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**PAKISTAN’S POLICY-PERFORMANCE GAP**

**By Ishrat Husain**

In Pakistan, the policy-performance gap has been a source of great disillusionment and despairs among the public at large. It’s even been responsible for the downfall of many governments in the past.

At the highest level, the people of Pakistan have given their verdict by electing political parties and candidates in whom they have reposed hope for better performance in the future. This exercise repeated every five years without any interruption is crucial for the process of good democratic governance in the country. The purging of the candidates and parties who do not measure up to the expectations of the electorate is a healthy way to restore confidence in the system. While this is a necessary condition, it is not sufficient. What is required is to have a system of assessing and monitoring the performance of the government during these five years with accountabilities for the results. The executive branch at the federal, provincial and local governments should set up a system, which will alert them to their failings and shortfalls and therefore provide an opportunity for remedial and corrective actions as well as reinforce their successes and achievements.

How can this system, which is quite common among many emerging economies and has been widely practiced in countries such as Japan, Korea, Taiwan, Singapore, and Malaysia, be set up in Pakistan?

It may not be an endorsement of Ayub regime’s legitimacy but such a system was in force in Pakistan during the 1960s. Pakistan’s achievements during that period are now very much an integral part of the history of economic development whether we like it or not. The motivation for revival of this system has arisen because it is in the interest of this government to learn from the past mistakes and ask their present team of capable managers to make a difference. The public is tired and sick of lofty promises, plans and rhetoric. They expect this government to deliver results for the collective wellbeing of the people of this country. How can this be done in practice?

To begin with, the manifesto of winning parties should be translated into time-bound specific objectives with performance indicators, assignment of clear responsibilities and periodic monitoring of priority issues at the highest level. If the objectives are not met and it is established that it was because of apathy, indifference, indecision, lack of interest, incompetence, inter-ministerial turf fights, corruption and nepotism then the persons responsible for implementation should be taken to task. The usual excuse that the finance, planning, cabinet, law divisions did not cooperate will no longer be accepted as a genuine and valid reason because coordinated team work is the hallmark of the cabinet form of government where forums are available to get these conflicts resolved. Our politicians have not experienced real-time accountability because “loyalty to the chief” or “loyalty to the party” have remained the predominant considerations instead of “loyalty to the people” who have elected them. The constitutional amendment under which a MNA or MPA elected on the ticket of a political party crosses the floor or is expelled by the party on disciplinary grounds has to stand for reelection is a powerful tool to safeguard against blackmailing by members who are at crossroads with the party. In the federal, Punjab and Sindh governments, the ruling parties have a clear majority and are in a position to set up this system. Prime Minister Nawaz Sharif has already stressed upon the ministers that they will only be retained if they perform well. How do we measure performance and design the accountabilities associated with it?

In a country full of vested interests, who can manoeuver things to their advantage by false propaganda, rumours, media attacks, innuendos and a culture characterised by sycophancy, subjective judgments can prove to be fatal and do more harm than good. Objective measures with specific goals, agreed performance indicators, and clear assignment of responsibility should be explicitly and openly laid out. At the end of the year, every minister should be given the opportunity to explain the reasons for the nonattainment of goals.

If these are cogent and satisfactory, no action should be taken but if these are vague and unsatisfactory then penal action should be taken beginning with warnings and punitive actions in the future. If actions are taken across the board without any favoritism or nepotism, the process will gain credibility and send a powerful signal to politicians and the bureaucracy and establish that failing to deliver results is no longer an option. The sifarish culture can also be subdued as the ministers and officials can always take the plea that their goals will slip if they indulge in such practices.

How do we apply this approach to a real world situation? Let us take the example of the energy policy. The finance ministry has to clear the circular debt, the Ministry of Water and Power has to notify NEPRA tariffs on time, arrange switching fuel mix from furnace oil to coal, improve the efficiency of the Gencos, reduce the losses and thefts in the Discos by a certain percentage, make them recover the bills from consumers in full and reduce the receivables by a certain amount. The petroleum ministry has to arrange allocation of natural gas to Gencos and IPPs of given volumes, import X amount of petroleum products, procure Y amounts of refined products domestically, arrange Z quantities of coal and so on. The Prime Minister’s Office will discuss and assign these goals with associated performance indicators and deadlines to each of the ministers concerned.

The Privatisation Commission has to arrange the sale of Gencos and Discos. The PM will then convene quarterly meetings of all the ministers responsible for the energy policy, review the progress, remove the bottlenecks and resolve conflicts and ask each one to get on with the job. The minister, in turn, will meet with the heads of the organisations under his control executing the various components of the policy and projects. This will help him in being prepared to face the PM at the review. The heads will follow the same drill with their management teams. Consistency and coordination will be achieved - the main factor responsible for policy-performance gap in this country.

How can the PM afford to have so much time for these reviews? He will only chair meetings of highest priority of his choice; in this case energy, terrorism, Pakistan-China projects and the IMF agreement. The other economic issues can be delegated on his behalf to the planning minister and non-economic issues to the senior minister. There will be a lot of resistance to this approach but the PM should listen to those opposed to it and bring them on board by addressing their genuine concerns. The mechanism will only work if there is widespread ownership and satisfaction with the process.

*The writer is a former governor of SBP*