

THE NEWS

Governance for local government: Part - II

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The fragmentation of development projects into small schemes catered to the narrow interests of the local communities without any sense of priority, linkages, or widespread coverage.

Ideally, the transfer of resources from urban to rural areas should be a welcome move but such a transfer in the absence of a district-wide plan without specifying the goals to be achieved and assessing the cost-benefit of the approved schemes can be counterproductive. Urban-rural integration did not recognize or cater to the needs of growing urbanization.

Hasnain concludes on the basis of his study that in order to keep his voters happy, the district nazim would have very little choice but to acquiesce to the pressures exerted by the union and tehsil Nazims to allocate resources equally. The difference between 'equal' and 'equitable' distribution of resources should be understood as it is at the crux of the problem.

Under an 'equal' distribution scheme there is no clear relationship between the needs of the community and the intended interventions. Rich and poor communities will receive the same amount irrespective of the intensity of their need. 'Equitable' distribution takes into account the differences in the initial endowments and conditions of the intended beneficiaries. Those who are poor, marginalized, live in remote or geographically disadvantaged areas and cannot earn decent incomes on their own should receive higher allocations than those who are better off. Public resources thus supplement the private incomes of the poor to help out of poverty.

Two innovative features of the 2001 system are worth mentioning. The reservation of one-third seats for women and others for peasants, workers,

minorities, the marginalized classes of our society, was an extremely commendable step. Similarly, the integration of the rural and urban administrative units at the tehsil level would have allowed the rural areas to benefit equally from the larger envelope of pooled resources available to the Tehsil Council. Even if the underlying patron-client relationship persists, the scope for inclusion of clients who were traditionally denied access under a MNA/MPA centred system, will be much wider under a decentralized and devolved system.

However, despite these flaws, empirical studies and surveys point to the net positive achievements of the local government system. The Social Audit Survey 2009-10 of 12,000 households drawn from 21 districts in all four provinces found that 56 per cent favoured the continuation of the local government system with high proportions in Punjab and Sindh. The level of satisfaction with the union councils was 33.8 per cent but the situation regarding support and social acceptability of women's participation seemed to have improved. Sixty per cent of female union councilors were of the view that people in their constituencies were happy with them.

The satisfaction levels of households with various public services varied but by 2009-10 satisfaction with roads, sewerage and sanitation, garbage disposal, water supply, health and education had improved although in percentage terms only less than half of the households expressed satisfaction with the services. Public education, at 58 per cent, showed the highest level of satisfaction.

The Social Policy Development Centre (SPDC) carried out a survey of 12 districts in the four provinces and found that the rate of enhancement in literacy of the population and access to water supply and sanitation had perceptibly increased during the post-devolution period. However, there were no indications of any impact of devolution on health indicators. The process of devolution was beginning to contribute to a quicker improvement in enrolment at the primary level and literacy in Pakistan.

At a micro level, Cheema and Mohmand analyzed a dataset of 364 households in the rural tehsil of Jaranwala in Faisalabad District to gain some insights

regarding the types of households which gain and lose through electoral decentralization and whether the change in the post-reform provision between different household types is equitable. The empirical results of their study showed that increased access to development funds and heightened mandates for union nazims have resulted in a significant increase in union level provisions within a short span of time. They further found that the increase in the post-reform provision in nazim villages is less elite-based as it encompasses small peasants, minority peasant biradaris, and non-agricultural castes.

Hasnain reports on the basis of a survey carried out in 2005 that over 60 per cent of the households stated that they would approach a union councilor or Nazim to resolve their problems in comparison to only 10 per cent who said they would approach members of the provincial or national assembly. This reflects the increase in accessibility of policymakers after devolution. A system in which bureaucrats control the development departments provides neither access nor accountability. Having a system of elected nazims and councilors who remain responsive to the needs of their citizens is better because these officials are liable to lose their offices if they do not fulfil their responsibilities and duties. The best one can do with a recalcitrant bureaucrat is to transfer him out of a particular district but that does not resolve the inherent problem of access to the poor.

Cheema, Khawaja and Qadir in their study found that three types of changes were brought about by the 2001 devolution. One, changes in the decision-making level of the service – from provincial bureaucrats to district level bureaucracy. Two, changes in the decision-maker's accountability – from bureaucrats to elected representatives at the district level; and three, changes in the fiscal resources available to the service.

The education department, primary healthcare and the management of district and tehsil hospitals experienced a change of the first type, where the decisions previously made by the provincial secretariat and the provincial cabinet were transferred to the district nazim and executive district officers.

The municipal services provided by the local government, the rural development department, and the public health engineering departments of the provincial government became the sole functional responsibility of the tehsil municipal administration. This was a fundamental change because the power to allocate resources, prioritize projects, and deliver results moved away from 48 provincial departments to 6000 units of local government whereas prior to devolution, the deconcentrated provincial bureaucracy at the district level was accountable to their non-elected provincial secretariat. The 2001 devolution made them accountable to the elected heads of districts and tehsil governments. Under the previous system, the de-facto head of the district administration was the district commissioner who would report to the non-elected commissioner while after devolution he reported to the elected district nazim (mayor).

Their study also found that a 'rule-based' fiscal transfer system between the provinces and the local governments was established under the 2001 Devolution Plan. Approximately 40 per cent of the provincial consolidated fund was distributed among local governments with due weightage given to backwardness in order to ensure some form of equity across districts in the allocation of development funds. The other innovation was that these budgetary transfers did not lapse at the end of the year but continued to be retained by the relevant local governments, providing for flexibility and presumably some improvement in the efficiency of resource allocation.

To be continued...