

An Analysis of the Relationship Between Local and Provincial Governments in Pakistan (2001-2009)

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Abstract

A government branched into national, provincial and local has its own functions and local self-government despite having enormous effects on the citizens has been paid very less tribute to! A local government needs to be strengthened out if democracy is to be kept alive. Decentralization has been opted by various countries for nation-building purposes and programs. In Pakistan, military government supported devolution process and it was pioneered by Gen. Pervaiz Musharraf. It resulted into making of a new scheme of local government and this article is a peep into the making, working and results/outcomes of this process and focuses on the relationship between provincial and local governments from 2001 to 2009. The devolution cannot function if local governments are not granted the power of making their own decisions which has been mostly done by provincial governments early on. This article attempts to throw ample light not only on the relationship of the said governments but also on what levels the manipulation occurred, how did it hinder the development process and troubled the spirit of devolution? Harmonization in all concerned areas is the need of the hour.

Key words: Provincial Government, Local Government, Relationship, Decentralization, Devolution Plan,

Introduction

Local government is a public organization, authorized to administer and decide a limited range of public policies pertaining to a demarcated territory within a larger and sovereign jurisdiction. It is not possible to govern a modern state without extensive local government, rather it is impossible to govern it if local government is not responsive to the demands of a central power and hence, little answerable directly to the citizens (Scruton, 1980). Government and its functions can be divided into three categories i-e national, provincial and local. The executive making of an area or small community i-e town, city and village by the body representing the local population, having a considerable degree of autonomy, raising a part at least of its income through local taxation and spending the proceeds on services, is called local self-government (Steytler, 2005) In spite of the fact that almost everyone is affected by the activities of local government, there is widespread lack of

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understanding and appreciation of the importance of role played by it. The elections in a local government unit reflect the mood and interest of the voters. In developing countries, people display little interest in local affairs. On the other hand, in the USA, France and England where citizens have been enjoying the fruits of liberty for so long, the people show considerable pride in their local governments. If democracy at the national level is to survive, it is extremely essential that its foundations at local level should be strengthened (Lipmatan, 1949)

A particular advantage of local government lies in its ability to arrange for the provision of local public goods and to keep it in line with local tastes and preferences. Areas of local government authority generally contain municipal services, some aspects of social welfare and public order. Role of local government in the political system has been considered mainly in terms of its relationship with central government. Observers from a liberal democratic standpoint have stressed two bases upon which such relationships have been devised since the nineteenth century. First, local government has been considered significant to the encouragement of participation, political education and to the basis upon which services could be provided according to local needs. Therefore, relationships with the centre are based on the partnership of free democratic institutions. Secondly, local government has been seen as quite rational from an administrative point of view because it allows for the efficient provision of public services at the point of service need under the direction of the centre. In a decentralized political system, citizens have more chances to contribute to political decision-making as the whole process of policy making is descended to smaller units.

The rationale behind decentralization is that a larger and higher body should not use functions which can be carried out proficiently by one smaller and lesser body rather the former should support the latter and help it to coordinate its activity with the activities of the whole community. This principle defines subsidiary as the idea that a central authority should have a subsidiary function which it should perform when this cannot be performed effectively at a more immediate or local level. It means that policies should always be made at the lowest possible level, and that the higher level should only legislate when there is unanimous agreement that a uniform regulation is necessary. Devolution of powers guarantees the transfer of political and legal powers to some subordinate institutions, while maintaining, in theory, complete political control over their exercise (Encyclopedia of Democracy) The devolution of powers and the capacity to tax citizens is an important element of decentralization. The extent and scope of these capacities, however, differ greatly from one country to another and over time. The autonomy of decentralized units depends heavily on their fiscal resources, the grants they

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receive, their size and the efficiency of the elected and executive elements. Most of the developing countries, formerly ruled by foreign powers, embarked upon a program of a nation-building and to achieve this opted for a program of decentralization. Pakistan also followed the suit. It however, took time to provide for an institutional network at the grassroots level to accelerate the pace of development. Credit goes to the military rulers who gave to the nation three systems of local government which were different from one another in their makeup and the range of developmental role. The last in the series was the Devolution Plan 2001 which introduced drastic changes in the elected bodies at the grassroots level and provided opportunities of participation to the local councilors in the development process.

There have been three interferences in the devolution process in Pakistan through diverse administrative arrangements of local government since 1947. The three efforts at local government modification in the form of devolution have been undertaken by the three military governments which have taken power through force. The military governments always supported the process of devolution. The democratic governments have intentionally undermined the local government. General Pervaiz Musharraf, who came to power with military's taking control of power on 12 Oct. 1999, launched a comprehensive long-term agenda of reforms and declared good governance as a fundamental pre-requisite for the successful implementation of the said agenda. Under the 'Devolution Plan' (effective August 2001), a new set-up of elected institutions was introduced at the local level with unprecedented quantum of authority to manage local affairs. Devolution of powers was the sixth point of General Pervaiz Musharraf's seven-point agenda. The aims of devolution of power plan were the devolution of political power, decentralization of administrative and financial authorities, and empowering citizens to take substantial control over the delivery of essential services. While in the outside world, elected local bodies have expanded their role in the provision of services but in Pakistan the case is different. Local government institutions are still struggling for achieving a formidable place in the machinery of governance. Gen. Parvaiz Musharraf, the architect of the Devolution Plan, was over enthusiast in strengthening the operational capability of local councils. Provinces were, however, unhappy with certain powers and functions given to District Governments which were termed as an encroachment upon the domain of provinces. This situation continued till the end of 2009 as provincial assemblies were deprived of their powers to amend the local government laws. The military government of Gen. Musharraf established the National Reconstruction Bureau (NRB) to recommend reforms in the local government. According to the Devolution Plan 2001, a new scheme of local government was introduced. The Local Government Ordinance (LGO) 2001 contained a number of significant changes. The central focus of the article

is to examine the relationship between provincial and local governments from 2001 to 2009.

After obtaining independence from colonial rule, governments of most of the third world countries became more centralized during the 1950 and early 1960 (Grover, 2000) The Federal government of Pakistan has attained much power and several functions of provincial government and the latter has acquired many functions of the local government (Ali, 1996). The 1973 constitution of Pakistan classifies powers and functions of the federal and provincial governments. The functions under federal legislative list are performed by the federal government. The concurrent legislative list included functions which could be performed either by the federal or provincial governments or by the both.

Local government system launched by the federal government in 2001 undermined the provincial body. The centre did not decrease its hold over power but reduced the influence of province over the affairs given to the local government (Cheema, Khan, 2006). The resolution to most of the problems in Pakistan lies in a true federal form of government. In spite of non-representative governments, local government was continued to function. It is a reality that local government has obtained large support from non-democratic governments. These governments let the citizens a bit of their share in local affairs, while going their own way at provincial and central level. There was no autonomous or independent local government under the devolution plan. It was the writ and will of the federal government that prevailed during 1999-2009.

1. The local government ordinances were prepared in the federal capital. The provincial governments just issued them. The district administration system was abolished and replaced by new arrangement. The offices of the commissioners, DC, district magistrates and divisional directorates were removed. The motive advanced for doing so was the very striking initiative of “power to the people” (Cheema, Khan, 2006) In fact, the very decision of decentralization was made in a very centralized style. There was little involvement from the public on which this system was imposed. Some selected people planned it (Santiago, 1999). The centralization of political authority has destabilized representative institutions not only at the level of the centre but also at the level of the provinces. Every effort at centralization of political power by the military during the post independence period has originally involved the suspension of elected federal and provincial assemblies (<http://www.cornell.edu/econ/75devconf/papers/cheema.pdf>)

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The international crisis group, in a report released in March 2004, strongly criticized government's efforts at political devolution. The report said that the devolution plan served to strengthen the military rule of President Musharraf government. Policies had drained authority from the provinces and undermined established political parties, while doing little to devolve power, reduce corruption, improve service delivery or establish accountability at the local level. The devolution program, as a whole is good. But, it is not going to deliver unless local bodies have the decision making power to use funds and undertake development schemes. Parliamentarians whether at federal or provincial level, should not be authorized to decide for development schemes, let the local representatives' work out these matters (Social Development in Pakistan, 2006-07)

Local governments were not a central part of the Constitution and had merely been delegated powers by the provincial governments; consequently, it was not surprising that local governments actually owed their existence and powers to the provincial governments. Provincial governments could dismiss local governments by themselves or on the advice of the federal government. Clearly, this was a highly subjective and dominating relationship; local governments did not operate independently from the provincial governments and could hardly exercise any influence. From senior appointments to requests for more resources or the permission to increase taxes and rates, local governments were dependent upon their provinces. It would not be unfair to say that provinces controlled local governments (Shah, 2006). There was no autonomous or independent district government under the devolution plan. The district administration system was eliminated. It was substituted with a new scheme. The offices of district magistrates/ deputy commissioners and divisional directorates along with commissioners' offices had been demolished. The justification advanced for doing so was the very striking idea of "power to the people". In fact, under the new local government scheme, relations between the provincial governments and some districts had generally, been problematical. The print and electronic media highlighted the differences between the two units. District nazims belonging to opponent political parties faced difficulties (Cheema, Khan, 2006)

The following evidences from a report jointly prepared on "Devolution in Pakistan" by the World Bank and Asian Development Bank are significant to the nature of relationship between the provinces and the districts: Political affiliation of the district nazim plays significant role. It has an important impact on the flow of funds between local government and the provinces, on the handling of transfers and appointments of employees and on the execution of local development schemes. In NWFP, all 24 District Nazims resigned on 2 June 2003, to protest political meddling by the Muttahida Majlis-e-Amal. The

main accusation of the Nazims was the appointment of politically sympathetic recruits and transfer of government officials within the districts. Most of the officers working in the districts belonged to the central or provincial governments. They glanced more to the demands of those governments than the requirements of the districts. This situation was prominent in the case of the district police officers. The result was that most senior district staffs did not consider themselves as district employees and therefore were likely to accommodate provincial pressure to transfer subordinate staff. This approach deteriorated accountability of senior staff to local elected representatives (Cheema, Khan, 2006)

Politically motivated inter and intra-district staff transfers were central cause of clash between local and provincial governments. It was the more severe in districts that were not politically aligned with the province. In May 2003, through an order of the finance department, the NWFP government abolished 21 posts in the Bannu district works and services office, including the post of EDO. In Sindh, some district nazims complained to the chief secretary that their DCOs have ordered transfers without consulting them. Nazims had minute authority over the DCO. (Cheema, Khan, 2006, pp.95-96). The district governments were facing certain challenges. Completing devolution was not seen to be inevitable. Though the rejection of the reforms was improbable, particularly the local governments were sheltered under the Sixth Schedule of the Constitution. There was a general view that its completion fixed to sustainability of the Musharraf regime. Politicians and senior staff from the local governments believed themselves to be under threat from the provinces. This sentiment was positively acceptable in districts that were politically opposed to the province. The province could use its administrative control over senior district staff, such as the DCO, to manipulate the implementation of local development schemes and flow of funds (Cheema, Khan, 2006)

The amendments made in the LGO in June, 2005 mostly focused on the provincial government-district administration relationship. The districts had particularly been reduced in "provincial fiefdoms". The chief ministers of the provinces were in a position to control fully the working of the districts. They had authority to issue orders to the districts as before. They were capable to suspend the proposals and orders of the district councils and could suspend and remove the nazims altogether by instituting a formal reference to the local government commissions which were dominated by government nominees (Cheema, Khan, 2006)

Each elected government which has followed the military regimes that introduced local governments, has least disregarded local governments and usually suspended them. This antagonistic relationship between local and

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provincial governments also worked because local government reforms were seen as a means to reduce the power and the delivery functions allocated to provincial politicians. There was no devolution of powers and resources from the federal to the provincial level. These local-provincial government tensions have strengthened during the present reform period (Cheema, Khan, 2006)

Devolution, along with two other types of decentralization (fiscal and administrative), is the transfer of resources and power to lower-level authorities which are largely or wholly independent of higher levels of government, and which are democratic in some way and to some degree (National Reconstruction Bureau, 2000). The effectiveness of fiscal decentralization depends upon the efficient design of a system of transfers and its proper implementation and appropriate revenue or tax assignments (Malik, Hassan, Hussain, 2006) The monetary management in the country has been extremely centralized. Success of the devolution plan largely depends on valuable fiscal decentralization. Fiscal control and over centralization of decision-making in the past has been one of the main causes for the national crisis of governance.

The shift of responsibility from federal to provincial governments does not take place under the devolution plan. The functions of local government need considerable funds, more than the revenue produced by them. They profoundly depend on the fiscal transfers from the provincial governments. Agricultural income tax at the provincial level has the prospect of raising the tax base but it is controlled at the provincial level. To bring about considerable financial devolution, the four provinces founded Provincial Finance Commissions (PFC) to make awards for the division of provincial resources to local governments. The provinces applied a diverse set of criteria and formula for the financial transfer to the tehsil, districts and union managements (Hassan, 2005)

Under the LGO 2001, districts were encouraged to raise revenue. There were two problems; first, certain district taxes were not practical to enforce such as health and education services tax. Second, there was a weak tax base. It was not sensible to expect better output from the districts. The taxes allocated to them were not effective in producing considerable revenue of their own source (World Bank Report, 2004). The taxes that can encourage greater returns should be consigned to districts. Local government should also be supported to charge for some services in order to progress their quality. Administrative autonomy of the districts remained unclear and reduced. The arrangement of the fiscal transfers was administered in such a way that a sizeable part of the budget was not in control of the district government. They were powerless to change composition of the workforce and reallocate resources (Hassan, 2005)

There was overlapping and disagreement in the local government and provincial development activities which hindered the development process. Provincial governments had apprehensions about the transfer of large development funds to the local governments. They feared that their power could be compromised by giving the fiscal charge to the local governments. Provinces also had apprehensions that giving complete autonomy to the local government could vitiate the provincial influence. To get rid of these insecurities and reservations, the responsibilities and roles of the provincial and federal governments should be reidentified (Hassan, 2005). The level of fiscal devolution was inadequate because district governments depended on provincial and finally federal funds, through the provincial finance commission awards. District governments had limited revenue collection authorities.

An important feature of devolution that might limit its influence on outcomes was that it was limited. Provincial authorities continued to exercise great control over both local finances and local administration. The post of DCO replaced the former DC. Although DCOs lacked many of the legal powers of the DC, they still had important managerial and executive responsibilities. The DCO formally reported to the district nazim. The nazim could only request the transfer of the DCO and initiate the DCO's performance evaluation. However, the transfer went through only if the provincial government agreed (Sherdil, Rana, 2008)

The issues of the grievances of the bureaucracy and the provincial governments towards the local governments were the issues that troubled the spirit of devolution. The power for implementation of the local government system lay with the provincial governments. There were rigorous problems in administrative devolution and efficient implementation of the system. Provincial governments demoralized the authority of the local government by controlling the transfer of resources and interference in staff management. The political relationship between the ruling provincial leadership and the nazim played an important role in effecting the system. The implementation of the local development schemes and flow of funds depended on this relationship (Hassan, 2005). There were instances, where there had been no alteration in the administrative level. It happened either because:

2. (a) The entire department was not decentralized. For example departments like the Police and Irrigation have not been devolved at all. Obviously irrigation department has not been devolved because of the important inter jurisdictional spill-overs connected with this service and the police, in order to protect uniformity of this service across the districts in a province. (b) Specific activities in a department have been

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kept at the provincial level. For example most of the educational services having been devolved to the district level. However, university education has remained a provincial subject. Likewise, administration of teaching hospitals (health department), regulation of medical standards (health department) agricultural research and development (agriculture department) and implementation of foreign funded projects (planning and development department) have remained at the provincial level in spite of the devolution of other activities in these departments. (c) Certain budgetary heads of expenditures have effectively been kept at the provincial level. The most important example is salary and allowance expenditures of all department employees. Since most employees in the administrative departments remained provincial employees, the district could not adjust their salary structure or create and reduce posts (<http://www.cornell.edu/econ/75devconf/papers/cheema.pdf>)

Harmonization among the three pillars of governance system, local government, bureaucracy and provinces in the country is important to the success of the local government. After elimination of post of the DC, nazims were in administrative control of the district. The DCO and the DPO reported to the district nazim. A great number of people holding applications did not generally know whom to contact concerning their difficulties. Substituting the single office of DC with a dozen EDOs puzzled the citizens (Anwar, 2005) In theory, the DCO has been subordinated to the nazim. However, real authority resided with the DCO due to vast administrative experience. A clear inequality of institutional relationship existed between the nazim and the DCO (Kennedy, 2001) Inter district transfers of DCOs were politically motivated. It was an area of conflict between local and provincial government. Local governments did not have the autonomy over personnel decisions such as posting, monitoring, hiring and performance. Transfers were frequently used to express rivalries. The local governments could not work appropriately unless they were in charge of the transfer of their own staff (Abbasi, 2005). Although the local government members were elected at the local level, however the supervision was handled at the federal and provincial level. Opposition to local government was harsh where the political association of the provincial government and the nazims differed. Within the local government, lack of investment in capacity building was an essential issue. Most elected representatives at local level did not know their responsibilities. Provinces must invest in capacity building of the staff of the local government (Hassan, 2005)

Conclusion

Local governments are concerned fundamentally with providing services to the local communities' i-e health care, primary education and municipal services. These services are evidently very crucial. The citizens can have easy access to local governments. Local government provides the best training ground for politicians. Local problems can be best handled locally. The central government can only create unlikely problems. It should not meddle in this quarter. Decisions should not go to a higher level (central or provincial government). We need to apply the subsidiary principle in government. It says that decision-making should take place at the lowest level. Decentralization is useful way to solve governance problems in the country. Lack of delegated authority and centralization at lower levels has generated disorder. There is a need for successful third level of government supported by adequate funds to solve people needs. Unhappily, after independence, local bodies in Pakistan were transferred into political stepping-stones to higher positions and lost their limited functions. The letdown was mainly due to lack of cooperation between officials and public representatives, lack of proper technical guidance, and supervision by government supervisor.

It was for the first time in the history of Pakistan that there had been substantial effort to make the bureaucracy work under elected representatives. This produced lot of annoyance in the ranks of civil servants. There was a lack of understanding between the civil servants and nazims, which was hindering the smooth working in the district. The local government system had not been established in federal capital of Pakistan and cantonment areas of towns and cities. It was a significant criticism against the devolution plan. The amendments in the local government law had virtually demolished the autonomy of the districts. The central authority instead of empowering the people had turned local governments into "fiefdoms of the provincial chief minister." He could remove and suspend Nazims after getting a report from the provincial local government commission. The commission contained six members in which five were to be government nominees. In fact, local government was a provincial subject in the 1973 constitution. Local governments were legally empowered in the absence of elected provincial governments. Local government reforms, which characterized a key relocation of provincial resources and functions to the local level, were enacted before the establishment of elected provincial governments. There was a lack of clarity in division of development funds and demarcation of roles among the three levels of local government, which was creating perplexity among the councilors which led to constrained relationships. Although the administration directly reported to the Councilors, many of them complained of helplessness

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in dealing with the bureaucracy. The councilors especially at Union and Tehsil levels were under influence of MPA's, which resulted in defeating the purpose of grassroots approach.

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