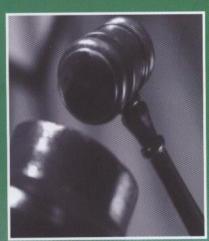
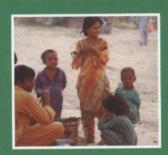


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National Strategy for Better Governance













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NATIONAL STRATEGY FOR BETTER GOVERNANCE

Introduction

Addressing the public meeting Quaid-i-Azam Muhammad Ali Jinnah said:

"The Government can only have for its aim one objective: how to serve the people, how to devise ways and means for their welfare, for their betterment. What other object can the Government have..?"

(Dhaka 21 March 1948)

The question is that if Pakistan has the 2nd largest coal reserves, the 4th largest cotton producer, the 5th largest dairy producer, the 6th largest army, the 6th largest human resource, the 11th largest wheat producer, the 12th largest rice producer. Then despite having a promising power potential, why Pakistan's path to progress remains unclear? Why the country suffers from the humiliation of conditionalities-laden loans to survive and why is it so far behind in the comity of nations, in human development index? These are just a few manifestations of the problems of governance in Pakistan that have the potential to pose a threat to its national security.

Realizing the threat posed to national security, this paper aims at analyzing the governance issues in Pakistan, with a view to formulating a viable and implementable strategy for better governance. The paper is divided into three parts covering the conceptual aspects of governance, analysis of governance issues in Pakistan and a proposed strategy for better governance of Pakistan.

Understanding Governance

In recent years, the issue of how effectively States govern themselves has risen in prominence due to the security and economic repercussions poorly governed States have had on the rest of the international community, apart from the serious impact on their own socio-political cohesion and integrity. This focus on governance has caused a number of academics and international actors to proffer definitions of what comprises 'governance'.

According to Hirst, "Governance can be generally defined as the means by which an activity or ensemble of activities is controlled or directed, such that it delivers an acceptable range of outcomes according to some established standard". This definition refers to the coordinating or guiding function of government in ensuring activities are undertaken and that certain outcomes are achieved for a State; but governance is now perceived to be much more than this. Donor agencies such as the World Bank and the IMF; and Western governments with their associated aid agencies; are now encouraging recipient states to undertake political, administrative and economic reforms in conjunction with receiving funds. Citizens of States too, are demanding more transparency and accountability from their governments – in international parlance; the cry is increasingly for States to instigate Good governance.

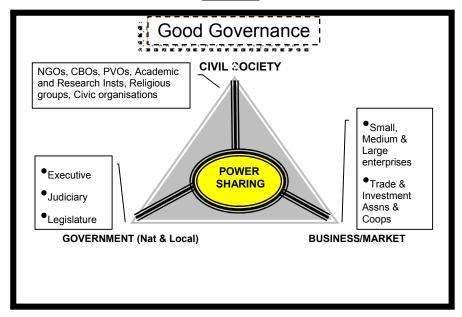
A comprehensive definition of good governance is provided by Abraham who says: "Good governance signifies a participative manner of governing that functions in a responsible, accountable and transparent manner based on the principles of efficiency, legitimacy and consensus for the purpose of promoting the rights of individual citizens and the public interest, thus indicating the exercise of political will for ensuring the material welfare of society and sustainable development with social justice".²

Governance is about "processes", not about "ends"; and that it was the former-Secretary General of the United Nations, Kofi Annan, who said; "Good governance is perhaps the single most important factor in eradicating poverty and promoting development." ³

It should also be remembered that, governance in a State, (be it good or bad), is not something that transforms overnight, rather it is evolutionary in nature, improving or worsening over a span of time. Its immediate condition is not necessarily the result of actions by a current government, but a current government is responsible for setting the conditions as to how governance will evolve into the future.

To be truly representative, there are many actors involved in the processes of governance within the social framework of a society, and key elements of each of the three principal groups being: the government, civil society, and the market. At the centre of this interaction or social contract are the Masses, and playing an important oversight and reporting role is the media as given in Figure 1.

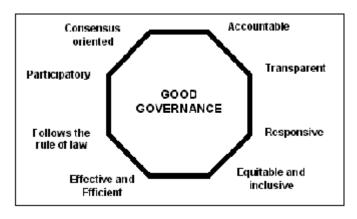
Figure 1



Fundamentals of Good Governance

The United Nations has identified the following eight factors (Figure 2) as forming the core characteristics of Good Governance."

Figure 2



- a. **Participation**. All men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their interests. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively.
- b. Rule of law. Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.
- c. <u>Transparency</u>. Transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.
- d. **Responsiveness**. Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.
- e. <u>Consensus Orientation</u>. There are several actors and as many view points in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term

perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society.

- f. **Equity**. A society's well being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, particularly the most vulnerable, to have opportunities to improve or maintain their well being.
- g. <u>Effectiveness and Efficiency</u>. Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and protection of the environment.
- h. Accountability. Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders. Accountability cannot be enforced without transparency and the rule of law.

Islamic Concept of Governance

With those characteristics in mind, what does this mean for good governance in an Islamic State like Pakistan? In an Islamic State, the concept of governance is guided by several overarching principles. These include:

- a. Abidance to the Rule of Law;
- b. Transparency and accountability;
- c. Dispensation of equal justice for all, including for the rulers and minorities;
- d. Common consultation;
- e. An overarching Command to do what is right and forbidding what is wrong;
- f. Freedom of expression and criticism; and
- g. Respect for human rights.

So, there is no theoretical difference between the good governance principles of an Islamic state, and those adopted by modern secular states.

This brings two very pertinent questions:

- a. Is Governance measurable?
- b. If so, how?

The answer to the first question is YES; and in regard to the second; the international community has broadly accepted the theoretical, analytical and statistical work commissioned by the World Bank to produce the World Governance Indicators (WGIs) as a comparative ratings measurement of the governance of States.⁵

World Governance Indicators (WGI)

Less than a decade ago, in fact, most dimensions of governance was regarded as not measurable, and often writings were subject to long prose. At times, misplaced efforts to count concepts that in essence "do not count" do in fact take place. Thus, the real challenge has been to count what used to be considered uncountable, yet that does count—focusing on conceptually rigorous notions of governance. Significant advances in the analysis and measurement of governance allow in-depth and rigorous analysis and monitoring.⁶

Although the concept of governance is widely discussed among policymakers and scholars, there is as yet no strong consensus around a single definition of governance or institutional quality. Various authors and organizations have produced a wide array of definitions. Daniel Kaufmann, Aart Kraay and Massimo Mastruzzi working for World Bank Institute and the World Bank Development Research Group draw on existing notions of governance, and seek to navigate between overly broad and narrow definitions, to define governance as "the traditions and institutions by which authority in a country is exercised. This includes the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them." They construct two measures of governance corresponding to each of these three areas, resulting in a total of six indicators of governance':

a. <u>Indicator 1 - Voice and Accountability</u>. The extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media. Pakistan's standing in the world in this indicator is given in Table 1. 8

Table 1

	VOICE AND ACCOUNTABILITY						
COUNTRY	2009			2008			
	Est.	S.E.	N.	Est.	S.E.	N.	
Pakistan	-1	0.12	14	-1.01	0.12	14	
Afghanistan	-1.39	0.13	10	-1.24	0.14	10	
Bangladesh	-0.37	0.12	14	-0.55	0.12	14	
India	0.467	0.13	14	0.443	0.13	14	
Malaysia	-0.53	0.12	14	-0.56	0.12	13	
Saudi Arabia	-1.77	0.12	13	-1.68	0.13	12	
Nigeria	-0.85	0.11	17	-0.59	0.11	17	
Japan	1.032	0.15	11	0.97	0.15	11	
France	1.26	0.14	12	1.278	0.14	12	
United	1.306	0.15	11	1.322	0.15	11	
Kingdom							
United States	1.115	0.14	13	1.075	0.14	13	

b. Indicator 2 - Political Stability and Absence of

Violence/Terrorism. The likelihood that the
government will be destabilized or overthrown by

unconstitutional or violent means; including politically motivated violence and terrorism (Table 2).

Table 2

COUNTRY	POLITICAL STABILITY/ ABSENCE OF VIOLENCE AND TERRORISM						
COUNTRI	2009			2008	2008		
	Est.	S.E.	N.	Est.	S.E.	N.	
Pakistan	-2.76	0.22	8	-2.66	0.23	8	
Afghanistan	-2.75	0.26	5	-2.66	0.29	4	
Bangladesh	-1.55	0.22	8	-1.47	0.23	8	
India	-1.19	0.21	9	-0.9	0.22	9	
Malaysia	0.065	0.21	9	0.167	0.22	9	
Saudi Arabia	-0.37	0.22	8	-0.36	0.23	8	
Nigeria	-1.95	0.22	8	-1.98	0.23	8	
Japan	0.954	0.21	9	0.862	0.22	9	
France	0.547	0.21	9	0.583	0.22	9	
UK	0.304	0.21	9	0.498	0.22	9	
United States	0.41	0.21	9	0.524	0.22	9	

c. <u>Indicator 3 - Government Effectiveness</u>. The quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies (Table 3).

Table 3

	GOVERNMENT EFFECTIVENESS							
COUNTRY	2009			2008				
	Est.	S.E.	N.	Est.	S.E.	N.		
Pakistan	-0.93	0.18	11	-0.8	0.18	11		
Afghanistan	-1.56	0.22	8	-1.55	0.23	7		
Bangladesh	-0.99	0.18	11	-0.89	0.18	11		
India	-0.01	0.17	11	-0.01	0.17	11		
Malaysia	0.989	0.17	11	1.135	0.18	10		
Saudi Arabia	-0.09	0.2	8	-0.01	0.2	8		
Nigeria	-1.24	0.17	12	-0.99	0.17	12		
Japan	1.256	0.19	8	1.358	0.2	8		
France	1.442	0.19	8	1.506	0.2	8		
United								
Kingdom	1.476	0.19	8	1.585	0.2	8		
United States	1.388	0.19	8	1.482	0.2	8		

d. <u>Indicator 4 - Regulatory Quality</u>. The ability of the government to formulate and implement sound policies and regulations that permits and promotes private sector development (Table 4).

Table 4

	REGULATORY QUALITY						
COUNTRY	2009			2008			
	Est.	S.E.	N.	Est.	S.E.	N.	
Pakistan	-0.5	0.16	11	-0.57	0.18	11	

Afghanistan	-1.78	0.19	7	-1.69	0.22	6
Bangladesh	-0.79	0.16	11	-0.87	0.18	11
India	-0.28	0.17	11	-0.29	0.18	11
Malaysia	0.335	0.17	11	0.413	0.18	10
Saudi Arabia	0.223	0.2	8	0.126	0.22	8
Nigeria	-0.7	0.16	11	-0.75	0.17	11
Japan	1.068	0.21	8	1.135	0.22	8
France	1.194	0.21	8	1.243	0.22	8
United						
Kingdom	1.537	0.21	8	1.712	0.22	8
United States	1.361	0.21	8	1.508	0.22	8

e. <u>Indicator 5 - Rule of Law</u>. The extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence (Table 5).

Table 5

	RULE OF LAW						
COUNTRY	2009	009			2008		
	Est.	S.E.	N.	Est.	S.E.	N.	
Pakistan	-0.93	0.14	16	-1	0.14	16	
Afghanistan	-2.04	0.18	11	-2.06	0.21	10	
Bangladesh	-0.72	0.14	16	-0.72	0.14	16	
India	0.049	0.14	15	0.117	0.14	15	
Malaysia	0.547	0.14	15	0.493	0.14	14	

Saudi Arabia	0.123	0.16	12	0.212	0.16	11
Nigeria	-1.22	0.13	17	-1.13	0.14	17
Japan	1.315	0.15	12	1.335	0.15	12
France	1.425	0.15	12	1.427	0.15	12
United						
Kingdom	1.706	0.15	11	1.628	0.15	11
United States	1.525	0.15	13	1.632	0.15	12

f. <u>Indicator 6 - Control of Corruption</u>. The extent to which public power is exercised for private gain, including both petty and grand forms of corruption; as well as "capture" of the state by elites and private interests (Table 6).

Table 6

	CONTROL OF CORRUPTION						
COUNTRY	2009			2008			
	Est.	S.E.	N.	Est.	S.E.	N.	
Pakistan	-1.1	0.17	14	-0.78	0.16	14	
Afghanistan	-1.57	0.2	9	-1.63	0.23	8	
Bangladesh	-0.96	0.17	13	-1.13	0.16	13	
India	-0.33	0.14	14	-0.36	0.14	14	
Malaysia	0.021	0.14	14	0.14	0.14	13	
Saudi Arabia	0.146	0.18	9	0.054	0.17	8	
Nigeria	-1.07	0.15	15	-0.84	0.15	15	
South Africa	0.103	0.14	16	0.224	0.14	14	
Brazil	-0.07	0.15	15	-0.05	0.14	14	

Japan	1.35	0.15	11	1.28	0.15	11
France	1.41	0.17	10	1.396	0.16	10
United						
Kingdom	1.544	0.17	9	1.676	0.16	9
United States	1.182	0.15	12	1.462	0.15	12

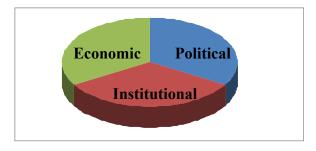
Governance Data Sources for WGI⁹

The WGI project relies exclusively on perceptions - based governance data sources. The data sources include surveys of firms and households, as well as the subjective assessments of a variety of commercial business information providers, non - governmental organizations, and a number of multilateral organizations and other public - sector bodies. Table at Annexure A identifies the 31 sources used in compilation of WGI. Each of these data sources provides a set of empirical proxies for the six indicators of governance mentioned above.

Spectrum of Governance

There are three broad dimensions of governance¹⁰; political, institutional and economic within which the spectrum of governance is configured under four categories¹¹ as given in Figure 2.

Figure 2



Spectrum of Governance

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- a. <u>Legislative Framework</u>. Legislative framework sets the boundaries within which institutions, agencies and agents can operate and therefore addresses issues related to devolution, discretion and accountability.
- b. <u>Institutional Capacity</u>. Institutional capacity identifies the ability of institutions, agencies and agents to identify policies, ensuring coherence, coordination and compliance.
- c. <u>Efficiency</u>. Efficiency ensures the most effective use of resources through resource generation, expenditure planning, expenditure control and regulation and overall public administration.
- d. Management. Management ensures that there is an equitable and transparent access to goods and services and protection of public interest from private intrusion. It addresses issues related to proper use of systems and procedures and mechanisms used for the development of the infrastructure and the delivery of services.

Linkage with National Security – The Link¹²

The linkage between the standard of governance enacted within a state and its national security situation has acquired greater international significance in recent times due to the effects of globalization. In turn, governance matters have a major influence on the national security of a State because of the effect they have on a State's cohesion, integrity and viability.

In looking at governance and its linkage to national security, reference to national security is made in a "comprehensive security" sense, which goes well beyond the traditional requirements of military defense against a specific enemy. Comprehensive security takes into account the impacts that other equally vital, socio-political aspects of security such as food, water, and energy security; economic security; environmental security, communications security, social security and secure citizenry; have, on the overall stability of a nation. The importance of adequately resourcing the military sector is not in question; but it is equally important for a government to appropriately fund these other sectors as well if the people are to feel truly secure in their lives.

Government failure to appropriately address all these aspects will result in poor governance leading to:

- a. An inability to effectively exploit national resources, and develop key economic, energy, industrial and service sectors
- b. Fluctuating or declining economic development.
- c. Under-investment in the education and welfare of the people.
- d. The inability to exploit demographic and geo-strategic strengths.
- e. Breakdowns in national cohesion and internal stability.
- f. Diminishing international prestige and standing of the State.

When such things occur simultaneously, a state becomes incapable of performing its most basic function of providing for the safety and security of its citizens. And *if people are secure so is the state*¹³. Governments of states variously described as fragile, failing or failed are marked by weak public administration, lack of rule of law, an inability to sustain economic growth to enhance the wealth of their nations, and a failure to protect the interests of their citizens.

Conversely, elements of a State's National Power get strengthened through good governance, thus enhancing national security. When the government, civil society and business honour a pact to work together in a harmonious and constructive relationship, it is more likely to result in peace, unity and prosperity in the society.

Good governance alone cannot prevent insurgencies, extremism and terrorism, it is increasingly evident that ineffective or bad governance creates the conditions that increase the prospects of such phenomena materialising and growing in a society. Conversely, good governance generates an environment where in these threats to security are far less likely to develop. Governments that address the causes of dissatisfaction, division and inequality through the application of good governance are more likely to win the "hearts and minds" of the people, and gain their support for strong action against anti-social and anti-national elements.

Good governance is an essential element of national security, and pursuing strategies that lead to better governance in Pakistan will result in a greater sense of national unity and pride, an improved economic condition, and a better security situation for all Pakistanis.

Analysis of Governance Issues in Pakistan

All the developed nations have passed through the evolutionary stages to reach present levels of governance, but are still confronted with the challenges posed by governance issues. The developing nations are generally faced with multiple governance issues and these have been compounded by limited material and financial resources. Pakistan is no exception, and is facing such challenges all along. These governance issues have accumulated in last about 60 years and therefore not necessarily attributable to the present government. Pakistan inherited a governance model from colonial masters, which was designed to run the "RAJ" and not a self governed country. Unfortunately, the inherited model could not modify this model to our own requirements. Keeping in view this context, governance issues will be analyzed objectively and dispassionately, highlighting both the positive and negative contours.

Governance Landscape

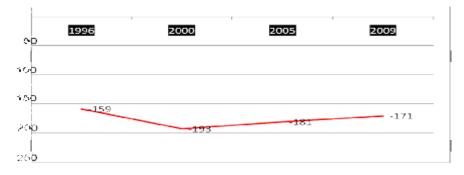
Before making the analysis, let us have a look at the governance landscape of Pakistan. Pakistan is a country of 180 million people, 63 % are less than 25 years of age. Our societal trends radiate Elitist mindset in upper classes, shades of extremism and sectarian disharmony. The Government's writ is not uniform across the country due to prevalent diversities and disparities inherent in our socio-cultural fabric. The literacy rate is as low as

52% and 1/3 rd of the population is living below the poverty line. The inflation is in double digits and the unemployment has increased to alarming 14 %. Due to these factors Pakistan stand at 125th in the world at the Human Development Index. Our progress in achieving the Millennium Development Goals is very slow. The tax to GDP ratio is 9.2 % and the Foreign Debt Burden is around 58.4 Billion Dollars. The country is facing serious shortage of energy also. The six governance indicators have generally been accepted by the world for measurement of governance quality.

Voice and Accountability

The first indicator is "Voice and Accountability" which indicates the freedom, rights and voice of the people. Our constitution provides all the standard rights and freedoms to the citizens. There is freedom of association and expression due to which free media is promoting awareness in the society. There is an elected parliament and functional democracy. However due to non assertive election commission, flaws in the electoral process, phenomena of captive vote and low participation of the masses in the process, the capacity of legislators for formulation of policies is limited. World Bank Development Research Group had under taken a project to measure the governance in the light of these indicators. Horizontal axis of this graph shows years while vertical axis shows numerical ranking of Pakistan out of 217 countries and entities. This ranking against voice and accountability, after a dip in 2000 is progressively improving (Figure 3).

Figure 3



Source: WB Development Research Group

Political Stability and Absence of Violence

The second indicator is "Political Stability and absence of Violence". This indicator measures political harmony, likelihood of Government being overthrown by unconstitutional means or politically motivated violence. After revival of democracy there is consensus on its continuation. There has been an agreement on 18th constitutional amendment to enhance provincial autonomy. There is conscious effort of the government for political inclusiveness. But there is a weak political culture and absence of democratic norms in the political parties. Pakistan has a history of military interventions at regular intervals, which were sanctified by the judiciary. There have been frequent changes in political governments, in fact 14 Prime Ministers in last twenty years. The political instability has contributed towards increased political violence across the country. There have been incidents of target killings, assassination attempts and acts of terrorism. Due to acts of terrorism in last seven years, over 7500 civilians and 2800 security personnel have lost their lives. Despite democratically elected Government, Pakistan's ranking in

the world against this indicator, has been on a constant decline due to incidents of violence and terrorism (Figure 4).

Figure 4



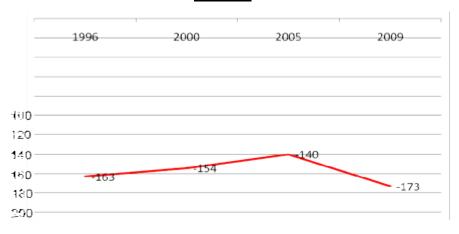
Source: WB Development Research Group

Government Effectiveness

The third indicator is the "Government Effectiveness". This indicator measures the quality of public & civil service and neutrality of bureaucracy. There are established public sector institutions and well organized bureaucracy; the recruitment at senior level is through a transparent process carried out by Federal and Provincial Public Service Commissions. But our weakness against this indicator is marked by politicized bureaucracy. Various efforts to reform and de-politicize Civil Service have been made but without any meaningful success. The last government crafted a devolution plan for delegating powers and responsibilities at local level but implementation was defective and partial. There is lack of coordination in the government agencies and different Ministries, Divisions and Departments are working in silos. The mindset of the civil servants is not towards service delivery and they do not consider themselves to be public servants. There is inadequate collaboration between the government and civil society to make the governance effective and public friendly. Inability to sustain macro-

economic stability is also a problem area leading to increased poverty and unemployment. The major economic indicators are shown in next few graphs. GDP growth was 4.1 % in last financial year and it is going to be 2.5% against the planned 4.0% this year. Fiscal deficit was 6.3% in last financial year. Inflation is in double digits, and trade deficit is more than 15 billion dollars. Due to poor management of public sector enterprises, there have been huge losses to the tune of 245 billion rupees during the last financial year. Due to low tax collection and losses in public sector organizations, government capacity to undertake necessary development projects is limited. In social sector also, there are multiple problems. Only 63% children attend primary schools with two-third dropouts. The education institutions lack facilities. 33 % are without drinking water and 57% without electricity. There is inadequate delivery of service in health sector due to shortage of medical personnel. There has been less than two percent being spent, of GDP on education and less than one percent on health. Manual and non-transparent land records in the absence of e-governance environment are main reason of corrupt practices, violation of rights, resulting into increased crime and violence. Pakistan's ranking on account of Government effectiveness is as shown on the slide. Our ranking on this account is also declining (Figure 5).

Figure 5

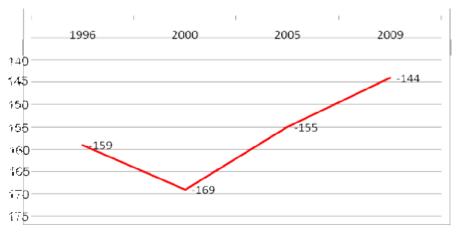


Source: VVB Development Research Group

Regulatory Quality

The fourth indicator is "regulatory quality" which deals with the formulation of sound policies and regulatory control. There have been consistent policies in the form of deregulation, liberalization, and disinvestment. Regulatory framework has been strengthened by establishing competition commission, NEPRA, PPRA, PEMRA and OGRA. But Private sector growth is being hampered due to complex procedures and inadequate human resource development causing shortage of skilled labour force. The host of regulators dealing with small and medium enterprises only collect "speed money". However, there is an improvement in ranking due to establishment of regulatory authorities as shown in the graph (Figure 6).

Figure 6



Source: WB Development Research Group

Rule of Law

The fifth indicator is "Rule of Law" which can be ensured through reforms in judiciary and police. Sincere efforts have been made to reform judiciary in the form of National Judicial Policy and establishment of Judicial and Parliamentary Commissions for transparent appointments in superior judiciary. However, there is a weak system for management and monitoring of subordinate courts. There is lack of transparency causing delays in judicial process. There is absence of integrated management information system in criminal justice administration. Due to these weaknesses, a large number of cases pending in different courts are appended below. The case load on 31 May, 2010 was registered as approximately 1.3 million (Table 5).

Table 5

PENDING CASES IN COURTS								
	Pendency on 31-05-2009	% of overall pendency	Institution	Disposal	Balance on 31-05-2010	%age of overall pendency		
Supreme Court	18,392	1.1%	16385	17,348	17,429	1.3		
All High Courts	150,415	8.6%	164814	144,416	171,658	13.2		
All District Courts	1,577,528	90.2%	2460942	2,930,637	1,105,952	85.3		
Grand Total	1,748,328		2,643,182	3,093,658	1,296,816			

Source: Registrar Supreme Court of Pakistan

The second important pillar for promoting rule of law is the police force. There are multiple problems associated with Police functioning. The Police Order 2002 was introduced to insulate the Police from political pressures and make it accountable to the public but the dream didn't materialize. The Public Safety Commissions and Police Complaint Authorities were either not established or they are not playing effective role. Outdated police model is still operating resulting in the infamous "Thana culture". The citizens do not have the confidence in the police; rather they fear the force due to unfriendly image. The limited capacity of our police force has

also contributed in rise of crime. For example, the incidence of murder has increased from a figure of 20400 to 24000 in one year. The ranking of Pakistan against this indicator is as shown on the slide. There is continuous trend of decline on this account (Figure 7).

Figure 7

150

1996

2000

2005

2009

155

157

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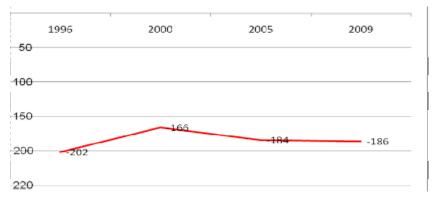
-175

Source: WB Development Research Group

Control of Corruption

The sixth indicator is "Control of Corruption". There are comprehensive laws and there are many agencies to control corruption. But the public does not have confidence in the efforts to eradicate corruption. The world perception is shown in the graphs. Pakistan has shown trend of weak control measures on account of corruption (Figure 8).

Figure 8



Source: VVB Development Research Group

Conclusions

Having carried out analysis of governance, certain important conclusions stand out, which pose challenges for improvement in governance standards.

These challenges are spearheaded by a. Challenges. electoral reforms to increase participation of masses, strengthening key institutions, promoting rule of law and accountability, improving economic management, ensuring good service delivery and above all, addressing human security issues. In order to meet these challenges, there is a requirement to make necessary structural changes in laws, systems, and institutions to ensure transparency, accountability, rule of law and merit but the real challenge lies in transformation of traditional mindset and attitudes. In order to arrest the downslide, a comprehensive drive by co-opting the general public and

- civil society is imperative. Political will and resolve of leadership is critical for this effort.
- b. **Opportunities**. Though the challenges seem to be tremendous, the opportunities available to the nation are also great. The first and foremost opportunity is restoration of democracy and a functioning elected government that can provide a base for upholding the social contract. Then, there is Consensus between all state institutions for continuing democracy and good governance that can be capitalized upon strengthening institutions. Judiciary demonstrating immense resolve to support other state institutions in promoting rule of law. Moreover, Independent media promoting the culture of voice and accountability thereby exercising checks on government machinery. There is growing awareness in civil society for addressing the issue of governance that can promote a culture of accountability, voice and transparency. Resilient and dynamic nation backing the democratic system ready to welcome positive trends and changes. Resolve of government for improving governance, which implies that social transformation can be brought about by attitudinal change.

Strategy for Better Governance of Pakistan

The challenges to Pakistan's national security posed by governance issues are significant and growing as evident from the analysis. But the opportunities highlighted also give us confidence that these challenges can be met if determined measures are undertaken now.

The 18th Constitutional amendment has set the stage for sustainable democracy in Pakistan. The People of Pakistan have great hopes that their elected representatives will be able to overcome these challenges and governance will improve. This will help them overcome their miseries which persist in the form of under nourished children, hunger and disease. They have the natural desire to be seen as useful persons, contributing in a meaningful way, towards societal goals and objectives.

Good governance can only be achieved through the establishment of efficient and strong insinuations, unbiased laws, simple procedures, and effective mechanisms to enforce government polices and ensure accountability and transparency. Analyses reveal that Pakistan lacks the institutional capacity as well as the will to achieve and then sustain a climate of good governance. Therefore, the focus of our strategy would be on to capacity building of the institutions, instead of proposing restructuring and reengineering of institutions.

For devising the strategy the panel's governance vision of Pakistan is:-

"A stable and democratic Pakistan providing quality services to its citizens, where rule of law and accountability are upheld".

Cause and Effect Paradigm

No strategy can effectively be implemented without establishing a relationship between various causal factors identified in our analysis; this is the cause and effect paradigm. The six indicators provide us a frame work for undertaking this analysis.

It is identified that, voice and accountability has an overarching impact on governance issues in Pakistan. This is closely followed by political stability, government effectiveness, regulatory quality, rule of law and control of corruption.

Voice & Accountability

Therefore, the strategy has been formulated to address the deficiencies identified in aforementioned analysis. The first and foremost is to address Voice & Accountability. This will set the stage for attainment of the desire of better governance. The will of the people is to be ensured through freedom to select the government and facilitating their max participation in electoral process. The proposed measures to improve the election process include:-

- a. Effective steps to enhance voters' turnout for max participation in the electoral process.
- b. In the short term, an electronic voting system.
- c. However, in the long-term biometric system of voting be introduced in a phased manner to eliminate chances of bogus voting.
- d. Introduction of on-line voting system which can easily be provided with secure connection like banking system.

Political stability

Voice and accountability has a close relationship with Political stability. That can be achieved by promoting an environment of political harmony, democratic norms and values within the political parties and a culture of zero tolerance of politically motivated crimes. Implementation of this strategy places greater responsibility on political parties. It is proposed that:-

- a. By law, political parties be required to hold party elections at least one year before the elections.
- b. Ensure that their candidates have no criminal record and have been paying taxes.
- c. Discourage the politics of splinter groups and forward blocks.
- d. The parties must promote reconciliation policy at lowest level as well.
- e. Criminal acts should not be tolerated due to political considerations.
- f. The government must also encourage the concept of shadow cabinet. This will encourage informed and healthy debate on national issues.

Government Effectiveness

This is also an important instrument of better governance. Many issues related to this aspect have been highlighted in the analysis portion, however, focus on the following four areas is considered vital:-

a. Civil Service Reforms

- b. Service delivery to the people.
- c. Strengthening of state institutions
- d. Introduction of E-Governance

Civil Services Reforms

The central plank of the restoration of governance should be the reform of the civil service; it is a pre-condition for improved public sector practice performance. Improving the civil service management system is one of the most daunting challenge in Pakistan. The broad policy reform directions that may be followed are as follows:-

- a. **Re Evaluation of Reforms**. The present Civil Service Reform programme needs to be seriously evaluated in detail to assess its strengths and weaknesses. After internal review, a third party validation must be carried out to know whether the programme achieved its desired results or not. Any future reform agenda must take into account the lessons learnt.
- b. Rules of Business / Simplification of Procedures.

 Rules of business at the federal, provincial and district levels should be revised to make them simple, comprehensible, empowering the secretaries/head of department/officers to take decisions without multiple references, clearances and back and forth movement of files.
- c. <u>Coordination and Integrated Action</u>. The mechanisms for horizontal and vertical coordination like Secretaries'

- Committee, Council of Common Interests, Interprovincial Coordination Committee, etc. may be activated and policy decisions and development work should be carried out in an integrated manner.
- d. Transparency in Recruitment. A transparent system of merit based recruitment should be introduced at all levels. Recruitments through Federal and Provincial Public Service Commissions have been acknowledged as transparent. Similar transparency is required in Departmental Selection Committees. The principle, "Recruit for attitude, staff for aptitude and train for skills", should be applied in recruitment and career planning.
- e. <u>Performance Evaluation & Promotions</u>. Performance evaluation has a crucial bearing on the effectiveness and efficiency of any organization. A system of fair and objective assessment of the performance of an employee contributes to an improvement in his personality; identification of his training needs; judging suitability for jobs and boosting his motivation. The promotions of should be based on incentive, productive and quantifiable criteria.
- f. Training / Capacity Building/ Human Resource

 Development. Training needs assessment for capacity
 building should be carried out for career advancement
 and progression of an officer to make him understand

global trends and current management issues. State is the biggest employer in Pakistan and there is an inappropriate skill mix at every level. Through skill development schemes, human capital should be generated which will lead to economic growth.

- g. <u>Better Wages & Salaries</u>. Civil servants should be given competitive salary packages in order to avoid brain drain. This policy would not only retain the talented personnel in the services but also lead to brain circulation within the public sector.
- h. <u>Accountability</u>. Existing Accountability Laws should be implemented and strengthened. The laws should be made universally applicable and internal accountability systems of departments should be strengthened.
- Stability of Tenure. Posting transfers based on political consideration should be discontinued and a specific tenure should be given to every officer. In case of pre mature transfer, cogent reasons should be explained and officers should be given an opportunity of personal hearing for explaining his position.
- j. <u>Recruitment</u>. While the recruitment procedure for grade 17 and above officers is quite transparent, there is a requirement to establish a merit based enrollment system at the middle and lower level in the services as well.

- k. <u>Training</u>. Comprehensive training programme for civil servants based on Training Need Assessment be introduced.
- Induction of Technocrats. The services of technical specialists should be engaged in respective areas of governance for professional handling of organizations.

Service Delivery

The second plank of government effectiveness is service delivery. A sustainable society is best nurtured at the local level, where the interaction between the public and service providers is intense. It is considered that empowerment of local government to deal with the issues of education, health and land record can greatly contribute in providing services to the people at the grass roots level. It is therefore, necessary that provinces be prevailed upon to hold early local bodies' elections.

a. Education

- (1) Curriculum to put emphasis on civic values and responsibilities
- (2) Quality of teachers and their ability to develop tender minds.
- (3) Provide compulsory universal education with standardised syllabus.
- (4) Madrassah reforms should be implemented at the earliest.

b. Health sector

- (1) To improve health administration and ensure resource availability.
- (2) Provide, limited health expenditure cover, for the poor.
- (3) And capacity building of Basic Health Units, including, special incentives for lady doctors.
- c. <u>Land Record System.</u> Corruption free and transparent patwari system is the challenge. The hierarchy of the land revenue department needs to be revamped not by adding more patwaris and officials but by equipping them with the new tools to deal with the problems. Following measured are suggested:-
 - (1) IT technology should be effectively used to make the record of rights transparent and dependable.
 - (2) Automation can help the front offices as well the controlling offices to achieve transparency. This will contribute in achieving the goal of speedy justice as well.

Strengthening of Key State Institutions

Strengthening of state-run institutions is another very important pillar of governance. There are numerous autonomous and semi autonomous key institutions such as State Bank of Pakistan, FBR, PPL, PSO etc, These institutions play an important role in the governance structure of the country. The selection of the Chief Executives of these institutions is an important consideration. The

selection of right person for the right job would make an enormous difference in the efficiency of these public institutions. The piecemeal and ad-hoc manner in which candidates are currently identified and selected has outlived its utility and needs to be replaced by a more structured and transparent process. It is proposed that the Chief Executives of these institutions should be subjected to scrutiny by a competent selection committee. The Selection Committee should be a purely recommending body for proposing a short list of suitable candidates. The composition of the Committee would vary with the nature of the organization and the job.

E-Governance

Another important ingredient for ensuring govt effectiveness is E-Governance. It is recognized internationally as an enabler toward achieving good governance. Introduction of e-governance will bring new ways of listening to citizens and new ways of delivering information and services. This will not only improve the efficiency of the government, but also curtail the arbitrary powers of the lower functionaries, encourage openness, transparency and accountability leading to lesser opportunities for corruption.

Regulatory Quality

To achieve sustained economic growth, a competitive private sector has to be nurtured and relied upon. The government must create space for the growth of new entrants in the private sector by removing the constraints in their entry and smooth operations. To promote private sector growth, the following measures need to be adopted:-

- a. A progressive regulatory policy framework should be put in place to stimulate the economy with special emphasis on enforcement of contracts and streamlining of arbitration processes.
- b. The facility to access all laws, rules and regulations, issued by Government to the general public must be established free of cost in a user-friendly manner.
- c. In conjunction with these recommendations the governance will be further improved if uniform standard of service are developed and disseminated for each type of service rendered.
- d. Delegation of financial and administrative, powers to lower tier of the hierarchy in relation to responsibility.
- e. The panel strongly recommends that the loss making Public Sector Enterprises should be privatised in a phased manner.

Rule of Law

The 5th important aspect of good governance is prevalence of rule of law. There are number of contributory factors in this domain however, our strategy will focus on police and judicial reforms as they provide the basic foundation for prevalence and sustenance of rule of law in any society.

a. Police Reforms

- (1) Enforcement of Police Reforms 2002.
- (2) Immediate establishment of Public Safety

 Commission at different tiers.

- (3) Establishment of a Police Complaint Authority for improved accountability and coordination between public and law enforcement agencies.
- (4) Capacity building and reorganization of Thanas on modern lines
- (5) Introduction of Community Policing where the police and community make joint effort for effective crime control.
- b. <u>Judicial Reforms</u>. The increased availability of justice, particularly to the poor, women and marginalized segments of the society, in a timely manner and at low cost, is the key benchmark of improved governance. Following are recommended:-
 - (1) Observation of internationally recognized criteria for the number of cases per judge.
 - (2) Computerisation of case management is an important step as it will ensure transparency, accountability and speedy justice.
 - (3) Better training of civil judges has remained a neglected aspect. This would include requirement to provide one year of training to the judges after recruitment.
 - (4) Formalization of the alternate dispute resolution mechanisms such as "Panchayats" and "Jirgas" to lessen the burden on the courts. This will also

- address the concerns related to access of timely justice for the poor.
- (5) Introduction of legal reforms by improving the laws in accordance with need of modern times and information technology.

Control of Corruption

The last factor, i.e. control of corruption; should be high on the national agenda as it has become the biggest hurdle in improving governance. Therefore, it has to be dealt with iron hand.

There are two separate but complementary approaches to fight against corruption. First, deterrence is to be achieved by instilling fear through punishment and second by creating environment in the society in which corruption is hated and rejected by everyone. The measures to control corruption include:-

- a. Formulation of comprehensive National Anti Corruption Strategy to tackle corruption issues holistically.
- b. Empowering National Accountability Bureau.
- c. Creation of Over-watch body which will not only oversee all aspects of corruption but also monitor the performance of the Anti Corruption Agencies including NAB and FIA.
- d. There must simultaneously be a moral education program through institutions of learning and development of a pattern of social behavior poised against corruption.

 Corruption of all kinds, and not simply bribe taking and

- extortion, should be socially condemned and the corrupt people disliked from civil society.
- e. Another measure and an extremely important one to check corruption is computerization of records and activities of various public offices. To name a few, computerization of police records, progress of cases in the courts of law, tenders and awards, land records and mutations, facts relating to educational institutions, facts relating to health and population services or information on motorized vehicles can largely reduce unfair practices.
- f. Reduce the role of the state in resource allocation, as it was deemed to create rents and lead to corrupt practices. There are three main routes: privatization, deregulation and simplification of revenue collection and reduction in the number of taxes. The process of privatization should be expedited. Deregulation can be achieved by repeal of unnecessary regulations. With regard to taxation, simplification of procedures and reduction of tax rates would increase significantly government revenues without increasing costs of collection.
- g. Enhance the capacity and oversight functions of the auditor's office to ensure that corruption in service delivery which is the most important for the citizen is minimized.

Complementary Strategy: Attitudinal Change Strategy

The initiatives highlighted in our strategy, may already be known in some way and may be available in the archives, but what is the phenomenon which is leading it to still-birth and adding to the sufferings of the people. To avoid similar fate of the strategy that has been covered, it is sincerely believed that the phenomenon leading to still birth is deep rooted in thinking process. In this backdrop a complementary strategy has been made to help convert our thoughts into action and look at the issue more objectively.

Bad governance is a chronic syndrome which infects the whole body. There is no single symptom but it manifests in all possible disorders. It's like lowering the immune system of the body which becomes incapable to fight the external and internal attacks. Unlike the much feared disease, diagnosis is known, but it is being treated as a common cold which will not work.

Living with known disease makes us complacent towards it and one suffers silently in state of in-action. The common prevalence on such scale makes it murmur in the morning, complain in the afternoon and by evening take it as normal way of life.

All efforts will go in vain without focusing on all the actors who have to play a major role. The successful nations have brought the change by engaging the government, civil society, the market and people in general through awareness programs. There is also a general complaint that no matter what reforms government brings the effect of those are not going to last if attitude is not altered from top to bottom. The people will remain the same, at delivery and

receiving end, and hearing a sentence 'how can I help you" would remain a distant wish.

Attitude and behaviour are woven into the fabric of daily life. Research has shown that individuals register an immediate and automatic reaction of "good" or "bad" towards everything they encounter in less than a second, even before they are aware of having formed an attitude. Advertising, political campaigns, and other persuasive media messages are built on the premise that behaviour follows attitude, and attitude can be influenced with the right message delivered in the right way.

It is considered that attitude change program is the need of the hour to compliment the strategy discussed above, which has been named as "Attitudinal Change Strategy". Four cardinal points for this attitudinal change are honesty, transparency, belief in the people and education. The proposition appears to be very simple. But its implementation is difficult. Change of attitude is a difficult and time consuming process; it is like re-formatting the mind, putting a new program and locking it. It is doable provided the process is supported by the political will.

Establishment of Task Force

The program has to be taken up simultaneously at federal and provincial level through a National Task Force with an aim to improve the governance through attitudinal change by 2020. The program has to run in parallel for change of mindset of service provider, that is government, voice of demand that is civil society

and the market. They all have to help steer the campaign to grand success.

The attitude change program has to encompass a grand theme of "Badlo Soach, Badlo Pakistan" to bring home a message into the masses to participate and help bring-in the change. The selected theme is to be such that a common man can relate to it and be convinced that the campaign outcome will change his life.

The proposed National Task Force is to be composed of person of repute selected from Government, Media, NGOs, Academia, religious scholars and the business community. To design a holistic campaign plan for all segments of society, the task force is to engage renowned change management consultants within the country, who would:-

- a. Develop attitude change management program
- b. Develop objectives and tasks for departments and ministries
- c. Develop Key performance indicators (KPI)
- d. Implement change management program

The task force is to design campaign in three major approaches:

- a. First, it has to have strong element of Cognitive approach relying upon changing the way people think by using information or persuasive communication.
- b. Secondly, the design is to suggest Behavioural approach relying on conscious reward of positive attitudes.

c. Lastly, the design is to promote, Social approach relying on role models and consensus building

The task force is to design campaign in tiers to manage the program in short medium and long term.

It is commonly said that if necessity is the mother of invention, discontent is the father of progress. The prevalent concern about governance is widely accepted in educated segment of the society and equally felt in less educated masses. The force of the concern can be channelized through effective campaign aimed at grassroots level, targeting all sections of the society that is; government, civil society and market, simultaneously. Ten years is not a long time span in the life of young nation like Pakistan, to achieve a degree of attitudinal change.

Conclusion

Pakistan's story of governance is marred by domestic and international concerns, long list of failures and general despair with little interludes of occasional successes. This, by and large, has been consequence of interplay of host of domestic and global factors along the time line of country's life. These influences have been analyzed with a view to present an assessment of their cumulative and synergic effect on the national polity and the resultant impact on the national security. Whereas there can be some difference of opinion with respect to the gauged intensity of various influences, or the order of priority accorded to various goals, certainly there would be consensus on the vitality of good governance as an important element of national security. Better economic, political and

administrative governance would be pivotal in harnessing all the elements of National Security. If despite so many odds the country is moving forward economically, that means its potential for growth and development is way beyond our imagination. Misrule is the only factor holding back the country.

Notes

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¹ Paul Hirst, "Democracy and Governance", in *Debating Governance: Authority, Steering and Democracy*, ed. Jon Pierre (Oxford: Oxford University Press, 2000), 24.

² Surendra Munshi, "Concern for Good Governance in Comparative Perspective", in *Good Governance, Democratic Societies and Globalisation*, eds. Surendra Munshi and Biju P. Abrahams, (London: Sage Publications, 2004), 51.

³ Kofi Annan, "Annual Report of the Secretary-General on the Work of the Organisation", (New York: United Nations, 1998), para 114.

⁴ UNDP Report, "Governance for Sustainable Development", (New York, United Nations, 1997), 14

⁵ See: http://info.worldbank.org/governance/wgi/resources.htm for a full explanation of Worldwide Governance Indicators.

⁶ The World Bank, *Rethinking Governance Empirical Lessons Challenge Orthodoxy* by Daniel Kaufmann, 11 March 2003.

The World Bank Development Research Group, *The Worldwide Governance Indicators - Methodology and Analytical Issues*, by Daniel Kaufmann and others, Policy Research Working Paper 5430, September 2010, 3-4.

⁸ The six governance indicators are measured in units ranging from about -2.5 to 2.5, with higher values corresponding to better governance outcomes. The column labeled "Est." provides the point estimate. The column labeled "S. E." contains the corresponding standard error. The standard errors have the following interpretation: there is roughly a 70% chance that the level of governance lies within plus or minus one standard error of the point estimate of governance. The column labeled "N" contains the number of individual sources of governance data in which each country appears.

⁹ The World Bank Development Research Group, *The Worldwide Governance Indicators - Methodology and Analytical Issues*, by Daniel Kaufmann and others, Policy Research Working Paper 5430, September 2010, 5.

¹⁰ The Governance Working Group of the International Institute of Administrative Sciences 1996.

¹¹ Social Policy and Development Centre (SPDC) Karachi. *Some Issues of Governance in Pakistan*, Conference Paper 39, May 2000.

¹² Address by Gareth Evans to EU-UNU Tokyo Global Forum: Governance Across Borders – National, Regional and Global, United Nations University, Tokyo, 24 January 2002.

¹³ Brigadier General Shahedul Anam Khan, ndc, psc (Retd), "Good Governance and National Security"- BIISS Seminar 3 March, 2010.



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