

Three raging storms

Karachi

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KARACHI lost its economic dynamism as a consequence of a series of ill-advised actions taken by a succession of Pakistani leaders over a period of four decades. It all began with the decision of President Ayub Khan to move the country's capital from Karachi to a new city he was to call Islamabad. That move deprived the city's well-educated, well-trained, highly experienced and politically inclined work force of jobs in the government sector.

A significant number of these people belonged to the Mohajir community. This community had come to Karachi, pulled by the promise of a better life in the capital city of the country they or their parents had fought hard to create. The move of the capital, therefore, was more than an economic loss. It was also a kind of betrayal.

The second shock was felt by the city a decade after the decision by Pakistan's first military leader to relocate the country's capital. While Ayub Khan punctured the public sector, Zulfikar Ali Bhutto inflicted an equally serious blow on the city's private economy. A series of nationalizations of privately held assets ordered by Bhutto devastated private enterprise in the city. Even when Ayub Khan took with him government functionaries to Rawalpindi-Islamabad, there was still a great deal of economic life left in Karachi. Some of it was, in fact, the consequence of the model of economic development the military administration had pursued in the 'sixties. This model had produced a vibrant private economy. In the 1960s, Pakistan developed a commercial banking and insurance industry that was remarkable in its scope, depth and reach for a country at its stage of development.

This was not the only part of private enterprise that had grown under the patronage of Ayub Khan. The Karachi Stock Exchange also worked remarkably well. It was able to draw capital from the increasingly prosperous upper and middle-income groups into industry, commerce and finance. KSE's market capitalization increased significantly during the period of Ayub Khan. During that time established as well as new entrepreneurs used "initial public offerings" — or IPOs — to mobilize private savings and put them to use in their enterprises.

the mill once it was operational. It also attracted new migrants to the city from the country's northern areas.

The pattern of job creation by the construction and operation of the steel mills offers a useful insight into the first of the many conflicts that were to turn Karachi into one of the developing world's more turbulent cities. As with most other large projects, the mill was constructed by workers drawn predominantly from the Pushtun, Punjabi and Kashmiri communities. Once the mill became operational, the construction workers were sent home and the thousands of people employed to operate the mill were hired mostly from the Mohajir community. Since no other major construction job was undertaken, unemployment levels in the Pushtun communities increased significantly.

Three storms have hovered over Karachi for several years. They have been caused by economic difficulties faced by the young, and the failure of the city to provide basic services, by ethnic rivalries that cannot be contained by the political system, and finally, by radical Islam. Will these storms clear? The answer lies in how the state tackles the problems that led to the problems in the first place.

The workers employed in the mill found a political patron once the Mohajir Qaumi Movement became a potent force, something that happened after Bhutto left the political scene, a development to which I will return momentarily. Since the mill was a public sector enterprise, the MQM was able to use its political clout in the 1980s to expand the payroll with the employment of the members of the community it represented. Some of the employees were "ghost workers" in the sense that they did little real work but turned up only to draw their monthly paycheques. When in the late 1980s and the early 1990s, ethnic violence erupted in Karachi the steel mill became one of several battlegrounds. The immediate cause was Islamabad's attempt to improve the efficiency of the mills by reducing the number of workers it employed. This retrenchment the Mohajir community was not prepared to accept. It was now sufficiently agitated to practise a new kind of politics — that of challenging the authority of the state by resorting to violence.

But let me return to the chronological

formative period, was a reactionary movement in the sense that it was reacting against the established economic, political and social order. The organization adopted the use of violence as a political tool for intimidating its followers as well as its opponents. A new element was thus added to those that were already present to turn Karachi into a violent place.

It takes at least two large ethnic groups to produce ethnic politics and violence spurred by ethnic interests. As discussed in the first article of this series on Karachi (September 28, 2004), by the time the city's economy went into a tailspin, it had two distinct and spatially separated ethnic groups — the Mohajir and the Pushtuns. There was little social interaction between these two communities. While the loss of opportunities in both public and private sectors

had turned a segment of the Mohajir community towards the politics of violence, the Pushtuns were still reasonably satisfied with their situation. This changed suddenly with an incident at Sohrab Goth.

The Sohrab Goth community of Pushtuns owes its origin to an entrepreneur who set up a store in the village of that name in Karachi's outskirts, selling imported merchandise smuggled into the country. Soon Sohrab Goth became the site of a "Bara" market, so called because of a similar

bazaar in a village of that name, near Peshawar, which also sold smuggled goods. In 1981, thousands of refugees from Afghanistan moved to Karachi and settled in the vicinity of Sohrab Goth. With the Afghans came drugs and weapons and Sohrab Goth became a part of a long supply chain. This chain linked the poppy producing areas in Afghanistan, small drug processing plants in Pakistan's tribal areas, and smuggling centres such as Sohrab Goth that fed the international drug markets.

Islamabad came under intense pressure from a number of foreign governments and agencies to move against this community of Pushtuns. This was done on December 12, 1986, when the government sent bulldozers to demolish the shops and houses that were alleged to be a part of the long drug chain. Reaction to the operation came quickly; two days later, on December 16, hundreds of Sohrab Goth residents descended on Orangi, a community of mostly Mohajir residents. What ensued was ethnic violence of the type Pakistan had not known in its history. It left 170 dead and thousands injured. For several days, the government

private savings and put them to use in their enterprises.

Karachi's economy would have survived the departure of the civil servants from the city had Zulfikar Ali Bhutto not killed private entrepreneurship. That Bhutto played that role in Karachi's economic travails is surprising since his affection for the city was not hidden from view and manifested itself in many different ways. Not well tutored in economics, he seemed not to have realized that by killing the private sector he was killing the goose that had laid so many golden eggs in the city. Bhutto's nationalization of large-scale industry, finance, insurance and large-scale commerce drained modern sector jobs from the city's economy. Once again, the burden of this change in public policy fell on the shoulders of the Mohajir community.

Karachi's growing economic malaise didn't go unnoticed by Bhutto. One way of addressing the city's problems, he thought, was to bring large public sector construction projects to the city. Bhutto realized that it would take more than erecting monuments at some busy roundabouts to create jobs the young needed. Something considerably bigger had to be done. The way Bhutto went about reviving Karachi's fortunes laid the ground for ethnic conflict in the city — between the Mohajirs and the Pushtuns.

It was during the Bhutto period and mostly because of his efforts that Pakistan undertook one of the largest construction projects in its history, the building of a steel mill near Karachi. The project provided new employment opportunities first to labour from the various ethnic colonies that had sprung up around the city, and subsequently to the workers who manned

violence. But let me return to the chronological history of the development of the factors that came together to bring so much violence to Karachi. After Bhutto's departure, another national leader stepped in the late seventies and eighties to adopt policies that compounded Karachi's growing problems. The new military president's approach to Karachi's growing economic and political difficulties was not motivated by any desire to find solutions for the city's failing economy. Ziaul Haq sought a political opportunity for himself from the city's difficulties.

He was in search of ways to soak popular support out of Bhutto's political party the PPP, which had a significant presence in the city. He tried to get to that goal by encouraging the disgruntled Mohajir community to coalesce into a new political force, the Mohajir Qaumi Movement or the MQM. It didn't seem to bother the military president that the development of politics on ethnic basis in a city with so many ethnic fault lines meant courting long-term disaster. Even this might not have happened had President Zia offered some political space within his system to the party whose growth he was promoting. But Zia was not inclined to develop political institutions. Once the PPP's influence had been checkmated in Karachi, he left the MQM to its devices and opened space in the city for the forces representing radical Islam.

The MQM quickly gained political potency in the eighties and the nineties by practising the politics of agitation and violence. It acquired considerable support for itself as reactionary forces normally do in periods of economic distress. The MQM, in its

injured. For several days, the government seemed to have lost control over Karachi's outskirts. The army was called in to bring peace to the city. Karachi now had another angry group to contend with — the Pushtun community.

While the Mohajir community's anger was channelled into political violence by the MQM, the Pushtuns sought solace in religion. Radical Islam along with a number of its institutions — in particular “deeni madressahs” — had arrived in Karachi along with the Mohajir community in 1947, at the time of Pakistan's birth. But it was not until the late eighties that it became a formidable political force. That happened for a number of reasons and Sohrab Goth was only one of them. The other contributing factors included the first war in Afghanistan, the arrival of political zealots who had fought in that war, and the preaching in the religious seminaries by conservative ulema. As is now well-recognized, radical Islam has flourished in situations of economic distress; in the late 1980s and most of 1990s Karachi faced serious economic difficulties. It presented a good opportunity for radical Islam to take root.

Three raging storms have hovered over Karachi's sky for several years now. These are the storms caused by economic difficulties faced by the young and the failure of the city to provide basic services, by ethnic rivalries that cannot be contained by the political system, and, finally, by the arrival of radical Islam. Will these storms clear and bring light into city once again? The answer to that question depends on how the state tackles some of the problems that have produced this turbulence in the first place.