**MODELS OF LOCAL DEMOCRACY WITHIN A FEDERAL SYSTEM[[1]](#footnote-1)**

**The Experience of Pakistan**

**Ishrat Husain**

I would like to divide my remarks this morning in three parts. First, I would like to focus on the reasons as to why local government system should be strengthened and made effective. Second, I would share the analysis of the Local Government system in Pakistan introduced in 2001 and finally, how can that system be improved and made more responsive to the needs of the common citizens.

**Strengthening Local Government System**

There are at least four compelling reasons as to why the local government system needs to be strengthened.

First, it has become evidently clear that Democracy is the only viable form of promoting the pattern of economic development that is sustainable over time and equitable in the distribution of benefits. We may observe spurts in growth during non-democratic forms of governments but these are soon reversed as the policy actions, however sound they may be, are devoid of legitimacy. Absence of a known exit strategy inherent in non-democratic forms of government induces resentment and uncertainty and results in lack of popular support and at times active resistance. The Arab Spring experience of 2011 lends support to this hypothesis. For a democratic form of government to function smoothly local government is a critical element.

Second, local governments enable a greater participation by the citizens in the management and control of their day to day affairs. Their intimate knowledge of the local problems and the solutions to resolve those problems lead to better outcomes and more efficient utilization of resources compared to a more centralized system of resource allocation. The Soviet model of central planning did not work and decentralized decision making has become the cornerstone of democratic governance. India and Pakistan have also witnessed the perverse outcomes of central planning mechanism and controlling the commanding heights of the economy syndrome.

Third, in developing countries where low levels of income are not propitious for public resource mobilization , empirical evidence across countries ranging from Ghana to Bolivia shows that raising taxes at local level or charging user fees for services rendered is relatively much easier. The tax payers can see the visible benefits of the payments they have made and appropriate those benefits for themselves. They are reluctant to make contributions voluntarily if the payments are made to a central pot remotely located and the utilization of their contribution is neither known nor visible. In a country such as Pakistan where tax-GDP ratio is so low, tinkering with the federal taxes would not yield as much additional resources as gearing up provincial and local taxes and non-tax revenues.

Fourth, in case of Pakistan, research on Deprivation Index has shown that at least eighty out of 120 districts suffer from deprivation of basic services and minimum levels of incomes that are acceptable. The demographic pressures on the other hand, have multiplied the population from 30 million at the time of independence to 180 million today. There is no way that such a large population can be served from Islamabad or the four provincial capitals. The peculiar circumstances and needs of each district require an understanding of its problems and the design of corrective interventions that can address those problems. It is only the local governments with greater participation of the local inhabitants that can plan and execute the strategies that are required and mobilize the resources needed to finance them. A Provincial Government is too big to be able to carry out local projects in any meaningful way.

**Analysis of 2001 Local Government System in Pakistan**

The Local Government System introduced by President Musharraf’s Government in 2001 was short lived and abolished in 2008 as soon as the new governments came to power. The main motivation behind the rejection of the system was that it was designed by a dictator to legitimize his own rule and to build a constituency for eliciting support for himself. This is for the fourth time that the Local Government System has been overthrown in Pakistan. It takes several decades before any new system takes roots and gets solidified but it is most unfortunate that we take so much time in setting up a new system but without testing and trying it out for some time we overthrow it leaving a vacuum. We start the whole exercise ab initio and come up with a new system only to see it consigned to the annals of history after a few years. We keep jogging still at the same place without making any movement forward. The plant of local government needs careful nurturing, watering, tender caring, weeding, but we uproot the plant abruptly and too frequently. That’s why the delivery of basic services to the citizens in Pakistan remains so abysmal and the Deprivation Index has not moved much with the passage of time.

The Local Government System of 2001 has many strengths and equal number of weaknesses.

First, access to services in Pakistan for a person without money or connections is essentially through politicians. Most of the time the Members of National Assembly or Provincial Assembly remain away from their constituencies and are not always easily accessible. The Union Councilors, the Tehsil Nazims and District Nazims on the other hand spend most of their time within areas from where they are elected. Access to them for an ordinary citizen therefore, is relatively much easier and there was some visible improvement in access to services seen du ring the period of new local government system. The pre 2001 system in which the bureaucrats controlled the development departments and had no accountability for results had largely become dysfunctional. The elected Nazims and Councilors had to be responsive because they could lose their offices if they were unable to deliver and were not seen to be solving the problems faced by their electorate.

Second, the trade-offs between various development projects and assigning of priorities was more realistic and pragmatic under this new system as representatives of local communities themselves were empowered to articulate and decide upon the allocations of resources among competing demands. The time consuming, protracted references to the Provincial departments where they invariably got lost in a heap of boundless papers was thus replaced by a more expeditious and sensible process of decision making. The implicit benefit-cost analysis therefore was superior under this decentralized system as costs were contained and benefits realized much earlier than under the previous system. The allocative efficiency under the system was therefore presumably better.

Third, the increased representation of the neglected segment of the society i.e. the female population in the local government system had made it more participatory and broad based. Political empowerment of the women is the first step towards the path of greater economic opportunities and contribution to economic uplift. Given the interest of the female representatives in the social sectors, education, health, water, sanitation got better attention and resources under the vigilant watch of women councilors.

There were many disadvantages of the system that needed to be rectified or removed.

First, the District Nazims were elected indirectly by the Union Nazims and were thus beholden to them and served at their pleasure. Most of the time the budgetary allocations were made not on the basis of the priorities of the district as such but the priorities of the Union Nazims. Thus a large number of small development projects proliferated and the large projects which covered or linked the entire district were neglected. The economies of scale and s cope were ignored in project selection and execution.

Second, there was no administrative linkage between the Union, Tehsil and District Governments. Each tier was supposed to work independent of each other and consequently the lack of coordination among various agencies led to inefficient outcomes. The District Nazim, being the head of the local government, had no statutory or legal powers to convene, consult, arrive at consensus or give directions to the Tehsil Nazim or Union Nazim for resolving problems and conflicts that covered several territorial jurisdictions. Conflict resolution and Coordination mechanisms were thus conspicuous by their absence in the new law.

Third, the conferment of the powers of law and order, revenue records and disaster management upon the District Nazims had given dominance to partisanship and narrow parochial considerations in administration. These functions can best be performed by competent, neutral and non-political civil servants who are trusted equally by all the citizens across the political spectrum. Elected Nazims have an obligation to please their constituencies and are therefore most reluctant to take strong punitive or harsh measures when they know they have to go back to the same people for votes. The weakening of law enforcement system became too apparent as the writ of the State started dissipating. Similarly, the tampering of land revenue records under the directions of certain Nazims also eroded confidence in preservation of property rights. The preference given to their own voters in the distribution of relief goods at the time of earthquake, floods, etc. raised questions about the appropriateness of the Nazims being entrusted with the task of disaster management. The Provincial and district Police Commissions established under the Police order 2002 proved to be non starters and as soon as the Provincial Chief Ministers came to power under President Musharraf they made amendments that ensured these Commissions remain ineffective.

Fourth, the accountability of the local governments assigned to the Local Government Commissions proved to be perfunctory and almost non-existent. The Provincial Governments used back handed tactics to assume the effective control of the departments devolved to the Districts. As the powers of recruitment, transfers and postings, disciplinary actions continued to remain vested in the Provincial departments the diarchy proved to be fatal for effective functioning of the devolved departments. The gap between the law and the actual practices remained wide to the deteriment of the public at large. Corruption at the district government level could not be contained due to inadequate supervisory arrangements evolved by the Provincial Governments.

**Suggestions for Improvement**

The Local Government System of 2001 can be improved by removing the sources of weaknesses, dissatisfaction and inadequacies that became apparent in the actual implementation phase.

The first area for improvement is to divest the District Governments of the powers of Law and Order, Revenue Record maintenance and Disaster Management. These functions should be entrusted to District Coordination officers reporting directly to the Chief Secretaries of the Provincial Governments. Executive magistracy should be restored and the previous arrangement whereby the Police can take orders from the Magistrates before initiating punitive actions, raids, dispersing unruly crowds, arresting criminals and offenders, terrorists, enforcing Section 144, removing encroachments, etc. should be restored. Land Revenue records should be updated, scrutinized and preserved by officials under the supervision of the Provincial Board of Revenue. Disaster Management activities should be taken away from the Nazims and transferred to the Provincial Disaster Management Authorities.

The District Nazims should be elected directly by the voters rather than indirectly by the Union Nazims. The political parties should be allowed to contest the elections and nominate the candidates for all the offices at the Union, Tehsil and District Government tiers. The direct election and involvement of the political parties will give strength to the local governments and also remove the distortions created by a fragmented approach in the distribution of the development schemes. The Provincial Ministers and the members of the Assembly cannot afford to treat the directly elected Nazims in a dismissive manner because like them they derive their power from the people.

The demarcation of responsibilities between the Provincial and District Governments should be drawn more clearly and explicitly and the possible areas of ambiguity and overlap resolved upfront. The Provincial Government should design policies, standards, procedures, rules, regulations and ensure their implementation by the Local Governments. The Provincial Governments should supervise, monitor the activities , finances and outcomes of the local governments and have a transparent process in place that authorizes them to take action against infractions, violations, deviations, malfeasance committed by the local governments. Audit and accountability processes have to be strengthened for this purpose.

The creation of District Service comprising of all the functionaries working in Grades 1-16 would go a long way in empowering the local governments to manage the public servants entrusted with the delivery of basic services effectively and efficiently. The point of interaction between the citizens and the government functionary has to be manned by persons of competence, integrity and commitment. There is an urgent need to change the Thana-Kutchery-Patwari culture that symbolizes the government today. This model is outdated and completely out of sync with the rising expectations of the people.

The Community Citizens Boards (CCB)s) are a useful innovation to promote an all inclusive partnership between public, private sector and NGOs. Given the poor access and quality of education and health in the rural areas of Pakistan the CCBs can supplement the efforts of the government departments in the planning, execution, delivery, monitoring and evaluation of development projects at the level – below the Union Councils. They can be of great help in identifying the location specific constraints which can then be used by the respective departments in preparing their own interventions.

**CONCULSION**

The tension between the elected Provincial Governments and Members of the Provincial and National Assembly on one hand and the elected local governments has been one of the major factors responsible for persistence of under-development and regional disparities in Pakistan. The preoccupation with the narrow self centered considerations of power, privilege and patronage has provided stiff resistance by the elected leaders at the Provincial and Federal levels to any system of democratic governance at the local level. These individuals feel comfortable by having bureaucrats, who are their direct control and can carry out their wishes, run the local governments. To them the elected leaders at the local levels pose a threat as their own sources of patronage and prestige are eroded and have to be shared with so many others. Moreover, the elected local leaders can stand up and challenge the Provincial and Federal Ministers unlike the bureaucrats. The reversion to the 1979 Local Government System, ironically introduced by a military dictator, in some provinces is inherently a manifestation of this unease with elected governments at local level and of a high comfort with the bureaucrats. Little do they realize that it is the collective performance of all tiers of the government that ultimately matters and the average person does not make such a fine distinction between division of responsibilities and roles among different tiers. An effective, well functioning local government system entrenched firmly at the grass roots level will certainly help in enhancing the collective image of the government. The Provincial and the Federal leaders will themselves look good because of the halo effect. It is in the long term interest of good democratic governance that local government system in a Federal structure ought to be strengthened. The emerging trends of demography, urbanization, and rising middle class make it imperative that a decentralized, devolved, de-concentrated and delegated system of government be put in place.

1. Keynote address at the Commonwealth Local Government Forum Seminar on July 6, 2011 at Sheraton Hotel [↑](#footnote-ref-1)