

Opinion

Civil service reforms that work

By Dr Miftah Ismail
October 26, 2018

The newly-installed PTI government has constituted a task force on civil-service reforms. Over the years our governments have tried a number of times to reform the civil service but for various reasons, as eloquently articulated in this newspaper by Mosharraf Zaidi a few weeks ago, all previous efforts have failed.

Most of the failures were not due to a lack of ideas or recommendations, but rather due to an inability to implement reforms. And this inability sprang from reluctance on the part of the bureaucracy to accept reforms.

This time the civil service reform task force has been set up under Dr Ishrat Husain, an adviser to the PM and a former State Bank governor. Dr Ishrat is eminently qualified to head this committee, having written extensively on the subject, and he has selected a team of competent people so we can hope for recommendations that are both realistic and far-reaching. I say realistic here because recommendations that are not owned by the bureaucracy will have no chance of being implemented. Reforms that are too far-reaching or too disruptive may just be, as they were in the past, dead-on-arrival.

To keep things tractable, let's divide our federal bureaucracy in two parts – the lower cadres of grades one to 16 and the higher cadres of grades of 17 to 22. People from grades one to 16 are mostly paid wages that are competitive with the market, and provided guaranteed employment until retirement at age 60. There is tremendous over-employment in these grades, with the government having more drivers, gardeners and telephone operators than it needs. I would guess that about one-third of those currently employed are needed and the other two thirds are on a stipend. Our country and its economy would be better off if these telephone operators, rather than sitting idly in office all day, are employed as salespersons or computer programmers. In government they are essentially adding no value. But realistically and humanely we can now only reduce this size through retirements.

It is the other group, officers in grades 17 to 22, that is considered the heart of the bureaucracy, the people who run the engine of the government. A few hundred of them are hired each year in grade 17 as young officers and most everyone goes on to retire on grades 21 or 22. These people also have security of tenure; they don't really specialise, except in foreign service; and are paid much less than their market value and the responsibilities entrusted to them. It is here that real reform is urgently needed.

People who understand how governments work generally talk about six changes to improve the quality of bureaucracy. First, pay them more – a lot more. In the last budget, the PML-N had kept Rs5 billion extra so that all secretaries, additional secretaries, joint secretaries and section officers could be paid an extra allowance between Rs500,00 per month to Rs100,000 per month depending on the rank. But now that full-fledged reforms are underway, I hope salaries will be brought close to the market and also that salary would be based on performance and responsibilities.

Second, if you need 250 CSS officers a year, hire 400 instead in grade 17 and let go of 50 officers each time they move up one grade from 17 to 20. This would be similar to what the armed forces do but not quite as cutthroat. However, after grade 20 everyone should have security of tenure but no one should be guaranteed automatic promotion. Promotion and pay should still be based on performance. And of course there should be clear and transparent indicators against which performance should be measured. But, as is the case in the private sector, some discretion has to be given to officers' supervisors to set salaries.

Third, foster specialisation. Our elite bureaucrats are prepared to be well-rounded officers who can serve in multiple capacities. But by doing this we stretch people's capabilities. For instance, a bureaucrat friend of mine, a man of integrity and intelligence, has in the last two years served in senior positions in the ministries of education, interior, petroleum, and states and frontier regions. How can one be expected to acquire expertise in all these diverse areas? It is better to form groups of similar ministries and then keep bureaucrats within those groups after they reach mid-level at grade 20, as they now also do in India. For instance, there can be an Economic Group that could include the ministries of finance, revenue, industries, commerce, etc. Another could be a Technical Group which could include ministries of planning, power, petroleum, communications, etc. Still another group could be the Welfare Group which could include education, health, human resources etc.

Fourth, induct by design a few outside professionals every year at grade levels 18 to 22. This would allow outside experts to enter the government and share their skills. And of course once they enter they should be treated at par with everyone else.

Fifth, raise the retirement age from the current 60 to 65. The main reason for this is that normally people get to grade 22 at age 57 and then they have just three years left to serve as a secretary in grade 22. So after the government has trained them for 30-some years, and just when they are at the peak of their game, we retire them. This is counterproductive. With the advances in medicine, people of 65 can now easily work 10 hours a day so there should be no reason to retire them at age 60.

The sixth and last reform is accountability – but away from the current NAB model and towards a model similar to the US General Accounting Office (GAO). In America, the GAO examines the performance of each programme and department and of officers, and where it finds some wrongdoing it reports to the FBI for criminal investigation. A similar process can be used in Pakistan, one that is not seen as victimisation but as true accountability.

These six reforms will ensure a lot of capability, integrity and experience in the government. But of course that won't be enough just by itself. You also need to re-examine the government's rules of business to see where changes can improve working and cut out red tape. At the moment, the biggest problem in the government

is that not only is there no incentive for bureaucrats to work effectively or efficiently but those who do so can get trapped in the accountability process we have, where operational decision very much within the discretion of the officers can be questioned post facto and made a basis for criminal investigation.

Quality matters and good people can and do deliver. One reason Mian Shehbaz Sharif's years as chief minister of Punjab saw hugely improved delivery was that he gathered some excellent officers to serve the Punjab government. And they made Punjab work better. By reforming the civil service we can ensure that the most able young men and women coming out of college choose government service as a career and make Pakistan work better.

The writer has served as federal minister for finance, revenue and economic Affairs.

Twitter: @MiftahIsmail