Decentralization and Local Government Structures: Key to Strengthening Democracy in Pakistan

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Abstract

Ever since the creation of the country in 1947, Pakistan has tried to form its constitutional foundations on a federalist system of government. Over the years, there have been several attempts at devolving power and resources to the provinces and consequently decentralizing that political and fiscal administration to the lowest levels. However, the lack of continuity in implementing these reforms and power struggle between central and provincial governments has resulted in an inconsistent history of decentralization in Pakistan. Democracies especially have laid less focus on decentralization especially when it has come to the creation of local governments and decentralized administrative structures. With representatives in the national and provincial legislatures often being inaccessible to their constituencies, local governments and representatives from the communities appear as a viable means to efficient service delivery.

Key Words: Local Government, democracy, governance, constitution

Introduction

After the end of the cold war and what many termed the third wave of democratization, the potential for democracy to be the ultimate form of government and the source of solutions to many issues of governance was high. However, many incompetent democratic governments around the developing world and their failure to deliver especially in the economic realm has led to people in many of these countries to look for strong governments or leaders who have the will and the capacity to eliminate social inequalities and assure better economic growth for these countries (White, 2011).

Throughout the developing world, the discrepancy between democratic ideals and their delivery is huge. In many countries, democratic process has been limited to the electoral process and for the larger part of the population, democracy remains only as another name for elections. Such tyranny of the majority has given rise to further marginalization and social exclusion of many communities. Binding democracy to institutional and procedural spheres – often systematically by the political elites – has led to the flight of faith from the democratic process by the people of many developing countries and has in
Conceptualizing Decentralization

Decentralization is essentially a concept used to describe the transfer of power from a centralized government structure to a lower hierarchy of political and administrative structures. On one hand decentralization can occur on an administrative basis where local authorities are responsible for carrying out the administrative tasks at a micro level while on the other, political decentralization has also been a source of debate where decision making authority is transferred to elected, representative and accountable officials (Jesse, 2002). In spirit, decentralization provides the means for a more participatory social and political environment where the general public is as close to the decision making process as possible (Charles, & Susan, 2003).

While the essence of the word decentralization remains the same; decentralization as a process has been interpreted and implemented in various forms and to various degrees around the world. These various interpretations have led to different conceptual implications of decentralization. Additionally, decentralization is often associated with some other similar terms like deconcentration, delegation and devolution. In the coming lines, we will try to compare these terms and understand their small yet key differences (Yuliani, 2004).

Another term used often in conjunction with decentralization is deconcentration. Deconcentration is primarily different from decentralization because of the function of the Central Government. While decentralization refers to the complete transfer of power and administrative responsibilities to a lower a level; deconcentration talks about the relocation of centralized resources and the changes which happen within the Central Government’s structures instead of creating an altogether new structure. In a broader context, it can be argued that deconcentration is not a transfer of power but is merely a shift of responsibilities from the center to local authorities with upward accountability towards the center existing in its entirety. It transfers the authority of central government for certain decision making, administrative and financial functions to local bodies but these local authorities are remain under the jurisdictional authority of the central government. In developing countries around the world, deconcentration is the most common form of decentralization since it is limited in scope and extension (UNDP, 1999). The Commissioner system, historically practiced in Pakistan is a major example of such deconcentration.
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Delegation gives a semi-autonomous governance role to lower-level bodies through legislative guarantees or even through contract. These lower-level bodies can be either organizations or institutions which are either semi-independent or are under indirect government control. In this way, delegation uses less vivid political measures to decentralize authority and power and instead looks to decentralize power administratively through various organizations and institutions. State-owned ventures and development organizations are given power to undertake administrative responsibilities and while they are not wholly answerable to the government, they are legally accountable to it. This way, delegation primarily remains an urban function where institutions like municipal authorities and other state enterprises exist. While delegation is a step ahead from decentralization, it still does not give complete autonomy and independence to the local bodies.

Compared to the other types of decentralization, devolution comes across as a more detailed and comprehensive form of bringing governance and political activity to the lowest possible levels. Different from decentralization, devolution not only transfers power to lower levels but also makes a case for ownership of assets as well as the transfer of whole governance responsibility to the local or sub-national level. Administrative bodies at the provincial, district, local or sub-national level are legally constituted as separate governance bodies. The central government will pave way for devolution by giving up certain functions and/or creating new divisions of government outside of its direct control (UNDP, 1999). Devolution systematically takes governance at the lower levels out of the direct control of the center through constitutional safeguards making regional or provincial governments semi-autonomous in their dealings. In its purest form, devolution should contain certain characteristics:

1. Local government units should be autonomous and independent outside of the direct control or influence of the central government.
2. Local bodies should have clear and strict geographical jurisdictions to exercise their authority
3. Local bodies should have the power and responsibility to acquire resources for the smooth functioning of the government
4. These local governments should be constituted as institutions in order for the public to perceive them as service delivery organizations
5. There should be cooperation between the local authorities and the central government for better delivery of the services to the public (UNDP, 1999).
Looking at devolution this way, decentralization essentially remains a means towards the final end which is devolution of power from the highest cadre of government to the lowest possible cadre (Yuliani, 2002).

**Governance and its Relationship with Decentralization**

Governance is essentially an exercise of political, economic and institutional authority to improve the standard of living of the people in a given society. At the same time, it provides a mechanism for compromise and conciliation where diverse opinions and desires are fulfilled by the state as part of the larger benefit of the society. Since the mandate of governance largely revolves around improving the standard of living of the people, it works at its full capacity and with improved efficacy when the state apparatus is closest to the people themselves. To achieve this objective, states over the years have experimented and rather successfully with the decentralization of the decision making or simply put the decentralization of power.

Governance provides politics with the mechanisms to undertake its primary responsibility which is to create, distribute and redistribute power whether within the political sphere or the society at large. Governance provides the essential bridge between the two ends of the political spectrum; the governed and the governors. This mechanism however, can work at its full capacity only if prerequisites like free and fair elections, accountability, transparency, strong institutions and decentralized power structures are achieved. Around the world, devolution and decentralization have been credited with contributing to the strengthening of democracy, removal of social imbalances and improved services delivery.

It has increasingly emerged on the mainstream political and academic viewpoint that central governments cannot carry out effective governance responsibilities on their own without the existence of an effective and strong local governments system through decentralization. Decentralization provides the important governance function of distribution of power, resources, decision making and administrative responsibilities from central government to sub-national and local governments. While decentralization is widely looked as a political devolution of power, it needs to be understood that an efficient decentralization mechanism would almost always include an economic and administrative decentralization of power and responsibilities. This understanding has led to four classifications or processes of decentralization.

- **Political Decentralization** refers to the transfer of a significant number of power and administrative responsibilities to local government structures while keeping their capacity in mind
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- **Fiscal Decentralization** is the transfer of considerable resources and local tax collection power for these local government structures to function smoothly.

- **Institutional Decentralization** should be able to provide the local population and communities to have an equally strong accountability mechanism for the elected representatives and government officials as the central government.

- **Administrative Decentralization** is the way in which political institutions convert policy decisions into practical public goods through financial and regulatory provisions.

Decentralization’s Role in Strengthening Democracy

Decentralization and democracy converge with ease because democracy itself is a system of governance where decision making is under scrutiny of the controlling influence of the citizens. In a vague observation, democracy is often looked at as a form of “representative” government; however democracy in essence not only needs to be representative but also participatory, inclusive, accountable and transparent. The health of democracy in a given state can be measured on the extent to which its citizens have access to and control over the decision making process.

Decentralization brings government closer to the people making it more accountable to the public and its dealings more transparent. Provision of basic services and resolution of local level problems should always be devolved to local government structures which are closest to the reality of a problem instead of the provincial and national legislatures who cannot be expected to solve every problem in their constituencies given their little understanding of the problem due to a huge gap between the public and legislator especially in developing countries. Service delivery is not the only area which improves from decentralization of power but decentralized structures also become breeding grounds for future political leadership as well as representative institutions for underrepresented groups of the society like women, minorities and the rural population. In essence, the biggest tool for advancing democratic citizenship is bringing power and governance structures closer to the public (Diamond, 2004).

In Pakistan, like many other developing nations, democracy’s credibility is often questioned largely due to the incompetence of democratic regimes and their inability to trickle it down to the general public as an avenue for problem resolution. The combination of powerful individuals and weak institutions has resulted in the lack of accountability and bypassing of the institutional
frameworks by the political elites. In Pakistan, democracy, whenever it has existed, has been limited to the ballet box and that too only for a route to the legislature (Ismail, 2004). Political parties have largely resisted the internal elections as they are dominated by powerful families or in some cases only one family.

Democracy’s earlier experience in Pakistan had been built on faulty foundations of electoral fraud, corruption and criminalization of political process. The elite power structures have held a disproportionate number of seats in the legislature and have effectively hijacked the political, electoral and legislative process. Even the change in governments have hardly had an impact on the policy making or legislation as successive governments have had similar faces due to the same families coming into power because of inter-marriages and family connections (Ismail, 2004). The situation does not change much in the bureaucracy and the military either which are considered as part of the powerful elite in the country.

In an elitist political culture like Pakistan where power has always resided with feudal landlords and industrialist elites, democracy never registered itself as a tool for promoting political equality. This problem has aggregated even further with the growing economic inequalities and marginalization of groups within the society which has bred political and even violent conflict in one way or the other (Ismail, 2004).

Local governments system and the devolution of democracy are pivotal to firmly establishing democratic roots in the society. Bringing the decision making processes close to the masses promises to result in a better acceptance of the democratic evolution of a society. Not only does devolution brings the democratic processes closer to the people but also ignites a sense of political activism in them facilitating the vertical penetration of democracy into the society.

Pakistan’s experience of dictatorial rule provides an interesting reference for devolution of power or more specifically the local government systems. Throughout the country’s history, military rulers have always been interested and more proactive about introducing local governments systems in contrast to civilian rulers who have always shown hesitance in setting up such a system. General Ayub Khan’s concept of Basic Democracy and General Zia ul Haq’s local governments and Majlis-e-Shura all served the purpose of perpetuating power for the military dictators instead of a sincere effort to devolve power to the masses (Rehman, 2000).
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Much of the blame for weak grassroots democratic structures in the country goes to successive civilian governments as well who have always talked about the need for devolution of power but have hardly backed up their claims with strong operational manifestation at ground.

Local Governments Systems and Decentralization in Pakistan

Before the partition of India, decentralization under the British never really took shape due to the Raj’s reluctance to transfer full political and administrative control to the local population. The fact that the Indian society was based on such lines that most communities especially in Western and Northwestern parts of India were dominated by feudal elite made it easier for the British to appease a small number of the local elites and still maintain effective control over the local population. The majority of administrative responsibilities of the British Raj were taken care of by the Deputy Commissioners, an agent of the non-representative bureaucracy, continued to remain at the center of local administrative and often political decision making. The British policy of rewarding a limited number of elites especially in rural India formed a patron-client relationship between the British government and the small number of elite and the political processes in India never really transformed into representative political movements. This is one of the prime reasons why the subcontinent -- having a mature political attitude at the top level of provinces and states -- never developed a strong system of governance on the micro level (Khwaja, Cheema, Qadir, 2003).

The political struggle against the British which resulted in the creation of Pakistan in 1947 was a result of political mobilization at the provincial and higher levels by small political elite until the last few years of the movement and thus there was little stress on local governments and decentralization of power. In addition, the political instability of the country during its first 10 years, made sure that there were hardly any governance reforms at the district and lower levels. The dominance of bureaucracy in handling the state affairs during this time also hijacked the already crippling political processes (Khwaja, Cheema, Qadir, 2003). During the first decade of an independent Pakistan, weakening of traditional forms of local bodies like panchayat and Jirga coincided with the increased power of a centralized system of government and the dominance of civil and military bureaucracy.

Pakistan’s first breakthrough with local governments, ironically, came after General Ayub Khan’s Martial Law of 1958. While it dealt a major blow to democracy at the central and provincial governments’ level, it revived the local government’s system through the Basic Democracies Order 1959 and Municipal Administration Ordinance of 1960 making them the only
representative form of elected government in the country (Khwaja, Cheema, and Qadir, 2003). At the lowest level of this system were the Union Councils directly elected by the public while at the highest level of this system were District Councils which comprised of a combination of directly and indirectly elected members.

While this marked the start of the local government system in the new country, it still remained subject to the controlling authority of government bureaucracy from the center through the age old commissioner system introduced by the British. The biggest criticism on these local governments came in 1962 when they were used by military dictator President Ayub Khan to legitimize his unitary Presidential Constitution of 1962. The 1962 constitution linked the office of the President to the 80,000 members of these local governments and essentially gave them the power of Electoral College for the office of President and the National and Provincial Assemblies (Khwaja, Cheema, and Qadir, 2003).

The end of Ayub’s dictatorship in 1969 and the return of democracy to the country in 1972 started the trend of democracies’ reluctance to conduct local bodies’ elections and concentrate power at the center. The local governments returned to Pakistan after the 1979 overthrow of Zulfiqar Ali Bhutto’s democratically elected government by military dictator General Zia ul Haq. Exactly 20 years after the Basic Democracies Order of 1959, the Local Governments Ordinances (LGOs) of 1979 brought the local governments back on to the government’s national agenda. As was the case with the earlier military regime, the Zia regime also used the local governments as a source of legitimization for its military dictatorship. Since the regime looked at the local governments as just a source of legitimization, they were never completely empowered financially or politically to make independent decisions in their localities. The local governments, both during Ayub and Zia’s era did not enjoy constitutional protection and were subject to suspension by the provinces hence their power and capacity to perform their functions smoothly was limited. However, an improvement in the LGOs was the provision for direct election of members of the local bodies at all levels from the union council to the district level as opposed to the earlier system which provided bureaucracy to be a part of the local government through memberships and chairmanships especially at the district level and provide the central and provincial governments to interfere directly in to its matters. In order to curb the mass support for political parties, create personalized politics at the local level and create a competing political class to mainstream politicians, the local body elections under the LGOs were organized on non-party basis. The personalization of politics became reinforced and more evident when in the 1985 provincial and national assembly election - also held on non-party basis -
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were dominated by the newly emerged political counter elite of local politicians.

The rise of the counter elite on to the national political stage started a rivalry between them and the conventional political elite of the country. This also started a competition for resources especially developmental funding between local representatives and the members of the national or provincial assemblies with both trying to increase influence in their constituencies through large development spending. This rivalry perhaps explains one reason for the democratically elected governments’ evasion and disapproval for decentralization of power since they have historically been dominated by conventional elites from the mainstream political parties. The discretionary spending power of the national and provincial representatives also increased the center and the provinces’ interference into the local governments and limited their political and financial capacity for service delivery. This tug of war eventually resulted in the suspension of the local governments system from 1993 to 1998 and once again it was during a democratically elected government’s time.

As with every other military dictator in Pakistan’s history, local governments system returned to Pakistan after the General Pervez Musharraf toppled the Nawaz Sharif government in 1999. Like Zia, Musharraf announced a plan to devolve and decentralize power soon after taking over. Under his Devolution Plan of 2000, Musharraf organized local bodies’ elections in 2001 and 2006 with adjustments to Zia’s plan of local governments. Under the Local Governments Ordinance of 2001, local government structures penetrated as deep as to the level of Union Councils with an elected Nazim acting as the administrative head of a Union Council. At the district level too, a District Nazim held the responsibilities of executive in the region. The change this time however was the changed responsibilities of the District Coordination Officer (DCO) who stayed the administrative head of the district but was now directly answerable to the District Nazim thus bringing elected officials more power than before.

This system brought some sort of efficiency to the service delivery of the government institutions but since most of the local government representatives at the time were supported by the military regime; the political development of the local government institutions remained limited even though they brought resources, microeconomic development and an accessible system of governance to the lowest level of the society. With the return of democracy and powerful central and provincial legislatures to the country in 2008, local government institutions slowly lost their credibility and became largely dysfunctional. The local government system was first merged
with and later replaced by the age old *commissionerate* system and brought unrepresentative bureaucracies back into local governance.

In a developing country like Pakistan, the importance of local governments and decentralized administrative structures increases exponentially. With little or no communication between legislators and their constituencies, there is little possibility for focused pro public legislation. In such a condition, national and provincial legislators are limited to formulating universal legislation for the whole country while the situation on ground is much more complex to be solved through uniform legislation due to their distinctive problems. In addition, a large number of problems at the local level are of limited in scope and can easily be solved at the local level instead of legislation provided that such administrative structures exist at that level and are accessible to the public. Local governments are also representative of the implementation capacity of the state and its presence to the most micro level of the society giving a sense of belonging to people living in even the most remote areas of country thus not only facilitating the writ of the state (an important variable in an instable country like Pakistan) but also making governance more manageable for the state which has continuously faced a governance crises over the years (Afzal, 2013).

**Constitutional Guarantees and the 18th Amendment**

A fragile political history and frequent change in governments has not only denied democracy from gaining impetus in the society but has also deprived the people from enjoying its benefits in all its entirety. The highly centralized system of government where most of the powers resided with the federal government has historically led to a sense of deprivation in the provinces and has always aggregated their grievances.

The federation has always its mandate whether electoral or otherwise to legislate on provincial subjects without any input from the provinces. This meant that the provincial governments were always tied with the center over their issues without having any constitutional arrangement to recommend, restrict or remove legislation. The few times when two different parties were ruling in the center and the provinces; the country was driven into political instability leading to early elections or the dissolution of the parliament.

Decentralization of power to the provinces is not the only problem facing Pakistan’s federalist identity. The failure to sustain a continuous local government structure has also contributed to the investment of too much power in the center. Article 32 of the 1973 Constitution of Pakistan clearly states that *the state shall encourage local government institutions composed*
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of elected representatives of the areas concerned and in such institutions special representation will be given to peasants, workers and women” (1973 Constitution of Pakistan, 2012). However, the lack of implementation mechanisms for such a constitutional guarantee has always led to an inconsistent and incoherent history of local governments system in the country.

The constitutional constraint led to very less coordination between the center and the provinces both in legislative as well as development policies. The voices rising against unfair distribution of federal resource gradually turned into violent conflict as seen in Baluchistan. While there have been various reasons behind political instability on the country, the unfair distribution of resources and the public’s indifference towards democratic processes can be labeled as two of the major causes. This indifference has largely stemmed from the large gap between the legislative process and the public. Thus, there are very little instances of public initiated legislation in Pakistan’s political history which makes the common man unaware of the differences between a democratic political discourse and authoritative rule. For an average Pakistani, the only difference between a military and civilian government is the uniform and the waistcoat.

An encouraging change in the historical trend of centralized power structures came in April 2010 when an amendment to the constitution devolved many government powers to the provinces. The 18th Amendment to the Constitution of Pakistan promises to facilitate Provincial Governments to make significant policy decisions at the provincial level without interference by the Federal Government (Siddiqui, 2012).

The 18th Amendment in essence, aims to decentralize political power, restrain powers of the Presidency and empower the provinces by transferring a large degree of federal resources, powers and responsibilities to them. The amendment has been seen as a major step towards devolution of power and as a result services provided by the government.

The 18th Amendment, from the start, looked like a major step towards equitable governance and localization of resources which not only provided margin for better accommodation of marginalized provinces like Baluchistan but also provided a framework for elimination of interference by the Federal Government often giving the impression of imperialistic policies by the Federation for the Provinces.

An important aspect of the 18th amendment related directly to local governments and devolution of power structures was the transfer of
responsibility for establishing local governments systems to the provinces where they are required by the constitution to devolve political, administrative and fiscal responsibilities to the local elected bodies. Article 140(A) of the Constitution already set the responsibility for local bodies’ elections to the provinces stating, “Each Province shall, by law, establish a local government system and devolve political, administrative and financial responsibility and authority to the elected representatives of the local governments” (1973 Constitution of Pakistan, 2012). However, over the years, especially with during the military regimes, the power for local bodies’ elections remained with the federal government thus applying a uniform system to all four provinces which was an inherent weakness in the approach as well as a failure to implement the constitution’s provision. The reaffirmation of this responsibility to the provinces provides an important step towards a constitutional assurance for decentralization of political and administrative institutions which promises to bring some degree of continuity to this process which has been lacking in the past.

However, like many policy initiatives in the past, the constitutional settlement in the shape of the 18th amendment continues to exist in theory and little progress has been made in achieving its goals. Most of the provincial mechanism lacks the capacity or resolve to undertake their new mandate. Adding to that, various provincial governments have shown reluctance to hold local bodies elections in fear of losing their mandates acquired during the general elections and the rise of a competitive and alternate governance system which may result in the loss of credibility for the provincial governments. To further worsen the situation, the provinces currently do not have enough revenue generation capacities to actively pursue their new goals and responsibilities (Kugelman, 2012).

**Conclusion**

In the modern world, decentralization is seen as an important step towards strengthening and consolidating democracy in a state. Politically, local government institutions play the role of political nurseries not only for future leadership but also for developing democratic political attitudes of the general public. Local governments and political processes are also beneficial for the political parties to establish firm roots in the masses with a wide scale appeal for their manifestos through efficient service delivery and development carried out through the local governments. Decentralization of political institutions to the local level also guarantees an added confidence in democracy by the masses who gradually realize the power of electoral accountability and democracy’s effectiveness in bringing more competent people into power.
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Decentralization in Pakistan can be a great source of political and administrative empowerment for a large number of people living in villages and local communities. Decentralization can bring specialized allocation for the needs and demands of local communities since the political and administrative structures are closest to the public. This gives power to the public for getting their voices heard and influence decisions which directly affect their lives (World Bank, 2011).

In a country of more than 200 million people, decentralization and local government structures are more than a political necessity. Administratively too, such a large population with a strong rural-urban divide is almost impossible to handle through centralized governance structures. Improved service delivery and overcoming governance challenges can only be possible if resources and decision making is as near to the public as possible. Pakistan is still administratively working on the same system which it did on the evening of 14th August 1947. However, the country’s population at that time was 3.7 million and has risen 600 percent in the last 66 years (Hamid, 2014). In return, bad governance becomes as much of a structural problem as it is a result of incompetence and corruption.

Another important dimension and sometimes a more important one than political and administrative decentralization is the financial or fiscal decentralization of resources to the local governments. If the local governments in Pakistan are to be free of provincial and central governments’ influence, they need to have revenue generation capacity to undergo independent operation. These institutions should not only be independent in utilizing the funds transferred to them by the provincial governments but tax collection and indigenous revenue collection sources should also be transferred gradually to these institutions. Without financial independence, there is no possible way that local governments in Pakistan can stay out of the political influence of provincial governments which will halt their primary purpose of service delivery.

Without political will from the political elite of the country as well as the political parties, a local government system cannot be successful in Pakistan. Successive failures on political parties’ behalf to deliver good governance after getting electoral mandate has led to their apprehensions about going through with any plans of devolving and decentralizing power. The fear of rejection through ballot by the public has made political parties -- whose role for strengthening of democracy should have been more constructive -- give a cold shoulder to substantial decentralization. Military rulers on the other hand have had a liking for local government systems but this has largely garnered out of their desires to gain legitimacy for their unconstitutional, undemocratic role.
The military rulers in the country have ironically used decentralization as a means to create a stronger, centralized government by using local governments as a legitimizing force for their rule.

Another important factor to keep in mind for the Pakistani perspective is the need for different approaches towards rural and urban administration of the localized institutions. The scope of issues as well as management of problems is worlds apart in Pakistan’s rural and urban areas. Without identifying specific policy objectives and measures to achieve them, there would always be an unbalanced relationship between the rural and urban populations on the basis of resource allocation and service delivery.

In the end, it is imperative that democracy and democratic processes in Pakistan work with a strong governance component attached to them. Without providing good governance and service delivery to the public, it almost impossible to develop the right political attitudes and an appreciation for democratic processes in the eyes of the general public especially in country where a large number of population is illiterate and has little or no access to international political developments and experiences. If democracy delivers through better provision of services and competent administration, then Pakistan can strengthen democratic roots in its society and move towards a more consolidated democracy removing fractures for conflict and political instability in the country.
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References:


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