These formal industries are mostly in textile, leather, paper, marble, ceramics, rubber, plastic, glass, iron, electronics, pharmaceuticals, food products, agricultural, dairy products, and stationery sectors. Most of these industries, notably the textile sector, are export-oriented.

On the other hand, there are no estimates available for the informal industrial sector. This informal sector provides job opportunities for seventy-five percent of the unskilled labor population. Most economic immigrants are employed in the garment, leather, textile, fisheries industry, carpet, and light engineering sectors.

⁹ Hasan, Arif, and MasoomaMohib. "Urban slums reports: the case of Karachi, Pakistan." *Underst Slums Case Stud Glob Rep Hum Settlements* (2003).

¹⁰ Hasan, Arif, and MasoomaMohib. "Urban slums reports: the case of Karachi, Pakistan." *Underst Slums Case Stud Glob Rep Hum Settlements* (2003).

The economic size of the city is directly proportional to the influx of immigrants. The higher the GDP production of the city, the higher will be the economic immigrants. According to the study done by Munazah Nazeer, "Karachi has the largest share in income among cities and thus also hosts the largest number of migrants among cities, followed by Lahore and others". Karachi, on average, hosts 2,234,148 new migrants. Moreover, 70 percent of these immigrants, around 1 Million (estimated 1,541,552), are employed in informal sectors.¹¹

Karachi has the largest employment ratio and serves the highest number of migrants compared to the other cities of Pakistan.

Economic migration is dependent on job opportunities in the labor market. An increase in the demand for labor in a market prompts the workers to migrate to the respected market. In most free markets (free market economy), job opportunities are generated by capitalism (investors) and alternately by the government. In the capitalist market economy system, multinational corporations (MNCs) play a significant function. These MNCs are the pinnacle in accomplishing the task of producing maximum employment openings across the globe. These MNCs assist in the expansion of global economics.

European MNCs have a long history in South Asia. These MNCs and their products are part of our society and culture now. British, German, and other international companies not just generated trade but also helped employ the local population in various industries. Hence, these MNCs and the employment opportunities provided by them help economic migrants. These MNCs are catering employment from the highest administrative posts to the skilled labor station. These MNCs, still, at large, maintain the tradition of providing apprenticeship and vocational training. With the contemporaneous demands of the economy, the MNCs tend to adapt to the trends and duly create job opportunities.

Several MNCs are providing the host city (Karachi) with their products and jobs for its population. These MNCs are now part of our lifestyle, from pharmaceuticals to industrial chemicals, electronic appliances to the automobile industry, from edibles to household items.

¹¹Nazeer, Munazah. "Relative Attraction of Cities and Inter-City Migration: An Analysis Using the Gravity Setup."

A new wave of economic migration to urban hubs was the effect of globalization and our endorsement of consumer culture. These aided the economic migration of educated, skilled workers to the urban center. Before, the unskilled labor force was mostly associated with the informal sector, but new shopping malls and recreation ventures attract this force to the urban settings. These factors are pushing the mass movement of economic migrants to urban centers.

Karachi is the commercial and industrial hub that faces a large number of economic immigrants. It confronts the influx of immigrants from all over Pakistan.

It has a long history of hosting immigrants since the partition. It not just hosts these immigrants but also generates employment avenues. In addition, different commercial sectors promote opportunities for workers coming from various parts of the country.

However, Karachi is a semi-periphery sphere in Wallerstein's World System. It is both an exploiter and gets exploited too by the hand of the core and the periphery. Due to its semi-peripheral status, it is more vulnerable to politics, negligence, crime, and internal and external violence.

Wallerstein's World System theory

Wallerstein's world system theory inspects the world with a sociological perspective. It examines history, economy, and culture at a macro level to comprehend the dynamics of the capitalist world.

Wallerstein's world system theory constitutes elements that are embedded in the Annales School, Marxism, and Dependence theory.

Annales' school draws the historical perspective to Wallerstein's world-system theory. Marxism molds capital and labor, class conflict, and the continuous struggle between the regions in theory. Dependency theory fascinates the interdependency state of societies and countries throughout capitalist economic history.

Wallerstein's world system theory borrowed heavily from the dependency theory. According to Wallerstein's model, the core and periphery are

interdependent for their existence. These components cooperate in driving the economy of any country or region.

With the development of the theory, Wallerstein introduces a new component of the semi-periphery region. This novel aspect was different from the dependency theory that assists in constructing a panoramic view of the contemporary capitalist economy.

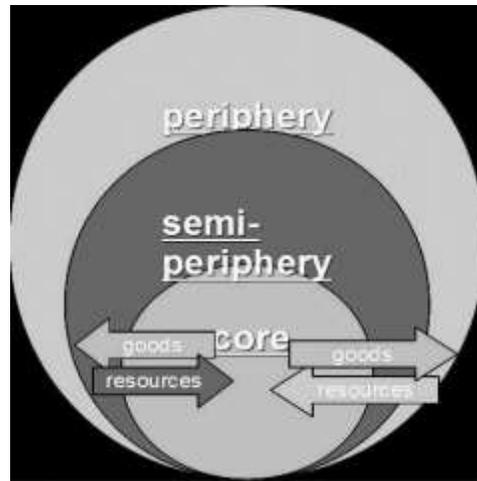
The Semi-periphery region in Wallerstein's World System is the buffer zone between the core and periphery. Major economic activities take place in this region. It connects two distinct worlds, one developed and the other underdeveloped.

According to the dependency theory, the core exploits the periphery, but Wallerstein's world system theory asserts that the semi-periphery regions are the most exploited. The exploitations are embedded in different dimensions such as social, political, economic, and infrastructural. Nevertheless, the hegemony of class and ethnic strife is observant in the multicultural semi-periphery regions.

Core, Periphery and Semi-periphery regions

According to Wallerstein's world system theory, the world or any society can be divided into three major components: the core, periphery, and semi-periphery.¹²

¹² Elwell, Frank W. "Wallerstein's World-Systems Theory." *Retrieved. August 31 (2013): 2013.*



If we analyze Pakistan's economy taking into account Wallerstein's theory, the financial context, and the industrial hearts of Pakistani society seem relevant to the theory.

The core region of the theory is the developed countries or the companies that bring capital to the country. This capital can be in the form of Foreign Direct Investment (FDI), industrialization units, or advanced technology.

The periphery is considered as the country's underdeveloped regions that usually do not contribute to the capital but provide a labor force.

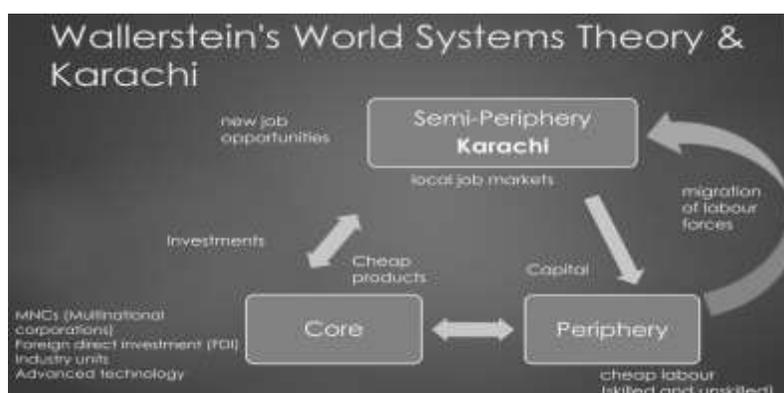
The periphery is the region with limited employment opportunities. Most of these regions in Pakistan are involved in agriculture and the rearing of animals since it is largely an agrarian economy. Pakistan's dependence on this sector is very high. Due to a lack of infrastructural and technological developments, these regions are lagging far behind the core regions.

The relation between the core and periphery is hierarchical. The core is influential and prosperous, and the periphery is poor and weak.

Historically, the core exploits the periphery for the availability of cheap labor, raw materials, and agricultural products. The core had an enormous benefit of the geographical locations too, which the periphery was unable to achieve. The products of periphery regions were also unable to compete in the free market with core region products.

These two culturally and geographically distant regions are associated with another region in Wallerstein's model: semi-periphery.

The semi-periphery region is the intermediate quarter holding a mixed variety of economic institutions and activities. It is a buffer zone, retaining some Core features, and in some respect, it has some from the periphery.



The core region invests in the semi-periphery region, creating new employment opportunities in the country's job market. The investments are in the form of industrial units for cheaper products to the core countries or by the development of the infrastructure of the country. These employment openings create demand in the labor market—this influx of labor to the semi-periphery regions provides momentum in moving the economy.

The semi-periphery in Pakistan is the urban centers and megacities. Every year these semi-peripheries accommodate hundreds and thousands of these economic migrants. This continuous influx causes the depletion of the natural resources and dilapidation of the infrastructure of the region.

The semi-periphery is being exploited by the core and takes some part in exploiting the peripheral areas.

The core regions seem to exploit the semi-periphery with cheap labor and environmental hazards. Heavily industrialized sectors in the urban centers have various ecological and psychological complications. Periphery exploits the semi-periphery; the economic migrants do not invest in the region but

send their earnings to their hometowns. This loyalty to the mainland creates ethical tension in multicultural cities.

As a semi-periphery region, Karachi has endured these exploitations by the hands of the core and the periphery, and it is still suffering, as it is a vicious cycle. The absence of concern of the government officials and lack of political stability further complicate this semi-periphery region.

In Wallerstein's world system theory, the most complex component is the semi-periphery. This component covers politics, economy, and cultural hegemony. The importance of semi-periphery can be analyzed by the number of players active in the region.

It is vulnerable to external and internal threats. Simultaneously, it is subject to political influences. The agreements between the core's MNCs and the government on cheap labor underline exploitation. The semi-periphery seems to victimize the periphery; it is systematic exploitation the periphery cannot afford to evade.

Ethnic and racial manipulation among the economic immigrants and the native population for hegemony in the semi-periphery also creates instability and added pressure between the core and periphery.

Semi-periphery is exposed to the arena of global politics. International players play a game of chess for regional control and hegemony. These players utilize the local actors for their gains and influence in the region.

The planning and the strategy of the government controlling the semi-periphery can lead to the status switch. The transition status can climb to be of the core or be reduced to that of a periphery region.

Alternative Model for Economic Migration

The world and its resources are not evenly distributed. Some countries are rich in natural resources, and others are strategically important. Most economists point to this irregular division of resources leading to conflicts among nations and states. These states can be arranged on a spectrum. On one side are the developed regions-core, with the capital and all advanced high-tech and technical expertise. While on the other side of the spectrum are the weak states- periphery with abundant raw material and labor

forces but lack manufacturing competence. The dependency theory points to the fact that strong core countries are dependent on the feeble periphery regions for the economic life of strong core countries.

The core and periphery relation are that of an exploiter and the exploited; the core exploits the periphery—the struggle between the core and periphery is rooted in Marxist theory. As a neo-Marxist, Wallerstein introduces a novel unit to understand the world economy through the Marxist lens. Wallerstein's world system theory classifies the world into three main center areas. The core, periphery, and semi-periphery.

Semi-periphery is the buffer zone between the two regions. It is a middle class both politically and economically connecting the two extremes. Politically, the semi-periphery preserves and sustains the world system. It absorbs and reflects the strain and opposition from the core and periphery. Economically, it is the yard where the capital, labor, skill, wages, production, and market all operate together. Semi-periphery coexists and has some characteristics of core and periphery. The trade flows in semi-periphery are bi-directional; to and from the core to the semi-periphery similar to the periphery region.¹³

In the last 20th century, after the collapse of the communist governments, almost all the states shifted to capitalist economies. In fact, many countries rose and declined from the status of semi-periphery regions.¹⁴

Some countries like South Korea and Singapore are now part of the core world. In contrast, Iraq and Colombia slipped to periphery status.⁸

From the Semi-periphery states to the core nations

In the mid of the 20th century, during the Cold War, East Asian countries showed rapid economic growth. This was due to rapid industrialization. The Trans-National Corporation (TNCs), with the four principal countries South Korea, Singapore, Taiwan, and Hong Kong, brought an economic transformation in the East Asian financial market. Due to the low cost of manufacturing and cheap labor, these countries have become the host

¹³ Goldfrank, Walter L. "Paradigm regained? The rules of Wallerstein's world-system method." *Journal of world-systems research* (2000): 150-195.

¹⁴ <https://www.coursera.org/learn/international-relations-theory/lecture/CnD51/wallerstein-and-world-system-theory>

countries for TNCs. Core nations prefer these countries not just for cost-effectiveness but also for other reasons.

The Asian Tigers-the TNCs host countries were well-developed, with infrastructures required to transport goods such as a network of roads, railways, and ports. With a relatively high number of an educated population, skilled labor and the traditional culture of appreciation, training and achievements were different from the rest in the region. Asian Tigers are the countries that connect the Indian Ocean to the Pacific Ocean, an important sea route for international import and export. With government policies and easy loan terms, these markets started to flourish. With the accumulation of capital, national firms and local manufacturing grew. These firms were not only able to meet local demand but also that of the neighboring markets.

With the steady growth of the Asian Tigers, big regional corporations became rivals of the core companies. These semi-periphery countries are part of the core, the developed countries, with stable state GDPs and contribute to the global economy. Today the new core countries are the competitors to the traditional core countries.¹⁵

In the second decade of the 21st century, China was expeditious, becoming part of the core countries. With the largest population and the fastest-growing economy, China is still a semi-periphery state. Although it took the lead over Japan, a neighboring core country in technology and production rate, China is still among the low-income countries.¹⁶

China is a crucial semi-periphery state for the global economy. It is the second-largest exporter and has low-cost manufacturing units. Core countries are drawn towards China for its growing consumer market and its manufacturing industries.

Like the core states, China, as a semi-periphery state, exercises power over the periphery states. It exploits the periphery countries for their natural resources, like African and Latin American countries. China uses investments to have direct access to the resources, just like the core used to do in the past.⁹

¹⁵ <http://developmentandglobalisation.weebly.com/the-asian-tigers.html>

¹⁶ <http://developmentandglobalisation.weebly.com/china--india.html>

Another venture is flooding Chinese goods in the local markets, taking over the local business under free trade agreements. With low cost and high productivity, China is becoming a threat to other small economies.

Wallerstein's premise about the semi-periphery state seems befitting in the case of China.

An alternative design for internal economic migrations

With the economic boom, internal migration from rural to urban settings is inevitable. People tend to leave their hometowns for better job opportunities, further education, and an improved lifestyle.

Like any other nation, Pakistan's rural population inclines to move to metropolises, particularly megapolises. The biggest city of Pakistan-Karachi is also facing an identical problem of mass migrants. The city is unable to support the influx of migrants. The town is nearly wrecked and plundered due to the imbalance in its resources and demands.

Mass migration reshapes the demand and supply of the city. Especially for utility services, public transport, education, housing, health facilities, recreational facilities, the local market, and foremost, it has a massive impact on the city's infrastructure. With that much population, the city's demographic distribution was also destroyed, causing a law and order situation and ethnic tensions. However, this is not a unique situation; metropolitan cities usually face these types of challenges and can overcome them with proper planning and policies. We have the Chinese government's model in coping with this mass inflow of internal economic migrants.

Chinese internal migration is over 150 million. Around 30% of the Chinese population lives in cities, due to better options available in the cities, with the improved possibility of employment, education, and health infrastructure. Added to this is the superabundance of labor in the confined rural economy.¹⁷ As the exporter of world-leading goods, China has a fair chance for these migrants to get employment in factories. China dealt with the migrant issue in one of the best ways.

¹⁷ <http://www.geogspace.net.au/files/Core/Exemplars/Yr8/18.4.1%20Internal%20migration%20within%20China.pdf>

The Chinese government, by law, limits the economic migrants to the city centers. Most workers do not have permanent residence in the city or cannot settle their families in the already crowded cities. The Chinese government introduced the Hukou system, a registry system for people moving to cities to buy a permit to live in the city. This permit in the megapolis mostly cost the average annual income of the laborers. Other criteria of gaining permanent residence are only for highly educated and specialized skilled workers. Most of the workers are having temporary resident permits ranging from six to twelve months. They are officially residents of their hometown but have limited access to the metropolitan facilities.

With all these strict restrictions, the Chinese government is also working on the infrastructure of rural areas. Providing advanced means of transportation connecting rural and urban centers through a high-speed railway network. With the improved transportation facilities, the traveling time is reduced from 11 hours to 4.5 hours. Workers, students, and others do not have to depend on the urban facilities; they can travel every day for work or education. These measures are designed to lessen the burden on the city's infrastructure.

Karachi is a semi-periphery region, exploited both by the core and the periphery. The core did not give a fair share to the city and increasingly burdened it with mass economic migrants by the periphery.

Karachi has to form strict laws and policies to control the immigrants' flood. Models like China are needed to develop the city's infrastructure, with advanced transportation networks, water reservoirs, and smart waste management systems.

If concerns by the government and other institutions are not shown towards the city, this semi-periphery region will degenerate even beneath the periphery region.

Other Economic Growth Theories and Models

For an economist, it is fascinating to predict the growth and decline of an economy. They tend to foretell about when there are prospects of development for a state and its incline towards deterioration.

Political economists employ both epistemological and empirical methods to collect the data. They utilize past data of the rising and declining of massive economies in history and the examination of contemporary economical giants. This approach assists in understanding the cyclical nature of economic and social development.¹⁸

Time in the political economy is related to the economy or the market; its ups and downs are referred to as economic cycles or waves. These cycles/waves are tied with certain periods. Some of these are short and some long economic cycles, depending on the space involved in the recurring events. These cycles range from 3–5 years (like the Kitchen inventory cycle), while others from 40- 60 years.

Long-wave theories include the Kondratieff and Schumpeter cycles, showing the capitalist market's propensity to boom-bust economic cycles. The Kondratieff cycle examines the world economy as a wave or cycle, where a state's economy is time-bounded. It will grow, expand, and then it will diminish.

Rostow's stages of economic growth model describe various stages of economic growth. This model also analyses the historical society and their stage-by-stage development as world economies.

Kondratieff cycle and the development of the economy

Nicolas Kondratieff, a Russian economist, studied Capitalist economies and recognized a boom and stagnation pattern. The economic boom and depression appear cyclic, usually after every 40 to 60 years. Kondratieff classified this boom and bust cycle into three phases as expansion, stagnation, and recession.¹⁹

The Kondratieff cycle considers the Steam Engine's invention in the 18th century as the turning point in history that paved the wave for the Industrial Revolution in Europe.

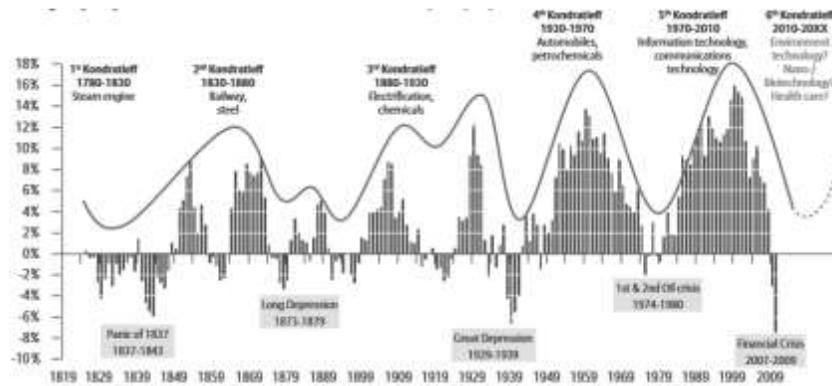
Joseph Schumpeter, an Austrian economist, called these expansion, boom, recession, and depression of the economy as Kondratieff cycle/wave.

¹⁸ Long-Wave Economic Cycles: The Contributions of Kondratieff, Kuznets, Schumpeter, Kalecki, Goodwin, Kaldor, and Minsky

¹⁹ <https://cmtassociation.org/kb/kondratieff-wave/>

The era from 1780 to 1830 was the peak of the Industrial Revolution. It was considered the 1st Kondratieff cycle. Similarly, five Kondratieff cycles are recognized based on prosperity, recession, depression, and improved economies. Moreover, some economists include the current decade as part of the sixth Kondratieff wave.²⁰

Other economic analysts classify the Kondratieff cycle as four 'seasons'. Each season symbolizes the financial stage of growth: the Kondratieff Spring (the era of development) and the Kondratieff Summer (prosperous period). Then the period of declining Kondratieff Fall (recession stage) and Kondratieff Winter (depression- the economy's decline).²¹



Figure²²

²⁰ <https://corporatefinanceinstitute.com/resources/knowledge/economics/kondratieff-wave/>

²¹ <https://corporatefinanceinstitute.com/resources/knowledge/economics/kondratieff-wave/>

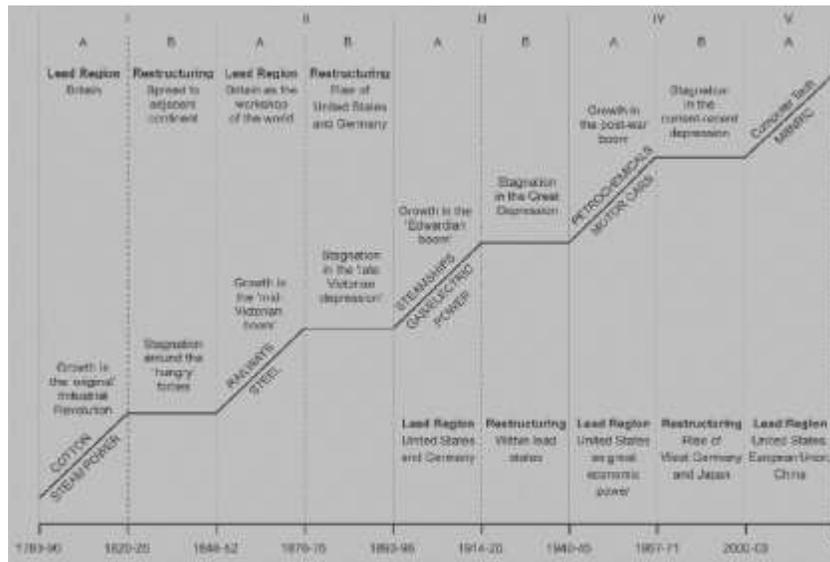
²² "The sixth Kondratieff – long waves of prosperity" 6
https://www.allianz.com/content/dam/onemarketing/azcom/Allianz_com/migration/media/press/document/other/kondratieff_en.pdf

Kondratieff cycles comprise two phases: growth (A) and stagnation (B). Historically, the first 20 to 30 years of every cycle correspond to the cycle's growth period. While the second phase with the decline of the economy. World events and the economy are directly related to these A and B phases.

Economists and market experts predicted that this decade is leading the world economy towards Phase B of the above figure of the Kondratieff cycle.²³ So according to this cycle, the world economies are moving towards stagnation in the coming years.

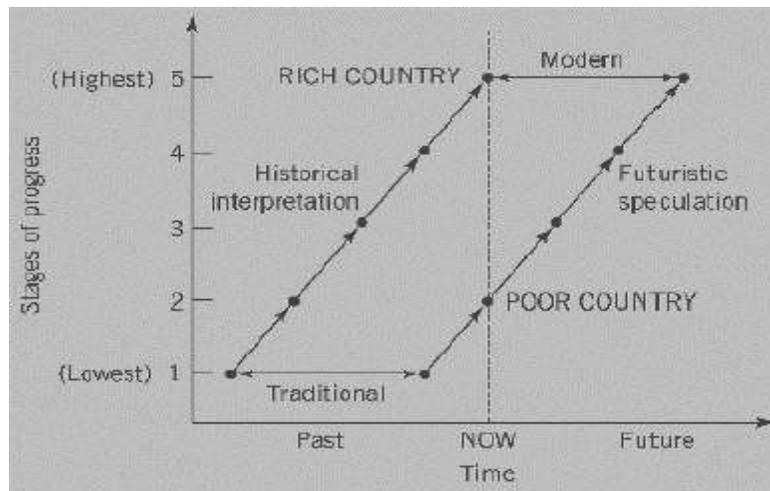
Rostow's stages of economic growth

Walt Rostow, an American economist, introduced the notion of economic stages. Like Kondratieff, he employed historical data and the economic development of different societies and developed the stages of Economic growth.



²³ Flint, Colin, and Peter J. Taylor. *Political geography: World-economy, nation-state, and locality*. Pearson education, 2007.

Rostow's model comprises five different stages. First is the traditional society based on the primitive economy of farming and that of hunter-gathering. The second stage is characterized by preconditions for take-off, where the industrial sector of society becomes functional. The third is the take-off stage, where the industrial sector is fully functional, and other sectors also start to contribute to the state's economy. Fourth is the drive to maturity when the industry and the business expand; infrastructure begins to improve; the state's flow of heavy investment. Last and the fifth stage is the Age of high mass consumption when consumer demands lead to mass production.



Rostow stages of economic growth

According to Rostow's model, no country in this century is at stage one. All the nations around the world are either at two or above the stage. Most of the developing countries are at the 3rd stage. Emerging economies are at the 4th stage of Rostow's model. Rich or developed countries are at the 5th or Beyond consumption stage.

Rostow's model implied that all countries would reach the stage of beyond consumption at the end of the day. All the developing states will pass the stages of economic growth as other developed countries have already done.

Kondratieff Cycle and the Core and the Periphery and semi-periphery

The Kondratieff Cycle describes the economic development of any capitalist market and how events and technological advancements can alter a state. Examining the Kondratieff Cycle from World System Theory's perspective, it can be inferred that the status of the core, periphery, and semi-periphery can be transformed. A periphery state can switch to the core status as in the case of the Asian Tiger Countries and their development design.

It can be anticipated that the semi-periphery can turn into core or periphery.

Considering Karachi as a semi-periphery region, it seems to follow the pattern of the Kondratieff Cycle. After independence, the first 30 years resembled the Phase A of the Kondratieff Cycle- the expansion. In this industrialization and urbanization of the city were evident. The government was interested in the development of the town as the principal financial hub. With the increase of economic activity, the influx of economic migrants started and reached its full expansion.

The next 30 years after the expansion, the city's economic growth and development appeared to stagnate. Karachi entered Phase B of the Kondratieff Cycle. Still, the influx of economic migrants kept rising.

During the last decade, due to the country's political circumstances, the rate of internal migration multiplying. The city's infrastructure and resources remained the same as it was in Phase A.

In its present state, Karachi appears in the stage of complete recession. The city cannot provide necessities for its residents; inadequacy of infrastructure has culminated into a collapse of industrial sectors. Karachi seems to pass through the stage of expansion to stagnation and is now in a state of recession.

It can be expected, keeping in view the Kondratieff Cycle that Karachi will develop again. After a recession phase, the economy expands again. However, it depends solely on the sustainable pattern of a plan for the growing municipality and an identical model of China for restricting the urban influx.

Rostow's model of economic development and World system theory

Rostow's model outlines economic development focusing on five stages. If a country or region is at stage 1, it will eventually reach the 5th stage with a consistent growth pattern.

If we study Rostow's model from the World System Theory's perspective, we can understand the status of the core, periphery, and semi-periphery does not correspond to this transformation.

Economic history tells the opposite of what Rostow's model is telling. We do see some countries still unable to pass stage 2 or third level.

Rich countries are becoming richer, and the poor are still struggling for survival; the gap between the rich and poor states is widening, eroding the middle class. Why do these stages seem to be stagnant for developing countries? Rostow's model cannot explain.

Wallerstein's World System Theory highlights the importance of international politics in the economic development of a country. Core and periphery are interdependent. The peripheral countries are reliant on core countries for financial support. Similarly, the role of the semi-periphery states is also different.

Rostow's model can analyze developed countries' economic growth. However, it cannot analyze the developing ones.

Considering Rostow's model and Karachi, it is inconvenient to place it on the five-stage progress scale as Rostow's model shows progress on the forward scale. We witness Karachi as the emerging city viewed as one of the significant financial hubs of the region to the underdeveloped cities. Due to the linear progression of economic development, Rostow's model cannot predict the future of Karachi. In addition, it is difficult to analyze the role of economic migrants, whether it contributed to the development or the destruction of the city's economy. Furthermore, it will regain its lost status or remain a stagnant city, which lacks life's necessities.

Karachi, as the economic hub, is going through a period of recession. However, as we examined different economic growth theories, it is predictable that Karachi will be on the path to prosperity from the next

decade onward. It is a cyclic process; not just Karachi but other financial hubs around the world have passed through the same stages. It will re-emerge and will see an economic boom.

Conclusion

Karachi - the epicenter of migration is in menace due to the issues, effects, and concerns accompanying economic migrants. The pertinent question to ask is whether Karachi still has the capacity to support or sustain the burden of the economic migrants.

Through different economic theories and models, we have tried to answer this question. In particular, Wallerstein's World System Model and Kondratieff Cycle substantiate this premise. The study concludes that still, economic migrations are an integral part of any economy. However, long-term planning, management, and an adequate system are essential for sustaining the infrastructure of a megacity such as Karachi to cope with the future influx. Moreover, a strategy based on equitability is necessary to lessen the tension between migrants and the indigenous population.

This study speculated what can be the future of Karachi as a host city of migrants as the city is still sustainable for economic immigrants.

With the development of new seaport and dry ports and economic corridor routes (CPEC) in Pakistan, it is assumed that the flow of economic migration will be heading towards these new financial hubs. Along with these economic expansions and avenues, dilapidated conditions, shabby infrastructure, lack of necessities, and ethnic strife suggest that the city can no longer support the extra burden of internal migrants.

This research grant project intended to examine the presumed notion about the status of the financial hub of Pakistan- Karachi. This study has utilized economic theories and models to comprehend the ongoing developments. Karachi and the issues and future connected to the migrants can be analyzed with the help of Wallerstein's Theory and the Kondratieff Cycle.

Wallerstein's World Systems is a social system where the market is the central mechanism. Wallerstein's Theory is primarily embedded in Marxism and Dependence theory.

Marxism is all about the class conflict, division of rich and poor, capitalist system and labors, plus a continuous struggle, the exploitation of the proletariat by the bourgeoisie. According to Wallerstein, this division between classes is not confined to a capitalist society. The countries also have an identical association that of the classes, exploiters, and the exploited. Wallerstein's world system theory also borrowed heavily from the dependency theory that every country depends on natural resources and raw materials. No country is self-sufficient in its resources; they need one another for their survival. Wallerstein's theory divided the countries and the regions around the world based on their resources. According to the theory, the world is divided into two major regions, the core and the periphery. The core is the developed world with advanced technologies, providing capital and creating job opportunities. In contrast, peripheries are those countries and regions rich with natural resources and raw materials but are underdeveloped with low-income economies and fragile infrastructure.

Technically speaking, the core and the periphery are interdependent. Periphery regions provide the labor forces and material for the core and to arrange the capital. Wallerstein introduces a new component of the Semi-Periphery region, different from the dependency theory. The semi-periphery region shares the characteristics of both regions, developing core and developing periphery. This Semi-Periphery is not as industrially and technologically developed as the core, but it is industrialized and technologically advanced than that of the Periphery. This type of region acts as a buffer zone between the Core and the Periphery.

Moreover, the Semi-Periphery is more vulnerable to political hegemony, exploitations, negligence, and violence from internal and external actors. Nevertheless, the semi-periphery can switch their status to the core regions with adequate planning and management.

Analyzing Pakistan and especially the city of Karachi, in the context of adapting the Wallerstein theory, the core region is the MNCs (Multinational corporations) in Pakistan, bringing capital in Foreign Direct Investment (FDI), industrialization units, and advanced technologies. The core invests in the industrial sector for cheaper products due to cheap labor. The periphery is the underdeveloped regions of the country that provide a low-cost worker force for the core. The urban centers and megacities are semi-

periphery in Pakistan. The core invests in the semi-periphery, creating new job opportunities. The labor for the job markets is supplied from the Periphery. This demand and supply lead to the migration of these labor forces from rural to urban centers. Karachi, the semi-periphery region, has had to confront the influx of economic migrants to fulfill this demand.

Looking at Karachi through the Kondratieff Cycle, we get a different scenario. The Kondratieff Cycle depicts the growth of the economy, marked with the boom and bust of economic growth as a cycle. Each cycle is classified into the growth (A) phase and stagnation (B) period. Considering Karachi as a semi-periphery region, it seems to follow the pattern of the Kondratieff Cycle. Karachi seems to pass through the stage of expansion to stagnation and is now in the last stage. Karachi appears in the stage of complete recession. The city is not in a position to provide necessities for its residents; inadequacy of infrastructure leads toward a collapse of the industrial sectors.

Hence, the epicenter of migration Karachi appears to squander its appeal. Both core and the periphery's attention are now diverted towards the emerging semi-periphery region of the country.

Kondratieff Cycle projects, after every recession stage, a new phase of expansion is inevitable. The capitalist economies emerge from the ruin and climb the stairs of progress and become prosperous states. History supports how societies flourished and provides evidence for an economy's boom. Karachi can be a flourishing metropolitan city again; after this period of recession, this period will expand and boom again.

Similarly, in Wallerstein's world system theory, the semi-periphery regions can shift their status to that of Core as the Far Eastern countries did.

However, in Wallerstein's world system theory, the most complex component is the semi-periphery. It is an arena for politics, economy, and cultural hegemony. The region is vulnerable to external and internal threats. It is subject to regional and global political influences also.

The core and the periphery seem to exploit the semi-periphery. Semi-periphery is a victim; both core and periphery benefit from the region but do not own the city.

Mass economic migrants from the periphery have drastically altered the demography of the host city. These migrations also reconstruct the new socioeconomic structure and physical landscapes of the city. The massive influx of migrants mushroomed into multiple *katchiabadis* in the city- low housing settlement lacking necessary utility facilities. This influx results in excessive strains on the city's infrastructure. The native population struggles to enter the local urban job markets, counting this voluminous flow of human labor as an invasion of their economic space.

Karachi is providing accommodation to diverse groups from all over Pakistan. Sharing the same space led to battles for control over the city's land and resources. This struggle of power steers ethnic, political, sectarian conflicts in the city.

This ethnic, racial, and lingual manipulation among the local and indigenous population for hegemony in the semi-periphery creates instability simultaneously. Karachi is exposed to global politics for regional hegemony by international players. These players utilize the local actors and their disparities and differences for their influence in the region.

Furthermore, Karachi's absence of planning and strategy expanded into an unplanned urban municipality. The dilapidated neighborhood of the city with decaying infrastructure and poor accessibility narrates the concerns of the authorities. Due to government involvement, several parallel governments (mafias) are running the city now. Even the international agencies' involvement such as the World Bank and Asian Development Bank, cannot change the features of the city. As a result of the ignorance of state apparatus and its residents, Karachi is now a poorly developed urban city.

With its current political dynamics and governance structure, Karachi needs reforms to level the standard of cosmopolitan cities of the world.

Limitation and control on the flow of the locals across Pakistan migrants is the need of the hour. Like China did to limit its rural to urban migration, not overburdening its cities infrastructure and housing.

Planning and strategies at the government level are necessitated to overcome the resentment of the indigenous population. Policies are required to equitable the job market, taxation and revenue, the city's resources.

Animosity and hostility among diverse groups can be reduced with a competitive environment. Only competent and proficient working people will sustain and nourish in the labor market. We need a city where differences become assets and positive contributions rather than a burden and source of tension.

EU-origin Companies and the Impact of their Operations On the Economic Migration Trends in Karachi

Muhammad Malhan Khan

Abstract

Karachi is one of the largest densely populated cities in the world with a population of 16 million inhabitants, as per the Census 2017.¹ Being the commercial, industrial, and financial hub of the country, Karachi enjoys a unique status in determining Pakistan's economic trajectory. Several multinational firms have their operations based in Karachi. This study analyses the role played by the EU-origin companies in determining the dynamics of the demography of Karachi, and its socio-economic development and migration trends. The companies selected will be compared based on the industry they work in and the workforce they employ.

The study focuses to provide valuable insight for better mitigating the risks related to the social cohesion of different ethnic groups. Furthermore, multi-national companies will be able to assess their future investment, resulting in a win-win situation for MNCs and host city.

Keywords: Migration, Karachi, EU, EU multinational companies

Introduction

Migration is defined as the movement of people either across an international border (international migration), or within a state (internal migration) for more than one year irrespective of the causes, voluntary or involuntary, and the means, regular or irregular, used to migrate.²

Internal migration is defined as the movement of people between usual

¹ Pakistan Bureau of Statistics 12. (2017). Retrieved 2 December 2020, from http://www.pbs.gov.pk/sites/default/files/PAKISTAN%20TEHSIL%20WISE%20FOR%20WEB%20CENSUS_2017.pdf

² Global Context: http://unstats.un.org/unsd/publication/SeriesM/SeriesM_58rev1e.pdf and <http://www.epim.info/wp-content/uploads/2011/01/iom.pdf> >Global context: derived by EMN from UN Recommendations on Statistics of International Migration and IOM Glossary on Migration, 2nd ed., 2011

residences within national states.³

As per UNHCR definition, a person who leaves their country of origin purely for economic purposes that are not in any way related to the refugee definition, to seek material improvements in their livelihood, is termed as an economic migrant.

In short, the mobility of people from one administrative unit to another within a state for better economic resources can be defined as internal economic migration. With reference to our project, the focus of the study is on internal migration in retrospect for economic reasons in Karachi. In retrospect, Karachi has always been a city of migrants: different communities belonging to different faiths used to live here and dwell in the city. Karachi was a town of around 14,000 inhabitants at the advent of the British Raj in 1843, but by the beginning of the 20th century, its population grew to 136,000.⁴ As per the result of the last census of British India, Karachi had a population of 436,000 in 1941.⁵ Karachi was considered as the Junction City between Europe and India during the British colonial era. Especially, after the construction of the Suez Canal in 1869, Karachi became the most cost-effective and time-saving port for Britain to link the rest of the British-India. Moreover, the connectivity of Karachi with Punjab's fertile plains through extensive railway lines was established from 1861 onwards. Then Karachi-Bombay railway link was established in 1900 that increased a lot its strategic importance during the first half of the 20th century. Karachi used to have the largest airbase outside Europe for British communication and several cantonment areas due to its geo-strategic location as it was far away from war theatres in the East.

Literature Review

The study conducted on internal migration and its link with the foreign investment made by EU-led MNCs is limited, though there are many studies conducted on migration including internal migration, the factors which affect it, and the outcome of such internal migration in different parts of the world are varied. As per World Migration Report 2018, 740 million people migrated within their countries while only 244 million are

³ P. Rees, in *International Encyclopedia of the Social & Behavioral Sciences*, 2001

⁴ *Population Growth and Policies in Mega-Cities Karachi*. (1988). Retrieved 18 November 2020, from https://population.un.org/wup/Archive/Files/1988_Karachi.PDF Page 2

⁵ M. Salman Faruqi, *Karachi: Physical Situation of Human Settlements* (Karachi, Karachi Development Authority, 1982).

international migrants, which means that the size of internal migrants is twice that of international migrants.

A study conducted by Azer Allahveranov, RasmiyyaAliyeva & Turkhan Saigov on behalf of European Commission DG Employment, Social Affairs, and Inclusion on *Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe 2010* argues that the start of oil exploration and its subsequent boom concerning Azerbaijan reversed the negative tide of migration. People started to migrate to Baku and other commercially important cities, which earlier used to be the source of outflow of people from Azerbaijan to different countries including Russia, Turkey and Israel. In short, FDI in oil sector motivated people to migrate back to Baku and other cities from where there has been a continuous outflow of migrants to other countries for better economic opportunities.

Similarly, rural-urban migration was also the result of the economic boom in the post-2001 era in Baku. The investment in international projects helped flourish SMEs, leading to the creation of job opportunities for internal migrants from rural areas. In short, the flow of migrants from rural areas to neighboring countries and Russia transformed into internal migration from different provinces to Baku. The flow of migrants from rural areas of Azerbaijan to Russia and other countries converted into a flow of migrants towards Baku i.e., people preferred to remain in Azerbaijan in comparison to migrating to another country. Hence, we can say in the light of the example of Baku that the investment made in urban areas can alter the course of migration from international migration to internal migration. The impact and flow of the internal migration were such that today every eighth person in the country is an internal migrant.

Another important upshot of internal migration is the reduction of poverty, adaptation towards climate challenges, and encouraging rural development, as evidenced from the case study of China and India. China reduced the poverty rate from 60% to 9% in the past two decades due to the significant role of internal migration. A study conducted by Mahajan in 2016, indicative of the fact that Chinese internal migrants remitted USD 50 billion while Indian internal migrants remitted USD 14-20 billion to their native rural areas in FY 2014. Unfortunately, due to a lack of data and an undocumented economy, sufficient data for funds transfer tracking to rural areas is not available for Pakistan. According to the State Bank of Pakistan (SBP), only 21.3% of the population has bank accounts in the country,

which says a lot about the sector that needs attention for correct policymaking by SBP.

A study conducted in *Migration and its Impact on Cities*, World Economic Forum 2017, witnessed an interesting pattern regarding internal migration, where the rising cost of living in Mumbai caused internal migration to shift from rural areas to Pune, which is only 149 KM distance from the highly densely populated city of Mumbai. The higher cost of living can negatively affect the internal migration towards major urban areas. Pune has now evolved as the counter-magnet of Mumbai, the business capital of India.

A study conducted in 2013, argues that in the case of Karachi, there has been very little internal migration from rural Sindh to Karachi in comparison to the provinces of Khyber Pakhtunkhwa (KP), Punjab, and Baluchistan. Karachi alone embraces around 13 percent of all immigrants despite having an 8% share in the country's population.⁶ Similarly, every one-acre decrease in landholding results in a 1.3 percent increase in internal migration.⁷

“Internal migration in Pakistan is an understudied phenomenon, despite its huge magnitude. The development of the country is badly affected due to the dearth of evidence-based decision-making related to massive internal migration taking place in the country. According to the recent Labor Force Survey 2017-2018, the majority of internal migration taking place in urban areas of Sindh was from rural Sindh, and out of 17.67 percent of internal migration taking place in the country, 10.03 percent comprised of female internal migrants to urban areas of Sindh and male counterparts were only 7.64 percent. Interestingly, the female share in internal migration is 55.67 percent higher than the male share of 44.33 percent in the country. The proportion of migrants in Sindh has decreased from 20.6 percent in 2014 to 18.3 percent in 2017 due to better economic opportunities in Punjab, which witnessed growth in migration rate from 68.2 percent to 70.3 percent. Similarly, inter-provincial migration has decreased in all provinces

⁶ Rehman, Abdul (2015) Empirical Essays on Migration and Remittances in Pakistan [Doctor of Philosophy - Economics thesis, University of East Anglia UK] <https://core.ac.uk/download/pdf/41989229.pdf> Pg. 18-19

⁷ Rehman, Abdul (2015) Empirical Essays on Migration and Remittances in Pakistan [Doctor of Philosophy - Economics thesis, University of East Anglia UK] <https://core.ac.uk/download/pdf/41989229.pdf> Pg. 11

of the country except Sindh as per the Labor Force Survey Report 2017, which means that urbanization and economic development is directly proportional to inter-provincial migration. On the other hand, intra-provincial migration is highly dependent upon the population size of the province. The share of female migration is higher in Sindh on the inter-provincial level while the male share is higher in the intra-provincial level despite the fact that males from rural Sindh are least prone towards migrating towards urban areas of Sindh among all provinces.”

First Wave of Migration (1947-1954)

After the Independence in 1947, Karachi was established as the Federal Capital Territory (FCT) bordering Sindh and the princely state of Lasbela of the new state, making large numbers of Indian-origin migrants move and make Karachi their new place of living. Similarly, a large number of native populations of Karachi composed mainly of Hindus and Parsis migrated to India bringing a major demographic shift in the city’s socio-economic fabric. The change was such that the population of Karachi turned out to be more than 1 million in the first post-partition Census held in 1951, which meant that the population growth was more than 145% in 10 years.⁸

Between 1941 and 1951, an influx of approximately 900,000 Muslim migrants from India settled in Karachi^{9,10} while 230,000 Hindus migrated to India. By 1951, 84% of the total population of Karachi was composed of immigrants. During the first wave of migration (1947-1954), a dramatic shift in every aspect was witnessed: probably no city has witnessed such a massive influx of population in such a short period.

The role of European companies was largely limited during this period in Karachi since Britain still had a footprint on the structure of the newborn country.

In 1949, Karachi's Master plan after the British departure was

⁸ Population Growth and Policies in Mega-Cities Karachi. (1988). Retrieved 18 November 2020, from https://population.un.org/wup/Archive/Files/1988_Karachi.PDF Page 3

⁹ Gayer, Laurent (2007) Guns, slums, and ‘Yellow Devils’: a genealogy of urban conflicts in Karachi, Pakistan, *Modern Asian Studies*, 41 (3), pp. 515-544.

¹⁰ Hasan, Arif and Masooma Mohib (2003) The Case of Karachi, Pakistan. *Understanding Slums: Case Studies for the Global Report on Human Settlements 2003*, London: Development Planning Unit, University College London, https://www.ucl.ac.uk/dpu-projects/Global_Report, accessed on 10th Sept 2020.

commissioned to a Swedish firm namely, Merz Randal Vatten though it could not be approved.¹¹

The first wave of migration (1947-1954) witnessed the establishment of two major industrial zones.

- i) Landhi Industrial Zones in 1949 spread over 11,000 acres of land, employed 270,000 skilled and semi-skilled laborers as of June 2019. The zone was established due to its proximity to the port, as 90% of its industries were export-oriented.
- ii) Similarly, Sindh Industrial Trading Estate (SITE) was established in 1947 which spreads over 4,700 acres of land. It is also designed to cater to export-oriented factories and companies.

A gradual increase in investment by local and international investment was witnessed in the industrial base of Karachi that peaked in the decade of 1960s with the establishment of one more industrial zone i.e., Korangi Industrial and Trading Estate in 1960 established on 8,500 acres.

The major development investment in the industrial sector of Karachi was based on several factors. As mentioned earlier, this included proximity to the port, availability of skilled migrants from India, and abundance of cheap labor, all within a few kilometers' vicinity.

To meet the growing transportation needs, President Ayub Khan proposed the idea of the Karachi Circular Railway in 1962, which began its operation in 1969. It catered to approximately 6 million passengers and generated hefty revenues to Pakistan Railways successfully. Furthermore, the import-substitute-industrialization policy of the Ayub era played a major role to make Karachi an industrial and financial hub of the country. Almost 80% of foreign companies established and maintained their head offices and operations in Karachi due to encouraging opportunities. However, parallel to that there was also a negative aspect of President Ayub Khan's policies, especially on the political front, most importantly the shifting of the capital from Karachi to Islamabad and later on the presidential elections of 1966 received a massive backlash from the inhabitants of the city.

¹¹ KARACHI: Updating of master plans at all levels in doldrums. (2020). Retrieved 18 November 2020, from <https://www.dawn.COM/NEWS/81702>

Second Wave of Migration

During Zulfiqar Ali Bhutto's era, Karachi witnessed major transitions, both politically and economically. It was Bhutto's efforts that Pakistan Steel Mills was set up with technological support from USSR and operationalized in 1985. It was the time when Karachi witnessed the second wave of migration of mainly non-Bengali people from East Pakistan. They were termed Biharis since many belonged to the Indian state of Bihar who had migrated to East Pakistan during 1947-1970.¹² By 1981, around 163,000 Biharis were repatriated to Pakistan, settling mostly in Karachi, and around 323 families settled in Okara and Lahore in 1993.¹³ Today, the localities of Machar Colony, Moosa Colony, and Chittagong Colony in Karachi have sizable numbers of Bihari migrants. These migrants were absorbed mostly in unskilled and non-corporate sectors of the economy. No major impact on investment was witnessed due to this huge influx of migrants.

During Bhutto's era, foreign investment and the private sector were reluctant to invest due to the systematic nationalization of different industries. In 1972, the government of Bhutto nationalized 20% of large-scale manufacturing industries giving a negative message to the private sector. Although the public investment was increased, the role of government from being the catalyst for growth during the earlier era changed to commanding and controller of investment. With the exception of Pakistan Steel Mills in Karachi, no major FDI was recorded by foreign investors in the country.

¹² Rupture in South Asia. (2020). Retrieved 18 November 2020, from <https://www.unhcr.org/3ebf9bab0.pdf>

¹³ Biharis - Minority Rights Group. (2018). Retrieved 18 November 2020, from <https://minorityrights.org/minorities/biharis/>

Table 1¹⁴

Figure 2: Net Inflows of Foreign Direct Investment as a % of GDP, 1970 – 2013
Source: World Bank

In the second wave of nationalization in 1973, the government nationalized the purchase of cotton, followed by rice trade (for the time being), cooking oil industries, and even the cotton export sector.¹⁵ In 1974, the banking sector and insurance sectors and petroleum distribution and shipping industries were also nationalized. This signaled to private and foreign investors that it was not the right time to invest in capital infrastructure, as the new investors would find stiff competition to gain market share from government-controlled industries.

The overall impact on private businesses and foreign investment was discouraging in the decade of 1970s especially for Karachi due to anti-market economic policies initiated by PPP's government. The military coup of 1979 again witnessed political instability as the economic policies of Zia-ul-Haq's era revolved around two major bases. One was the liberalization of the economy in contrast to Bhutto's economic vision, and the second was the Islamization of the economy. Several reforms were introduced, which boosted the confidence of investors and resulted in the rise of private sector share in the investment sector increasing from 33% in 1980

¹⁴ Lavingia, S. (2016). Attracting Foreign Direct Investment in Pakistan: The Role of Governance, National Security and Global Investment Trends [Undergraduate thesis, Oberlin College]. OhioLINK Electronic Theses and Dissertations Center. http://rave.ohiolink.edu/etdc/view?acc_num=oberlin1462899974

¹⁵ PRIVATE SECTOR ASSESSMENT PAKISTAN. (2008). Retrieved 18 November 2020, from <https://www.adb.org/sites/default/files/institutional-document/32216/private-sector-assessment.pdf>

to 44% in 1989.¹⁶

Industrial growth under Zia was impressive as manufacturing sector growth over 1977-88 averaged over 9% as compared to 3.7% in 1972-77. Overall, economic growth was well over 6% per annum during the entire regime of Zia-ul-Haq, benefitting the industrial and financial hub of the country the most.¹⁷ It must be noted that industrial growth cannot happen in isolation, a modest growth in agriculture is necessary to increase the purchasing power of rural households to spend for consumption boosting the manufacturing and industrial sector. The agriculture growth rate during the Zia-ul-Haq era 1977-1988 was 3.9%.¹⁸

As we know, the devaluation of currency makes exports more competitive.¹⁹ Similarly, the reforms, which were taken during the Zia era, also included the devaluation of PKR, which benefitted the export growth rate jumping to 7% on average during the entire period. This made Pakistan rely on sources other than remittances for a major source of building forex reserves. The devaluation of currency made Pakistani products cheaper for foreigners so cumulatively exports patterns were improved. However, simultaneously, imported goods became expensive for local buyers, which in turn discouraged unnecessary imports.

Despite impressive growth, the rate in the manufacturing sector during 1977-1988 which averaged above 9% in comparison to 3.7% during 1972-1977²⁰, the decade of 1980s, just like 1970s could not get enough confidence of the foreign investor. The core reasons were as follows:

i) Massive state/public ownership of different industries and investment

¹⁶ Mohiuddin, Yasmeen Niaz (2007). "Islamization and Liberalization of the Economy under the Military Government of General Muhammad Zia-ul-Haq: 1977–1988". Pakistan: A Global Studies (Google books). Washington DC: ABC-CLIO Inc. pp. 108–20. ISBN 978-1-85109-802-6. Retrieved 6 August 2020.

¹⁷ Economic Policy Under Zia: 1977-1988. Retrieved 18 November 2020, from <http://faculty.lahoreschool.edu.pk/Academics/Lectures/ayeshaa/PH%20HO%204.pdf>

¹⁸ Ibid.

¹⁹ 3 Reasons Why Countries Devalue Their Currency. (2019). Retrieved 18 November 2020, from <https://www.investopedia.com/articles/investing/090215/3-reasons-why-countries-devalue-their-currency.asp>

²⁰ Economic Policy under Zia: 1977-1988. Retrieved 18 November 2020, from <http://faculty.lahoreschool.edu.pk/Academics/Lectures/ayeshaa/PH%20HO%204.pdf>, 3.

sectors.

- ii) Implementation of stringent licensing and regulatory policies
- iii) Inefficient financial sector after the nationalization of banking and insurance sector making the banking sector not being able to exploit new avenues for private credit.
- iv) High tariffs and biased trade regimes.

By the end of the decade of 1980s, it was very clear that steady growth is not sustainable without taking liberal economic policies i.e., privatization, deregulation, and free-market practices.

Pakistan could not get enough share of foreign direct investment since its inception, though by the time of the beginning of the decade of 1990s, some encouraging signs were witnessed due to the shift in policies in May 1991, when the requirement from foreign investors to get separate authorization from the ministry concerned was removed. In short, no special registration was required for the foreign investor. Furthermore, it was decided to allow FDI in any area of provinces except the sectors, which were in the negative list of that respective province, making it more conducive for businesses to operate in the country. It is necessary to highlight that with the inauguration of the first Export Processing Zone (EPZ) in Karachi in 1989, the liberalization, deregulation of the economy had become mandatory to make a feasible environment for the FDI.

Apart from this, multinational companies and foreign investors were allowed to negotiate terms and conditions, which were earlier not allowed. The most important and radical change was the allowing of resident and non-resident Pakistanis including foreigners to open and hold foreign currency accounts. This was the right step in the right direction as it enabled foreign investors to access capital markets. Even the companies were allowed to sell their respective shares to foreigners excluding those, which were in the specified list. Keeping the liberalization of the economy in context and to further boost foreign investor confidence, the PKR was made convertible effective from 1 July 1994. Complete abolition of contracting foreign loans, and allowing the borrower to set period and interest rate from the creditor were among the major reforms that impacted FDI in the 1990s.

Similarly, a 3-year tax holiday was granted to industries established from 1st

December 1990 to 30th June 1995. To support the industries, which use imported raw materials, the tariff rate was brought down from a maximum of 225% in 1986/87 to 45% in 1996/97.²¹

In most of Pakistan's history, foreign investment was restricted to a few sectors and other sectors like agriculture and services were not fully capitalized to their full strength. In 1997, the government opened these sectors with certain conditions for foreign investment. This major reform by the new government of PML led by Nawaz Sharif gradually brought foreign investment into the IT industry and agriculture sector.

Interestingly, between 1981 and 1997, except for the financial years 1982, 1984, and 1993, Germany had remained the largest source of FDI in Pakistan among EU countries, followed by France, clearly depicting the seriousness of German companies in Pakistan. Furthermore, the Netherlands also emerged as the biggest source of FDI during FY 1982 and FY 1984; marginally surpassing even Germany, but it could not sustain the momentum. As most of these companies were operating as a base of their businesses from Karachi, the investment was decreased during 1993-1997 due to a very poor law and order situation. The migrants of the first and second waves settled mostly in today what we know as Korangi, Central and District Kemari. The semi-skilled and skilled class was believed to be able to find jobs in the Landhi Industrial Estate, Korangi Industrial and Trading Estate, and SITE respectively but this plan did not work successfully, due to public transport issues in the city excluding Landhi and Korangi areas. Those who had some resources started to offer services mostly in the Saddar area, which caused an increase in economic activity in District South. Due to proximity to the port and other industrial areas, the area near Saddar witnessed a robust boom in trading activities, which continues until today.

²¹ For a detailed discussion on Pakistan's trade and tariff policy, see M.Z. Khan (1996)

TABLE 2
Shares of Inflow of FDI from Various Countries
(percent)

Year	USA	UK	UAE	Germany	France	Hong Kong, China	Italy	Japan	Saudi Arabia	Canada	Netherlands	Others
1981/82	15.5	19.9	8.4	3.6	0.19	0.15	0.02	0.43	0.23	0.30	1.52	49.8
1982/83	11.6	16.9	10.0	3.3	0.23	0.06	0.01	0.50	2.6	0.23	3.34	51.3
1983/84	8.8	16.3	8.2	4.8	0.10	0.51	—	0.45	2.5	0.21	1.35	56.8
1984/85	24.5	12.7	16.9	9.1	1.71	0.85	0.14	9.53	5.4	0.43	9.71	9.1
1985/86	24.2	8.6	47.9	2.9	0.55	1.9	0.27	4.33	-5.0	—	0.89	13.5
1986/87	39.7	4.7	23.7	5.0	1.39	6.20	0.37	8.7	0.92	0.74	0.55	8.0
1987/88	28.2	15.7	15.0	11.3	3.08	3.39	0.67	8.38	0.55	0.62	0.25	12.8
1988/89	45.1	10.8	6.2	4.8	3.68	3.01	0.57	8.0	0.24	0.43	0.81	16.3
1989/90	43.4	10.5	7.3	5.2	2.77	0.42	1.75	7.45	0.51	0.42	2.45	17.8
1990/91	52.8	13.7	3.7	5.1	2.88	1.34	1.18	10.65	0.36	0.77	0.93	6.6
1991/92	63.7	6.1	3.1	6.4	2.53	—	0.59	5.28	0.03	0.90	0.24	11.1
1992/93	44.7	8.4	3.1	11.8	1.98	4.05	0.19	7.18	2.67	0.09	1.83	14.1
1993/94	32.2	9.0	2.1	2.6	3.13	0.34	0.08	8.38	0.54	0.34	-0.03	41.3
1994/95	39.9	8.7	10.6	4.0	3.05	0.49	0.06	3.68	0.20	0.09	1.02	28.2
1995/96	29.3	29.1	4.8	2.4	1.28	3.11	0.04	7.52	2.46	0.07	1.09	18.8
1996/97	36.1	35.2	8.0	2.6	1.5	1.1	0.26	5.37	-2.49	0.25	0.1	11.0

Source: State Bank of Pakistan.

Third Wave of Migration

During the third wave from 1978 to 1998, the migration in Karachi was composed mainly of Afghan refugees that influx radically changed the social fabric of the city, plus country culminating in the rise of ethnic-based politics resulting in political violence in the city. This is evident from the fact that during that time from 1981-1998, the ratio of the Urdu-speaking population reduced by 5.82% from 54.34% to 48.52%. Similarly, the total share of the Balochi-speaking population in Karachi also reduced a mere 0.06% in total composition during this period. On the other hand, an increase in the share of the total population of Karachi based on language was witnessed among Pakhtun, Seraiki, Punjabis, and Sindhi-speaking people. The Pashtun ratio of population increased by 2.71%, from 8.71% to 11.42% of the total population of Karachi Seraiki speakers increased by 1.77%, from 0.35% to 2.12% of the total population but this number was not large enough to politically and socially challenge or change the social fabric of the city. Similar trends were witnessed in the Sindhi-speaking population of Karachi. The share of Sindhi speaking population was increased to 7.22% from 6.29%. The majority of Sindhis settled in Karachi's rural areas i.e., District Malir. A marginal increase was witnessed in the Punjabi-speaking population which increased only by 0.3% from 13.64% in 1981 to 13.94% in 1998 of the total population of Karachi. These figures reveal that no major migration took place from Punjabi-speaking areas of

the Punjab region, rather Seraiki speaking population moved in large numbers during 1981-1998 mostly for lower-middle-income options like painters, carpenters, housemaids, guards, and drivers. The impact of the Pashto-speaking population which was the largest during this period was due to the volatile situation in the then NWFP and bordering Afghanistan on the socio-political fabric of the city was the highest.

Rank	Language	1998 Census ²²	Speakers	1981 Census	Speakers	Change in Percentage
1	Urdu	48.52%	4,497,747	54.34%	2,830,098	(5.82%)
2	Punjabi	13.94%	1,292,335	13.64%	710,389	0.3%
3	Pashto	11.42%	1,058,650	8.71%	453,628	2.71%
4	Sindhi	7.22%	669,340	6.29%	327,591	1.22%
5	Balochi	4.34%	402,386	4.39%	228,636	(0.06%)
6	Seraiki	2.12%	195,681	0.35%	18,228	1.77%
7	Others	12.44	1,153,126	12.27%	639,560	0.17%

During the decade of 1980s, ethnic tensions gradually rose due to ethnic-based politics that changed the color of the political map of Karachi, resulting in the rise of an ethnic-political party to rule the city in the coming decades. Multiple incidents of mob violence, extortion and killings, and arson attacks took place during 1986-1992. Therefore, to handle the poor law and order situation, the Karachi Operation of 1992 was initiated. The political and social unrest hindered FDI and private sector investment in the city massively. As mentioned in the above graph, the FDI decreased after FY 1992 by a vast margin. For instance, the share of total FDI by Germany decreased from 11.8% to less than 2.6% in FY 1995 and FY 1996. The ethnic tensions in Karachi continued for at least two decades haunted from 2009 to 2014 resulting in the death of more than 10,000 residents in Karachi due to poor law and order situation and mayhem from the political parties on ethnic grounds.

²² Hasan, A., & Mohib, M. (2020). UNDERSTANDING SLUMS: Case Studies for the Global Report on Human Settlements 2003. Retrieved 18 November 2020, from https://www.ucl.ac.uk/dpu-projects/Global_Report/pdfs/Karachi.pdfPage. 7

Impact of EU-origin Companies (1998-2019)

At the advent of the new millennium, Pakistan was witnessing sanctions due to the testing of nuclear weapons conducted in May 1998 coupled with a non-civilian government controlling the reign of power since 12th October 1999. Hence, there was low investment and the economy was not performing well, as is evident from the fact that FDI for 2000-2001 was a mere \$322 million. In short, the economy was paying the price of regional and political instability, until an attack took place on 11th September 2001 known as 9/11. The global and regional political development in the backdrop of the US-led war on terror brought Pakistan back from global isolation and gradually the economic situation moved in the right direction; sanctions against Pakistan were removed, the Paris Club extended the maturity of loans for 20 years giving respite to Pakistan's external financial woes. By the year 2006, Pakistan's FDI reached the highest yearly level of \$5.4 billion in 2007-2008.²³

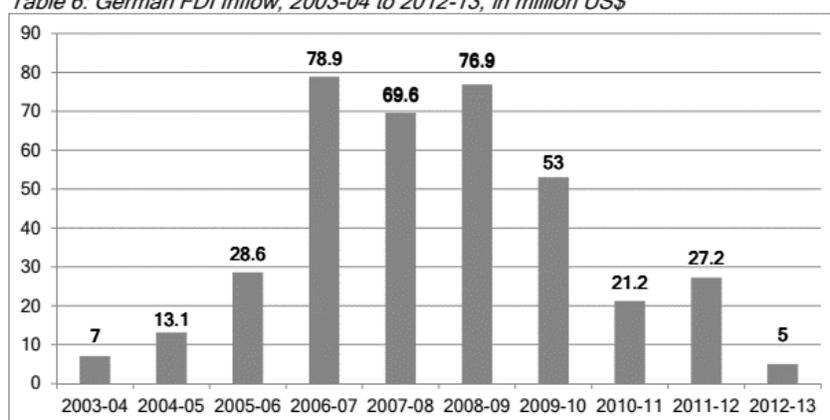
However, the major contribution of FDI did not come from EU-origin companies: rather the US, UK, and the Middle East made the largest contribution in FDI during this period. Telecommunication and oil and gas exploration became the prime sectors for these countries. It is pertinent to mention here that Pakistan has a bilateral investment treaty with several European countries as given below:

S. No.	Countries	Date of Signing of Treaty
1	Belarus (Not an EU Member)	22-01-1997
2	Belgo-Luxemburg (Economic Union)	23-04-1998
3	Bosnia (Not an EU Member)	04-09-2001
4	Bulgaria	12-02-2002
5	Czech Republic	07-05-1999
6	Denmark	18-07-1996
7	France	01-06-1983
8	Germany	01-12-2009

²³ Pasha, H. (2020). Growth and inequality in Pakistan: Agenda for reforms [Ebook]. Friedrich Ebert Stiftung. Retrieved from <http://library.fes.de/pdf-files/bueros/pakistan/15252-20190411.pdf>(Page 159)

9	Italy	19-07-1997
10	Netherlands	04-10-1988
11	Portugal	17-04-1995
12	Romania	10-07-1995
13	Sweden	12-03-1981
14	Switzerland (Not an EU Member)	11-07-1995

Table 6: German FDI Inflow, 2003-04 to 2012-13, in million US\$



Source: Pakistan Board of Investment 2014

The impact of the bilateral treaty with Germany has almost been a non-event for FDI inflows into Pakistan, since FDI from Germany has been lower in quantum after 2009 due to a number of factors including, the law and order situation in Karachi during 2009-2014, and electricity crisis which continued from 2008-2015 in Karachi, affecting the investment climate.

As Germany is the largest economic partner of Pakistan among EU countries and many German companies are having their operations in Karachi namely, Bayer, Siemens, Metro, etc. Pakistan's relationship with Germany has various aspects. Since the inception of the Pakistan German Business Forum back in 1997, coordination between the two countries on economics and trade has increased manifold despite the challenges. The year 2006-2009 was the golden period in terms of FDI flowing from Germany to Pakistan due to the overall security situation. Later on, there was a gradual subsidence on FDI inflows in the country from Germany, which continued till 2014.

France has been an important and major economic partner of Pakistan from EU countries. There are a number of French companies operating in Pakistan. The major French brands like Total and GDF Suez have a strong market presence in the energy sector of Pakistan. Moreover, Verlinde France, Total, Hyperstar, L'Oréal, Moulinex, Lacoste, Sanofi, Alcatel, Schneider Electric are also among the famous French brands that are operating in Pakistan.

The oldest fast-moving consumer goods (FMCG) having its operations in Pakistan and especially in Karachi is Unilever Pakistan Ltd. formerly working as Lever Brothers Pakistan Limited (1948) has a major role in the development of the corporate sector of Pakistan. In 2019, 261 employees were on the direct payroll of the company. With PKR 2,453 million after-tax profit in 2019, the company has been a massive source of indirect employment generation through its vast distribution system and clientele network.

Wholesale& Retail Sector

In the wholesale sector, Metro was the first foreign company to invest in Pakistan in the year 2007 followed by Hyperstar in 2009 later acquired by Carrefour.

Metro

Habib METRO Pakistan (Pvt.) Ltd which is a subsidiary of Metro (German origin- company) owns and operates nine wholesale store centers in Pakistan in four different cities and reported a profit of 5,730,000 Euros for the financial year ended in June 2019.²⁴ The company directly employs 2000 headcount as per the data of the year 2015. Apart from this, the company has made an investment of 100 million Euros for its storage facilities over this period.²⁵

One can visit all the three Metro Stores in Karachi within 45 minutes without traffic as all these stores are within 23.5 km range. One each in

²⁴ Metro Annual Report (2020). Retrieved 18 November 2020, from https://reports.metroag.de/annual-report/2018-2019/servicepages/downloads/files/metro_ag_annual_financial_statements19.pdf

²⁵ METRO's future in Pakistan is positive and strong: MarekMinkiewicz – Business Recorder. (2015). Retrieved 18 November 2020, from <https://fp.brecorder.com/2015/10/201510051233079/>

District, Kemari, District East, and District Korangi, all densely populated areas adjoined by better roads nearby. Interestingly among all of these stores, Shakra e Faisal store is the one with maximum visits of customers followed by Safari Park store in Gulshan-e-Iqbal and the Manghopir store has 10 times fewer visitors in comparison to Shakra e Faisal Store near Star Gate, showing that only dense population is not the only criteria of revenue: rather, a sizable middle-class is necessary coupled with proximity to major roads of the city.

The employment generated by these wholesale and retail stores benefitted, lower-middle-income households of District Korangi and East. Interestingly, the female labor force from the Urdu-speaking community and Punjabi-speaking community makes the majority of the working population in major outlets due to better education and non-conservative outlook in the public sphere.

The foreign companies operating in Karachi are also more inclined towards hiring educated people.



Carrefour

Hyperstar entered the Pakistani market in 2009 by opening its first store in Lahore. In its first year, it made revenues of more than 1 billion PKR alone.

Currently, it operates seven Hyperstar stores out of which two are in Karachi. The group has already invested more than PKR 8 billion and generated direct and indirect jobs to the tune of 700.²⁶

Carrefour with its two stores in Karachi each in District South and East is also contributing well enough by catering to the demand of upper-middle and elite classes mainly residing in District South. Similarly, its store in the basement of Lucky one Mall, one of the largest malls of South Asia in terms of the covered area is a strategic store creating maximum value due to its location. The distance between Carrefour stores is around 20-23 kilometers and it takes at least 43-50 minutes to drive between both the stores.



Oil Marketing Companies

Shell

Shell Pakistan has more than 850 service stations spread across the country, out of which around 85 are in Karachi.²⁷ It is the biggest foreign

²⁶ Research, B. (2019). Carrefour's e-commerce service to be launched by next year'. Retrieved 18 November 2020, from <https://www.brecorder.com/2019/06/21/504665/carrefours-e-commerce-service-to-be-launched-by-next-year/>

²⁷ Shell Station Locator. (2020). Retrieved 18 November 2020, from <https://www.shell.com.pk/motorists/shell-station-locator.html#iframe=Lz9sb2NhbGU9ZWS5fUEsjL3NIYXJjaC9AMjQuODk4NzQsNjkuMDk1MDYsN3o>

MNC in the oil marketing industry of Pakistan and has invested billions of dollars in Pakistan over a period of time. Its net revenue for FY 2019 was more than 199 billion PKR.²⁸ It is providing employment opportunities to more than 1500 people in Karachi, alone most of them belong to the poor segment of society.



Total

TotalParco Pakistan, which is a subsidiary of French company Total S.A., has the second-largest distribution network in the country with almost 75 stations in Karachi. The com, directly and indirectly generating employment opportunities for more than 1500 people in the city alone. The company made sales revenue of USD 5.19 million in FY2019.

²⁸ Statement of Profit or Loss and Other Comprehensive Income. (2020). Retrieved 18 November 2020, from https://www.shell.com.pk/investors/financial-reporting/annual-reports-publications/_jcr_content/par/expandablelist/expandablesection_1962006610.stream/1588154564981/d45446999187a7ca5be642f57f964d94076a2cf3/shell-annual-report-2019.pdf Pg. 60



Both Total Parco and Shell have partnerships with several MNCs for better service delivery and customer satisfaction including with Foodpanda, Pepsico, and many others. The indirect impact of these alliances and partnerships increases the efficiency and productivity of these companies and their respective partners benefitting the entire economic value chain. Most of the employees on petrol pumps are from Punjab and Bahawalpur. The poor working class among Urdu speaking population is not very visible in this industry, just like the transport sector of Karachi due to the lower wage rate.

Oil & Gas Exploration

ENI Pakistan started its exploration projects in 2000 and these sites were based mostly in the remote areas far from urban centers. ENI Pakistan is an Italian-origin company and produced on average 112 mmcf/day of gas for the past three years contributing towards meeting the country's energy requirements.²⁹ Apart from this, its LNG terminals in Port Qasim have enabled the company to capture a sizable market share in the LNG sector of the country. As per the contract signed by the company and the government, ENI Pakistan is responsible to sell one cargo of LNG every month for 15 years.³⁰ Its impact on the economy is significant, as the

²⁹ Eni Annual Report, (2020). Retrieved 18 November 2020, from <https://www.eni.com/assets/documents/eng/reports/2019/Annual-Report-2019.pdf>

³⁰ Eni wins an international tender for a 15-year LNG supply contract in Pakistan. (2017). Retrieved 18 November 2020, from <https://www.eni.com/en-IT/media/press-release/2017/05/eni-wins-an-international-tender-for-a-15-year-lng-supply-contract-in->

amount of LNG it will provide is equal to 25% of LNG imports of the country in 2016.

Pharmaceutical Sector

The pharmaceutical industry is an important sector of Pakistan's economy. There are more than 700+ manufacturing plants of regulatory drugs in the country. Most of the drugs are locally produced in the country with multinational firms making almost 35% of locally produced drugs.³¹ The number of multinational companies having operations in Pakistan has been reduced to 22 from 36 in 2000 being unattractive for investment due to higher production costs and lower profit margin.³²

Sanofi

French company Sanofi-Synthelabo acquired Aventis S.A. in 2004 and the new company with the name of Sanofi –Aventis Pakistan emerged. The company's head office and manufacturing plant are in Karachi and its entire manufacturing plant is located in District Korangi. The company has even leased out a part of its allotted land to the German pharmaceutical firm, Bayer Pakistan³³. This interesting partnership between two pharmaceutical firms of two different countries of EU reveals that such cooperation cuts unnecessary costs for the respective companies. The company made total net sales of PKR 14.5 billion in FY2019. It employed 1,099 people directly, as per December 2019 statistics.

Female share in the workforce in commercial operations is 18% while 9% in the company's industrial operations. The female workforce at leadership positions has increased to 30% from 11% in 2015. This shows that the company is actively increasing gender parity in the workforce matrix.³⁴

pakistan.html

³¹ Pakistan Pharmaceutical Industry - PPMA Pakistan Pharmaceuticals Manufacturers' Association. Retrieved 18 November 2020, from <https://www.ppma.org.pk/Profile/pakistan-pharmaceutical-industry/>

³² Problems faced by Pakistan's Pharma Industry - Daily Times. (2017). Retrieved 18 November 2020, from <https://dailytimes.com.pk/36555/problems-faced-by-pakistans-pharma-industry>

³³ Sanofi Annual Report 2019. (2020). Retrieved 18 November 2020, from <https://www.sanofi.com.pk/-/media/Project/One-Sanofi-Web/Websites/Asia-Pacific/Sanofi-PK/en/Investors/Accounts-for-the-year-ended-on-Dec-31-2019.pdf?la=enPg.78>

³⁴ Ibid.

Bayer

Bayer is a German-origin company having operations in more than 70 countries. In Pakistan, it employs 1160 employees through its 25 offices spread countrywide.³⁵ The company has its operations in three different districts, which are strategically located. The pharmaceutical plant is located in the SITE area in District Kemari. The Crop Science operations of the company for the agriculture industry which was acquired in 2018 has its research plant in District Korangi adjacent to its head office in DHA i.e., District South. Both Bayer and Sanofi-Aventis employ people mostly from the educated class for their operations due to the sophisticated nature of their businesses. This group of companies mostly employ educated young people of Urdu and Punjabi-speaking population. Other migrant populations have almost no representation in the pharmaceutical sector due to the criteria and educational background.

Telecommunication Sector

Jazz

Veon Group (Dutch) which holds Jazz, the largest mobile company in Pakistan, stands second in terms of contribution towards total revenue earned from the firm's investment in 10 different countries. This speaks volumes about the standing of the company's operations in Pakistan. Pakistan is considered the most prominent growth engine with over more than 60 million subscribers.³⁶ The company has a huge indirect impact on the daily life of almost every Pakistani. With its strategic partnership with a number of significant players of different fields, it is contributing to the economy overwhelmingly. For example, its partnership with TCS, GoLootlo.com.pk, Oxfam, Careem, etc. has increased the efficiency and service delivery of these corporations.

Jazz also provides financial services and there are more than seven million monthly users of Jazz Cash alone in Pakistan. JazzCash has bridged the gap of the untapped unbanked market of more than 80% of adults in Pakistan having no account in banks. From July 2019 to June 2020, a total of 900 million transactions were made totaling around PKR 1.7 trillion.

³⁵ Pharma Bureau – Bayer. Retrieved 18 November 2020, from <http://www.pharmabureau.org/members/bayer/#:~:text=In%20total%2C%20Bayer%20employs%20about,wh eat%20and%20Nativo%20in%20rice.>

³⁶ OUR GROWTH ENGINES. (2020). Retrieved 18 November 2020, from https://www.veon.com/media/2685/veo001_interactive.pdf

Today, there are around 35 service centers of Jazz employing more than 1000 people, directly and indirectly, alone in Karachi. Similarly, 46 JazzCash centers are facilitating the easy transfer of money mostly used by the unbanked lower-middle-class population of the city. JazzCash is one of the prime reasons behind the economic migrants' choice to use Jazz as a preferred network in Karachi.



Nokia

Nokia is a Finnish company and one of the most prominent names in the telecommunication industry. It has been an active player in the Pakistani domestic market. Its importance can be understood from a strategic point of view: that Pakistan's landline industry being monopolized by PTCL uses Nokia software and products for its efficiency and better customer experience. In June 2020, Nokia helped Pakistan to strengthen its broadband network from a 100G transport network to an optical network, which will benefit major urban centers, especially in internet services both from local and international traffic perspectives³⁷. Nokia has a large market share in Pakistan at 27.6% in featured non-android phones of the country.³⁸

³⁷ Pakistan Telecommunication Company Limited deploys Nokia software products to enhance customer experience and service | Nokia. (2020). Retrieved 18 November 2020, from <https://www.nokia.com/about-us/news/releases/2020/06/10/pakistan-telecommunication-company-limited-deploys-nokia-software-products-to-enhance-customer-experience-and-service/>

³⁸ Anjum, U. (2020). Featured Phone vs Smartphone Usage in Pakistan-Brand Share (Q2 2020). Retrieved 18 November 2020, from <https://www.phoneworld.com.pk/featured-phone-vs-smartphone-usage-in-pakistan-brand-share-q2-2020/#:~:text=Nokia%3A,27.6%25%20in%20Q2%20to%202020.>

Unfortunately, Nokia does not have an official presence in the country. All its operations are managed and operated by one of the wholesale distributors of the service industry viz. Advance Telecom. Therefore, there is ample opportunity for the country to make the most of the vibrant young demographics of the 200 million+ population.

Shipping Sector

MAERSK

Maersk, a Danish company and a giant in the shipping industry of the service sector has its operations in Pakistan, which are running through a privately held, fully owned subsidiary Maersk Pakistan (Private) Ltd, since Oct 1987. The company contributes towards the economy especially in international trading of the country. It has five offices in the country of which three are in Karachi due to the nature of its business. The company also deals in an inland cargo shipments. For instance, one can transport goods from Sialkot or Faisalabad directly to Port Qasim, using the services of the company. Maersk indirectly provides employment opportunities to different industries.

Engineering Sector

Siemens

Siemens AG is a German multinational company and it has had active operations in Pakistan for past many decades. The company was established as a private company in 1953, and today it has more than five factories in the SITE area with 633 direct employees on average for the FY2019.³⁹ It largely deals in power, energy, and industrial machinery-related products. Now, it is diversifying its business model. In FY 2019 alone, the company reported a profit after tax of approximately PKR 700 million.

The company has a diverse pool of ethnicities in its workforce. Therefore, economic-led migration for better opportunities among qualified professionals is visible. Despite these facts, it is easy to comprehend those engineers and technicians who make the largest number of workforces are from Karachi due to proximity to its offices and operations.

³⁹ Annual Report 2019. (2020). Retrieved 18 November 2020, from <http://www.siemens.com.pk/pdf/AR-19.pdf> Pg. 56

Food Sector FrieslandCampina Engro Pakistan

Engro Foods was established in 2006 and over 14 years, it has evolved into the second-largest dairy company. In 2016, the company sold its 51% share to Dutch Company, FrieslandCampina for 420 million Euros. It is one of the largest tax-paying companies in the country and generates revenue of PKR 38.9 billion for the year 2019. The company is eligible for availing tax benefits, being considered as part of Group of Engro Corporation Limited registered under SECP. The company has 1,334 employees as of 31st Dec 2019⁴⁰ of which 87% are related to the management. The company has its actual plant sites in Sahiwal, Sukkur, and Nara while its head office is in Karachi. Management is mostly composed of corporate professionals from top business schools. Ethnic corporate culture is quite diverse. Therefore, its impact on employment generation and migration are similar to that of Siemens. In this test case, economic-led migration for better opportunities among qualified professionals is visible. The company has its head office in the District South while its regional offices are in the District East.

Preliminary Findings

The impact of EU-origin companies has been positive towards socio-economic development on the population of Karachi in general, not just limited internal migrants. With industrious corporate culture, they have been a driving force behind bringing maximum value for the end-user.

Internal migration attracts the labor force towards the EU-origin companies, as evident through the presence of the vast majority of internal migrants working in oil marketing companies, however, not all sectors fully absorb the internal migrants. It varies from industry to industry. This contribution enhanced corporate practices and improved women's participation in the workforce as mentioned in the cases of Metro and Carrefour.

Adverse law and order and political situations have been a major hindrance in exploiting the opportunities and full utilization of resources provided by the EU-origin companies. The decade of 1990s was full of internal turmoil, poor law and order conditions from 2008-2015 discouraged all foreign investors to continue their operations in Karachi, that's why Foreign Direct

⁴⁰ Engro Final Report. (2020). Retrieved 18 November 2020, from <https://frieslandcampina.com.pk/annual-reports/2019/assets/pdf/EngroAnnualReport.pdf> (Page 134)

Investment (FDI) was decreased from 2009 owing to the law and order, security and bad governance issues.

Regarding the financial sector and banks HSBC and Barclays, which are British banks shutting down their operations and that was the time Britain was part of the EU during 2012 and 2015 respectively. Both the banks had their operations in the financial hub of the country i.e., Karachi.

We could not find any major strategic shift by any of the EU-origin companies in which existing operations were diverted from Karachi to another city in the country. If any corporation closed its operations in Karachi, then it preferred to leave the country. We did not find any major outflow of migrants from Karachi to other areas of the country, though international economic-led migration from Karachi to other countries has been witnessed over the past many decades.

The impact of the EU-origin companies on internal migrants in Karachi is subject to many factors like cosmopolitan city, the industrial hub plus port, and international direct connecting through port operations. There are interesting points, which we came across during our research project.

- It is evident that Germany has been a major investor in the city followed by France and Netherland.
- Many German firms played a pivotal role in the industrial and value-addition sector of the country in comparison to the rest of the EU countries.
- Dutch economic share in Pakistan with respect to foreign direct investment, despite its smaller size and its overall role in the EU, has been encouraging.
- A few sectors of the economy are found to be more important for internal migrants like the sector of oil marketing companies, namely: Shell and Total. Some industries have played a significant role towards encouraging women employment like Carrefour and Metro, which resultantly set a trend for other companies dealing in the same sector.
- Oil marketing companies are found to be an attractive source for less-educated internal migrants belonging to different ethnicities. Since this sector does not require high-skilled professionals and offers a below-average wage slab, educated local inhabitants of the city do not find this sector lucrative, giving room to unskilled internal migrants to

occupy this sector of the economy.

- In the telecommunication sector, the Veon-owned Jazz Company has vast operations in Karachi with its Jazz Cash centers that provide employment opportunities to hundreds of people in the city and facilitate millions of people in the country. It has enabled internal migrants to use its services for transferring their hard-earned money back to their native villages and cities.
- Pharmaceutical sector due to its nature of business is not an attractive sector for migrants from KPK and Baluchistan as it requires certain prerequisites and strong educational background.

Policy Recommendations

Karachi has massively been affected by internal migration, and today it is one of the most populated cities in South Asia. On the other hand, when we look at the impact of foreign direct investment on internal migration, we observe that there is a positive relationship between the two. Unfortunately, Pakistan is one of the lowest recipients of FDI, which could not have a big impact on internal migration in Karachi. Among the major waves of migration in Karachi, there was no major foreign investment in the country; rather public development funds were utilized to create a conducive environment for domestic businesses to flourish. In this regard, historically Import-Substitution Industrialization was carried out overzealously during the Ayub Khan Era.

Among all the sectors of the economy in Karachi, wholesale, retail, and OMC provide a maximum share of employment in the city due to the nature of their businesses. Metro, Carrefour, Shell, and Total, through their respective business operations, not only contribute towards national exchequer but are also attractive sectors for internal migrants. The female workforce is visible in the wholesale and retail sector, providing employment largely to the lower middle social strata of the city. Internal migrant consisted of female workforce from Punjab has a sizable representation in this sector due to overall better basic education levels.

Apart from this, oil marketing is also the most prominent sector providing employment opportunities to internal migrants in the city. Since this sector requires little or no skills, poorly educated migrants get many opportunities to be hired at different petrol pumps working at minimal wage.

In short, wholesale, retail, and OMCs sectors provide many opportunities for semi-skilled internal immigrants to get employment opportunities.

The pharmaceutical sector is not a major sector of attraction for internal immigrants in Karachi as it requires qualified professionals in this field that internal migrants from some parts of the country overwhelmingly lack.

Similarly, in the telecommunication sector, the Veon-owned Jazz Company has its vast operations in Karachi with its JazzCash centers it is providing employment opportunities to hundreds of people in the city and facilitating millions of people in the country.

Hence, we can conclude, that the impact of the EU-origin MNCs having operations in Karachi cannot be ignored. However, there is ample opportunity for further improvement with the help of a joint working group of different competing companies to make the most of the huge market. For instance, there is a need for the EU investment in the media industry, which it can easily do with a joint venture with any media or business group in the country. As most of the media houses have their head offices in Karachi, the city can provide a base for launching a soft-power image of the EU and its policies in the country and can project soft-image of Pakistan in media, through film, cultural activists, social norms, etc. It will also enhance the much-needed improvement in the media industry.

The EU-origin corporates can also make good use of the large English-speaking educated young population of the city by investing in the IT sector. It is not just a cheap, lucrative, and tax-free sector but has massive room for growth as Pakistan is among five major freelancers offering countries. Thousands of Pakistani IT professionals depend upon third parties. They outsource the payment mechanism i.e., PayPal due to its unavailability in the country. One smart and timely move by any EU-origin company can make it a big player in the entire industry and change the lives of millions of Pakistanis at negligible cost. It is not just environment-friendly but also has big potential to grow in coming decades, unlike already saturated sectors like textiles and commodities.

The companies can make the city livable by focusing on establishing their offices and outlets not only in the centers but also in the periphery of the city. Furthermore, the share of women's participation should be

encouraged.

The workable solution for the development of infrastructure in Karachi is to opt for a public-private model which can involve the public and private sector and has been considered as one of the most substantial modes of development in emerging economies. In this lieu, different projects are in progress, for example, the proposed 39 KM Malir Expressway will reduce the time for people traveling from District South and Korangi to Kathore and upcountry to only 25 minutes.

Similarly, the Asian Development bank-funded²the 6 Km project Red-Line to be built from Malir Halt via University Road to Numaish Chowrangi will facilitate thousands of commuters on daily basis due to major universities of the province on the route. The project will further improve the air-quality index of the city.

The much-awaited Green Line project which is expected to be operationalized in the early half of FY2021-2022 connecting Surjani Town to the commercial hub of the city at Numaish will also be the major cornerstone in improving the poor transportation system of the city.

The proposed yellow-line project will also facilitate the transportation needs of people living in District Korangi and connect them directly to the commercial hub of the city. This proposed project if completed will greatly reduce the traffic burden in the District Korangi and greatly facilitate the labor working class working in Landhi and Korangi Industrial Estates. The provincial government needs to diligently focus on the above-mentioned projects to make the city livable.

The recent steps taken by the Federal government to remove the encroachment on Nullahs are needed to improve the sanitation and drainage system of the city. The three major Nullahs namely, Gujjar Nullah, Mehmoodabad Nullah, and Orangi Nullah are being reconstructed on modern lines in a systematic manner. In the first step, encroached areas are to be recovered followed by broadening the Nullahs, and, in the final step, roads will be constructed along these Nullahs to make them difficult to encroach in the future.

Once these projects start their respective operations, the major beneficiary

will be the working population belonging to poor, lower-middle social strata.

Apart from this, Karachi badly needs ample regular supply of Water for which K-4 projects have been proposed, and it is expected once it is completed by 2024, the dependence of masses especially poor and lower-middle-class on water-tanker will be eliminated giving some respite to them on purchasing water for daily needs. It will by default increase the purchasing power of the people which can be better utilized for other important avenues. The provincial and local governments need to do more to improve the living conditions of the people and facilitate their partners as it will ultimately benefit the provincial government in revenue generation.

Internal Migration: A Substantive Case for Networks Theory

Waseem Uddin

Abstract

The paper aims to explore migratory trends which have been influential especially in a world so globally connected as never before. Movement from one physical space to another has been on a rise due to a number of factors. The same has been seen in the urban areas of Sindh especially Karachi. This research tries to delve into explaining the underpinnings which trigger such phenomena. The Networks Theory aptly describes the dynamics at work in such a case. Also, it is very pertinent to note that though urbanization on one hand is a way forward, it, nevertheless, has also posed unprecedented challenges. Infrastructural changes are now far more needed than ever before to accommodate a huge number of migrants.

Keywords: Migration, Networks Theory, Urbanization, Infrastructure

Introduction – Relevance and Focus

Ever since Globalization began to take hold, it has triggered a lot of phenomena that would otherwise have been less possible. One such phenomenon has been migration that became so attainable that it started to appear something natural. A great many attempted migration successfully. Although there are many reasons attributable to migration from one physical space to another, the best may be explained in economic terms. As mentioned earlier, globalization made migration highly likely due to an increase in mobility of individuals as a result of advancement and economic opportunities.

Since humans have an inexplicable tendency to adapt, migration proved as a lucrative option. Movement from warmer regions to colder ones is massively noticed and vice-versa. Thus, individuals usually always opted for better options regardless of climatic conditions. The most noticeable impetus behind all these efforts and behavior has been economic to put things in a nutshell. However, inquiries may be made as to what economic prospects compel migratory trends; trends that are shaped differently in each context. Suffice it to say, these contexts evolve due to a number of factors that influence such trends. Most notable is the industrial growth in a

certain area that attracts aspiring migrants. Other reasons behind migration can range from social to political as well as climatic to geographical etc.

The topic for this Research Grant Project exclusively encapsulates migratory trends which have been in vogue particularly from rural areas to urban areas of Sindh. When deliberating on migratory trends in Sindh, Karachi becomes the core of the matter. Karachi is the largest city that accommodates millions of people.¹ The size of the population has grown even beyond its capacity. Over the years, the city has expanded to unbelievable extents. This expansion is not merely a coincidence that happened out of nowhere. There are reasons which have necessitated this flow of population from rural areas of Pakistan to head towards the urban areas. To begin with, it has a lot to do with Karachi's ultimate significance as the industrial hub of the country coupled with the fact that it is also a seaport. The economic outlook of the city is perhaps the most important in making it what it is now. Secondly, the plethora of opportunities that this mega city offers is yet another charm to outsiders.

The last decade has been a center point of migration to Karachi. This exponential rise may be interpreted in multiple ways. The economic recession of the previous decade coupled with natural catastrophes has been instrumental in making people move to Karachi. Not only this, the desire for a better future has compelled many to abandon their hometowns. This especially includes promising career and academic facilities for aspirants' families and offspring.

The city's internal makeup is immensely diverse.² Every ethnic group is present in Karachi with varying degrees in demography from all over the country. The different strata of income classes are prominently divided into different areas which show their economic, social status, and political well-being. Another important factor is that a lot of areas in Karachi have ethnic homogeneity. Certain ethnic groups have closed residential complexes and even designated areas. This make-up is significant in understanding the different behaviors about migratory trends.

¹ Transforming Karachi into a Livable and Competitive Mega City, World Bank Group 2018, www.openknowledge.worldbank.org.

² Soofia Mumtaz, The Dynamics of Changing Ethnic Boundaries: A Case Study of Karachi, The Pakistan Development Review 29, no. 3/4 (1990).

Furthermore, migration from interior Sindh and especially to Karachi has had many influencing factors. People from all over rural Sindh have been attracted to the city for better prospects. However, migration from all over Pakistan has been instrumental too in shaping Karachi as it appears today. People arrive from different localities that are not developed or underdeveloped, which include Punjab's southern belt, the mountainous areas of Khyber Pakhtunkhwa, Baluchistan, and, in the last two decades, especially, Gilgit-Baltistan.

The undertaken Research Grant Project focuses on several factors that have been instrumental in the rapid movement of human capital to Karachi. It delves into different meanings each ethnic group carries with it to explain this huge phenomenon. The reasons may be many and as diverse as the people themselves. However, a systematic inquiry undoubtedly helps us to comprehend such behavior. Although some of the established causes succinctly define migration, there remains a lot to be discovered.

The study also aims to highlight types of migration within the Pakistani context; migration for economic, social, and academic uplift, and once it is achieved, the same reverts.

Research Questions

If Network Theory is applied to Internal Migration that has been taking place for a considerable period of time within Sindh and in the rest of the country, there definitely arises a set of issues and questions which have not been addressed adequately. The following are questions that may be taken up during this project study.

- 1- What are the factors that influence massive internal migration?
- 2- How does Networks Theory play such a significant role in the settlement of migrants at the host location?

Literature Review

Internal Migration has been under discussion for quite some time. Different theorists explain this phenomenon in various ways which outline the underpinnings behind it. However, there has not been a single theory that encapsulates internal migration holistically. There is always part of the problem that remains undefinable. A massive phenomenon with overarching repercussions may well be dealt with some sort of eclectic

approach or there seems no way around to come to a single theory. There have been several studies that aim at translating human endeavors to better understand what dynamics are at work when people migrate.³ Yet, many findings overlap. For example, functionalists attribute migration to economic aspirations only. The soul trigger that compels humans to migrate is none other than the prospect of an economically stable and well-grounded life. Functionalists happen to reduce everything to economics which is rather a one-size-fits-all model.⁴ There are a lot of other factors which the functionalists overlook.

Although income has remained a dominant factor in defining the movement of individuals, it somewhat also limits other viable forces which compel the same individuals to migrate. These push-pull models theorize migration as a function of income and opportunity gaps between origin and destination areas. Similarly, there are gravity models which base migration on distance, population size, and economic opportunities in destination and origin areas.⁵ To a large extent, empirical studies have proven that bread-and-butter play an integral part in motivating people to migrate. On the other hand, studies have also shown that young, single, and educated people from middle-income countries are very keen to emigrate.

Likewise, newer models have also emerged with the changing of the world. Often in developing countries with growing middle classes, individuals find resources to emigrate. The same situation more or less defines the rural-urban divide. With the industrialization of cities, the rural population turns to urban areas for better economic prospects.⁶ These prospects include better jobs, workplaces, academic opportunities, living conditions, access to better medical facilities, etc. This type of migration can also fall under push-pull models where networks play an integral part in building communities. The existence of diaspora or networks is likely to influence the decisions of

³ Jorgen Carling, Mathias Czaika and Marta Bivand Erdal, Translating Migration Theory into Empirical Proposition, 2020, <http://quantmig.eu>.

⁴ de Haas, Hein (2014) Migration theory: Quo vadis? IMI Working Paper No. 100 / DEMIG Project Paper No. 24. Oxford: International Migration Institute.

⁵ Castles, S., de Haas, H., & Miller, M. J. (2014). *The age of migration: International population movements in the modern world* (5th ed.). Guilford Press.

⁶ Dustmann, C. and Glitz, A. (2005) Immigration, jobs and wages: theory, evidence and opinion. Research report. CEPR/CREAM, London, UK.

migrants when they choose their destinations.⁷ Similarly, the kinship model is particularly pertinent here as the Pakistani society is tremendously networked ethnically, culturally, religiously, and linguistically.⁸

Here, origin and destination are important to discuss since both offer unique opportunities at their ends to facilitate migration. The capability and aspiration models⁹ aptly interpret internal migratory trends. Although, generally, living conditions have improved around the globe, yet, humans aspire for better. This aspiration model has propelled people towards newer destinations. Similarly, the capability model applies to those who aspire to migrate with available resources. As discussed above, aspiration may be universal whereas capability is limited. The former inspires to aspire and the latter enables to be capable.

The case we are discussing under Research Grant Project is specifically internal migration and its dynamics. What forces, conditions, circumstances, and compulsions are behind aspiring and capable migrants? Certain studies have been conducted in different parts of the world which attempt to decipher such patterns which underlie migratory trends. One investigation for internal migration in the United States of America proposes that the diverting capacity of systems may not be general and that the determination of migrant goals fits in with desires inferred from the interceding system of chances.¹⁰ Given an assessment of both smaller scale and full-scale factors, Hendrix infers that financial variables prevailed in the choice of goals, yet, the data directed by vagrant systems influence the determination of individual migrants and the points of interest of their method of addition at the destination. The contrasts between the discoveries of Hendrix and others, for example, demonstrate that networks might be progressively significant for site choice in international migration than they are in internal ones. While the scarcity of information makes such speculation dangerous,

⁷ Vertovec, S. (2004). Migrant Transnationalism and Modes of Transformation. *The International Migration Review*, 38(3), 970-1001. Retrieved June 26, 2020, from www.jstor.org/stable/27645423

⁸ Lieven, A. (2011). *Pakistan – A Hard Country*. London: Penguin Books.

⁹ de Haas, Hein (2014) Migration theory: Quo vadis? IMI Working Paper No. 100 / DEMIG Project Paper No. 24. Oxford: International Migration Institute.

¹⁰ Hendrix, L. (1975), 'Kinship and Economic-Rational Migration: A Comparison of Micro- and Macro-Level Analyses', *Sociological Quarterly*, 16 (Autumn), 534-43.

the job of networks in directing migrants ought to be seen as a factor across migrations.¹¹

Massey figures this out in the fundamental component plainly by saying that: networks serve to diminish the expense of migration by making accessible data and different assets to an ever-enlarging circle of possible migrants. This system has broad ramifications for the advancement of migration frameworks.¹²

In 1985, Cases also noted the extremely high reliance of Filipino migrants to Hawaii on networks of friends and relatives. He concluded that the poor occupational position of these migrants was, in some measure, due to the limited resources of the network.¹³ Heavy reliance on a network of migrants concentrated in marginal jobs increases the concentration of new immigrants in such positions. Thus, migrant networks can slow long-term integration or adaptation given that the impact of network assistance is conditioned logically enough, by the resources (type and heterogeneity) controlled by the network's members.¹⁴ Nevertheless, some immigrant groups prosper and, ultimately, assimilate into the destination society by consciously developing ethnic enclaves.¹⁵

Similarly, in 1976, Ritchey expounded three hypotheses to decipher relationship patterns among kins and friends and their influence on the decisions taken by migrants for movements. Firstly, the affinity hypothesis, secondly, the information hypothesis, and lastly, the facilitating hypothesis. Migrant networks come into existence with time and ties. Over long periods,

¹¹ Massey, D., Arango, J., Hugo, G., Kouaouci, A., Pellegrino, A., & Taylor, J. (1993). Theories of International Migration: A Review and Appraisal. *Population and Development Review*, 19(3), 431-466. doi:10.2307/2938462

¹² Massey (1988), 'Economic Development and International Migration in Comparative Perspective', *Population and Development Review*, 14(3) (Sept.), 383-414.

¹³ Caces, M. F. (1985), 'Personal Networks and the Material Adaptation of Recent Immigrants', Ph.D. dissertation, University of Hawaii. -- (1986-87), 'Immigrant Recruitment into' the Labor Force: Social Networks among Filipinos in Hawaii', *Amerasia*, 13(1), 23-38.

¹⁴ Portes, A., and Bach, R. L. (1985), *Larin Journey: Cuban and Mexican Immigrants in the United States* (University of California Press, Berkeley).

¹⁵ Portes, A. (1983), 'Modes of Structural Incorporation and Present Theories of Labor Immigration', in M. M. Kritz, C. B. Keely, and S. M. Tomasi (eds.), *Global Trends in Migration: Theory and Research on international Population Movements* (Center for Migration Studies: New York), pp. 279-97.

migrants begin to affiliate themselves with geographical locations.¹⁶ In the same way, migrants develop acquaintances so that bonds between locals and migrants become stronger with time. This occurrence ultimately helps other migrants back in the origin places to plan their migration since the sense of alienation gradually erodes in the destination. Although other factors also play significant roles in defining the choice for migration keeping in view host networks, the most daunting challenge is to predict a viable economic opportunity that suffices the aspirations of the prospective migrant.¹⁷

Methodology

The undertaken research will first present an overarching view of the methodology employed in the current study. Secondly, it will reflect on what methods of research have been applied to reach a certain understanding of the research questions developed at the onset.

To begin with, the aptest methodology that could have been used to further the study was exploratory. This included a mixed-method approach namely – quantitative blended with qualitative. Over the years, issues in migration have been far more under-addressed which has created a vacuum for any researcher to ostensibly work on the problem. Through an exploratory lens, this vacuum may be filled up to find out about aspects that have been ignored in the study of migration especially in the context of Pakistan. The problem could only have been better understood with the help of previous researches specifically targeting the issues about migration. And a wholesome picture could have been painted using the current research too. Especially focusing on research questions, the answers might not have been all too unpredictable. Not to mention, the scarcity of data about this particular topic which has visibly played different roles at different levels in the economy, sociology, demography, culture, etc. of Pakistan. The dearth of data has made it unviable for students and researchers to opt for a study on migration. Therefore, data collection for this particular research has wide significance and implications.

¹⁶ Ritchey, N. P. (1976), 'Explanations of Migration', in A. Inkeles, J. Coleman, and N. Smelser (eds.), *Annual Review of Sociology*, vol. ii (Annual Reviews: Palo Alto, Calif.), pp. 363-404.

¹⁷ Min, P. G. (1988), *Ethnic Business Enterprise: Korean Small Business in Atlanta* (Center for Migration Studies: New York).

The two main tools that were employed to generate data for the study included surveys and interviews. The former was picked out so that a large number of respondents could take part in the study. Hundreds of thousands have migrated internally which necessitated a good number of people to participate in the study. The sampling technique used for the survey questionnaire was purposive. The reason behind selecting the same was obviously to include individuals who had migrated due to one reason or another. The same migrants were asked to participate in the study. There were ten multiple-choice questions in the survey that was conducted online. Exactly 50 participants participated in the survey.

The other data collection tool – interviews – was based once again on the same sampling technique, purposive. All the interviewees belonged to either rural or urban areas of interior Sindh. However, it was only limited to 5 individuals who were selected based on direct contact with the researcher. Interviews had to be transcribed which required a good amount of time, and eliciting different layers of meaning from what the interviewer spoke was a daunting task. Explaining one or several themes helped us understand the reasons and processes involved in internal migration. And along with dominant themes, there were sub-themes as well which imperceptibly influenced the choices of migrants. These choices further oriented their decisions to migration.

Survey

This data collection tool was floated among 50 people. There were 10 questions in all. It included a variety of questions. There were MCQ's, "Yes" and "No" questions and open-ended questions. All of them had to be answered. The dominant themes in the survey remained economy and social networks. The respondents all originally belonged to the interior of Sindh. A majority of them had come and settled in Karachi whereas a few migrated back when they found themselves stable economically. The questionnaire is attached in the appendix for reference. However, each question requires a thorough discussion to understand the dynamics involved. The first question about age was as relevant as any other question. Migration has a lot to do with an individual's age. Age influences the decision to migrate. Out of 50 respondents, there were only a fraction of respondents which corresponded to 08 percent who were over 40 years of age. The rest fell below this bracket. So, it is very conspicuous that the age factor influences the choice to migrate.

The second and quintessential question in the Survey was about the fact that migration is done primarily due to economic reasons. About 48 percent of respondents said “yes” to it and 30 percent were unsure. This dwindling response in a way seconds the chief idea behind the question. When it came to the third question which was about factors influencing an individual’s choice to migrate, around 64 percent attributed economic factors behind it.

As has already been discussed in quite a detail how networks play an important role in facilitating migration. The next question drew an affirmative answer of over 84 percent of participants either agreeing or strongly agreeing as to the role of networks in the process of their migration to an urban setting.

When asked about what were the main attractions which motivated each individual to take a bold step such as migration, about 86 percent of the respondents listed economic along with academic and social reasons. Furthermore, the respondents have been assisted by someone in their social network who had helped others migrate to places where they had settled. So, networking is all the more significant for aspiring migrants.

Lastly, the question on migrants settling in target destination was put up. Over 40 percent equated settlement with the economic well-being of the migrants but a sizable minority preferred living close to their networks.

Personalized and Online Interviews

The second data collection tool was personalized and online interviews. There were 5 interviewers in all. Each one of them was given a set of 10 questions. Three of them were interviewed online whereas two were taken face to face. There have been several themes running through these interviews. The umbrella theme which obviously encompasses all is migration. Within migration themes like education/academics, economy, social networks, infrastructure, better utilities/amenities, etc. are spread to a considerable extent. However, the economy and social networks outweigh the rest. Although for many of the interviewees, the economy may not be the first reason to migrate, it still is the end that is achieved through means like education and joining families. Better prospects for education have a direct impact on one’s ability to find better work for sustenance. Since most rural areas have a paucity of such educational facilities, the participants looked for opportunities elsewhere. The cities within Sindh which

undoubtedly cater to such aspirations are Karachi and Hyderabad as per the responses. It is important to mention that Hyderabad itself is not an educational hub rather a sister city called Jamshoro houses most of the educational institutes. Lack of proper infrastructure was another dominant theme that pervaded the interviews which included many things such as facilities like transport, availability of uninterrupted electricity, libraries, etc.

Discussion

Migration is an overwhelmingly significant reality of the globalized world. Man has always been keen to discover the undiscovered. This must have been true in a variety of contexts in olden times. But as the world has progressed in almost every sphere of life, so have man's desires. In today's world, people often migrate to uplift their economic status. There are international and internal types of migration. The study primarily dealt with internal migration and, particularly, with the dynamics involved in the local setting of Pakistan.

Pakistan has been a hard-hit country in terms of crises and calamities. The former is of course man-made while the latter is natural. With the advent of the 21st century, the incident of 9/11 and the Taliban regime in Afghanistan coupled with a major earthquake in 2005 and subsequent events have had a very negative impact on the economy of Pakistan. The flux of poverty-stricken people especially from rural areas moved to urban areas where there were still more opportunities for sustainability.

What is striking here is the fact that the phenomenon of internal migration expedited after the first decade of the 21st century. This is where Networks Theory proves itself worthy. The study has focused on how migrant networks facilitate internal migration. Several pieces of research have been conducted around the world to find out whether networks play an integral role in the choice of prospective migrants to decide their location. Unfortunately, no such study has been carried out in the Pakistani context which draws a connection between the two. The Research Grant Project study has been an attempt to comprehend this very phenomenon.

Conclusion

Summing the study up, a sample size of 50 migrant individuals for the survey questionnaire and 05 personalized interviews were conducted for the project. The research questions pertained to factors that influence massive

internal migration and its effects on the indigenous population concerning certain basic needs such as housing, health, education, utilities, and transport. As a result of the execution of the instruments, the received evidence adequately answers the research questions set at the onset. A majority of respondents affirmatively attributed the role of active networks in their settlement at host locations. The same was not limited to economic prospects. It stretched to all the needs such as housing, utilities, health, and transport. One way or the other, migrant networks facilitated the smooth movement of incomers to their destination and later helped them settle down. Moreover, it has also been observed that not only transition is crucial in settling down at the host location, what matters is the idea of dependability on the host. Without someone at the host location, migration is both tortuous and risky. This has been endorsed by the majority of the respondents who took part in the study.

Personalized interviews did add an ample amount of valuable data to concretize what survey respondents already affirmed in terms of the dependability model that makes prospective migration less arduous. Another very pertinent factor that in most cases triggers migration according to interviewees is the pursuit of higher education. Higher education refers to the tertiary level which is easily accessible in larger cities of the province. Here, education is not an end in itself rather a means to an end which is in most cases to open better work opportunities. Logically, where you have better prospects of education, there you will also have greater chances of finding relevant work opportunities. Therefore, settlement for livelihood becomes more promising in such cases.

Lastly, the findings of the study substantially endorse the vital role of networks in internal migratory patterns. These patterns are present especially in the intra-province (here province refers to Sindh) movement. Therefore, it may be concluded that migratory trends are indeed influenced by networks established at the destination sites. The same provides invaluable assistance to those who aspire to migrate to places that offer a more stable economic outlook for their future. Not only economy is the reason that compels an individual, but it is also “life” that undergoes a holistic change that is at times very important in the overhaul of a person’s sociological, psychological, political, and moral well-being. Moreover, sometimes migrant networks become so entrenched at the host location

that they bring about drastic changes in the economic, societal, moral, and political patterns.

Interview Questions

Name:

Age:

Profession:

Place of the Interview:

Time:

Date:

- 1- What compelled you to migrate to a land that you had never lived in before?
- 2- Who did you come with and who did you leave behind?
- 3- Did anyone come ahead of you?
- 4- What was the most difficult part about leaving?
- 5- Name any three challenges you faced when you first arrived.
- 6- Who was the most helpful in getting you settled (friend, relative, neighbor (who previously lived in your area), an acquaintance)?
- 7- What was it like when you first arrived?
- 8- What did you miss most about the area you are from?
- 9- Migration can be hard. Where did you find strength in difficult times?
- 10- What did you expect before migration and what did you get after migration?

Upward Social Mobility, Role of Multinational Corporations: A Case Study of Gilgit Baltistan

Muhammad Ayaz

Abstract

The migration, specifically urban migration, is economic. The incentives for this type of migration are better living conditions and employment opportunities. Pakistan has also observed an internal economic migration over the years where a large number of people have opted from rural to urban areas for better economic opportunities. Karachi is the biggest economic hub of the MNCs in Pakistan which hosts a number of several from various parts of Pakistan. The major quarter in the city belongs to the remote province of Gilgit Baltistan. This research intends to examine the role of the European MNCs in the upward socioeconomic mobility of the migrants from that area and explore the factors of migration. This study specifically focuses on the role of the European MNCs in the betterment of the social and economic conditions of the migrated community of GB.

Keywords: Economic Migration, MNC, Social Mobility, Gilgit Baltistan

Introduction

This research grant project intends to examine the role of the European MNCs in the upward socioeconomic mobility of the migrants from rural areas and explore the factors of migration. This study specifically focused on the role of the European MNCs in the betterment of the social and economic conditions of the migrated community of Gilgit Baltistan. A sample of 100 migrants was collected. Results and findings indicate the fact that the European MNCs are contributing as a positive player in the upward socioeconomic mobility and providing a feasible working environment.

Currently, rural-urban migration is one of the major socio-economic phenomena in Pakistan. This factor has a great impact on the system and society as a whole. Rural areas due to the non-availability of sound infrastructure are unable to provide the basic needs and have fewer economic opportunities so people have to move to those areas which have better social and economic environments and opportunities. According to an estimate, more than 150 million all over the world left their countries and moved to new places for higher studies, good jobs, and a better future

for their families.¹ According to the Government of Pakistan statistics², the internal or international migrants in Pakistan are about 10 million which amounts to 8% of the total population. The immigrant population as a share of the total Pakistani population decreased sharply from 5.8 percent in 1990 to 1.7 percent in 2017.³ In comparison, the share of emigrants as a portion of the total population remained quite stable at 3 percent over the last three decades.

Migration is both positive and negative and has mixed impacts on societies. On the Positive side, Migration reduces the economic pressure of the rural population when semi-skilled and unskilled populations move towards the urban centers and increases the pressure and burden on the local institutions and infrastructures. This pressure has cumulative effects, it usually increases the burden on the urban structure.

There are several folds of negativity associated with urbanization like an increase in population and crime ratio. The Gross Domestic Product (GDP) of any country increases by their industrial sectors. In the urban center, industries offered more jobs to give more production or output. In the 1960s, only one-third of the global population lived in urban areas, in 2007 the proportion became equal. According to the UN world urbanization prospects, in 2017 the global urban population is more than 4bn while the rural population is less than 3.5bn.⁴ According to the world bank data, the urban population growth peaked in 1963 when it was 3.2%, however, the growth rate declined from then on. In 2019, it was 1.8%.⁵

In a developing country like Pakistan, there is a certain section of the population who have access to necessities while others are deprived due to lack of basic facilities and planned urbanization such as potable water,

¹ IOM, 2000. World Migration Report. Co published by the international organization for migration and the United Nations.

² Government of Pakistan, 1998. Population and Housing Census of Pakistan, 1998: census Bulletin-1. Population census organization statistics division, Islamabad.

³ International Organization for Migration. (2019). *Pakistan Migration Snapshot* [The Displacement Tracking Matrix]. Bangkok, Thailand. Retrieved from <https://dtm.iom.int/reports/pakistan-%E2%80%93-migration-snapshot-august-2019>

⁴ *Urban Development*. (n.d.). World Bank. Retrieved August 24, 2021, from <https://www.worldbank.org/en/topic/urbandevelopment/overview>

⁵ World Bank (2018). The World Bank Indicators. Retrieved from: <https://data.worldbank.org/>

sanitation, decent housing education, employment opportunities, and security.

According to the study of Canter and Land⁶ and Farrington⁷, if the people fail to get access to a good education and job opportunities then these people ultimately become the victims of the circumstances. The rural-urban migration can be classified into five models such as Lewis Model of Rural-Urban Migration, Todaro, Haris and Todaro model of migration, forced migration, the new economics of migration, and Human Capital theory of migration. According to the Lewis model, rural people usually get fewer income opportunities as compared to urban wages patterns so it ultimately attracts them towards migration. Lewis' work extended to another model of rural-urban migration.⁸ Conferring to this model, migration towards the urban centers increases with the increase of job opportunities. According to Agesa 2001, there may be a difference in the income structure of rural and urban centers owing to the difference in the characteristics of both urban and rural migrants.⁹ The next Human Capital model illustrates further rural-urban migration. According to this model, the individuals who have required skills like young, professional, and educated migrate mostly to urban areas. The tested criteria emphasize that Joint Household Migration (JHM) is better than the individual level model of migration.¹⁰ This model covers almost all the aspects of rural-urban migration but there are other reasons like survival rather than social and economic reasons. People migrate to save themselves initially from the hostile environment like conflicts and crises whether manmade or natural.

⁶ Canter, D., & Land, K.C. (1985). Unemployment and Crime rates in the Post-World War 2 United states: A Theoretical and Empirical Analysis. *American Sociological Review*, 50, 317-332.

⁷ Farrington et al. (1986). Unemployment, School leaving, and Crime. *British Journal of Criminology*, 26:4, 335- 356.

⁸ Harris, J.R., & Todaro, M.P. (1970). Migration, Unemployment and Development: A Two Sector Analysis. *The American Economic Review*, 60:1, 126-142; Todaro, M.P. (1969). A Model of Labor Migration and Urban Unemployment in Less Developed Countries. *The American Economic Review*, 59:1, 138-148.

⁹ Agesa, R. (2001). Migration and the Urban to Rural Earnings Difference: A Sample Selection Approach. *Economic Development and Cultural Change*, 49(4), 847-865. doi:10.1086/452527

¹⁰ Stark, O. (1991). *The Migration of Labor*. Basil Blackwell, Cambridge, MA. and Stark, O., & Bloom, D. (1985). The New Economics of Labor Migration. *American Economic Review*, 75, 173- 178.

Theoretical Background

Why does labor migrate from one place to another? It is a question comprehensively addressed by Ravenstein a century ago. Since then, migration has been the subject of much research. The origin of the theoretical interpretation of rural-urban migration is Ravenstein's "Laws of Migration". According to these laws, people migrate from areas that do not have economic opportunities or lack economic opportunities to those areas where there are more. Furthermore, migration is directly related to the expansion of trade and industry. Ever since, these basic rules have been tested and expanded by many researchers, who still believe in the importance of economic drive in the decision to migrate for a potential immigrant.¹¹

According to the Lewis model of rural-urban migration which is based on the surplus rural labor force¹², almost all developing countries have a dual structure, namely, a modern industrial sector as well as an integrated agricultural sector. Because of the unlimited supply of rural manpower and its zero-marginal productivity on the one hand and the high wages of the modern sector, on the other hand, the rural manpower is being encouraged to migrate to the urban sector which promises them more facilities and they can earn handsome income. This confirmation is supported by the study of Irfan, Nabi, et al¹³, and Potts¹⁴. While Dubey et al¹⁵ partially supported the assumption that rural surplus labor is migrating to urban areas, the research notes that the only availability of more labor is not the only reason for the migration of the rural population. However, there is a significant shift in the interpretation of the correct understanding of the social structure and the occupation of human capital and the social behavior of the potential migrants. Tiebout envisions an immigrant as a consumer who tries to get the most out of his decision to migrate and

¹¹ Ravenstein, E.G. (1889). The Laws of Migration. *Journal of Royal Statistical Society*, 52:2, 241-305.

¹² Lewis, W.A. (1954). *Economic Development with Unlimited Supplies of Labor*. Manchester School, 22, 139-191.

¹³ Nabi, I., Hamid, N., & Zahid, S. (1986). *The Agrarian Economy of Pakistan: Issues and Policies*. Oxford University press, Karachi, Pakistan.

¹⁴ Potts, D. (2006). *Rural Mobility as a Response to Land Shortages: The Case of Malawi*.

¹⁵ Dubey, A., Jones, R.P., & Sen, K. (2006). Surplus Labor, Social Structure and Rural to Urban Migration: Evidence from Indian Data. *The European Journal of Development Research*, 18, 86-104.

balances the benefits of traveling to the region by providing better public services as costs.¹⁶

Economic growth leads to a structural change, and, as a result, the share of the agricultural sector decreases while the share of the industrial sector in the country's GDP increases. As industrial production increases, so do employment opportunities in urban centers, and people move from rural centers to the urban sector to get better wages and facilities of life.

The trend of urban population growth as a result of mobility towards urban centers is often referred to as urban migration. On the one hand, the urbanization process provides better quality of life and opportunities, while also facing some adverse effects of congestion, pollution, unemployment, rising crime rates, etc. In addition to these macro concerns, Sjaastad laid the foundations for the theory of migration. In this context, the rational behavior of the migrant at the individual level. People who try to maximize their lifetime utility most of the time also calculate the net benefits of migration. This movement occurs when the expected benefit outweighs the actual cost of migration. In this scenario, relocation is seen as an investment in human capital that resulted in the more expected returns.¹⁷

Urban Economic Migration in Pakistan

So far, a comprehensive study of internal migration trends in Pakistan has not been conducted, mainly due to a lack of data. Despite its size and significance for the country, internal migration is rarely researched in Pakistan. The lack of evidence-based policymaking and gaps in the decisions at the national level deter the development and positive economic potential of internal migration.¹⁸ One important detriment is the nonavailability of data of urban-rural population.

In retrospect, over the years, the total population of Pakistan in general and the cities, especially Karachi, Lahore, and Islamabad in particular, has

¹⁶ Tiebout, C. (1956). A Pure Theory of Local Expenditures. *The Journal of Political Economy*.

¹⁷ Sjaastad, L. A. (1962). The Costs and Returns of Human Migration. *The Journal of Political Economy*. Vol 70(5), pages 80–93.

¹⁸ Ghamz, A., S., Irman, K., Ayesha, Q., (2018). Internal Migration and Urbanization: A Case Study from Semi-arid Regions of Pakistan. Sustainable Development Policy Institute; Sadia, I., Vaqar, A., Danish, H., Asif, J. (2017). Internal migration and labour mobility in Pakistan. Routledge India Original.

grown exponentially. From 1951 to 2010, the total population increased by more than 525%. In 1951, 82.26% of the total population lived in rural areas, compared with 66% in 2008. The current population growth in Pakistan is 1.513%, while the urban population is growing by 3%. This clearly shows that rural-urban migration is about 2% per year which is highly debatable.¹⁹

The census was carried out in 1998 after a 17-year hiatus, and the last census was carried out in 2017, after 19 years. Surprisingly, information about the place of birth was missing, which made it difficult to measure the direction of flow. Thus, Arif census data with the Socio-Economic Survey of Pakistan in 2001 provided a clearer picture of immigrants. Khan and Shenaz²⁰ did the same, using a 1996–7 Labor Force Survey (LFS) at a micro-level human capital model to study internal migration decisions. It was established that migration was predominantly urban to urban, followed by rural to urban areas. A study conducted in 2005 found that 40% (and most males, 60%) of migrants from rural areas report economic reasons for immigrants, while women usually migrate especially for the reason of marriages. Another aspect is that migrants from rural areas to urban centers are younger and more educated than rural-rural migrants.²¹

A more focused study determined the causes of internal migration towards Faisalabad. Fifty percent of the respondents migrated for economic reasons, and 80% and 13% of the respondents were “exiled” due to a lack of economic and better educational opportunities, respectively. Landlessness was another important element of driving them outside their native lands. These results are consistent with the Todaro model.²²

Pakistan's internal migration flow is much higher than the international migration flow. According to the 2014–2015 Labor Force Survey (LFS), the number of internal migrants in the country is four times that of emigrants.

¹⁹ Federal Bureau of Statistics, (2005) ‘Handbook of Statistics on Pakistan Economy’, Government of Pakistan

²⁰ Khan, A. H. and L. Shenaz (2000) Determination of Internal Migration: Evidence from the LFS 1996-7. *The Pakistan Development Review* 39 :4, 695-712.

²¹ Arif, G. M. (2005) Internal Migration and Household Wellbeing: Myth or Reality. Institute of Developing Economies. (IDE Discussion Papers 72).

²² Farooq, M., Mateen, A. & Cheema, M.A. (2005) Determinants of Migration in Punjab: A case study of Faisalabad metropolitan. *Journal of Agriculture and Social Sciences*. Vol 1(3), pages 280-282.

This means that about 13% of the population of Pakistan has internally opted for migration.

According to the estimates of the Labor Force Survey (LFS) for 2014–2015, the main factor for internal migration was marriages, which accounted for 35% of the internal migration flow, the migration of parents (21%), and workers (16.5%). Nine percent of the people surveyed indicate the seasonal role of seasonal migration. The importance of economic investigation and analysis is founded on the information about the external as well as internal factors in Pakistan. Some linkages developed in migration and economic growth and development by analyzing the internal migration, income distribution, flow of remittance, and the fertility relationship with the migration.²³

The human capital investment theoretical framework for modeling the internal migration behavior of Pakistan was developed by Ahmad and Sirageldin.²⁴ According to this study, migration is selective i.e., based on age, income, education, and occupation. The analysis shows that there is a migration of about 60 percent males and 94 percent females due to non-economic reasons.

Many studies are indicative of the fact that an organization plays an important role in enhancing loyalty, satisfaction, and other social behavior.²⁵ It reveals that Corporate Social Responsibility is one of the useful tools for the motivation of employees.²⁶ It plays a significant role in the development of a healthy work environment, in balancing the social and professional life, and in offering the best equal opportunities. Each country has different culture and traditions so the implementation of CSR is

²³ Irfan, M. (1986). Migration and Development in Pakistan: Some Selected Issues. *Pakistan Development Review* XXV: 4, 743-755.

²⁴ Ahmed, M.A., & Sirageldin, I. (1993). Socio-Economic Determinants of Labor Migration in Pakistan. *Pakistan Development Review*, 32:2, 139-157

²⁵ Aguilera, R. V., Rupp, D. E., Williams, C. A., and Ganapathi, J. (2007). Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations. *Academy of Management review*, 32(3), 836-863.

²⁶ Basil, D. Z., and Weber, D. (2006). Values motivation and concern for appearances: the effect of personality traits on responses to corporate social responsibility. *International Journal of Nonprofit and Voluntary Sector Marketing*, 11(1), 61-72; Turker, D. (2009). How corporate social responsibility influences organizational commitment. *Journal of business ethics*, 89(2), 189-204.

different in each country.²⁷

Pakistan as a developing country with a large labor force fares badly when it comes to implementing CSR activities. There is about 27.2 percent of organizations opted to implement CSR policies. Out of this almost 64 percent have written policies and are practicing formally while 36 percent have not in black and white due to various reasons like lack of resources, knowledge, and motivation. The term CSR is not popular in Pakistan and the concept is still not clear in many organizations. Some organizations regulate CSR policies but most of the organizations are unaware of the benefits and advantages of CSR policies and practices in their organization.

Multinational Corporations (MNCs)

As a modern entity, multinational corporations encompass all areas of life, from policy development to environmental and security, identity, and social issues, as well as working and employment environments.

Lilienthal in 1960 introduced the term MNCs as corporations that have their origin in one nation but which operate under the rules and regulations of other nations as well. The Organization for Economic Co-operation and Development (OECD) defines multinational companies as companies or entities based in more than one country and which are closely associated with one another to coordinate their work in different ways. Although one or more of these can significantly influence the activities of others, their degree of independence with the corporation may vary from one multinational company to the next. Their owners may be private or mixed like a public c-private partnership (PPP).

Historically the relationship of a multinational corporation with the host states is explained by various theorists in different models. The Obsolescing Model is suited to this study among all the others. The Obsolescing model was developed by Raymond Vernon in 1977. It explains the changing relationship between the MNC and the host country. The model assumes that the initial negotiating power belongs to a multinational corporation, but gradually turns in favor of the host countries. Initially, MNCs have an

²⁷ Matten, D., and Moon, J. (2008). "Implicit" and "explicit" CSR: a conceptual framework for a comparative understanding of corporate social responsibility. *Academy of Management review*, 33(2), 404-424; Visser, W. (2007). Developing countries. *The A to Z of Corporate Social Responsibility*, 154-157.

advantage as experienced personnel, and their advanced technologies provide them easy access to the market, but after the investing process, the advantage steadily shifts towards the host country.

According to Waddock 2008, one of the primary purposes behind directing exploration concentrate on agricultural nations, especially in Pakistan, Corporate social responsibility (CSR) is an evolving phenomenon, which is picking up progress in research and practice.²⁸ It investigates how the execution of various CSR exercises in the MNCs working in Pakistan, aids in upgrading worker commitment.

Corporate social responsibility (CSR) activities of the MNCs are responsible for accumulating huge profits without considering the environmental degradation and speculated social problems in any host country. The industrial waste is discharged in water and air without following any industrial hazards guidelines which causes water and air pollution on a dangerous PP point is one of the examples. In Pakistan, many multinational companies are aware of the CSR policies but exercise their policies in companies for their benefit without considering the impact it has on the society and environment.²⁹ This study shows that Pakistan was mainly focused on the benefit to keep its stakeholders intact. In Pakistan, 73.3 percent of organizations claim that they get benefits through these policies.³⁰

MNCs in Pakistan

This history of operation of MNC is considerably old in the sub-continent. In 1913, the Steel Brothers invested in Morgan in Rawalpindi which is now known as Attock Oil. Another foreign investment was made in 1932 by the German company Siemens. In 1935, Khewra got an investment from Imperial Chemical Industries (ICI). Soon after the independence, Pakistan got investments from Unilever (formerly known as Lever Brothers), Shell,

²⁸ Waddock, S. (2008). Building a New Institutional Infrastructure for Corporate Responsibility. *Academy of Management Perspectives*, 22(3), 87-108. Retrieved August 24, 2021, from <http://www.jstor.org/stable/27747465>

²⁹ Bryant, R. L. (1998). Power, knowledge and political ecology in the third world: a review. *Progress in physical geography*, 22(1), 79-94.

³⁰ Malik, W. U., Afzal, Q., and Mirza, H. U. (2016). A Source of Employee Inspiration through perceived Corporate Social Responsibility, Motivation and Commitment: Evidence from NGO Sector of Pakistan AFAQ (Association for Academic - 153 - Quality). *International Journal of Academic Research in Business and Social Sciences*, 6(2), 57-79.

Burma Oil, Imperial Tobacco, and many well-known banks that were interested in investing in developing countries. MNCs were from the United States, UK, and other European countries. By 1965, the most well-known corporations such as banks, pharmaceuticals, oil, energy, consumer goods, and chemicals also got their share.

Historically, the MNCs have hugely invested in Pakistan. Investments by the US and the UK were \$ 190 million and \$ 1.221 billion, respectively. From 1953 to 1970, Pakistan was popular among multinational corporations.

MNCs in Pakistan has aided the economic empowerment of the private sector and generated competition in the market. Due to the trickle-down effect of different skills and technology, the other businesses and service sectors have benefited from the operations of MNCs. The CSR activities by these multinationals have contributed towards reducing the poverty level and gender disparity. Along with this, the employment generation by these MNCs has been the most important contribution in Pakistan.

Economic Migration from Gilgit-Baltistan to Karachi

Gilgit-Baltistan (GB) is the northernmost territory of Pakistan located in the heart of the Hindu Kush Range. The range is recognized globally for climate change³¹ and its effects on food security.³²

In GB, mountain dwellers increasingly rely on urban migration (often temporary and seasonal) from their area to urban centers to improve their livelihood. Research shows that climate change is one of the main indirect factors of migration.³³ According to a migration study, it occurs mostly on a domestic scale (50%) and internationally (97%) from rural to urban areas, and usually in places where family or friends can provide help in finding jobs and other facilities.

³¹ IPCC 2007, *Climate Change: Impacts, Adaptation and Vulnerability*, Intergovernmental Panel on Climate Change, Cambridge University Press, Cambridge, UK.

³² Ericksen, P. Thornton, P. Notenbaert, A. Cramer, L. Jones, P. and Herrero, M. 2011, 'Mapping Hotspots of Climate Change and Food Insecurity in the Global Tropics', CCAFS Report 5, CGIAR Research Program on Climate Change, Agriculture and Food Security, Copenhagen, Denmark.

³³ Gioli G, Khan T, Scheffran J (2014) Gender and Environmentally-induced Migration in Gilgit-Baltistan, Pakistan. In: Aneel S, Haroon UT, Niazi I (eds.) *Sustainable Development in South Asia: Shaping the Future*, Sustainable Development Policy Institute, Islamabad and Sang-e-Meel Publishers, pp. 355-378.

Rural to urban migration within and from Gilgit-Baltistan is seen as an answer to the scarcity of local resources, opportunities, and facilities in this area. An increasingly insufficient agricultural base to sustain the growing population, lack of off-farm employment and business opportunities particularly for highly-qualified persons, lack of adequate health facilities, lack of educational institutions at the higher levels and higher education, and the prevalence of higher income levels in the cities are some of the motivating factors for outmigration from rural areas of Gilgit-Baltistan.

Conclusion and Discussion

The study concludes that migrations from Gilgit Baltistan to Karachi are mostly due to economic reasons. Most of the migrants seek better job opportunities and better facilities. For this purpose, the European MNCs have a positive role in the upward social mobility of these migrating populations. The Labour force in the European MNCs has experienced a significant increase in their living conditions and standards by getting good jobs. They have widened their earnings and settled well along with their family members in the urban centers. Apart from just monetary benefit, the European MNCs have relatively better working conditions. Lesser working hours and other facilities allow the migrants to pursue their settlement goals in the urban centers. For instance, according to this study, the migrants working in European MNCs gain educational qualifications during their work experience. This indicates that the European MNCs are not just concerned about corporate benefits; they also focus on the human development of their employees as well. The results of the study validate the Obsolescing model of MNCs. In this case, the European MNCs have turned into benefitting agents for the host country so MNCs are playing a positive role in the uplifting and upward social mobility of the migrants from Gilgit Baltistan.

There were some limitations to our research due to the Covid-19 so a limited number of people in the survey were included. The restrictions due to the COVID-19 pandemic forbade us to access these communities physically.

Human Capital and Urban Labor Supply: A Study of Karachi's Growing Economic Migration

Furqan Ahmed

Abstract

In this ever-growing multifaceted and multidimensional world, it is undoubtedly a challenging task to encapsulate economic migration and its dimensions in any demographic setting. Pondering over the flashback history of the internal makeup of Karachi, it is no secret that Karachi is profoundly inhabited with a heavy cross-cultural population. Hence, making the city exposed to the hordes of migrants. Being Pakistan's most significant metropolis city and largest economic hub, Karachi offers massive opportunities for migrating people from rural areas.

The prospects of better employment opportunities, higher wages, and often, a desire to escape the domestic, social, and political situation of their native place draw economic migrants towards intra-city migration. The trend of moving towards intra-city migration is drawn where the population of middle-income cities is getting well educated. On the other hand, however, the salaries and wages are likely to remain relatively low compared to those with a similar educational background in other, higher-income cities. The chances of highly skilled individuals from developing cities migrating to developed cities have been increasing steadily.

Introduction

Economic migration has gotten attention in economic development literature. Numerous data have been collected to assess that throughout the developing world, the ratio of rural-urban migration continues to exceed rates of urban job opportunities and significantly surpass the capacity of both industry and urban social services to absorb the laborer effectively. Migration in the most recent times is overwhelmingly coined as the major contributing factor to the phenomenon of urban surplus-labor, a force that exacerbates already severe urban unemployment caused by growing economic and structural inadequacies between urban and rural areas.

Over the past many years, the phenomenon of migration towards the urban centers has become an important part of discussions in economic

and migration studies. It is the most frequently researched concept more academia. The United Nations Educational, Scientific and Cultural Organization (UNESCO) and United Nations-HABITAT (United Nations Human Settlements Programs) have laid a foundation to bring out awareness about the right to urban spaces and added it as a part of the broader agenda for Human Rights. The primary purpose behind this agenda is to encourage urban policies, sustainability, endorse justice and inclusion in the city. According to this concept of the right to urban spaces, the European Charter for Human Rights in the City, World Charter for the Right to the City, and the Montreal Charter of Rights and Responsibilities, efforts were carried out. For example, it has been codified in Brazil that the right to the urbanites has been included as a part of national law, the City Statute. Advocates of urban spaces have also adopted the idea and concept of democratization of urban spaces. Several initiatives were also included in favor of this notion; for example, a community organization in the US, Right to the City Alliance, was established in 2007. Europe also adopted the same pattern in 2010. Furthermore, various symposia were conducted to expand the concept of the right to the city (de-democratization urban spaces) in Rome, Toronto, Sweden, and Berlin.

The impact of migration is huge on economic development. The fundamentals of development are driven by the relocation of the labor force from the agricultural sector to the industrial one. The expansion of urban centers is causing depletion in rural settings. The factors about economic migration, particularly from intercity to intra-city, need to be isolated.

Three underlying factors may be mentioned when it comes to explaining the hypothesis purporting migration. One of these is based upon the Neo-Classical theory of investment. The context of costs and returns of investments of human capital is the critical variant of internal migration. The returns—rather than expected returns—comprise the differentials in the income streams. The monetary costs involved are the nature of overburdened expenditure on food, transportation, and lodging; while non-monetary costs consist of income used during the transit period, searching for a new job, and emotional stresses. Additional investments often replace the investment in migration. "Cognizance of and attention to these

additional investments offer a promising clue to observed immobility in the face of the large differentials in current earnings".¹

This approach characterizes the association between internal migration and economic development while making the selection of people. Economic migrants would not hesitate to take drastic steps by detaching themselves from their surroundings and molding themselves to adjust themselves to a new circumstance. They are usually inclined in selecting those centers that provide them with better economic opportunities. The resulting relocation of the population triggers significant growth and induces additional migration of selective individuals.

The factors that determine economic migration were referred to as "laws of migration" by Ravenstein, 1885. This explanation simply refers to "push" and "pull" factors. Migrants have been pushed from rural areas due to pressure of acute poverty in general, expansive dispersion in inaccessible property and income, old-fashioned land tenure systems, unfavorable terms of trade, and beyond. The health system and fragile infrastructure of medical facilities have constantly become push factors recently. The underemployed casual laborer may drift towards informal sectors of less-monetary efficient options instead of remunerative options.

Critical Analysis and Statement of the Problem

The subject of internal migration in developed countries may hold up a higher reputation for bringing out academic deliberations. A shallow understanding and lack of research on internal migration have left a knowledge void that presents barriers to meaningful policies and decision-making. This subject, which has the larger implication of human beings' social, cultural, and economic lives, particularly in developing countries, has not been fully addressed and comprehended.

Strangely, we are still constrained within the numbers game when it comes to distributing resources. We are still undecided on what precise basis people decide to move across rural-urban, rural-rural, and urban-rural, and urban-urban spaces. However, there are some tools and resources available to draw out some evidence, and those sources are LFS and

¹ Gian S. Sahota. An Economic Analysis of Internal Migration in Brazil, *Journal of Political Economy*, Vol.76. No. (March, April 1968. Pp. 218-245 (28 pages), Published by University of Chicago.<https://www.jstor.org/stable/1830483>.

Pakistan Social and Living Standards Measurement Survey, from which we can bring out some suggestive tools in our analysis. For instance, despite the lack of data and definition issues, many reasons effectuate people to migrate (internally) across the country. These individuals were primarily motivated by income opportunities, security of the household, assets, and health—the required support mechanism to deal with labor market inefficiencies in urban areas.

Since rural migration resulted in a decrease in agricultural productivity, we need to identify and resolve sustainable growth in our agricultural sector. Pakistan needs to revisit its policies towards diminishing our agrarian sectors. As economies continue to develop, the percentage of people engaged in the agriculture sector declines. Price stability and whether dependency in the agriculture sector makes farmers vulnerable. Farmer's welfare as a result of this gets affected if there is a decline in the price of their crops. As the farming industry offers just seasonal employment, hence it does not provide a sustainable income to a family household to survive for an entire year. More than 60% of Pakistan's population lives in rural areas, yet their contribution to the economy is lesser than the urban areas. That shows how we lag in formulating a policy that leads to growth in rural areas. In comparison, there is a contrasting difference amongst developed countries that invest hugely in their rural areas.

Another factor that stops Pakistan from achieving sustainable policies towards internal migration issues is the lack of management and administrative skills to run the affairs of the state. The most demanding task that requires technicalities and planning is population census. This has been the issue with developing countries, and Pakistan is no exception. Owing these inaccurate estimates prompts faulty planning and development. "Determining what steps government might take to lessen the shocks of this coming era of big cities calls for information not available today. For example, it is not easy to get a fix on elementary as the size of larger cities. In 1992 some estimates put the population of Mexico City at 20 million. Now the United States sets the number at 15.6 million, a difference bigger than Baghdad, Karachi may have 9.5 million residents, or it may have 12 million; Sao Paulo, at 16 million, has several million fewer than in earlier estimates. Part of the problem is the uncertainty of census data—where there has been a census at all—in nations that do not have

the resources to conduct an efficient count and where squatters and legal residents may have sound reasons for evading the tally".²

Internal migration poses an imminent threat to Karachi's law, and order situation, Karachi's crime rate is relatively higher than the other five major cities of Pakistan. Karachi has a higher number of criminals; an alarming increase that is caused by internal migration. The quantity of police force in Karachi is deficient in comparison to its population. Additionally, most police officials perform their duties for the safety of government officials, high-ranking officials, politicians, and other VIPs of the city. The assessment made by US officials best describes the lack of the number of police officials. "The Police are only one of several armed groups and probably not the most numerous of best equipped".

Pakistan has gone through many tough times in the past, which leave a massive dent over the affair of governance. Inappropriate planning has left an enormous gap in achieving policy goals. However, political instability is among the many reasons for the poor planning in Pakistan cities. The Pakistan Planning Commission, a federally administered institute use to work on macro-level development planning, has always neglected Karachi despite its growing needs that solidify the arguments that Karachi is always treated as an orphan.³

Karachi is also an epicenter of uncounted guests. As an unplanned city, it has become the breeding ground for uninvited pressures. No government institute is keeping the record of the growing population and its mounting pressures on the resources as it happened during the heavy floods of 2010-11. We have seen that people from rural areas of Sindh moved to Karachi, and the majority of them have remained here ever since.

Struggle for Economic Migrants

The most difficult decision a person could ever take is to leave his native area to foreign socio-economic, cultural, environmental, and political spaces. The complexities that decision derives are manifold from seeking shelter to settlement, from combating the environmental hardships to adopting the surroundings. These are the underlying endeavors that a migrant has to deal with it.

² <https://www.jstor.org/stable/20047467>

³ <https://www.theigc.org/wp-content/uploads/2016/12/Hasan-2016-Academic-Paper.pdf>

Challenges

According to an estimate, Pakistan's urban population had been undercounted. This statement carries a weightage as it is seconded by the Pakistan Bureau of Statistics governing council that had closely monitored the 1998 census results. It becomes immensely frustrating for the demographers, policymakers, and for academicians who work on "guesstimates" about the size of Pakistan and, by corollary, the missing numbers on Karachi. In other words, it could be phrased as "the curious case of Karachi's ghost migration". Swelling in migration and consistent trend in death and birth rate meant that Sindh's share in the total population of Pakistan increased from 17% in 1951 to 19%, 21%, 23%, a two percent increase in each decade.⁴ "In 1998 it was only a half a percent increase in 17 years. That's why Sindh's population was undercounted to the tune of six million people". Furthermore, the figures that have been compiled so far to gauge the population of Karachi are appeared to be inaccurate. In 1998, it was officially pegged at 9.3 million, but 2 million 'aliens' were not added; hence the more accurate counting would have been 11.3 million. The only way to estimate Karachi's current population is to factor in its annual growth rate of 4.5% that yields 22 million.

Many other factors have not been counted yet, such as the massive flow of migrants, unrest in Khyber-Pakhtunkhwa, and floods in the rest of Sindh; also, paucity of jobs in rural Sindh and Southern Punjab have added to Karachi's numbers. Whatever the sources and tools acquired by the study while making the calculations, it is indicated that more than half a million people migrating to Karachi each year means that "about 800,000 [people] are added to Karachi out of which 500,000 are internal migrants."⁵

Current Status

The phenomenon of internal migration has not been comprehensively researched in Pakistan, mainly due to the scarcity of data. The flows of internal migration in Pakistan are much greater than the international migration flows. According to the 2014-2015 Labor Force Survey (LSF) estimates, the internal migration population is roughly four times bigger

⁴ Demography and Migration: The curious case of Karachi's ghost population, Munira Abbas, Mahem Maher, March, 2014, Tribune. <https://tribune.com.pk/story/688569/demography-and-migrations-the-curious-case-of-karachis-ghost-population>

⁵ Ibid.

than the emigrate population. 13% of the Pakistani population comprises internal migrants.

The tools to determine internal migration drive from the low-skilled workers who move from the rural districts to urban areas.⁶ There are multiple factors behind this phenomenon including, rural-urban wage differentials, economic opportunities, etc. Additionally, natural disasters, conflicts, and health-related issues too have been linked to it. Although the subject has a massive influence on the country, internal migration in Pakistan remains an understudied subject. The paucity of empirical decision-making the hiccups in national policy hinder developmental effects and positive economic potential of internal migration.

According to the LSF, a quarter of the total internal migration flows are rural to urban, and men seem to migrate more than women. Eighty-two percent of the internal migration is employed, most of whom are employees (49%) or self-employed workers 34%.

Since there is a lack of importance in national policies and statistics for internal migrants, cities are now facing unbearable financial and population burdens. The challenges about the inadequate delivery of services to the increased number of urban migrants are rising. Due to a lack of urban planning, both the locals and the migrants cannot have access to essential services. Other problems on internal migration are lack of adequate accommodation, bad social networks, and joblessness.

Forced Migration and Displacement

Since 1980, Pakistan has become the epicenter of the refugee population. With approximately 1.4 million registered refugees, Pakistan has the fifth-highest refugee population worldwide. However, additionally, an estimated 500,000 unregistered Afghan refugees are living in Pakistan. If the number is recorded, Pakistan would then become the third-largest refugee host country globally. The majority of refugees or asylum seekers living in Pakistan happen to be Afghans.

Proof of Registration (POR) card accounts for the registration of documented Afghan refugees' documents that enable Afghan people to

⁶ Pakistan Migration Snapshot Final, August 2019. <https://migration.iom.int/sites/default/files/public/reports/Pakistan%20Migration%20Snapshot%20Final.pdf>

access free movement and legal stay in Pakistan. However, this card does not guarantee or safeguard Afghan refugees exposed to the impacts of changes in political and security environments.

Afghan forced migration to Pakistan began in 1979 after the Soviet invasion of Afghanistan. Within a decade, between 1979 and 1980, over 1.5 million Afghan nationals fled to Pakistan. A considerable part of Pashtun tribal kin living in the south and eastern parts of Afghanistan, particularly pre-existing cross-border networks, enabled them to flee to Pakistan. The rise of the Taliban regime in Afghanistan from 1991 to 2000 gave rise to the second spike in immigration. During this tenure, it was estimated that more than 300,000 Afghan refugees fled to Pakistan. The most recent spike in immigration from Afghanistan to Pakistan was highlighted in 2001 during the war between the Taliban and United States-led coalition.

In 2005, the government of Pakistan initiated a census among the Afghan population in the country, which accounts for socio-economic and spatial information about the Afghan nationals living in Pakistan. The most significant portion of Afghans lived in Khyber-Pakhtunkhwa (62%), Baluchistan (25%), and Punjab (7%). Forty-percent cent of them resided in camps, whilst 57% lived in urban and rural areas. A recent socio-economic survey of Afghan nationals residing in Pakistan was conducted by the Danish Refugee Council (DRC) in 2013 indicating that two-thirds of the Afghan immigrants in Pakistan were employed (64%), of whom some of were shopkeepers (19%) or in the transportation sector (8%).

This is a very unique kind of migration of Afghan refugees. First, they moved through international borders and then internally migrated from city to city in search of better opportunities.

Between August 2017 and February 2018, the joint venture between the Pakistani government and International Organisation for Migration (IOM) conducted an exercise to register Afghan migrants. The results indicated that 879,198 undocumented migrants applied in 21 different locations to receive the Afghan Citizen Card (ACC).

Presently, it is estimated that around 31% of the population of Karachi consists of migrants from the rest of the country. Khyber-Pakhtunkhwa and Punjab account for the majority of migration flow to Karachi. Migrants

coming from Sindh and Baluchistan (due to proximity) are less, indicating that distance does not deter migration. Results also show that 24% of migrants initially come to the city alone and bring their families later.

Karachi's urban-rural ratio is quite complex. According to the last survey [census], the city contains 62% of Sindh's urban population and 30% of its total population, and 22% of all Pakistan's urban populations. In contrast, the country's second-largest city, Lahore, (capital of the Punjab province), contains only 7% of Punjab's total population. Karachi's large-scale industrial sector employs 71.6% of the total industrial labor force in Sindh; the city produces 74.8% of its total industrial output and contains 78% of its formal private-sector jobs.

In the growing literature analysis of migration, two theoretical issues have gained much attention: why do people migrate? And how far do they migrate? The phenomenon is explained in simple form as the "pull-push" factors. This notion has been elaborated differently to consider intra-city migration, inter-city migration, rural-rural migration or urban-urban, and international migration. The movement of people has insinuated a large number of models and varying degrees of statistical sophistication. More has explained these models and suggested that these could be classified between deterministic and probabilistic models. The majority of these theoretical formulations are aligned with the developed countries of the world. Therefore, these countries' decision while migratory movements from rural to urban areas and particularly in underdeveloped countries has hardly been considered.⁷

Micro and macro level of migration

Based on the literature assessments, the breakdown of the "pull-push" hypothesis can be implied with the micro and macro level of migrations.

The study of labor mobility in Pakistan can add monetary benefits. It is considered that international migration has positive benefits for the country. Similarly, the decision-making in the family impacts economic migration. It is based on good education facilities, choices of the area, and job placement. The main component of the inter-sectoral movement is the differences in income across sectors.

⁷ <https://onlinelibrary.wiley.com/doi/pdf/10.1111/j.1538-4632.1970.tb00140.x>

- 1) Many studies explored the linkages between temporary economic migrations for education purposes. It indicates that appropriate selection in the migration is the main challenge. Moreover, it raises the point that the potential positive effects of temporary economic migration on human capital accumulation are significant.⁸
- 2) Another study considers labor as the product of mobility. The findings highlighted that the researchers of economic and human resource development have been dwelling on certain questions. This has resulted in more result-oriented progress so far in developing a theoretical model of migration. However, the empirical verification of this model using individual-level data has remained unresolved. They identify age, education, and choices of occupation, which are three variables as possible detriments of migration. These three variables have been related to the possession of human capital, commitment to job and place of residence, and cost-related factors. The consistency of migrants being selective regarding age, occupation, and place they dwell in is proven from other developing countries.⁹
- 3) Another model on "Economic and Social Dimension of Rural-Urban Migration in Pakistan: Results of a recent Survey of Khyber Pakhtunkhwa" traces that the noticeable factor which provides consistency to the research question. The study indicated the gap between rural and urban sectors as the investment in the infrastructure has not been supplemented from urban to rural. The government's negligence in developing the infrastructure in rural areas caused massive swelling of the urban fabric. They believed that economic factor plays a significant role in the household's decision to migrate. However, they point out that the economic factor is not the only detriment. The in-depth analysis of socio-economic conditions prevailing in the rural and urban areas indicates a positive and significant relationship between employment type, family members in the labor force, years of education, land holdings, and migration. Moreover, a negative and significant relationship was observed

⁸ Ghazala Mansuri, Migration, School attainment, And Child Labor: Evidence from Rural Pakistan, published June 200 <https://elibrary.worldbank.org/doi/abs/10.1596/1813-9450-3945>

⁹ Ather Maqsood and Ismail Siragledin, Socio-economic Detriments of Labor Mobility in Pakistan, Vol 32. No. 2 (Sumer 1993), 19 pages, <https://www.jstor.org/stable/41259649?seq=1>

between living conditions, non-farm and farm income opportunities, and rural-urban migration.¹⁰

- 4) Impact of Remittances on Economic Growth and Poverty indicated the importance of remittances on economic growth and poverty; the impacts were drawn by using the ARDL approach. It was analyzed from 1973 to 2007 that the impact of remittances inflow on economic growth and poverty in Pakistan. The claim that district-wise analysis suggests that overseas migration leads to poverty elevation in Punjab, Sindh, and Balochistan districts; it linked remittances flow with positive and significant economic growth from the empirical pieces of evidence. The study reveals that in a developing country like Pakistan, remittances, statistically, play a significant role in boosting the lives of the poor in Pakistan, and the benefits of international migration were associated with this claim. As far as growth enhancement and poverty reduction are concerned, the significance of remittances inflows cannot be denied. Hence it would be beneficial in improving the social and economic conditions of the host country.¹¹
- 5) Giuliano believes that an appropriate comprehension of remittances and growth relationships can assist policymakers to formulate a suitable economic policy. He also coins remittances as the alternative source of finance investment and reduces constraints because remittances boost growth in those countries for having a less developed financial system. Workers' remittances also play a significant role in human capital investment in the recipient country through subsidizing resource constraints.¹²
- 6) Jongwanich investigates the impact of remittances on growth and poverty in Asia-Pacific's developing countries. He suggests that

¹⁰ Ikram Gulab Chair, and Naeem ur Rehman, Economic and Social Dimensions of Rural-Urban Migration in Pakistan: Results from a Recent Survey in North-West Pakistan, Vol. 2 No 3 [special issue – January 2011], http://www.ijbssnet.com/journals/Vol.2_No.3_Special_Issue_-_January_2011/13.pdf

¹¹ Qayyum, Abdul and Javid, Muhammad and Arif, Umaima (2008): Impact of Remittances on Economic Growth and Poverty: Evidence from Pakistan. MPRA_paper_22941.pdf, <https://mpra.ub.uni-muenchen.de/22941/>

¹² Paola Giuliano and Marta Ruiz-Arranz, Remittances, Financial Development, and Growth, WP/05/234, <https://www.imf.org/external/pubs/ft/wp/2005/wp05234.pdf>

empirical evidence shows that workers' remittances played a pivotal role in reducing poverty and left a positive impact on growth.¹³

- 7) On the other hand, Burgess and Vikram were seemingly ambiguous over the longevity of economic effects by questioning how remittances could affect economic activities. They, however, shun the claims that the study does not support the short-term stabilizing effects on consumption.¹⁴
- 8) A study on "Rural to urban migration and crop productivity: evidence from Pakistani Punjab", indicates that push and pull factors are considered as a driving factor in the decision-making process during rural-urban migration. The increased burden on urban resources by rural migrants has caused depletion in agricultural productivity. During the cross-sectional collection of data, while using the Cobb Douglas production function from Southern Punjab to determine the impact of migration on crop productivity, it was estimated that crop productivity was adversely affected by rural-urban migration, while wheat productivity was positively related to rural-urban migration.¹⁵
- 9) As per the statistics, a significant chunk of the global population is comprised of 80% internal migration, seemingly pushed from rural areas to urban areas. If similar trends continue at that pace, the urban population would be increased by 59% by 2030 as compared to 1900 and 50% in 2009.¹⁶
- 10) Fahad Saeed, Kashif Majeed Salik, and Sadia Ishfaq, mention in their working paper on Climate-Induced rural-to-urban migration in Pakistan that the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5)", suggests that the local insights on climate drive internal migration in Pakistan because it is continuously linked with the ururbanizationroblem by wielding the pressure on urban

¹³ JuthathipJongwanich, 2007. "Workers' Remittances, Economic Growth and Poverty in Developing Asia and the Pacific Countries," MPDD Working Paper Series WP/07/01, United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

¹⁴ Vikram Haskar, Robert Hughes, Migration and Foreign Remittances in the Philippines IMF Working Paper No. 05/111https://papers.ssrn.com/sol3/papers.cfm?abstract_id=887980

¹⁵ Muhammad Imran, Bakhsh Khuda, Sarfaraz Hassan, Rural to Urban Migration and crop productivity: Evidence from Pakistani Punjab, January, 2016, https://www.researchgate.net/publication/301661905_Rural_to_urban_migration_and_crop_productivity_evidence_from_Pakistani_Punjab

¹⁶ Fahad Saeed, Kashif Majeed Salik, Sadia Ishfaq, Climate-induced rural-to-urban migration in Pakistan, https://www.researchgate.net/publication/291116261_Climate_induced_rural-to-urban_migration_in_Pakistan

services and infrastructure, exposing the urban residents to amplified risks. This study gives the observatory linkages that serve as the Deep Dive for the Pathways to Resilience in Semi-arid Economies (PRISE) project that revolves around how rural migration in Pakistan can better be clubbed with the context of long-term climate change.¹⁷

- 11) In the literature on famines, suggested that poverty, inequality, market, and institutional fiascos have empirically significant causes of migration.¹⁸

Patterns of Economic Migration

Most migration takes place to escape poverty and unemployment and to improve incomes and wellbeing. This ongoing deliberation on migration as a fundamentally economic process is an enduring explanation of why migration occurs. However, these claims have never highlighted the significant effects that migrations have over the host state, regions, and communities of the origin of migrants and their family members.

The other essential detriments of migration such as, migrants' social integration in the host country and what this, in turn, might draw the meaning for their relationship with their communities of origin is being overshadowed by the economic frame of references with its focus on (un)employment, incomes, laborious markets.

The analysis of Pakistan entails that industrialization has reached a certain level, which requires a workforce. The informal sector, without a doubt, has a drastic impact on employment than the formal sector. Therefore, the prima facie case for distributing migration policies favors the informal sector because they have an equal share in the urban spaces and a massive role in boosting the employment rate.

Settlements under the name of *katchiabadis* were established at the time of partition, 600,000 refugees flooded through Karachi within a few months. In the early stages, they started occupying most open spaces in the city.

¹⁷ Fahad Saeed, Kashif Majeed Salik, Sadia Ishfaq, Climate-induced rural-to-urban migration in Pakistan, https://www.researchgate.net/publication/291116261_Climate_induced_rural-to-urban_migration_in_Pakistan

¹⁸ climate change, human security, and violent conflict.

The most dominant groups amongst those migrants remained, thereby using their influence and becoming the de-facto owners of the land. Furthermore, the then incapacitated government usually failed to minimize the gap between demand and supply., Hence, it was unable of issuing loans for housing due to the complex process of loans through banks.

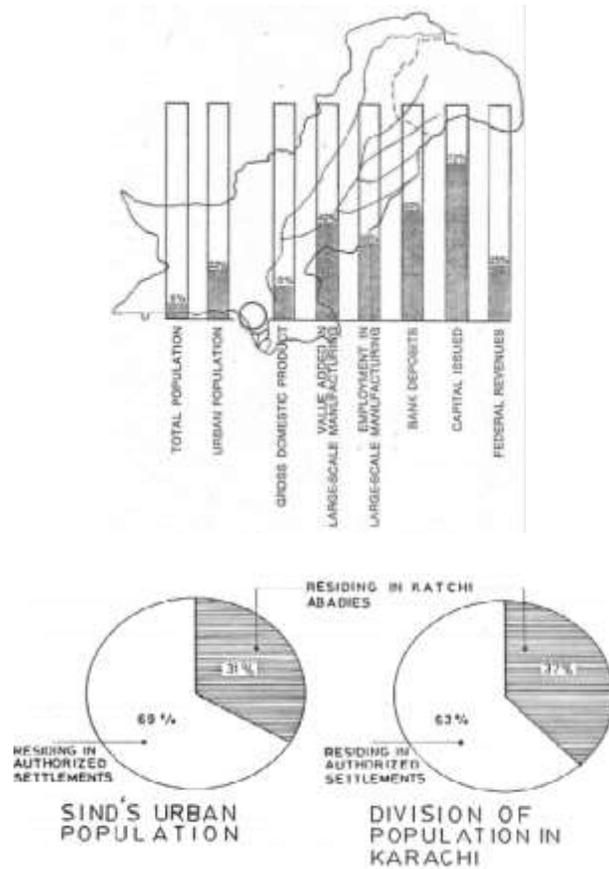


Figure 1: Karachi's role in the nation, courtesy; Arif Hasan's study of urban fringe development in Karachi focuses on the informal land subdivision.

Development level and the multidimensional poverty index vary significantly between rural and urban areas of Pakistan. According to UNDP and OPHI collected in 2016, 1 out of 10 people are poor in the cities, while in rural areas, multidimensional poverty affects 5 out of 10 people.

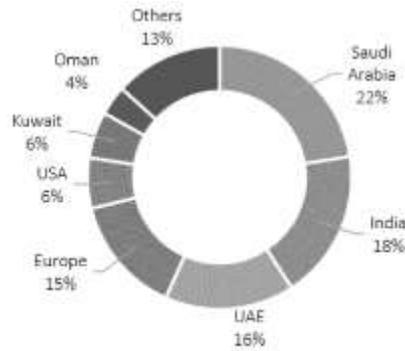
The pattern of economic migration

In this section, the focus is on economic migration patterns; as mentioned earlier, migration directly connects with economics. The purpose of adding the patterns of migration is to have a combination with the ideas of economic migration. There have been essentially two major approaches analyzing migration behavior from human history to date. The first, or 'macro' approach, talks about the explanation of migration in terms of measured characteristics of socio-economic and physical environments, such as unemployment, income, and climate. The second method talks about the 'micro' approach that deals within the context of the psychological decision-making process, which explains human behavior. Psychologists conceive the perception and evaluation of potential destinations, and concepts such as place utility are subsumed within the general framework as the choice of behavior.

International Migration Flows

The push factors amongst the international migrants are to get economic stability. Moreover, there is a flow of migration from Pakistan to the EU countries, North America, East Asia, and the Middle East. However, the method in which the choice for migrations varies; some opt for proper channels, usually developed countries. The next group consists of migrants – mostly young; however, they chose illegal means of living abroad. The final group uses legal channels but later extends their stay in violation of their visa validity. The financial status of the first two categories is not usually constant.

If we discuss Afghan forced migration to Pakistan which started in 1979 after the Soviet invasion of Afghanistan, we see that within a decade, between 1979 and 1980, over 1.5 million Afghan nationals fled to Pakistan. A considerable chunk of Pashtun tribesmen living in the south and eastern part of Afghanistan, particularly pre-existing cross-border networks, facilitated them to flee to Pakistan. The rise of the Taliban regime in Afghanistan from 1991 to 2000 gave rise to the second hike in migration; during this time, more than 300,000 Afghan refugees fled to Pakistan. The most recent surge in migration from Afghanistan to Pakistan was in 2001 during the war between the Taliban and United States-led coalition.



Source: UNDESA, 2017.

Destination	Emigrants	Emigrants (%)
Total	5,978,635	100%
Saudi Arabia	1,343,737	22%
India	1,095,149	18%
UAE	950,145	16%
Europe	867,967	15%
USA	370,353	6%
Kuwait	340,481	6%
Oman	218,522	4%
Other	792,281	13%

<https://migration.iom.int/sites/default/files/public/reports/Pakistan%20Migration%20Snapshot%20Final.pdf> (source for colorful pictures)

Internal Migration

The expansion in the population of Karachi from 450,000 in 1947 to 20 million in 2015 has been due to migration from India at the time of partition, and, subsequently, over the period from other parts of Pakistan especially from KP due to many reasons.¹⁹ The trend of migration to Karachi has ever since been on the rise. Pakistan's policy to fight terrorism in northern areas against the Taliban pushed many to seek refuge in Karachi for their safety. The floods of 2010-2011 hold a larger share of people from rural areas of Sindh migrating to Karachi. Similarly, people

¹⁹Arif Hasan, Emerging Urbanization Trends: The Case of Karachi, International Growth Centre, May 2016.

from flood-affected areas of the Saraiki belt and KP have also settled in Karachi. The estimations regarding the extent of the scale of this migration have not been measured yet. However, the shreds of evidence indicate that migrants from rural areas of the Sindh and Saraiki belt have no plans to return to their native lands. The report of the government's National Aliens Registration Authority (NARA) indicates that Karachi has over 1.7 million illegal migrants. The majority of these migrants are from Bangladesh who came as economic migrants from Burma, political refugees, and internally displaced people (IDPs) from Afghanistan.²⁰

It is estimated that Karachi would be hosting a massive share of migrants, especially from the rural areas of Sindh and the Saraiki belt.

Poverty drives internal migration patterns in Pakistan. Whether it is labor-abundant rural areas of KPK, Punjab, or Sindh, migration remains steady. These regions are considered low-income and have an uncertain economic base. Certain assumptions about labor market operations have links between poverty and migration. Additionally, there is considerable demand for workers in the formal public sector, and each is manifest through distinct social networks. The most significant demand is cheap labor that works on daily wage in construction sectors.

In the 1998 census, the urban areas accounted for two-thirds of all in-migrants. As per the census, 43% of migrants 'moved with the household head'. The second most common reason (17%) was marriage, followed by 12% and 9%. The majority of migrants, however, are people who migrate for a better future.

To ascertain the importance while formulating fiscal decentralization policies, the analysis of the impact of social sector development on internal migration can be drawn. To achieve the desired results, the study examines the patterns of migration in Pakistan, which uncovers that about 63% of the people who have migrated in the last ten years have moved to urban areas. Out of these, the majority (56%) moved to the provincial or the federal capital. However, it did not provide a noticeable pattern that

²⁰Arif Hasan, *Emerging Urbanization Trends: The Case of Karachi*, May 2016. Reference Number C-37319-PAK-1. <https://www.theigc.org/wp-content/uploads/2016/12/Hasan-2016-Academic-Paper.pdf>

emerges in terms of the largest receiving district and their HDI ranks. These hints to economic incentives for migration.

SELECTED INDICATORS, PAKISTAN AND SOUTH ASIA, 2000		
	Pakistan	SouthAsia
Population(millions)	138	1,326
LifeExpectancy(years)	60	63
GDPpercapita(\$PPP)	1928	2238
Per capita GNP annual growth rate1990–2000(percent)	1.2	3.3
Source: Human Development in South Asia, 2002		

Source: http://www.researchcollective.org/Documents/A_Review_of_Migration_Issues_in_Pakistan.pdf

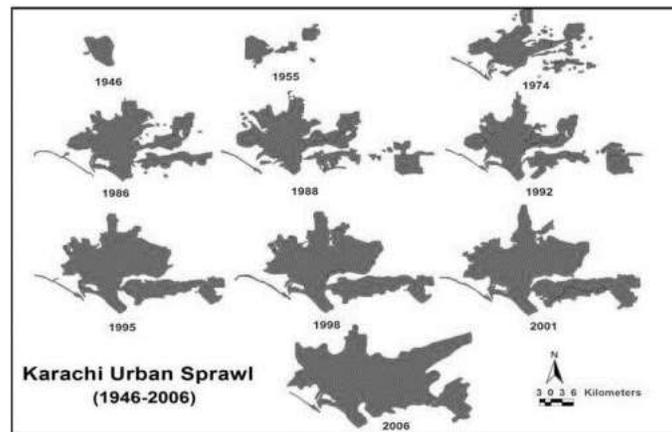
Acute Urbanisation: Size and change in the complexity of smaller rural settlements

Rural to urban migration serves as a base for urbanization which in return increases the size and change in the complexity of smaller rural settlements. A study documented the rural areas of Punjab. This provides the idea that there is a considerable difference in the size and pattern of settlements in rural Sindh, with a relatively small settlement accounting for a large proportion of settlements and the population. Therefore, it is recommended to track down the tendency towards 'fragmented' settlements along with the more conventional trend towards consolidation. These are considered historical and traditional descriptions for this settlement pattern containing clear implications for the trajectories of urbanization of Sindh.

In the majority of cities, planning has remained reactive rather than anticipatory. Without any infrastructure support, migration communities have established themselves in squatter settlements and covered themselves legally. There has been frequent eviction from the settlements noticed during the past few years; this includes paving the way for upper-income housing, constructing infrastructure, and retaining government and other public lands. Current policy in this regard is unclear.

The pattern of population growth has been changed considerably during the past decade. Therefore, it is difficult to estimate the demographic characteristics as such. We have learned that many migrants are moving towards Karachi from North to North-Western areas due to the uncertainties within their areas. In addition to this, Karachi has been receiving a large proportion of migrants from flood-affected areas in the past. Though there are no official estimations made so far; statistics from different NGOs suggest that the city must have crossed the 20 million mark.

It was estimated that the number of households in 2005 was about 2.1 million, and by 2020, it increased to 3.9 million, which means an increase of 1.77 million households at an average size of 7 people per household, despite a lower rate of average annual growth (from 4.15% in 2005 to 3.5% in 2020). This staggering increase will put immense pressure on the physical infrastructure, institutional capacity, and economic opportunities.



Year	Area (km ²)	Area change (km ²)	Source (ImageMap)
1946	8.35	--	Pithawala et al., 1946
1955	104.26	95.91	Aerial Photograph, 1955
1974	266.30	162.04	Land Use Map, KDA, 1974
1986	402.97	116.67	SPOT XS, 1986
1987	461.22	58.25	Land Use Map, KDA, 1991
1992	516.47	55.25	Landsat TM, 1992
1995	681.52	165.05	Karachi Guide Map, SOP, 1995
1998	695.93	14.01	SPOT XS, 1998
2001	726.15	30.22	SPOT XS, 2001
2006	785.45	59.30	QuickBird, 2006

Figure 2: Karachi Urban Sprawl (1946 to 2006), Courtesy: Kazmi et al. 2008)
<https://academicjournals.org/journal/JGRP/article-full-text-pdf/1AB8B9B40675>

The segregation of different forms of migration can be formulated on priority-based criteria. Such ranks are as follows; the vulnerability of migrants; the number of people affected; impact on overall economic condition; and feasibility of effective policy action. The chart below exemplifies these pointers.

	Vulnerability of the poor	Number of poor affected	Impact on overall economy	Direct impact on poverty	Possible policy action
Internal: rural-urban	Low	High	High	High	Support regularization; Urban planning; Labor market issues; Political dialogue
Internal: rural-rural	Very high in cases	Low	Low	Low	Community mobilization of vulnerable groups
Internal migration of women	Possibly high vulnerability	High	Not known	Not known	Raise the profile of the issue
International: Other Asian countries	Moderate to very high	Not known	Not known	Not known	Regularization; Political dialogue; Inter-country dialogue
International: Gulf region	Low except for trafficked people	Moderate	High	Formerly high, currently, moderate	Regularization; Labor market issues; Inter-country dialogue
International: developed countries	Very low currently low	Low	High	Potentially high,	Regularization; Labor market issues; Inter-country dialogue

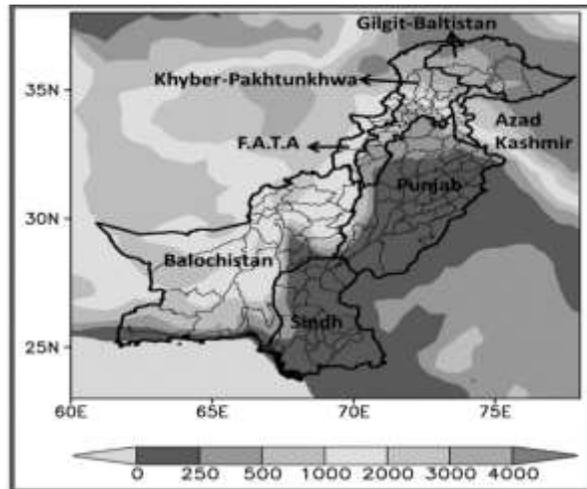
Source: http://www.researchcollective.org/Documents/A_Review_of_Migration_Issues_in_Pakistan.pdf

Climate-induced migration

Climate change effects – including rainfall shifts, heatwave, and water scarcity– may force somewhere around 25 million to 1 billion people to migrate. The most likely migration ratio will be driven by the population

living in precarious and vulnerable conditions, especially in rural areas of arid and semi-arid regions, where there is a high dependency on climate-sensitive, ecosystem-based livelihoods. This large-scale migration is likely to hit rural areas, it would be resulting in a possible wave of large-scale urbanization in a city like Karachi which is already dealing with abrupt administrative issues.

By looking at the recommendations of the IPCC Fifth Assessment Report (AR5), it suggests local insights on climate-driven internal migration in Pakistan because it is linked with the problem of urbanization by wielding the pressure on urban services and infrastructure, exposing the urban population to greater risks. This study gives the observatory linkages that serve as the close analysis for the Pathways to Resilience in Semi-arid Economies (PRISE) project that revolves around how rural migration in Pakistan can better be clubbed with the context of long-term climate change.



Government policies

The government's policies for supporting city developers to promote real estate have augmented the densification of the inner-city by permitting high-rises to help extract maximum values of land as this would ease initiating densification without an urban design exercise under the Sindh High-Density Board Act (2013) and Special Development Board Act (2014). Under the former, a nine-member board consisting of bureaucrats and

politicians can declare any area or plot of land as high density and determine its floor to its area ratio. This, however, provides an easy option for the more widespread identification of any *katchi Abadi* for redevelopment by the developer.

Internal migration and economic movement are now being studied thoroughly. It is estimated in 2010 by UNOCHA that 740 million people around the world are internal migrants. The impacts that internal migration leaves on the economy are extraordinary, especially within developing countries. It is estimated that internal migration involves a four times higher workforce than international migration. Similarly, in developing countries like Pakistan, internal migration exhibits economic enhancement in critical sectors such as agricultural, construction, manufacturing, and services. In Pakistan, internal migration has never been used as a policy matter to reduce income inequalities and wage differentials. Unfortunately, internal migration in Pakistan has always fallen under 'red tapism'.

The National Emigration Policy Pakistan has occasionally neglected internal migration. Instead, its focus always remains on international migration. Similarly, Labor Policy exclusively focuses on external migration (emigration), which indicates no inclination towards internal migration. Furthermore, poverty and development disparities do seem to influence economic migration patterns. Like the niche, the proposition focuses on how rural areas of Pakistan are being affected by inter-city migration, leaving the countryside on the verge of devastation. The government's Poverty Reduction Strategy Papers (PRSPs) and recently approved Vision 2025 struggles to provide meaningful measures to harness the potential of internal labor mobility.

There is a lack of policy for legalization related to the rights of internal migrants in Pakistan. As a result, different governments are experimenting with different factors and challenges internal migration. Owing to the scarcity of legalization about internal migration, the majority of internal migrants in Pakistan face multiple security risks that include food security, cultural marginalization, lack of personal security, and economic discrimination among others according to the United Nations Office for Coordination of Humanitarian Affairs (UNOCHA).

Static patterns of internal migration

According to Pakistan Economic Survey 2018-19, Pakistan is home to the world's 10th largest labor force. A significant proportion of Pakistan's demographic surplus is between the ages of 15-64 years. The urban economy that is home to 38 percent of the population is responsible for generating 78 percent of national income. On the other hand, rural production is one-fifth of the national GDP having 62 percent of the population.

From the available data of 2013-14 extracted from the Labor Force Survey (LFS), if we measure the extent of migration caused by detriments like marriage, moving with parents, or spouse, the job search stood ahead (5.62%), it shows that unemployed individuals, while 4.9% are amongst those individuals who have managed to find a job that caused them to mobilize to other localities. Likewise, only 3% were able to migrate because of on-the-job inter-city transfer. Women were less likely to migrate. It was estimated in 2013-14 that only 0.11% of women were moved for a job hunt and 0.31% were able to find new jobs while 0.42% got transferred.

Level of urbanization

According to the field survey findings on 'Internal Migration and Labor Mobility in Pakistan', it was indicated that Pakistan's urban areas had been significantly expanded enormously. The survey claims that Pakistan's level of urbanization is now the highest in South Asia, and its urban population would stand parallel with the rural population by 2030. Three-quarters of Pakistan's GDP and almost all of the government's revenues are derived from urban contributions. Their survey indicated that five cities of Pakistan were shown an increase in urbanization (rural-to-urban-migration); the cities were Karachi, Quetta, Faisalabad, Multan, and Sukkur. However, they were not able to extract such data in Peshawar. This could be the case because other cities in Khyber Pakhtunkhwa became more peaceful so the burden on Peshawar was slowly diminishing.

Uncertain incomes

Based on the survey conducted from a library research source, 'Internal Migration and Labor Mobility, it was assessed that poverty was the most common factor towards migration. As their respondents mentioned that low and uncertain incomes were amongst the main reason for 'outmigration'. Despite having potential growth in the agriculture sector,

particularly the major crops, and the farmer's income is relatively low. According to the claims made by the Farmer's Association of Pakistan, due to the systematic flaws in the policies, they are deprived of being paid according to the market-based prices. These flaws in support price were mainly found in the wheat and sugar-cane sectors. These factors have forced the farmers to receive debts from informal resources, and that the burden of repaying the debts, due to the uncertainties faced by the agricultural sector, force farmers to migrate to different areas in search of daily wages jobs in the industries, factories, and at constructions sites.

Rapid Population Growth in Karachi

This section focuses on the issues faced by Karachi and the indirect impacts on Pakistan. The fast-growing population of the megacity causes the administrative problems faced by Karachi. The financial hub of Pakistan holds the reputation of having almost all the banks, financial institutions, national and international organizations' headquarters. Karachi has the reputation of having the highest literacy rate in Pakistan. Insurmountable sacrifices have endured all these reputations and stature.

Furthermore, developments such as these provide plentiful opportunities to the aspirants for pursuing their career goals. Hence a constant migration has been witnessed right from the outset. These migration patterns have put the megacity under immense pressure on management and administration and governance.

"Karachi is one of the fastest-growing cities in Asia. Its population has almost doubled during the past 15 years. With a population estimated 9.5 million in 1995 (which is an underestimate), the United Nations (1994) ranked Karachi as the 18th largest city globally and projected a population of 20.6 million by the year 2015. It is ranked as the seventh-largest city in the world. Thus, just in the next 20 years, Karachi's population is expected to exceed the numbers of New York, Mexico City, Los Angeles, Beijing, Calcutta, Seoul, Buenos Aires, Osaka, Tianjin, Rio de Janeiro, and Delhi".

Population Growth in Karachi and Pakistan, 1901-2001

Years	Karachi	Pakistan			
	Population in (000)	% Increase in 20 years	Annual Growth Rate	% Increased in 20 Years	Annual Growth Rate
1901	117	--	--	--	--
1921	217	85	3.1	27	1.3
1941	387	75	3.0	34	1.5
1961	1,917	400	8.4	52	2.1
1981	5,208	175	4.5	96	2.6
1995	9,909	--	4.3	--	2.6
2001	12,406	138	4.0	88	2.3
2015	20,600	108	3.2	63	2.1

Sources: 1901–1981: Census of Population. 1995–2015: Estimated by the United Nations (1993) <https://www.pide.org.pk/pdf/PDR/1995/Volume4/1093-1106.pdf>

The population of major cities in Pakistan

S.no	City	1998 Census	1981 Census	CAGR (%)	2010
1	Karachi	9,339,023	5,208,132	3.49	13,386,730
2	Lahore	5,143,495	2,952,689	3.32	7,214,954
3	Faisalabad	2,008,861	1,104,209	3.58	2,912,269
4	Rawalpindi	1,409,768	794,834	3.43	2,013,876
5	Multan	1,197,384	732,070	2.93	1,610,180
6	Hyderabad	1,166,894	751,529	2.62	1,521,231
7	Gujranwala	1,132,509	600,993	3.79	1,676,357
8	Peshawar	982,816	566,248	3.29	1,386,529
9	Quetta	565,137	285,719	4.09	871,643
10	Islamabad	529,180	204,364	5.7	972,669

Karachi is regarded as "mini-Pakistan" for sure. Since its inception, no other city has ever attracted internal migrants other than Karachi. Several governments have used different policies towards inter-city migration. The prima facie of this proposition focuses on the increased population. Various patterns have been recorded from a decade-long demographic data drawn from a library-based study that indicates the causes of patterns under a different government.

Years	Nature of Governments	Population Increase in %age	Major Causes of Migration	Types of Immigrants
1947-1951	Formative phase, governments worked under the interim constitution	43,5887 to 1,064,557 59.05%	Partition	Refugees
1951-1961	Government Under Political Instability	1,064,557 to 1,912,598 44.33%	Partition, the status of capital, and industrialization.	Migrants from India Govt. servant Job seekers
1961-1972	Martial law under Ayub Khan Yahya Khan	1,912,598 to 3,515,400 45.59%	Industrialization, political, and creation of Bangladesh	Job seekers Political voters Refugees from East Pakistan
1972-81	Democratic govt. under Bhutto and Martial Law under Zia	3,515,400 to 5,208,000 32.5 %	Govt. policies of quota system.	Job seekers Politically employed
1981-1998	Zia till 1988 then four democratic govt. by Benazir and Nawaz	5,208,000 to 9,856,000 47.15%	Carry-over of previous policies	Carry-over of previous policies.
1998-2015 (Estimated)	The military regime under Musharaf then democratic governments.	9,856,000 to 20,000,000 50.72%	Development, military operations in North and natural disasters in rest of Pakistan.	Displaced People

“An Assessment of the Problems faced by Karachi and Pakistan due to the rapid population growth of the city”, Muhammad Moiz Khan, Hina Khan University of Karachi, June 2016.
https://www.researchgate.net/publication/334361440_An_assessment_of_the_Problems_faced_by_Karachi_and_Pakistan_due_to_the_rapid_population_growth_of_the_city

Critical Evaluation

Having gone through the extensive literature during this research grant project, several loopholes were identified while building up the consistent notions of an internal megaton. The subject of internal migration in developed countries may hold up a higher place for bringing out academic deliberations. A shallow understanding and lack of research on internal migration have left a knowledge void that presents barriers to meaningful policies and decision-making.

We are still not clear on what precise pretext people decide to move across rural-urban, rural-rural, and urban-rural and urban-urban spaces. However, some tools and resources are available to draw out some evidence, and those sources are LFS and Pakistan Social and Living Standards Measurement Survey; which bring out some suggestive tools in our analysis. For instance, despite the lack of data and definition issues, many reasons prompt people to migrate (internally) across the country. These individuals were primarily motivated by income opportunities, security of household, assets, and health. The required support mechanism to deal with labor market inefficiencies in urban areas.

Since rural migration has a decrease in the agricultural sector due to the productivity scenario, we need to identify at the policy level and resolve sustainable growth in the agricultural sector. Pakistan needs to revisit its policies towards diminishing agrarian output. As economies continue to develop, the percentage of people engaged in the agriculture sector declines. Price stability and weather dependency in the agriculture sector render the farmer vulnerable. As the agrarian sector and farming industry offer seasonal employment, hence it does not provide a sustainable income to survive. More than 60% of Pakistan's population lives in rural areas, yet their contribution to the economy is lesser than the urban areas. That reflected how countries lag in formulating a policy that leads to growth in rural areas.

Conclusion

Drawing from the literary reviews and sources indicated in this proposition, it has been observed that 'push' and 'pull' factors played a considerable role in the mobility of people. Karachi is no exception, holding a considerable chunk of migrants in the city coming from different corners of the country, especially from rural areas. The gaps that migration studies

have in the opinion that the overall data and sources expressed preferences toward some recurrent migration patterns. However, it was noticed that these patterns of migrations have direct or indirect links in achieving economic purposes. It is still hard to determine which pattern would emerge as a dominant factor that leads people to migrate.

The migratory factors and indicators have derived the ubiquitous phenomenon of urban labor surplus. The question arises from the country's unstable political condition to form a policy to manage this bulging issue of accommodating its rural and informal population, particularly in the host urban city Karachi. The city succumbed to existing administrative issues; how would this city be able to cope with the pressure of being overcrowded and overburdened till 2025? Is Karachi's social, political, cultural, and economic space sufficient to protect itself from becoming a 'contradictory' space? Because contradiction of space exhibits the contradictions of social relations and issues.

Even though Karachi has maintained the stature of being an 'economic hub', it simply becomes an ultimate choice of the economically deprived rural population of Pakistan to overcome their financial constraints. However, Pakistan's single largest economic sector is agriculture, then why do people from predominantly rural areas look towards Karachi for 'raw cash'? It is simply because our agricultural policies have become so vague that an average farmer does not receive the benefits of his laborious efforts for providing a cash crop to the country. As observed in the findings, a vast gap of investment in the infrastructure between urban and rural area and have not been addressed as it should be. Therefore, it is the need the time to invest and bring amendments in agriculture policies to harness our farming sectors to pave the way for reducing the burden on urban resources.

There is a thin line between remittance and repatriation if we look at the economic aspects of migration. Since remittance flow is regarded as a positive and significant component for economic growth, why do people who migrate to rural areas are regarded as secondary citizens? If we measure the extent of remittance with comprehension and growth relationship, we shall be able to formulate a sustainable economic policy because remittance is considered an alternative source for financial investment, which reduces economic constraints.

Furthermore, environmental changes are among the most dominant factors that cause bulk migration with a single episodic impact: earthquakes, floods, rainfall, heatwaves, and water scarcity. Scientists have already warned us about the upcoming impediments, as per their claims that by the year 2050, climate change could prompt 25 million to 1 billion people to migrate, especially the population living in precarious and vulnerable conditions of rural areas of arid and semi-arid regions.

Karachi has become the home of slum areas in the recent past and is expected to remain in the same category for a prolonged period because no one can determine proper urban planning. Figure.1 and Figure 2 indicate how Karachi is hosting such slums and areas.

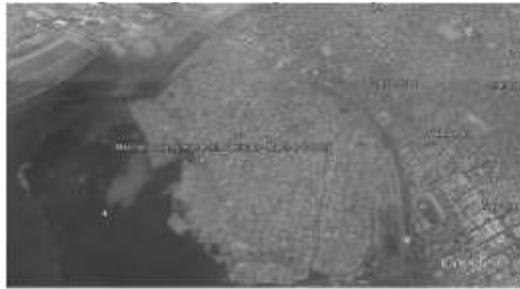


Figure 1. Satellite image of slum area 'Machar Colony' (Katchi Abadi)



Figure 2. Is a map showing 'Kachi Abadi (slum areas in Karachi)

Source: https://www.ucl.ac.uk/dpu-projects/Global_Report/pdfs/Karachi.pdf (For colored pictures)

A superficial comprehension and paucity of research in internal migration pose several questions to policy and decision making. Given Pakistan's growing population, purposeful investments in human security and development can help strengthen and expand the productive capacities of the employable workforce. Our lack of interest in conducting a population census leaves us at a point of nowhere. Proper and accurate results can be drawn over the distinct tendency of migratory individuals moving cross rural-urban migration, intra-city migration, urban-urban migration, and urban-rural migration.

Despite the lack of data and evidence, certain tools have proved that many people have moved (internally) across the country. There are several flaws in national policy on internal labor flow, as the provisions under National Labor Policy (2010) and National Emigration Policy (2009) have become irrelevant after the introduction of the 18th amendment. Despite provincial autonomy, provinces have shown slow reaction towards the labor community, and this has left a large number of labor communities uninsured in the face of various industrial hazards and instances of exploitations they face daily.

Mismanagement of urban planning in the megacity of Pakistan has resulted in slum dwellings. They can be a viable solution to overcome the issues by designing planning and developing intermediate cities or towns in the outskirts of cities. Megacities serve as pivots between large cities and rural areas by facilitating access to labor markets through fast transportation facilities.

The government and development partners through Public-Private Partnership (PPP) should strengthen local government and non-government organizations' capacities to help in social mobilization and self-help initiatives aimed towards those forced to migrate and dwell in a new place. Instruments, such as the 'right to information citizens,' feedback on essential services and a portal for services and complaints, and more can help the public sector's efficiency and can lessen the burden of economic migration.

Economic Migration: A Curse or Boon for Karachi?

Saima Yousuf

Abstract

This research aims to examine the implications of in-migration on demographic variables of Karachi, with a focus on leading economic factors. This study attempts to answer four questions. First, what are the main agents and forms of economic migration in Karachi? Second, how have Karachi's demographics been affected by explosive urbanization in the past decade? Third, has economic migration been a boon or curse for Karachi about socio-economic and environmental conditions? Fourth, has the interaction between in-migrants and Karachi-based European MNCs been symbiotic or parasitic?

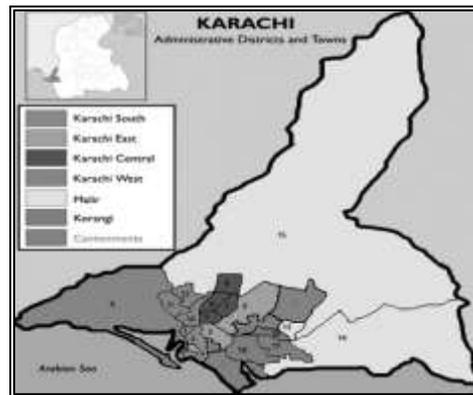
Herein, both quantitative and qualitative methods are employed to satisfy the demands of the study and to explore the solution to the predicament caused by the migrant influx in Karachi over the last decade.

Key Words: Density, katchi abadis/slums, metropolitan, internal migrant, mega-city, immigrants

Karachi, the first designated state capital of Pakistan on the eve of the 1947 partition, is currently the capital of its most urbanized province Sindh. Covering an area of 3527 square km, Karachi is projected as the largest city of Pakistan and one of the world's largest in population. Karachi District has steadily grown from the population of 1,133,926 (1951 census) to 9,856,318 (1998 census)¹. The most recent 2017 census, however controversial, projected the population of Karachi to be around 15 million (14,910,352).² Crowned as the largest, most populous metropolitan port-city and financial hub of Pakistan, Karachi has been regarded as 'The City of Lights' for its vibrancy. Karachi's growth from a fisher town to a metropolis has been monumental and goes as far back as 500 BCE. Being situated on the mouth of the Arabian Sea, the city has always been a natural harbor.

¹ Available on: http://www.pbs.gov.pk/sites/default/files/population_census/Administrative%20Units.pdf

² For understanding the controversy shrouding 2017 population census, read Hasaan, Khawar. "Karachi's Population-Fiction and Reality" The Express Tribune, September 14, 2017

Karachi-Pakistan (Political Map) ³

Administrative Map of Karachi

The 1998 Census placed Karachi's urban population (excluding Cantonments) around 8,875,941, however, today, the figures have jumped phenomenally to 14.91 million. The population density of the metropolis is 3527 persons/km² (highest in Pakistan), with the average annual growth rate decreasing to around 2.49% as per the 2017 Census. The city is positioned about 129 km due west of the mouth of River Indus and joins warm waters of the Arabian Sea to its south. The area extends between the latitude 24°51'36"North and longitude 67°00'36"E.

³ Available on https://www.pakistanpoint.com/en/story/248404/parents-pardon-cleric-accused-of-beating-their-son-to-d.html?__cf_chl_jschl_tk__=pmd_Ccl_pFH94xECno090s8zc8t1spAZT5rhRe3ll4fUyA-1629778157-0-gqNtZGzNAjujcnBszQbl

A Melting Pot of Ethnicities

The city has retained the status of a cosmopolitan for over a century now. Its pluralism stems mainly from an influx of migrants from across Pakistan and its regional and local neighborhood mainly due to the city's commercial charm. Karachi's population is a blend of multiple ethnolinguistic groups. Up to 90% of these are internal migrants from the rest of Pakistan and some are foreign migrants from South Asian neighborhoods. Apart from the original Sindhi and Baloch population, all other ethnic groups in Karachi are migrants. Post-1947 Partition many Indian Muslims chose Pakistan over India like Biharis, Gujrati, settled mostly in Saddar Town, with sub-communities being Memon, Ghanchi, Tai, Bohri, Khoja. There are also a significant number of Marwaris, Parsi, Marathi, maimalaya alionkania Kokan Town community, and Catholic Christians. However, Urdu-speaking Muslims, who migrated to Karachi post-1947 Partition, make up the most politically dominant Muhajir community. Alongside these, the Pukhtuns from adjacent Baloch regions, northern areas, and former FATA and Afghanistan is the second dominant ethnic group in Karachi, making it the largest urban domicile of Pukhtuns. Besides 50,000 registered Afghan refugees, around 200,000 Rohingya refugees from Myanmar are also living in Karachi. The city is also economically providing for a significant number of Punjabis, Seraikis, Hindko, Kashmiri, Kohistani, and other ethnic groups from all over Pakistan earning it the title 'Mini Pakistan'.

Karachi's Demographic Analysis ⁴

Administrative Unit	Population (2017)	Density 2017	Population (1998)	Population Increased (1998-2017)	Urban % 2017	Urban % 1998
Karachi Division	14910352	2795	9339023	5,571,329	92.9	95.9

A brief demographic analysis of the city (as shown in the above table) gives a glimpse into how the population increased manifold from 9339023 in the

⁴ Mazhar, Dr. Faiza. 'Population Distribution in Sindh According to Census 2017 (Population of Karachi: Reality vs Expectation)' International Journal of Innovative Science and Research Technology. Volume 3, Issue 2, ISSN No: -2456 –2165. Retrieved from: <https://ijsrt.com/wp-content/uploads/2018/02/Population-Distribution-in-Sindh-According-to-Census-2017-7.pdf>

1998 census to 14910352 in the 2017 census.⁵ Industrial growth accelerated the urbanization of Karachi, and in-migration added diversity to the skilled workforce. The latest batch of international migrants came in the form of Afghan refugees in the 1980s. Migrants from India make up 50% of Karachi's population, 25% are Afghan refugees and other foreigners while the rest are either locals or from across Pakistan seeking livelihood. It is this tendency of harboring multiple ethnolinguistic groups and races, which grants Karachi the status of a cosmopolitan or a melting pot of ethnicities, a trait similar to that of New York City in the USA.

Commenting on city's strength as well the weakest point, an American political scientist and Pakistan expert and professor of security studies at Brookings Institution, Stephen P. Cohen, in a radio show expressed that is located on the British imperial trade route connecting Gulf and East Asia, "Karachi could have been on the waterfront...as a major economic and trade center in the world, analogous to Singapore or Hong Kong... Its demography is such that it is divided between three or four different ethnolinguistic groups, which are mutually exclusive...So if they got along well, it would be an amazingly complex city, a lot like New York."⁶

Survey and Methodology

As a primary data source, a survey of exploratory and qualitative character was conducted with subjects from varying ethnolinguistic backgrounds settled in Karachi. It enabled us to gauge patterns and factors causing ethnic diversity in Karachi. Secondary data was gathered from newspapers, books, journals, and other internet sources.

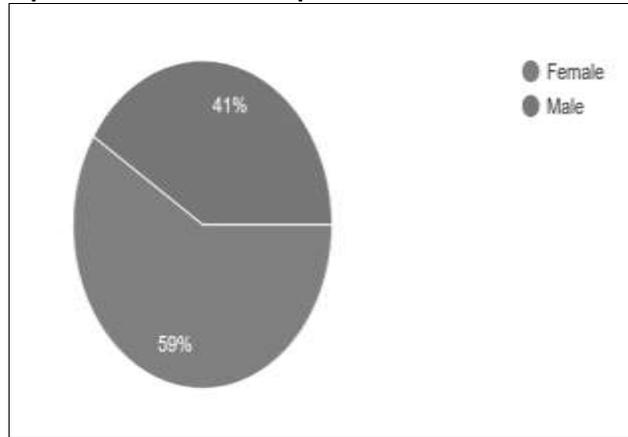
In the present study on 'Ethno-cultural background of Karachi's in-migrants and motivations behind the trend of urbanization,' the quantitative research method was used for conducting an online survey through a basic structured questionnaire for collection of data from 150 Karachiite social media users of all ages and groups across Facebook and WhatsApp. Overall, the response rate was over 80%, good enough to interpret and generalize the results of the study.

⁵ The alarming trend to be noted here is that different sources project different population figures, as can be analysed from footnote 2 and 4. This is mainly the result of absence of government's input on the population data.

⁶ "If Karachi's ethnic groups got along it could be a city like New York, Stephen P. Cohen." Express Tribune. July 4, 2011.

Result Summary and Analysis:⁷

In the current study, 144 respondents participated, wherein 59% were females whereas 41% were male.

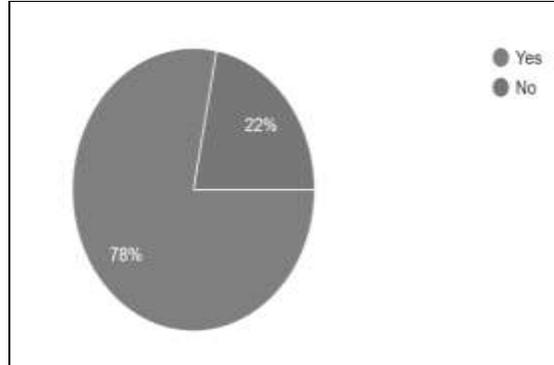
Figure 1: Respondents' Gender Proportion

Because this survey was open to all genders and groups across Karachi, the greater participation of women and their keenness in expressing themselves through social media platforms even on social issues like migration shows rejection of formal patriarchal expectations of female meekness. This in itself is a sign of strong urban liberalism and an indication of the greater strength of women despite the lesser number count.

The population of Karachi indicates to have been augmented by 61,95,203 from 1998 to 2017 when the last census was conducted showing a growth rate of 2.6%. The figure for metropolis stood at 9.8 million in 1998, while it was estimated around 16 million by 2017. As indicated by details, men constitute 84,39,659 and women make up 76,10,365. 1497 members of the transgender community are also residing in the city.⁸

⁷ Survey form shared in the **Appendix**. https://docs.google.com/forms/d/1cQSjs8s-espO_-dgVC0gCTk8X18UAlkSYy2fL4AYqXE/edit?usp=sharing

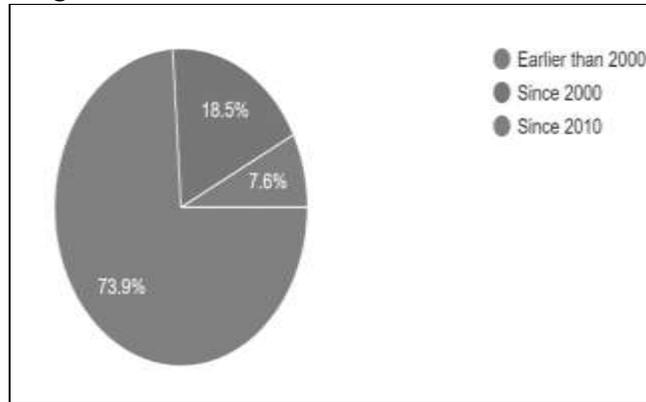
⁸ 'Population census: Men outnumber women in Karachi.' Dunya News, 28th August 2017.

Figure 2: Permanent or Non-Permanent Resident of Karachi

78% of respondents asserted permanent residency in Karachi, whereas 22% declared to have migrated. According to the 1998 stock data, an estimated 4 million people had internally migrated within and between the provinces, regions, and federal capital during the ten years before the census. Around 2.1 million (53.4%) out of four million had migrated among the provinces, regions, and capital-Islamabad (Karim & Nasar 2003, p. 169). Approximately 44% had migrated to Punjab (0.95 million), and 36% to Sindh (0.77 million). The 2017 census regrettably did not record information on internal migrants; therefore, it needs to be re-constructed using other indirect methods like labor force surveys (LFS) and other household or academic surveys like this one.⁹ Another account asserts that Karachi's population is growing at about 5% annually with estimated 45,000 migrant workers from all over Pakistan entering the city per month owing to internal rural-urban migration.

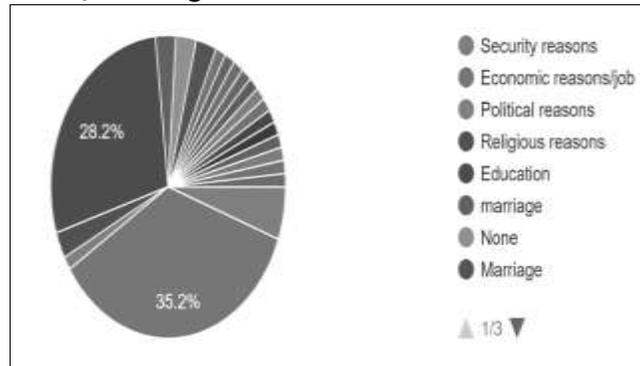
⁹ Wazir, Muhammad Asif. Goujon, Anne. 'Assessing the 2017 census of Pakistan using demographic analysis: A sub-national perspective.' Vienna Institute of demography working papers. June 2019

Figure 3: Living in Karachi Since



The result regarding the duration of residence in Karachi indicates that 73.9% have been living in Karachi since earlier than 2000, most regard themselves as permanent dwellers having a mix of foreign and internal migrants. 18.5% expressed having in-migrated since 2000, while 7.6% since 2010. The latter result somewhat matches the official estimates that show a decline in the rate of Karachi’s in-migration. Analysts point the cause of decline to be the flight of affluent domestic investors to other urban areas with better security prospects than ethnic strife-ridden Karachi and the simultaneous growth of urban centers in other provinces.

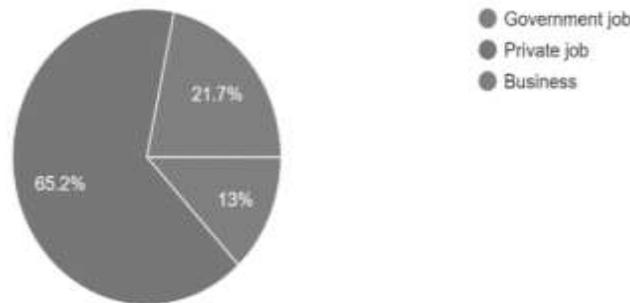
Figure 4: Reason/s for Migration to Karachi



The findings show that at 35.2% the highest ratio of in-migrations were motivated by economic factors, followed by 28.2% making migration move due to education facilities offered by urbanite Karachi, 5% seeking security from violence in their previous place of habitation, 4% owing to marriage, 5% following job transfers and so on. Respondents also mentioned multiple responses for the in-migration resulting in the convergence of given

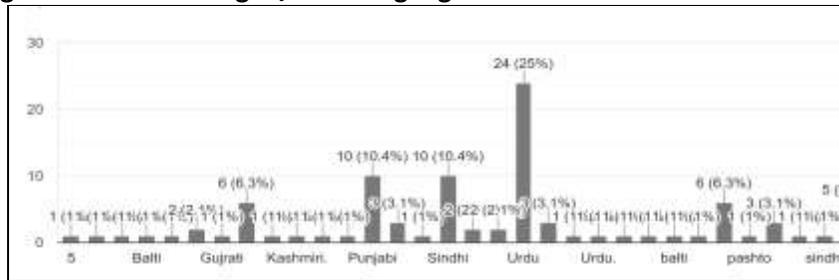
options and addition of a few like moves having been made to be in proximity to extended family, to enjoy religious freedom, and for upbringing kids in a liberal environment that is expected to be a given in urban centers like Karachi. Another preferred cause for migration to Karachi has been described as a guaranteed job surety.

Figure 5: Source of Income

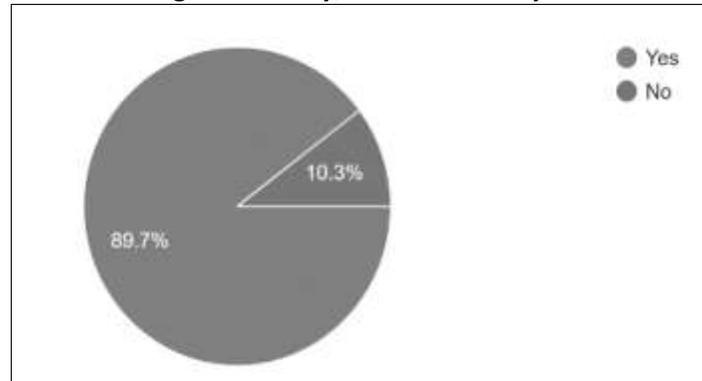


It is clear that the dearth of government job seekers as reflected by the ratio of 13% owes to these jobs being less approachable. The second most sought-after source of income is business with 21.7% ranging from textile business to telecommunication and IT sector to that of outsourcing and service industry. Private jobs in a multitude of businesses, industries, and menial work is what gets livelihood for 65.2% of our sample respondents.

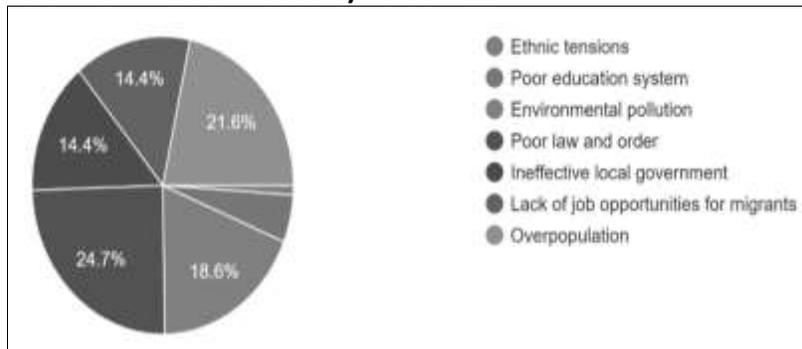
Figure 6: Mother Tongue/First Language



Responses for this particular matter speak volumes about the city’s diverse ethno-linguistic populace, justifying its title of ‘Mini Pakistan’. Urdu speaking population holds a sway over others with almost 25% proportion.

Figure 7: Karachi living satisfactory/non-satisfactory

Violence and ethnic strife have garnered the city the reputation as the 'City of Riches and Shattered Dreams' (The Times, London Nov, 1994). Karachi is now a megalopolis¹⁰ marred with decades of street violence and uncertain economic conditions, but for its in-migrant population it is still a land of promise and fulfillment. Analysis for the response on whether or not Karachi in-migrants find it a satisfactory abode, a clear majority of 89.7% expressed satisfaction with their living in Karachi, while only 10.3% berated and expressed the wish to move elsewhere.

Figure 8: Main Problem Faced by Karachiites

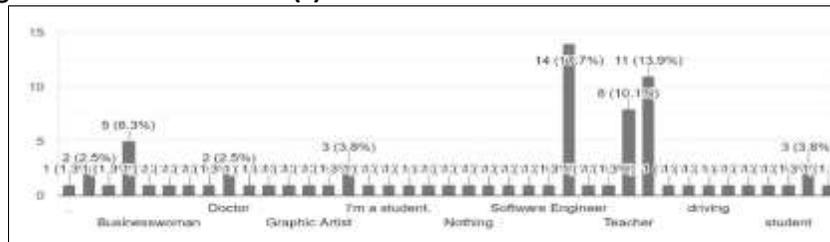
Voicing their opinion on Karachi's major problems, 24.7% of respondents expressed dissatisfaction with a). law and order, b). 21.6% consider overpopulation the mother of problems, c). 18.6% decreed environmental pollution as the major issue, d). 14.4% slammed in-effectivity of local

¹⁰ S. Karim, Mehtab. 'Changing Demographic, Social, and Economic Conditions in Karachi, 1959-94: A Preliminary Analysis' The Pakistan Development Review, 34: 4 Part III (Winter 1995) pp. 1093-1106.

government, e). 14.4% bemoaned the shortage of job opportunities for in-migrants, f). while the rest expressed wariness of poor education system and g). ethnic tensions as the cause of the city’s demise.

These conflicted and divergent opinions clearly point that Karachi has to fight on multiple fronts to gain stability and peace befitting a megalopolis.

Figure 10: Your Profession(s)



The evaluation of this response weighs and appreciates the existing ability and potential of the city as a provider of livelihood in professions as diverse and qualified as health, engineering, business, and teaching to menial jobs like driving etc.

The Pull Factors for Karachi In-Migration

The 2014-2015 Labor Force Survey (LFS) estimated the internal migrant population of Pakistan to be approximately 13% of Pakistan’s total population. While the in-migrant inflows particularly rural-urban and urban-urban are often seen as a product of the varied proportion of development in these urban and rural centers, people often move for better employment prospects and to overcome their impoverished state. In-migration in the last decade has mostly been a result of displacement caused by a vast array of natural disasters in northern areas, militancy in north and western Pukhtuns tribal belt and resultant rise in extremism and military operations and economic disparity in Siraiki belt of Punjab, and marriages. (Sadia et al., 2017; Cibea et al, 2013) ¹¹

These internally displaced people chose to temporarily move to urban areas like Karachi in Sindh. While many moved back to their hometowns, several others remained settled in the new place due to ease of

¹¹ <https://displacement.iom.int/sites/default/files/public/reports/Pakistan%20Migration%20Snapshot%20Final.pdf>

employment and better security. In this regard, Karachi has seen an influx of Pukhtuns and Siraiki migrants, who now appear to be a permanent fixture in an already overpopulated mega-city.

Inaccurate Population Estimates

There has been a lack of a credible system of the census on the national or provincial level, since the 1998 census, which has led to the onslaught of inaccurate population estimates to circulate. The 6th Census of Pakistan in 2017 failed to produce a credible account of population data due to suspicions of inaccuracy. The population of Karachi, for instance, is projected by the 2017 Census at 14.9 million, when even by moderate expectations at the growth rates similar to 1981 and 1998, the population would have stood close to 18 million. The phenomenon has proved more detrimental for a mega city like Karachi because the city has sprawled in an unplanned fashion without minding the legal and safety constraints.

In the words of Eugene Linden, *“Determining what steps governments might take to lessen the shocks of the coming era of giant cities calls for information not available today. It is difficult, for example, to get a fix on something as elementary as the size of the larger cities. Now the United Nations sets the number at 15.6 million--a difference bigger than Baghdad. Karachi may have 9.5 million residents, or it may have 15 million. Part of the problem is the uncertainty of the census data--where there has been a census at all--in nations that do not have the resources to conduct an efficient count and where squatters and legal residents may have sound reasons for evading the tally.”*¹²

Thus, in a nutshell, the city administration as well the economic development has been stunted for a long time. The illegal migrants from neighboring states have infiltrated Karachi's over 600 slums and are a constant threat to social and economic harmony among the permanent and migrant population of the city. The explosive population growth is also determined as a major cause for the mismanagement in the city.

¹² Eugene Linden, “The Exploding Cities of the Developing World”, *Foreign Affairs*, (Jan/Feb 1996), Accessed June, 2013. <https://www.foreignaffairs.com/articles/1996-01-01/exploding-cities-developing-world>

A Curse of Urbanization-Slum Settlements

To live up to its reputation as a top urban fantasy of Pakistan, Karachi has been equipped with the necessities expected in any modern megacity like an awe-inspiring network of infrastructure comprising roads, bridges, flyovers, and underpasses effectively connecting the sprawling city in east, west, north, and south. It is the city of lights known for its warm hospitality, wild street food culture, exotic and crowded markets with never sleeping bustling streets kept alive by individuals with diverse but harmonious ethnic milieu seen vending, haggling, encroaching, and scraping for a living.

Despite being widely equipped with modern facilities, like any other megacity, Karachi has its own predicaments that are primarily the product of the city's overwhelming population and urban growth. Although it has an infrastructure that is far advanced than average cities, it is not at pace with the growing population demands. Consequently, there is an issue of congested and unplanned housing, extreme traffic jams on roads, reports of substandard infrastructure. Apart from infrastructure, the daily life necessities like fresh water availability, state of cleanliness and hygiene, effective sewage system, provision of consistent electric supply, peaceful living environment, clean air, health facilities, indiscriminate job opportunities, and a healthy environment for relaxation and recreation are also missing for a large portion of masses settled in the less privileged areas or *katchi abadis* (slums).

These ordinary problems seem to have been exacerbated by unchecked migrant influx from other provinces of Pakistan, which, although a great boost to Karachi's diverse labor force, nevertheless have been adding to the problems because of their sheer large numbers and non-availability of amenities in the required proportion. The common universal determinants of migration as pointed out in several literary works in the field are applicable to the case of Karachi in-migrations as well, such as:

1. Income differences between the original dwelling of migrants and the destination is often the biggest determining factor in decisions for migration.
2. Karachi, with its ever-active economic activities, is also having comparatively better employment rates than any other urban center of Pakistan.

3. Youth particularly aged 15 to 30, as in all ages and places, is attracted more to the luster of earning and making living in a chief city like Karachi that is plentifully provided with life and job opportunities than wasting away in a non-dynamic setting. Karachi unarguably has the most dynamic environment than any urban center of Pakistan.¹³

Karachi can have a new befitting title- 'A city of slums'-as with an area of approximately 3527 km² and population over 16 million, Karachi has over 600 slum areas.¹⁴ The city is a labyrinth of both planned and unauthorized living localities called *katchi abadis* (slums). These 600 *katchi abadis* were housing around 60 to 65 % of Karachi's population by 2016.¹⁵ The slums are normally the pocket settlements present at the outskirts of the cities, and in some cases these slums may be well nestled between the major urban centers like our special case study Hijrat Colony, Karachi. These underprivileged areas of Karachi are focal points of socio-economic turbulence, many initially started for land grabbing or by urge of the poor and vulnerable economic migrants to seek cheap settlement while earning bread and butter for a nominal living. However, overtime these basic settlements transformed into large migrant safe havens. Because of its large number of slums, Karachi was bestowed a position in a well-known category "Planet of Slums" by Davis.^{16 17} Karachi is called thus due to the reason that over 50 % of its residents are living in slum settlements or *katchi abadis* and interestingly not all of them lack affluence.

When these *katchi abadis* started popping up between the 1960s and 1990s due to demand-supply gap in accommodation, the objective was to seek an affordable and economic place of habitation with ownership rights, and because the city was much smaller back then in area, these periphery

¹³ Sadaqat, Mahpara. 'Determinants of migration in a large third world city.' *Pakistan Economic and Social Review* 30, no. 1 (1992): 1-17. Accessed at <http://www.jstor.org/stable/25825071>.

¹⁴ Magdoff, F. 'The world food crisis: sources and solutions.' *Monthly Review*-New York. 2008; 60:1.

¹⁵ 'Over 600 slums in Karachi safe havens for criminals' *The News International*. June 29, 2016. <https://nation.com.pk/29-Jun-2016/over-600-slums-in-karachi-safe-havens-for-criminals#:~:text=KARACHI%3A%20The%20slum%20areas%20in,safe%20havens%20for%20the%20outlaws.>

¹⁶ Davis M. Planet of slums. *New Perspectives Quarterly*. 2006; 23:6-11.

¹⁷ Davis M. Planet of slums. *New Perspectives Quarterly*. 2006; 23:6-11.

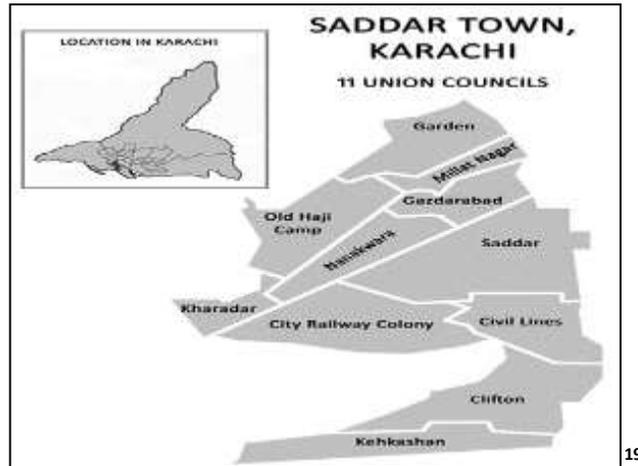
dwellings were not much bothersome. Presently, when the city has sprawled uncontrollably over 3527 km², this has produced a lot of economic and social repercussions for slum dwellers particularly those living on the outskirts of the city. While all the major economic and social activity centers are now concentrated in the city center, the fringe dwellers are finding it difficult to race successfully to-and-fro these extreme points at an affordable commutation cost. This has also generated lack of essential amenities in these periphery slums with regard to accessible work opportunities for both men and women, wastage of already meagre finances and time on commute exacerbating the already hand-to-mouth living, constant struggle to maintain to attain and then maintain the white-collar living, sparring with the lack of quality education and health facilities. It is like living a rural life in the shadow of a city. Hence it has given birth to the scramble for finding a temporary rental shelter in the high-rise near the city centers. These houses are normally 60 to 120 yards with nominal rent of 5000-10000 offering 1 to 3 small rooms. Generally, these apartments are enclosed rooms with little means of ventilation. It is having huge social ramifications for this socially deprived faction of the society which is forced to exist without living. These localities have become a nest of congested unharmonious ethno-lingual groups living together, with high crime rates, low literacy and lack of recreation opportunities. Psychological and physical health of these people are in shambles, while there is little to no prospect of their economic and social stability due to lack of skill and education.

The city and state governments that had initially promoted densification through high-rise living are now citing the same as the cause of their inability to access the problem areas or means to eradicate them. Many of these *katchi abadis* have reached the density of 3527 persons/km².¹⁸

For a general picture of the living standard and state of development in *katchi abadis*, a general survey of one such locality-Hijrat Colony was undertaken for this study as our case study for assessing the state of migrant population settlements in Karachi.

¹⁸ Hasan, Arif. 'Emerging urbanization trends: The case of Karachi' Working paper May, 2016. C-37319-PAK-1. Retrieved from: <https://www.theigc.org/wp-content/uploads/2016/12/Hasan-2016-Academic-Paper.pdf>

Hijrat Colony-A case study of Migrant Settlement in Karachi:



Positioned on the junction of Bath Island, Ahmad Raza Khan Road, Mai Kolachi Road and Queens Road, our sampling object is a low earning, densely populated area-Hijrat Colony. It is a part of UC-9, Civil Lines, Saddar Town. Surprisingly the colony, despite its crucial location in the Red Zone and proximity to Chief Minister and President Houses, is still mainly an unauthorized *katchi abadi* (slum area).

Historically, the Colony was established around 1962 by City Railway Colony residents with a mere 260 huts initially. Since then the colony has grown to become home to multiple in-migrant ethnic groups, mainly Pukhtuns, Hindko, Punjabi, Kashmiri and a smattering of Siraiki, and Sindhi. On the periphery are the pocket settlements of Urdu speaking Muhajirs and Christian communities that further add to the diversity. It has survived unscathed throughout times of ethnic, political, and religious tensions in the volatile city.²⁰

¹⁹ Retrieved from: [https://upload.wikimedia.org/wikipedia/commons/thumb/2/21/Saddar Town_Karachi.PNG/300px-SaddarTown_Karachi.PNG](https://upload.wikimedia.org/wikipedia/commons/thumb/2/21/Saddar_Town_Karachi.PNG/300px-SaddarTown_Karachi.PNG)

²⁰ 'Rising number of encroachments challenge for Hijrat Colony.' The News International. May 19, 2006. Retrieved from: <https://www.thenews.com.pk/archive/print/6985-rising-number-of-encroachments-challenge-for-hijrat-colony>

With an estimated population of over 250,000 till 2006,²¹ the colony has five sectors i.e. A, B, C, D-1 and D-2. As the name suggests, the colony is mainly a squatter settlement of migrants. It is, therefore, obvious why it is still a neglected and lesser-known Red Zone neighborhood. The colony expanded and grew over the years disregarding any norm of planning and organization, which is evident from its narrow streets and closely packed 2 to 3 room houses and buildings. The recent trend shows the explosive rate of densification and sky-rise housing up till 8 stories without obtaining city housing authority approval. This crammed up living is generating a social catastrophic situation for the largely poor and middle-class residents, with most of them ignorantly living to earn, eat and die. Social bifurcation is dominant due to multiple ethnic population groups albeit the economic repercussions are not as dire. The Colony's knack for sustaining affordable living under the nose of Red Zone high price living is a miraculous feat of elevating these migrant squatters to non-tax paying slum millionaires. Upon a general survey of all sectors to assess the colony on scale of livability, following conclusions were made:

Table: 3.1²²

Type of Area	Population	Average household size	Average household income	Average rooms per household	Ownership Rate (%)	Water, electricity, gas availability (%)	Play ground/park	Govt. Hospital	Govt. college / university
<i>Katc hi Abadi</i>	Over 400,000	7 members	15000	2	40	90%	1	0	0

Ex-UC Nazim Muhammad Sharif Awan in one of his interviews briefed that the locality had a discriminate water supply, whereby Sector D-2, despite being the most densely populated, received less than its needed share of water. This is encouraging reliance on tanker water supply that is a big strain on the low earning labour section. To avoid this extra expense, many are forced to opt for boring. Gastric issues, dysentery, typhoid, and skin

²¹ Rehman, Zia ur. 'In Hijrat Colony, Little Road left for safety of women'. The News-International. October 11, 2016. Retrieved from :<https://www.thenews.com.pk/print/156413-In-Hijrat-Colony-little-road-left-for-safety-of-women#:~:text=Hijrat%20Colony%20is%20a%20lower,somewhere%20between%20200%2C000%20and%20250%2C000>.

²² Information is based on an informal interview with ex-UC Nazim, political activist and philanthropist of Hijrat Colony-Mr Muhammad Sharif Awan, which helps fill the gap left by the absence of official data on this populous squatter settlement.

ailments are common illnesses in the area normally treated by the nominal fee charging semi-doctors running private clinics in the area.

Illegal encroachments on streets and roads are a main hassle in the area, however, a recent crackdown against these encroachments and illegal vendors has provided a breathing space on the streets on one hand, while, on the other hand, it has elicited disapproval from the residents who, much to their chagrin, will now have to buy pricey fresh vegetables and fruits from shops. These migrant communities seem to be satisfied living a rural life in an urban setting, given the unhindered continuation of their bread and butter. Thus, a careful study into the socio-economic condition of in-migrants, through our case study Hijrat Colony, provides food for introspection as to how the in-migrants, who are the vehicles of Karachi's economic and commercial activities, are forced into living a substandard life.



23

Open and overflowing sewers are not just an eye sore, but in the past have been a cause of life hazard for minor kids from poor families who unwittingly lost lives while seeking cheap amusement on streets.

²³ All photos of the case subject Hijrat Colony have been personally captured and provided by a benevolent local resident.



Streets are open garbage dumps, breeding swarms of flies and mosquitoes causing minor to major stomach and skin diseases.



Narrow streets in the colony are in dire need of construction and expansion for safe movement, as women and children often complain of experiencing harassment by shady elements.



A major landmark of the colony is this ravine joining a creek. It has accumulated deposits of sewage and solid waste.



Streets often display city government's neglect towards waste management and residents' apathy to hygiene and civic sense.

Cultural Detriments of Urbanization

Karachi has undergone considerable changes in its land constitution and employment, and social structuring due to massive population growth and diversity, as pointed out in a study 'Urbanization, gender and violence in millennial Karachi'. The most notable effect of it has been the factor of volatility. Karachi has been rendered as a highly volatile, unpredictable

political-economy that has been fashioned so by the contradicting local and migrant factions, who have flourished in and out of various squatter settlements. The influx of in-migration has served to further exacerbate the situation by infusing group politics, mainly involving the generation of strain and strife on ethno-linguistic basis.²⁴

While urbanization of Karachi has fulfilled the dreams of many to earn a better livelihood, the locals of Karachi and Sindh have bemoaned this trend as a blatant deprivation of their rights and opportunities. These local Sindhi and Urdu speaking groups are often seen at loggerheads with each other for exclusive claim over Karachi and the best opportunities this metropolis has to offer. Throw into the equation the increasing numbers of Pukhtuns in-migrants and other ethnic groups in this tug of war and Karachi's diverse population offers a recipe for disaster. In the past many decades, Karachi has had to grapple with ethnic tensions and even outright violence that threatened both life and livelihood of all population groups in Karachi. Urbanization of Karachi has produced room for in-migration of skilled and unskilled labour that has naturally increased competition for survival. The struggle to wrestle the best education and job opportunities both in governmental and private sectors has led to tensions on personal and cultural levels, as the right to partake of quota has decreased the free access to many such opportunities. A Sindhi feels entitled to more because Karachi is Sindh's urban capital, while Urdu speaking Muhajirs feel self-entitlement due to the fact that they had to leave everything dear to them in India for the sake of settling down in a free Muslim state of Pakistan after 1947.

The deployment of Pakistan Rangers, primarily the eastern border protection force²⁵, in Karachi since 1992 has often been regarded as politically motivated. However, due to their stabilizing role in the last decade, rangers' stay has been periodically extended to dispel the threat of violence for a stable economic functioning of this commercial and economic hub. While the city is undoubtedly the biggest pluralistic urban settlement in Pakistan, it has cons in the form of ethnic, linguistic and

²⁴ 'Growing violence in Karachi linked to population boom' The News International. February 23, 2015. Retrieved from: <https://www.thenews.com.pk/print/25555-growing-violence-in-karachi-linked-to-population-boom>

²⁵ Data retrieved from: [https://pakistanrangerssindh.org/#:~:text=Pakistan%20Rangers%20\(Sindh\)%20is%20primarily,stabalize%20the%20Internal%20Security%20situation.](https://pakistanrangerssindh.org/#:~:text=Pakistan%20Rangers%20(Sindh)%20is%20primarily,stabalize%20the%20Internal%20Security%20situation.)

religious strife across the pocket settlements of Karachi that in the past were war zones for these different groups. The underlying factor behind all these is undoubtedly economic as whoever yields the most political power will be in control of the economic variables. In the last three decades, Mutahidda Qaumi Movement/MQM's²⁶ ascension as a prime political party in Karachi's politics paved the way for its socio-economic supremacy as well. Same is now the case with the provincial ruling party, the PPP (Pakistan People Party) that after MQM's political demise has regained its lost status as the main politico-socio-economic benefactor and beneficiary. The recent rise of Pakistan Tehreek e Insaf (PTI), the federal ruling party and the rising political force in Karachi, seems to be paving way for Pukhtuns politics in Karachi in the near future.

Environmental Detriments of Urbanization

The rising trend of population densification across 600 slum dwellings of Karachi has been regarded as a ticking "environmental and demographic time bomb"²⁷. Karachi is Pakistan's most vulnerable city with regard to extreme urbanization and densification, which have in turn given rise to challenges that pose a direct threat to harmony of local cultures and natural environment. Pakistan has been placed in the 5th position on the Global Climate Risk Index Report for 2020²⁸ issued by the German think tank, German Watch. The long list of climatic variables that potentially pose risks to Pakistan due to global warming are melting of glaciers in the northern mountains of Pakistan, river flooding, unprecedented changes in heat levels leading to irregular spells of excessive or scanty rainfall and rising sea-levels.

Urban Heat Island Effect

These risk factors are a particular threat to the coastal cities like Karachi. The rising global temperatures caused by the high emissions of greenhouse gases are adding to the woes of Karachi where already nature is depleting due to overwhelming population surge and

²⁶ Siddiqui, Niloufer. 'The MQM and identity politics in Pakistan.' *Criterion Quarterly*. November 20, 2012. Retrieved from: <https://criterion-quarterly.com/the-mqm-and-identity-politics-in-pakistan/>

²⁷ Khan MU, Abbasi HN, Ahmad W, Nasir MI. 'Slum Settlement Problem and Solution: A Case Report of Karachi. *Biomedical Letters*.' 2019; 5(1):27-32.

²⁸ Retrieved from: https://germanwatch.org/sites/germanwatch.org/files/2019-12/climate_risk_index_2020_world_map_1999-2018.jpg

unplanned urbanization. The city, which boasted moderate climate until a decade ago is now facing vulnerability caused by the ‘*Urban heat island effect*’. Among many others, one adverse effect of climate change is the rise in the frequency of extreme heat waves. Urban areas with high population density and excessive land use at times undergo the rise of temperatures over these urban surfaces compared to the rural neighborhoods and city outskirts. Karachi’s explosive population growth, overload of automobiles on roads, increase in industrial growth, deforestation and spiraling constructions are restricting the free flow of natural air and creating an artificially warm atmosphere, thus adversely affecting the natural air pressure and quality.²⁹

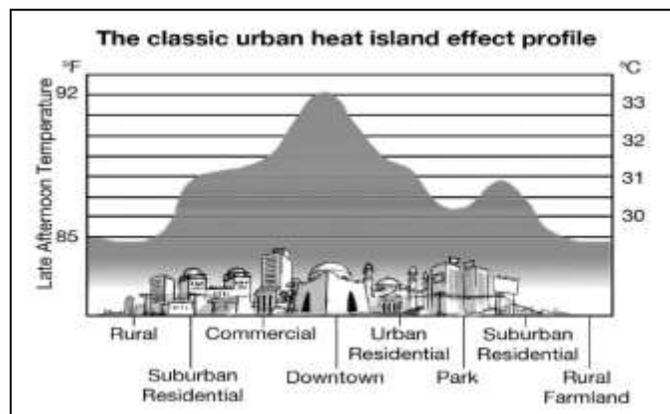


Figure: 4.2 Population and commercial concentration points in the city are also altering its temperature patterns. Source: Farhan Anwar / design: Jamal Khurshid³⁰

Loss of Mangrove Forest

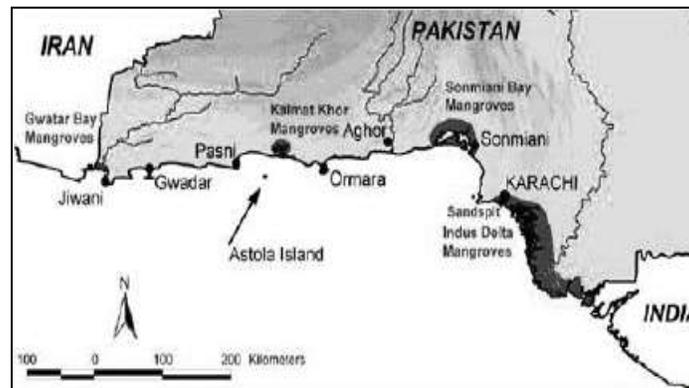
Settled on the 70 km long southern coastal belt of Pakistan along the Arabian Sea, Karachi’s 100,000 hectares mangrove forests ranked world’s 6th largest a decade ago. Growing along the creeks and coastline, mangroves serve as a natural habitat for fish, shrimp and bird species like Siberian migratory birds, flamingoes, swans etc.³¹ Also, they act as a

²⁹ Jaffery, Rabiya. ‘Impact of climate change on Karachi may be one of Pakistan’s biggest threats.’ Relief Eb International. February 2, 2018. <https://reliefweb.int/report/pakistan/impact-climate-change-karachi-may-be-one-pakistan-s-biggest-threats>

³⁰ Available at: <https://tribune.com.pk/story/595238/urban-heat-island-effect-is-karachi-heating-up-while-the-countryside-keeps-its-cool>

³¹ Omar, Mahera. ‘The coast is clear: The vanishing mangrove forest of Karachi.’ Herald-Dawn. June 7, 2016. Retrieved from: <http://herald.dawn.com/news/1153410#:~:text=>

natural barrier that separates and protects the coastal areas from adverse effects of proximity to sea by acting as a bulwark against storms and land erosion. As the city's population exploded over the years, demand for housing expanded leading to the injudicious cut down of mangrove forest to pave way for haphazard recreation and commercial centers along the coast. It is this phenomenon of unrestricted population growth and resultant rise in squatter settlements which in turn ended up destroying the natural environment of Karachi. This phenomenon is rightfully regarded as the 'environmental and demographic time bomb' of current times.³²



Picture 4.2: Mangrove cover sites in Pakistan (By:Faisal Mueen Qamar)



Karachi's 2070%2Dkilometre%20long%20coastline,of%20saline%20and%20fresh%20water.

³² The documentary, 'City by the sea-The future of Karachi's coastline' highlights the adverse effects of the trend of haphazard coastal developments on the human population as well the natural environment. Available on: <https://vimeo.com/62317549>

Picture 4.3: Mangrove forest at Mai Kolachi³³**Urban Flooding**

The summer rainfall of 2020 was the heaviest spell in 90 years, causing urban flooding. With hundreds of casualties, social and economic life came to a standstill. While experts blame the uncontrolled city expansion in last three decades for the calamity, there are several underlying factors for exacerbating the ordinary complexity highlighting which Mr. Farhan Anwar^{34 35}, an academic and executive member of NGO Shehri-CBE, at a seminar on climate crisis and security aspects in Pakistan organized by the Karachi Urban Lab at the Institute of Business Administration's main campus (November 15, 2019) said, *"In a rapidly warming world, extreme storms that typically occur once per century could hit the world's coastal cities at least once per year by 2050. By that time more than one billion people are projected to live in the low-lying areas that will be in the path of these storms. Karachi is 136th out of 140 cities in the context of vulnerability and livability as 50 per cent of the city's population is living in informal and squatter settlements. Meanwhile, the emergency response system in Karachi is very poor. The city is ill-prepared to deal with any natural disaster or calamity as most institutions here in a fragmented government are bankrupt as the city expands without a plan."*³⁶

³³ Retrieved from: <http://herald.dawn.com/news/1153410>

³⁴ Mr. Farhan Anwar is an academic and executive member of NGO Shehri-CBE. He was speaking at a seminar on climate crisis and security aspects in Pakistan organized by the Karachi Urban Lab at the Institute of Business Administration's main campus. (November 15, 2019)

³⁵ Mr. Farhan Anwar is an academic and executive member of NGO Shehri-CBE. He was speaking at a seminar on climate crisis and security aspects in Pakistan organized by the Karachi Urban Lab at the Institute of Business Administration's main campus. (November 15, 2019)

³⁶ Hasan, Shazia. "Karachi among cities most vulnerable to climate change." Dawn. November 16, 2019. <https://www.dawn.com/news/1516940>





Collage depicting the late August, 2020 urban flooding in Karachi based on pictures gathered from anonymous internet sources

Government Policies for Karachi In-Migrants

“Internal migration has been glossed over in national policy making of Pakistan due to limited understanding of its potential” (Hisam 2014).

Although the data collection through Labour Force Survey and similar methods are instrumental in maintaining statistical records in the absence of regular census, these methods do not provide insight into the policy measures. What explains this apathy? It is because like the rest of the world, internal migration is a non-priority issue. Neither the government agencies nor the privately funded organizations pay attention to the plight of in-migrants. While all their focus remains on the international migrants, the internal migration is four times bigger in magnitude. It is assumed that however the dynamics, the local migrants will not face deadly circumstances.

Also, it has been observed, *“...with limited legal protection and security from the relevant state bodies, most internal migrants in Pakistan face multiple human security threats. As happens elsewhere in the developing world, internal migrants are exposed to human security risks that include exposure to illness, disease and food insecurity, sociocultural exclusion, lack of personal security and economic discrimination, among others.” (UNOCHA 2013)*³⁷

Do MNCs Have a Role in Tackling In-Migration Issues?

Neither the local government of Karachi, the provincial government nor the federal government has any concrete plan or resources for helping the economic migrants out of their misery. In this scenario, the local and international organisations have apparently been the knights in shining armour in generating employment opportunities. Government jobs are few and often quota based, while business management is too expensive for economically and educationally deprived migration aspirants. Local businesses are mostly small scale or cottage industry based, and those few big ones are insufficient to provide jobs for such a phenomenal magnitude of in-migrants, as is the case with Karachi. Multinational Corporations or

³⁷ Ishfaq, Sadia. Et.al. “Internal Migration and labour mobility in Pakistan.” South Asia Migration Report. 2017. Available at: <https://think-asia.org/bitstream/handle/11540/7227/Internal-Migration-and-Labour-Mobility-in-Pakistan.pdf?sequence=1>

MNCs³⁸ are potentially seen as the additional hand that people in a third world country like Pakistan need and thus cherish. These MNCs bring the Foreign Direct Investment (FDI) into the states through private investment. They almost always operate on the principle of letting investment flow from “low profit regions to ones with high returns.”³⁹

Explaining the factors hindering foreign companies’ entrance in Pakistan in recent times, in a very informative article, *Abdul Ghani* reminds how Pakistan being a promising emerging nation has been a centre of MNCs’ attention since the 1930s. Although these multinationals have been instrumental in bringing foreign investment to Pakistan since before its inception, they obviously chose to withdraw when the gloom of uncertain political situation, deteriorating law and order and malice of terrorism started becoming a norm in the country.

In-migrant groups are easily the biggest beneficiaries of these MNCs operations in urban settlements like Karachi, where their greater number and easy availability land them the job. Economic, environmental, and cultural impacts of the MNCs may be questioned, but their social impact in nourishing and nurturing the populace cannot be underestimated. Hence, the creation of a safe environment for their operations needs to become a top priority when tackling migration borne issues.

Policy Recommendations for Balancing the Migration Push and Pull Factors

- The socio-economic dilemmas engendered by urban in-migration have to be resolved through apt policy initiatives. For instance, metropolitans like Karachi and Lahore are favourite destinations of economic in-migrants because of the job opportunities they present. If other smaller cities or big towns are given equivalent preferential status in development through the 5 or 10-year government development plans, the competition and availability of multiple choices

³⁸ James Chen’s description of MNCs being “stateless, transnational corporate organisations” whose budget often surpass most underdeveloped & developing states gives us an idea of their potential power in such environs. Read more at: <https://www.investopedia.com/terms/m/multinationalcorporation.asp>

³⁹ Accessed at: <http://www2.econ.iastate.edu/classes/econ355/choi/mul.htm>

may even out their prospect of development and thus the job opportunities.

- Along with employment centers, availability of education, modern infrastructure, health, security, housing, and recreation haunts may help attain the balance or even out the situation by redirecting part of population to these new urban centers. Lesser the population, lower may be the administrative hassles.
- Meanwhile, villages can be better equipped with civic facilities and local rural administration can play a major role to this end by managing the natural and human resources in the best possible way. Updating and creating education institutions, skill development centers, health and sanitation facilities may eventually cultivate an environment that is conducive for holding market activities at a greater pace. It may also help reduce inclination towards migration to urban centers. Development in rural areas, however, has to bear minimum consequences for the natural environment in a sustainable way.
- Pakistan's National Emigration Policy (2009) as well the Labour Policy (2010) did not do the needful either. While the former did not completely ignore the topic of internal migration, it was not its area of emphasis. External migration and emigration are still the point of emphasis in state policies; many owe this misplaced emphasis or lack thereof to the assurance of foreign funding and logistic assistance for external migration and treaty support for emigration. Internal migration is a purely local issue and hence needs to be resolved using indigenous policy and monetary measures which is why it is often shunned to the cold storage.

Research Findings

1. Karachi may have started as a rural abode of Sindhi and Baloch ethnic groups, but is now a heterogeneous society. Karachi, truly, is a melting pot of cultures and ethnicities from all over Pakistan.
2. As the city that never sleeps, Karachi is a commercial and economic hub of Pakistan that provides sustenance for all its inhabitants be it permanent or economic migrants.
3. Karachi has had a troubled history since the 1990s; steeped deep in ethnic, religious and political conflicts, but the current decade from 2010-2020 saw a steady improvement in law-and-order situation, which in turn paved the way for resurrection of the city's economic and cultural harmony.

4. In-migrants are still not the most blessed community in Karachi as they are living in precarious conditions in slums, but they are better off compared to other big cities of Pakistan.
5. Slums are the epicenters of the in-migrant population in Karachi. These slums were disregarded in the past as illegal settlements and, therefore, were kept deprived of development; however, the recent democratic governments have brought these squatter settlements on their agenda list if only to woo concentrated groups of voters. The living conditions were minutely studied by the researcher to ascertain common perceptions about such settlements. The data, both quantitative and qualitative, regarding slum dwellings and demographics needs updating to plan strategies for countering fall out effects.
6. While in-migrants serve as ready hands for operating the economic, commercial and service industries of Karachi, heavy urbanisation has also produced countless repercussions for local cultures and environment. Natural environment as in mangrove forest along Karachi's coastline is endangered by human and industrial encroachments. Natural disasters like flash floods and environmental pollution have wreaked havoc in many populous municipalities. Meanwhile, the local population of Karachi like Sindhis, Parsis, Memons, Mohajirs etc. are wary of unrestricted population mix up. It is causing cultural standoff as well as economic insecurities among the locals, who complain of being cornered and mistreated like a minority.
7. Absences of consensus and clash of vested interests among local, provincial and federal governments has created a vacuum of policies towards accommodating the social, cultural and economic concerns of the migrants. The below par living conditions of in-migrants in squatter settlements are an evidence of the government's failure and raises the need for private sector involvement for creating better employment and hence living opportunities.
8. Multinational corporations have been sharing governments' burden in opportunity generation and skill grooming. These MNCs are however not altruistic entities, therefore it is the government's responsibility to ensure continuity of foreign direct investment through business-friendly measures.
9. Despite all the merits that in-migration promises for migrants and their destination venues, there are countless hassles involved in and post the activity. However, it is critical that local governments and particular

interest groups work for migrant settlement with the same vigor with which issues like international migration are catered to. Human tragedies arising from decades of poor lifestyle can be prevented if preventive measures are taken on time. These migrant groups need to have a separate budget allotted for them for the rehabilitation and settlement in new living and work environments so as to prevent them from being neglected.

10. Research has also proven that an otherwise economically beneficial activity like economic in-migration can cause serious cultural, environmental and human catastrophes, if the variables are not duly controlled and navigated to safety of all concerned.

Appendix

Survey Form ⁴⁰

Ethno-Cultural Backgrounds and Motivations of Migrants in Karachi

1. What is your gender? _____
2. Are you a permanent resident of Karachi? Yes/no
3. Since when are you living in Karachi?
Earlier than 2000/ Since 2000/ Since 2010

For Migrants in Karachi:

4. What was your earlier province/country of residence? (If migrated)
5. What was your reason of migration to Karachi?
Security reasons/ Economic reasons/ Political reasons/ Religious reasons/ Education / other _____
6. What is your source of income/occupation?
Government job/ Private job/ Business
7. What is your profession? (One word needed, e.g. Teaching/ Driving/Business Executive) _____
8. What is your first language/mother tongue? (One word needed, e.g. Pushto) _____
9. What is your current residential location? (Only name, e.g. Gulshan e Iqbal) _____
10. Are you satisfied with your living in Karachi? Yes/no
11. Do you wish to move back to your place of origin? Yes/no
12. What is the biggest problem in Karachi?
Ethnic tensions/ Poor education system/ Environmental pollution/ Poor law and order/ Ineffective local government / Lack of job opportunities for migrants/ Overpopulation

For Permanent Residents of Karachi:

13. What is your profession? (One word needed, e.g. Businessman, Driver...) _____
14. What is your area of residence? (One word, e.g. Gulshan e Iqbal) _____
15. Are you satisfied with your living in Karachi? Yes/no
16. What do you think is the biggest source of problems in Karachi?
Ethnic tensions/ Ineffective local government/ Overpopulation/ Poor education system/ Migrant workers/ Poor law and order

⁴⁰ Form link: https://docs.google.com/forms/d/1cQSjs8s-espO_-dgVC0gCTk8X18UALKSY2fL4AYqXE/edit?usp=sharing

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Abbreviations

ACC	Afghan Citizen Card
BCE	Before Common Era
CPEC	China Pakistan Economic Corridor
CSR	Corporate Social Responsibility
DRC	Danish Refugee Council
EPZ	Export Processing Zone
FCT	Federal Capital Territory
FDI	Foreign Direct Investment
FMCG	Fast-Moving Consumer Goods
GB	Gilgit-Baltistan
GDP	Gross Domestic Product
HKH	Hindu Kush Himalaya
ICI	Imperial Chemical Industries
IDPs	Internally Displaced Persons
IOM	International Organisation for Migration
IPCC	Intergovernmental Panel on Climate Change
JHM	Joint Household Migration
KP	Khyber Pakhtunkhwa
LFS	Labor Force Survey
MNCs	Multinational Corporations
MQM	Mutahidda Qaumi Movement
NARA	National Aliens Registration Authority
NGOs	Non-Governmental Organisations
POR	Proof of Registration
PPP	Pakistan People Party
PPP	Public Private Partnership
PRISE	Pathways to Resilience in Semi-arid Economies
PRSPs	Poverty Reduction Strategy Papers
PTI	Pakistan Tehreek e Insaf
SBP	State Bank of Pakistan
Shehri-CBE	Shehri-Citizens for a Better Environment
SITE	Sindh Industrial Trading Estate
TNCs	Trans-National Corporation
UNESCO	United Nations Educational, Scientific and Cultural Organization
UN-HABITAT	United Nations Human Settlements Programs
UNOCHA	United Nations Office for Coordination of Humanitarian Affairs

About the ASCE

The Area Study Centre for Europe was established at the University of Karachi in the year 1974 by an Act of Parliament (ASC Act No. XLV, 1975). The Centre undertakes research at M.Phil/Ph.D level. The Centre offers courses in French, German, and English language at the certificate level and diploma in the French and English language.

Since one of the aims of establishing the Area Study Centres was to provide feedback to policymakers in the country, the Centre also receives research proposals and assignments from the Foreign Office and other institutions of the Government of Pakistan.

A European Union-sponsored programme in European Studies was launched at the ASCE for a three-year period in September 1999. The ASCE was awarded the Jean Monnet Chair of European Political Science by the European Commission's Directorate General for Education and Culture (Higher Education: Socrates-Erasmus, Jean Monnet Project) in 2001 for a three-year period. The Area Study Centre for Europe, University of Karachi became a partner in the project "CLIMA" (Euro Asian Research and Training in Climate Change Management) funded by the European Union. The project commenced in 2006 and ended in 2009.

The Area Study Centre for Europe arranges lectures, seminars and conferences on contemporary issues concerning Europe and the latter's relations with the rest of the world. Since 1995, the Centre has on its credit 24 international conferences with the collaboration of the Hanns Seidel Foundation. The Centre also have academic collaboration with the Goethe-Institut, Karachi and Alliance Francaise, Karachi to promote inter-cultural and interfaith dialogues.

To-date the Centre has published 39 books, 3 Indices and 11 Profiles. The Centre regularly publishes the bi-annual Journal of European Studies since 1985.

About the HSF

Hanns Seidel Foundation (HSF) works in the service of democracy, peace and development in Bavaria, Germany, Europe and beyond. Since more than 50 years, the Munich-based foundation has been a respected global partner on good governance, the rule of law, and contacts with Germany. Being part of the broader German development cooperation, HSF has been active in Pakistan since 1983.

Since 2012, HSF Pakistan has increasingly focused on projects related to good governance through constitutional understanding, intraregional and interregional dialogue, and expertise in areas relevant to sustainable political development, such as non-traditional security challenges.

HSF projects in Pakistan have encompassed training sessions, publications, seminars and conferences where researchers and experts from around the world share and exchange their thoughts and experiences. These projects are implemented through HSF's esteemed partners including the Parliament of Pakistan, the Ministry of Inter-Provincial Coordination, think tanks, research institutes and public universities all across Pakistan.