

REFORMING PAKISTAN'S CIVIL SERVICE

Asia Report N°185 – 16 February 2010

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REFORMING PAKISTAN'S CIVIL SERVICE

EXECUTIVE SUMMARY AND RECOMMENDATIONS

Decades of mismanagement, political manipulation and corruption have rendered Pakistan's civil service incapable of providing effective governance and basic public services. In public perceptions, the country's 2.4 million civil servants are widely seen as unresponsive and corrupt, and bureaucratic procedures cumbersome and exploitative. Bureaucratic dysfunction and low capacity undermine governance, providing opportunities to the military to subvert the democratic transition and to extremists to destabilise the state. The civilian government should prioritise reforms that transform this key institution into a leaner, more effective and accountable body.

General Pervez Musharraf's eight-year military rule left behind a demoralised and inefficient bureaucracy that was used to ensure regime survival. There was a dramatic rise in military encroachments as retired generals were appointed to key civil posts, such as the chairmanship of the Federal Public Service Commission, the premier agency for recruitment and promotions. The military regime's poorly conceived devolution of power led to further administrative confusion and the breakdown of service delivery at the district level, the key administrative unit of governance. The decision to vest revenue and law and order functions in *nazims* (mayors), elected indirectly and on a non-party basis, led to greater collusion between unscrupulous district officials and corrupt police.

The civil bureaucracy's ills, however, predate military rule. Archaic rules and procedures and a rigid hierarchical authority structure have undermined its oversight of a public sector that has expanded considerably since the 1970s. Low salaries, insecure tenure, and obsolete accountability mechanisms have spawned widespread corruption and impunity. Recruitments, postings and promotions are increasingly made on the basis of personal contacts and political affiliation, instead of on merit.

The civil service's falling standards impact mostly Pakistan's poor, widening social and economic divisions between the privileged and underprivileged. With citizens increasingly affected by conflict and militancy, including millions displaced by fighting in the Northwest Frontier Province (NWFP) and the Federally Administered Tribal Areas (FATA), the government's ability to ensure law

and order and provide services such as education and health care will be vital to winning the hearts and minds of the public, and restoring links between the citizen and the state.

Bureaucratic procedures and practices, formal or informal, play a key role in public perceptions of the government's functioning. Both the Pakistan People's Party (PPP), which heads the coalition government at the centre, and its main opposition, the Pakistan Muslim League (Nawaz) (PML-N), have a stake in investing the patience, resources and political capital needed to enhance the bureaucracy's ability to execute government policies and respond to public grievances and needs. Both parties should resist the temptation to again use the bureaucracy for short-term political ends, which undermined its functioning. The government's inability to deliver basic services and good governance could provide an ambitious military leadership the opportunity to intervene.

In the 1990s, the PPP and the PML-N each formed two elected governments but were prevented each time from completing a full term by the military – either through its civilian proxy, the president, or a direct coup in October 1999. The two parties share the blame for that flawed transition, by failing to deliver good governance and as well as a willingness to align with the military against each other. Unsurprisingly, each dismissal, including the October coup, was justified on the grounds of bad governance and corruption. In this, another period of fragile democratic transition, the two parties must realise that repeating past mistakes will again make them vulnerable to military intervention.

If the flaws of an unreformed bureaucracy are not urgently addressed, the government risks losing public support. The recommendations of the National Commission on Government Reforms (NCGR), which was set up by the military regime in 2006 and presented a report to Prime Minister Yusuf Raza Gilani in May 2008, if properly implemented could help reform the civil service.

The international community too can help improve governance by supporting civil service reform, expanding training programs, and providing technological support

and expertise to modernise methods of administration. However, the U.S., EU and other donors should refrain, absent political reform, from supporting bureaucracies such as the FATA secretariat, where unchecked powers and the absence of financial oversight make corruption more likely. They must also condition aid on measures to institute greater accountability and transparency. Indeed, with hundreds of millions more dollars committed for Pakistan's development, for example through the U.S. Enduring Assistance and Cooperation Act 2009, comes increased risk of corruption and waste, particularly if the money is directly channelled to inefficient and unaccountable institutions. If international development funds yield few tangible results, undermining local expectations, the hearts and minds of the Pakistani public will likely be lost rather than won.

RECOMMENDATIONS

To the Government of Pakistan:

1. Enhance civil service performance and revive a spirit of public service by:
 - a) increasing salaries and pensions, particularly for those at the bottom of the hierarchy, providing better housing, transport and health insurance for all government employees, and subsidised schooling for their children;
 - b) conducting regular training, including refresher courses, at all levels of the bureaucracy;
 - c) improving standards of instruction at training institutions to inculcate professional skills as well as norms and practices that reward integrity and professional commitment;
 - d) providing competitive compensation and benefits to attract qualified and motivated instructors;
 - e) linking an officer's performance during training programs with promotions, thus no longer using successful completion as the only yardstick;
 - f) establishing and strictly abiding by new criteria for secretariat appointments to include professional expertise, diversity of experience, demonstrable leadership in public institutions, and ability to tackle challenging assignments;
 - g) modifying Annual Confidential Reports (ACRs) to include tangible, performance-oriented criteria instead of subjective evaluations of officers' characters;
 - h) instituting a transparent and competitive selection process to encourage representation of all occupational groups, and reserving positions in each basic pay scale for officers from each of those groups; and
- i) ensuring that specialists have the same access to training facilities as generalist officers in occupational groups.
2. Eliminate military interference by:
 - a) ending the practice of hiring serving or retired military officers in the civil service and abolishing the annual 10 per cent quota reserved for military officers;
 - b) refraining from renewing contracts of retired military officers presently occupying civil service positions;
 - c) enacting laws barring serving or retired military personnel from heading any institution dealing with civil service training, recruitment or promotions; and
 - d) immediately ending the practice of having senior appointments subject to evaluation and clearance by the military's intelligence agencies.
3. Enhance the functioning of federal and provincial secretariats by:
 - a) reducing excessive centralisation of functions and devolving administrative and financial authority to lower tiers, with effective oversight;
 - b) revising and simplifying existing rules and procedures to ensure that civil servants are informed of their rights and responsibilities;
 - c) ending the systemic bias in favour of generalists by allowing the same opportunities for postings, promotions and career advancement to specialists; and
 - d) reversing the quota for District Management Group (federal) appointees to provincial posts at the level of Basic Pay Scale (BPS) 21 so that 75 per cent of these posts are reserved for provincial civil servants, and the remainder for federal appointees.
4. Institute effective accountability over the civil bureaucracy by:
 - a) implementing the recommendations of the Charter of Democracy, signed between the PPP and PML-N, to set up an independent accountability commission, answerable to the National Assembly's Public Accounts Committee (PAC); this committee would investigate – in tandem with the Federal Investigation Agency (FIA) – alleged malpractice and financial and other corruption by government officials and take disciplinary actions against those found guilty;

- b) empowering federal and provincial ombudsmen to redress public grievances against bureaucratic malpractice; and
 - c) holding federal and provincial secretaries accountable to parliament and provincial assemblies by mandating national and provincial parliamentary committees to hold regular hearings requiring these civil servants to account for efficient use of resources as well as the organisation, management and staffing of their respective departments.
5. Promote fairness and eliminate opportunities for political manipulation at all levels of the civil administration by:
- a) expanding the role of the Federal Public Service Commission (FPSC) from a recruiting agency to one that professionally oversees all aspects of the bureaucracy's functioning;
 - b) mandating parliamentary committees to vet and approve senior civil service appointments, proposed by the FPSC, to ensure that they are made on merit rather than personal or political affiliation, followed by a vote in parliament;
 - c) withdrawing the discretionary power of the prime minister to promote officers to the highest grade in the bureaucracy and transferring it to the FPSC;
 - d) guaranteeing security of tenure and providing civil servants legal protection against postings, transfers and promotions that do not conform to due process;
 - e) empowering the Federal Services Tribunal to monitor postings and transfers, and review civil servants' complaints about arbitrary transfers; and
 - f) replicating these measures in the provinces.
6. Settle the status of the report by the National Commission on Government Reforms (NCGR) by:
- a) constituting a bipartisan parliamentary committee on civil service reform, with half the members nominated by the government and half by the opposition, co-chaired by the prime minister and the leader of the opposition, to assess the report, placing recommendations before the national and provincial assemblies for detailed debate and review;
 - b) once approved, present a final bill on the floor of the National Assembly for a vote; and
 - c) encourage the provincial assemblies to follow suit on reform of the provincial services.
7. Improve land administration and local governance by:
- a) computerising land records;
 - b) making certificates of possession and other land ownership-related documents available at information kiosks in *tehsils* (towns) for a small fixed fee;
 - c) establishing call centres in districts to report requests for bribes, illegal commissions and other abuses, including by the *patwari* (village revenue officer); and
 - d) devolving authority to *tehsil* officials to issue certificates of domicile and related documents, rather than through district headquarters.
8. Modernise civil service systems and processes and enhance inter-agency coordination through e-governance technology by:
- a) making compliance with standards set by the E-Government Directorate (EGD) mandatory for major federal government projects;
 - b) instituting compulsory training in basic information technology processes for all government employees in BPS-5 and above; and
 - c) giving the EGD greater financial and organisational autonomy by converting it from a cell to an attached department of the ministry of information technology.
9. Improve police functioning by having the parliament review the Police Order (2002); setting up a parliamentary subcommittee to deal exclusively with policing; and empowering accountability and managerial bodies such as the public safety commissions and the National Police Management Board.
10. Mainstream FATA's bureaucracy by abolishing the FATA secretariat and the office of the political agent, and transferring their authority to the NWFP secretariat, relevant provincial line ministries and district departments.

To the U.S. and the International Community:

11. Condition FATA aid under the U.S. Enduring Assistance and Cooperation Act 2009 on reform of the region's corrupt and dysfunctional bureaucracy, including the abolition of the FATA secretariat and the office of the political agent, with their powers transferred to the NWFP secretariat, relevant provincial line ministries and district departments.

12. Include technocrats, as well as cadre civil servants, in all public sector capacity building projects, in addition to training schemes at leading international universities and institutes.
13. Build the capacity of civil service training institutions by providing instructors and teaching materials on best international practices of public policy, fiscal policy, financial management, infrastructure development, human resource management, energy and agriculture.
14. Provide technical support for the expansion of E-government technologies, particularly in areas such as land revenue administration, taxation and policing, and leverage aid to press line ministries, departments and agencies to incorporate E-governance processes within their domains.

Islamabad/Brussels, 16 February 2010

REFORMING PAKISTAN'S CIVIL SERVICE

I. INTRODUCTION

Pakistan's civil bureaucracy has too often colluded with the military to retard the growth of democratic institutions and to gain or retain power even under elected civilian governments.¹ At the same time, over-centralisation, corruption and political interference in the civil service have undermined government capacity to deliver public services. Some 30 commissions have been constituted since independence to reform the civil service, but very few recommendations have been accepted or implemented. While the civil service is resistant to radical change, there is genuine and widespread support within the civil bureaucracy for meaningful reforms, particularly those that would serve and promote individual as well as institutional interests.² The political leadership must demonstrate the will to reform the bureaucracy to enhance the legitimacy of state institutions, build more effective, accountable government, and fill a vacuum presently exploited by the military and violent jihadi organisations.

Pakistan's bloated public sector is broadly perceived to exist "only to provide jobs to the unemployable", in the words of a retired senior civil servant.³ There are presently around 2.4 million regular civil servants for a population of 170 million, or one civil servant for every

67 citizens. In comparison, India has one civil servant for every 110 citizens.⁴ Corruption is widespread, and public confidence in government agencies such as the police, the state-owned power sector and the revenue services is particularly low. Every regime change is invariably accompanied by broad transfers and postings of officials at the policy-making levels in the secretariats as well as at the operational level in the districts. This politicisation of the bureaucracy contributes to its dysfunction, with promotions increasingly dependent on officers' proximity to those in power.

Military rule has also gravely undermined the civil service's capacity and professionalism. Co-opted during General Ayub Khan's rule in the 1960s as a willing junior partner, the bureaucracy, led by the elite Civil Service of Pakistan (CSP) cadre, had dominated virtually all institutions of governance. General Zia-ul-Haq chose not so much to co-opt the bureaucracy but rather infiltrated it directly, instituting quotas in the civil service for military officials, and using it to implement his Islamisation policies. General Pervez Musharraf significantly expanded the system of appointing serving and retired military personnel to civil service posts, violating rules and quotas, and deepening the military's control over the civil service. His devolution plan resulted in corrupt bureaucrats joining hands with equally corrupt and unaccountable local officials. "Thanks to Musharraf, the bureaucracy is more demoralised, more politicised, and less efficient than ever before", said a senior civil servant.⁵

Ironically, the military's repeated interventions during the flawed democratic transition in the 1990s were justified on the grounds of redressing inept and corrupt civilian rule. Retaining control over foreign, security and economic policy, the high command impeded the performance of elected governments, appointing and dismissing

¹For more on the bureaucracy's role in Pakistani politics, see Crisis Group Asia Reports N°157, *Reforming Pakistan's Police*, 14 July 2008; N°77, *Devolution in Pakistan: Reform or Regression?*, 22 March 2004; N°40, *Pakistan: Transition to Democracy*, 3 October 2002; and Asia Briefing N°43, *Pakistan's Local Polls: Shoring Up Military Rule*, 22 November 2005.

²Civil servants are barred from forming unions and therefore lack a forum to express collective demands and grievances. While most occupational groups have their own service associations, these are merely social networks. While the bureaucracy, like others, is traditionally wary of reform, there is a growing consensus on reform measures such as merit-based appointments and protection from political interference. Crisis Group interviews, civil servants, countrywide, October 2009-January 2010.

³Crisis Group interview, former federal secretary, Islamabad, 12 November 2009.

⁴"Report of the National Commission for Government Reforms on Reforming the Government in Pakistan", Prime Minister's Secretariat, Government of Pakistan, vol. 1, May 2008, p. 201.

⁵Crisis Group interview, additional secretary, Islamabad, 5 December 2009.

them at will either through a civilian proxy, the president, or a direct coup in October 1999.⁶

A professional, competent civil service will not only be more capable of delivering public services and curbing corruption, it will also fill a governance vacuum that is being exploited by violent extremists and an ambitious and interventionist military leadership. Both the Pakistan People's Party (PPP), which leads a coalition government at the centre, and the main opposition party, the Pakistan Muslim League (Nawaz) (PML-N), have a stake in revitalising public service delivery if a fragile democratic transition is to stabilise.

This report analyses the structure and functioning of Pakistan's civil bureaucracy, identifying critical flaws as well as measures to make it more accountable and able to provide essential public services such as law and order, education and land revenue management. Such reforms are vital if the civil service is to be transformed into a tool of good governance, enhancing in turn the legitimacy of elected governments.

II. THE DEVELOPMENT OF THE BUREAUCRACY

A. COLONIAL HERITAGE

Pakistan's civil bureaucracy has its origins in the Indian Civil Service (ICS), often described as the "steel frame" that enabled the British to rule their large and unwieldy Indian empire. The ICS was established on the recommendations made by the Aitchison Commission, which was set up in 1886 to create a scheme to reform the public service in imperial India. Until then public service employees were divided into those with regular contracts, which specified the nature and terms of service, and those without such agreements. Contractual appointees (the Covenanted Civil Service), were exclusively British until growing demands for local participation led to the creation of a Statutory Civil Service, in which one sixth of the positions previously reserved for the Covenanted Civil Service were filled by Indians nominated by local governments and subsequently approved by the governor general.⁷

The commission's recommendations were to have a far-reaching impact on the development of India's bureaucracy under the British Indian empire and on Pakistan's administrative system after independence. Arguing that the terms "covenanted" and "un-covenanted" contradicted "the realities of the service structure",⁸ the commission recommended the establishment of a new cadre, the Imperial Civil Service of India, subsequently renamed the Indian Civil Service.⁹

The commission also called for the abolition of the Statutory Civil Service and its replacement by the Provincial Civil Service (PCS) – the forerunner of Pakistan's pro-

⁶Granted the power to dismiss government through General Zia-ul-Haq's eighth constitutional amendment (article 58-2-b), the president, acting at the military's behest, repeatedly used this power during the 1990s. Benazir Bhutto's first government was formed in December 1988 and dismissed by the president in August 1990; Nawaz Sharif's first government, formed in November 1990, was sacked in April 1993. Bhutto's second term as prime minister lasted from October 1993 until November 1996. Sharif's second tenure began in 1997 and ended with Musharraf's October 1999 coup.

⁷Until 1858, British authority was represented by the East India Company, which hired both covenanted and un-covenanted employees but reserved higher posts exclusively for the former under the provisions of the East India Company Act of 1793. In practice, however, it proved impossible to find enough covenanted officers to fill the positions created by the company's constantly expanding range of functions. Hence, un-covenanted officers frequently filled covenanted positions. See Charles Kennedy, *Bureaucracy in Pakistan* (Karachi, 1987), pp. 19-20.

⁸Ibid, p. 21. The commission maintained that the Covenanted Civil Service and the Un-covenanted Civil Service had never been distinct and mutually exclusive entities, and that differences in responsibilities and status had become blurred, thus necessitating the creation of a new cadre.

⁹The name "Imperial Civil Service of India" was originally modified by the Government of India to "Civil Service of India" but the initials "ICS" persisted and the cadre became commonly referred to as the Indian Civil Service.

vincial bureaucracy – which would be manned primarily by Indian officers and in which positions would be filled locally by provincial authorities. The Un-covenanted Civil Service, consisting of officers without formal contracts, was divided into two groups: the PCS's higher ranking positions; and junior appointments grouped into a separate cadre called the Subordinate Civil Service.

The PCS's creation introduced a centre-province distinction with ICS officers recruited by the central government primarily for provincial assignments countrywide and also serving at the centre; PCS officers worked only within their respective provinces. By 1935, only the members of two services, the ICS and the Indian Police Service (IPS), known as All-India Services, could be deputed anywhere in the country.

Now at the public service structure's apex, the elite ICS, drawn primarily from the ranks of the Covenanted Civil Service it had replaced, came to represent "the essence of British power in India".¹⁰ Regarded as the most powerful officials in the British empire, never numbering more than 1,000 at a given time, ICS members directed all official activities for British India's 300 million inhabitants.¹¹ At the service's heart were officers known as the Collector, District Officer, District Magistrate (DM) or Deputy Commissioner (DC). Although describing the same individual, these various appellations enumerated his broad powers. Every district was administered by a single ICS official who "collected the revenue, allocated rights in land, relieved famines, improved agriculture, built public works, suppressed revolts, drafted laws, investigated crimes, judged lawsuits, inspected municipalities, schools, hospitals, cooperatives – the list is endless".¹²

The Aitchison Commission thus laid the foundations for the cadre system that was later incorporated virtually wholesale into independent Pakistan. The ICS cadre became the Civil Service of Pakistan (CSP), with minor modifications; the Indian Police Service became the Police Service of Pakistan (PSP); and the External Affairs, Commonwealth Relations and Political Departments eventually became the Pakistan Foreign Service (PFS).¹³

Similarly, the PCS gave way to Pakistan's provincial civil services and other specialised services.¹⁴ The ICS was also the forerunner of the All-Pakistan Services, whose officers were recruited by the central government primarily for provincial assignments but, like their ICS predecessors, also served at the centre. The government designated the CSP and the PSP as the only All-Pakistan Services. The foreign service, audit and accounts, customs and excise, and taxation were all central services whose officers were assigned exclusively to federal positions.¹⁵

B. CIVIL-MILITARY BUREAUCRATIC NEXUS (1947-1973)

For the first decade after independence (1947-1958), Pakistan, while theoretically a parliamentary democracy, was ruled by a cabal of senior civil servants, with the military as junior partner, albeit one with a steadily expanding role in political affairs. General elections were repeatedly postponed. The governor-general, the all-powerful head of state and almost always a former civil servant, regularly dismissed prime ministers, their cabinets and the national and provincial legislatures.¹⁶

The third governor-general, Ghulam Mohammad, a former bureaucrat, launched the first of many extra-constitutional assaults on the legislature when, in 1953, he dismissed Prime Minister Khwaja Nazimuddin even as the latter enjoyed majority support in parliament. A year later he dismissed the Constituent Assembly when it tried to curb his powers. Ghulam Mohammad also formalised the entry of the army into politics by appointing General Ayub Khan, the army's commander-in-chief, as defence minister.

In 1956, Ghulam Muhammad's successor, Iskander Mirza, promulgated Pakistan's first constitution, which established a federal parliamentary system but also gave the president, who now replaced the governor-general as head of state, the power to dismiss the prime minister. Mirza used this power liberally, dismissing four prime ministers between 1956 and 1958, with the support of

¹⁰ Ramesh Kumar Arora and Rajni Goyal, *Indian Public Administration: Institutions and Issues* (New Delhi, 1996), p. 42.

¹¹ Clive Dewey, *Anglo-Indian Attitudes: The Mind of the Indian Civil Service* (London, 1993), p. 3.

¹² *Ibid.*

¹³ Similarly, the Accounts Department of India became the Pakistan Audit and Accounts Service; the Customs and Central Excise departments were merged into the Pakistan Customs and Excise Service; and the Income Tax Service of British India became the Pakistan Taxation Service. Other cadres included the Pakistan Military Lands and Cantonment Service, the Pakistan Postal Service, the Telegraph Engineering Service, the Central Engineering Service, the Information

Service of Pakistan, the Trade Service of Pakistan and the Central Secretariat Service.

¹⁴ Pakistan is a federation comprising four provinces: Balochistan, the Northwest Frontier Province (NWFP), Punjab and Sindh.

¹⁵ Kennedy, *Bureaucracy in Pakistan*, op. cit., pp. 31-36.

¹⁶ From 1947 until 1956, when it became a republic, Pakistan was a dominion and the head of state, the governor-general, was the British monarch's representative. Although a largely ceremonial position, the office of the governor-general was transformed by power-seeking civil bureaucrats into the principal decision-making authority. Crisis Group Report, *Pakistan: Transition to Democracy*, op. cit., p. 5.

the civil bureaucracy and the military high command. In 1958, Ayub deposed Mirza and imposed martial law.

Spearheaded by the elite CSP cadre, the bureaucracy now served as the military's willing junior partner, entrenching patronage politics, marginalising opposition politicians, and helping implement Ayub's domestic agenda. According to a political analyst and retired bureaucrat, "it was the civil service that essentially ran the country during the Ayub era".¹⁷ One of Ayub's first measures was to ban political parties and disqualify hundreds of mainstream politicians from holding elected office through the Elective Bodies (Disqualification) Order (EBDO).¹⁸ Prohibiting "anyone from holding public office who used his political position for personal advantage, or to the detriment of the state", EBDO was selectively used against opposition politicians.¹⁹ Three tribunals, each presided over by a senior judge, but also comprising a civil servant and an army officer of the rank of lieutenant colonel, enforced the order.²⁰

To provide a democratic façade to his rule, Ayub devised a local government system called "Basic Democracy", under which the country was divided into 80,000 single-member constituencies, each electing a member on a non-party basis. Local councils were created at the district and sub-district levels, with roughly half their members nominated instead of elected. These councils received state funds to perform municipal and civic functions, but the district bureaucracy, dominated by CSP members who monopolised the powerful offices of chief secretary, commissioner, deputy commissioner and assistant commissioner, exercised complete authority over the councils, including the power to overrule or suspend council decisions and orders.²¹

Ostensibly meant to devolve power, the Basic Democrats became Ayub's political base and his electoral college. In 1960 they elected him president in a referendum with 95.6 per cent of the vote, and re-elected him in 1965, albeit this time in a contested – but rigged – election.²² By extending the military's control over local

government and establishing a new political base at the grassroots, Basic Democracy centralised control over the federating units. Controlling access to state resources, centrally-appointed district bureaucrats were able to dominate local politics by dealing directly with the new elite, bypassing political parties and isolating them from the electorate.²³

Having abrogated the 1956 constitution, Ayub promulgated a new one in March 1962. Federal in principle, it established a unitary, presidential government. As president, Ayub arrogated to himself unchecked executive powers, including the authority to dismiss the national and provincial legislatures, and retained the Basic Democrats as the electoral college for both the presidency and the national and provincial legislatures.

Domestic resistance to military rule grew in the 1960s, spearheaded by two political parties, Zulfikar Ali Bhutto's Pakistan Peoples Party (PPP) in West Pakistan and Sheikh Mujibur Rahman's Awami League in East Pakistan. In 1969, facing countrywide demonstrations, the military high command forced Ayub to resign, but replaced him with army chief General Yahya Khan who imposed martial law, abrogated the 1962 constitution and scrapped Basic Democracy. Mindful of public resentment of the civil bureaucracy, particularly the CSP, for its role as the "bulwark"²⁴ of Ayub's regime, Yahya Khan suspended 303 senior civil servants on charges of corruption, misconduct or abuse of authority; tried them before specially constituted military tribunals; and then either dismissed them from service or forced their retirement.²⁵ Yahya also established a Services Reorganisation Committee to redress grievances against the bureaucracy.²⁶

The military regime held Pakistan's first general elections in 1970 in the belief that no party would gain a parliamentary majority. The Awami League, however, swept the polls in the Bengali-majority East wing, winning a

¹⁷ Crisis Group interview, Shafqat Mehmood, Lahore, 31 October 2009.

¹⁸ Crisis Group Asia Report N°102, *Authoritarianism and Political Party Reform in Pakistan*, 28 September 2005, p. 3.

¹⁹ Some 6,000 politicians were disqualified from running for public office before EBDO was repealed in December 1966. Philip E. Jones, *The Pakistan Peoples Party: The Rise to Power* (Oxford, 2003), p. 30.

²⁰ Hasan Askari Rizvi, *The Military and Politics in Pakistan 1947-1997* (Lahore, 2000), p. 89.

²¹ Civil bureaucrats, almost always from the CSP cadre, headed all local councils at divisional, district and sub-district levels.

²² Crisis Group Report, *Pakistan: Transition to Democracy*, op. cit., p. 5.

²³ See Crisis Group Report, *Devolution in Pakistan: Reform or Regression?*, op. cit.

²⁴ Kennedy, op. cit., p. 76.

²⁵ Hamid Yusuf, *Pakistan: A Study of Political Developments 1947-97* (Lahore, 1999), p. 116.

²⁶ In contrast to Ayub Khan, who had co-opted the civil bureaucracy and made the CSP cadre in particular the recipient of extensive power and patronage, Yahya Khan preferred to rule through a clique of his most trusted military officials. While there was a noticeable shift in favour of the military in terms of decision-making at the national level, there was no change at the divisional, district and sub-district levels in the provinces, with the CSP cadre continuing to dominate local government. Nor was there any change in the structure of the civil bureaucracy itself, which, in spite of Yahya Khan's purge of 1969, remained too entrenched to allow meaningful internal reform. See Rizvi, op. cit., p. 187.

majority of National Assembly seats and the mandate to form the first elected government.²⁷ Refusing to cede power to their Bengali opponents, the high command launched a military operation in East Pakistan, triggering the civil war that culminated in Indian military intervention and a military defeat that resulted in East Pakistan's secession and the formation of Bangladesh in December 1971.

C. BHUTTO'S ADMINISTRATIVE REFORMS

Forced to resign, Yahya Khan was replaced as president and chief martial law administrator by Zulfikar Ali Bhutto, whose PPP had won a majority of the seats in West Pakistan in the 1970 polls. In 1973 Bhutto adopted a consensus constitution that established a parliamentary government and placed the military under civilian control. He assumed the office of prime minister.

Seeking to curb the civil bureaucracy's power, Bhutto dismissed 1,300 civil servants on the grounds of corruption and incompetence, and instituted reforms to curb the civil service's autonomy and place it under the political executive's control.²⁸ More significantly, Bhutto removed constitutionally guaranteed protections of employment that had previously shielded the bureaucracy from political interference. As a result, the executive could now dismiss even the most senior civil servants merely by issuing a "show-cause notice". According to a retired senior bureaucrat, the withdrawal of these protections "destroyed the civil service by opening the floodgates of political interference".²⁹ Instead of establishing political control and oversight over the bureaucracy, this measure institutionalised manipulation by the political executive.³⁰

Bhutto's administrative reforms also fundamentally changed the bureaucracy's structure. The elite CSP cadre, which dominated civil service positions at all levels of the administration – federal, provincial and district – was

abolished; service distinctions were terminated; and all civil service cadres were labelled "occupational groups". The reforms also ended the practice of reserving positions for members of elite services, hitting members of the now defunct CSP cadre the hardest since they had generally monopolised such "listed posts".³¹ The rank hierarchy that divided civil servants into four classes – ranging from officer-level Class I to menial positions in Class IV – was replaced by a system of 22 national pay grades known as Basic Pay Scales (BPS), covering: workers performing unskilled tasks under BPS-1-4; various categories of clerical personnel under BPS-5-15; superintendents under BPS-16; and officers under BPS-17-22.³²

The CSP cadre was bifurcated into a District Management Group (DMG) and Tribal Areas Group (TAG). While the DMG ran administration in all settled districts, the TAG dealt exclusively with the partially incorporated areas of Balochistan, the Federally Administered Tribal Areas (FATA) adjoining the Northwest Frontier Province (NWFP), and the Northern Areas.³³ The All-Pakistan services, which previously comprised only the CSP and PSP cadres, now comprised the DMG, TAG, the Police Group and a new Secretariat Group, whose membership was open to all officers of the federal services after they attained a level of seniority. The All-Pakistan services were renamed the All-Pakistan Unified Group while other federal services, previously known as Central Services, were designated the Federal Unified Group.³⁴

³¹ Pakistan had retained the British practice of designating certain positions in the All-Pakistan Services as "listed posts", reserved for members of the CSP and PSP. These posts were, however, monopolised by CSP officers, who occupied the most important positions in almost every ministry and division of the federal and provincial governments. Kennedy, *op. cit.*, p. 78.

³² *Ibid.*, p. 10.

³³ For details on FATA and the Northern Areas' ambiguous constitutional status, see Crisis Group Asia Reports N°178, *Pakistan: Countering Militancy in FATA*, 21 October 2009; N°131, *Discord in Pakistan's Northern Areas*, 2 April 2007; and N°125, *Pakistan's Tribal Areas: Appeasing the Militants*, 11 December 2006. See also Asia Briefing N°69, *Pakistan: The Forgotten Conflict in Balochistan*, 22 October 2007; and Asia Report N°119, *Pakistan: The Worsening Conflict in Balochistan*, 14 September 2006.

³⁴ After the elimination of service distinctions, the names of the services in the Federal Unified Group were also altered. Thus, the Pakistan Foreign Service became the Foreign Affairs Group, Pakistan Customs and Excise Service the Customs and Excise Group, the Pakistan Taxation Service the Income Tax Group, Pakistan Postal Service the Postal Group and the Information Service of Pakistan the Information Group. The Pakistan Audit and Accounts Service was transformed into the Audit and Accounts Group after merger with

²⁷ Until 1971, Pakistan consisted of four geographically contiguous western provinces (West Pakistan) and the most populous province of Bengal (East Pakistan), the two wings divided by a thousand miles of Indian territory.

²⁸ Crisis Group Report, *Reforming Pakistan's Police*, *op. cit.*, p. 4. While some analysts have argued that many officers were penalised on flimsy grounds, others believe that the elected government was well within its rights to reprimand a power-hungry bureaucracy that had colluded with the military since the country's independence. See Anwar H. Syed, *The Discourse and Politics of Zulfikar Ali Bhutto* (London, 1992), p. 135; and Yusuf, *op. cit.*, p. 146.

²⁹ Crisis Group interview, former federal secretary, Karachi, 20 October 2009.

³⁰ See Crisis Group Report, *Reforming Pakistan's Police*, *op. cit.*

In a bid to “draw fresh blood”³⁵ into government, Bhutto introduced a scheme known as “Lateral Entry” through which around 5,000 officials of various ranks and grades were directly recruited into the civil bureaucracy. Bypassing the Federal Public Service Commission (FPSC)’s selection process, the cabinet secretary and a Special Selection Board (comprising cabinet members and reporting directly to the prime minister) vetted applicants for posts of additional secretary in the federal secretariat, the second-highest rank in the civil bureaucracy. Unsurprisingly, many “lateral entrants” were recruited more on political grounds than merit.³⁶

Bhutto’s reforms failed to diminish the bureaucracy’s power. Although its organisational structure underwent considerable change, most notably through the CSP’s abolition, the elite cadre continued to enjoy wide-ranging powers. If anything, their authority actually increased as the Bhutto government nationalised some 30 private sector industries, an unprecedented expansion of the public sector that provided the bureaucracy new opportunities for corruption. “Previously the bureaucracy had been confined to its own domain but its members suddenly became heads of banks, industries and other corporations, and discovered how lucrative such positions could be”, said a former federal secretary.³⁷ Ironically, the main beneficiaries of many of Bhutto’s ostensibly populist policies, such as nationalisation, land reforms and labour programs, became “the very civil bureaucrats whom the regime was supposed to be giving a much needed dressing down”.³⁸

D. THE CIVIL SERVICE UNDER ZIA-UL-HAQ

In July 1977, Bhutto was ousted in a military coup by army chief Zia-ul-Haq, and executed in 1979. The military regime, which lasted until Zia’s death in 1988, forcibly suppressed political opposition and launched a far-reaching Islamisation drive to achieve domestic legitimacy with support from the religious right.³⁹ A tradi-

tionally secular civil bureaucracy was now compelled to reframe “the ideological orientation of the civil servant” through measures such as a uniform dress code and enforced prayer breaks during office hours. There was a “minimal emphasis on professional work ethics” so long as officials were deemed “good” Muslims.⁴⁰

Zia established a commission on civil service reforms, which proposed a number of radical departures from Bhutto’s system such as abolishing all occupational groups; creating several technical services to accommodate specialists in fields such as agriculture, education, engineering and medicine; revamping district administration; and creating numerous in-service training institutions.⁴¹ However, aside from ending lateral recruitment and merging the TAG into the DMG, Zia largely retained the federal bureaucratic structure.

Zia institutionalised military induction into the civil service, a practice that had been conducted on an ad hoc basis by earlier regimes, permanently entrenching the military’s presence in the bureaucracy. In 1962, Ayub Khan had introduced a 50 per cent reservation for ex-servicemen in some posts in the bureaucracy and appointed eight army captains to the elite CSP.⁴² Bhutto’s lateral entry scheme had resulted in as many as 83 military officers appointed to senior public service positions.⁴³ While Zia initially only re-employed retired military officers on a contract basis, in 1980, he decreed that 10 per cent of vacancies in the federal bureaucracy at BPS-17 and 18 would be reserved for retired or released military officers. These officers would not be selected by the FPSC but by a High Powered Selection Committee headed by Zia himself.

The committee would also fill 10 per cent of senior vacancies (BPS-19 and above) in the Secretariat Group, Foreign Affairs Group, Accounts Group and Information Group. Former military officers would also be employed on three- to five-year contracts. Many officers of the rank of brigadier and above were thus inducted as federal and provincial secretaries. In 1982, eighteen out of 42 ambassadors were retired military officers. In 1985, a serving major general was chosen to head the Intelligence Bureau, the country’s main civilian intelligence

the Pakistan Military Accounts Service and the Pakistan Railway Accounts Service. Over the last three decades, however, a number of services have reassumed their old names, most prominently the Police Group which is presently known as the Police Service of Pakistan (PSP), and the Foreign Affairs Group, now known as the Foreign Service of Pakistan (FSP).

³⁵ Ayesha Jalal, *Democracy and Authoritarianism in South Asia: A Comparative and Historical Perspective* (Lahore, 1995), p. 82.

³⁶ Crisis Group Report, *Reforming Pakistan’s Police*, op. cit.

³⁷ Crisis Group interview, Karachi, 20 October 2009.

³⁸ Jalal, op. cit., p. 82.

³⁹ For more on Zia’s Islamisation, see Crisis Group Asia Reports N°36, *Pakistan: Madrasas, Extremism and the Military*, 29 July 2002; N°49, *Pakistan: The Mullahs and the Military*,

20 March 2003; and N°95, *The State of Sectarianism in Pakistan*, 18 April 2005.

⁴⁰ Saeed Shafqat and Saeed Wahla, “Experimenting with Democratic Governance: The Impact of the 2001 Local Government Ordinance on Pakistan’s Bureaucracy”, in Charles H. Kennedy and Cynthia Botterton (eds.), *Pakistan 2005* (Karachi, 2006), p. 206.

⁴¹ Kennedy, op. cit., p. 101.

⁴² Ibid, p. 122.

⁴³ Ibid.

outfit, for the first time.⁴⁴ By 1985, 98 former military officers were permanently inducted in BPS-17 and 18 posts, while 111 held senior appointments on contract.⁴⁵ The bureaucracy was thus “reduced to a wholly subordinate role by the regime’s policy of grafting military officers to key jobs in the central and provincial administrations, public sector industries as well as other semi-government and autonomous organisations”.⁴⁶

Like Ayub, Zia also used local bodies to cloak a highly centralised, authoritarian system of government under the garb of decentralisation, establishing three tiers of local government in the rural areas – union (village), *tehsil* (town) and *zila* (district) – and three tiers in urban areas – town committees, municipal committees and municipal corporations.⁴⁷ Non-party elections to union councils/town committees were held in 1979, 1983 and 1987. These elected councillors served as the electoral college for *zila* and *tehsil* council chairmen. While the local council’s main responsibilities were the management of small-scale public welfare and development activities, civil bureaucrats (commissioners and deputy commissioners), who served as ex-officio, non-voting members of the *zila* councils, retained control over general administration and law and order.

Spawning a new local political elite that owed its allegiance to the military regime, Zia’s local government scheme systematically eroded bureaucratic neutrality at the lower levels of administration.⁴⁸ “It was during Zia’s period that officers from the DMG and the PSP, in particular, became the power base for local politicians at the district level”, said a former bureaucrat who had served as deputy commissioner in Punjab during the 1980s.⁴⁹

E. THE BUREAUCRACY UNDER CIVILIAN RULE

The democratic interlude of the 1990s saw Benazir Bhutto’s PPP and Nawaz Sharif’s PML-N each forming governments twice, but prevented each time from completing a full term by the military through its civilian proxy, the president, and in the case of Sharif’s second government, through Musharraf’s October 1999 coup. Bent on undermining each other, the PPP and the PML-

N did little to bolster parliamentary democracy, instead entering into untenable alliances with the military to gain power. They also further eroded bureaucratic neutrality through large-scale postings and transfers of civil officials, at both the district and policy-making levels in the federal and provincial secretariats, with each change of government.

“Bhutto and Sharif both had their own ‘team’ of civil servants who were patronised and promoted not on merit but on their perceived loyalty to their respective political masters”, said a retired bureaucrat, who had served as federal secretary during the 1990s.⁵⁰ Appointing senior officers known for their political affiliation rather than their professionalism, Bhutto and Sharif created “an atmosphere where the corrupt could get away with their schemes – be they politicians, tax-evading businessmen, or self-serving civil servants”.⁵¹ The military exploited this perception of rampant corruption to justify its political interventions, masking the actual goal, to retain control over foreign and domestic policy.⁵²

The democratic transition also saw Zia’s local government scheme gradually decompose: local bodies were dissolved in the NWFP in 1991, in Sindh in 1992, and in Punjab in 1993. The primary motivations were political, rather than the desire to improve governance and curb corruption. Wary of the electoral influence of local officials, who had served as willing clients of a military regime, elected governments opted to appoint administrators – regular federal and/or provincially appointed civil servants – to run local councils.⁵³

⁴⁴ Rizvi, op. cit., p. 182.

⁴⁵ Kennedy, op. cit., pp. 122-123.

⁴⁶ Jalal, op. cit., pp. 104-105.

⁴⁷ Crisis Group Report, *Devolution in Pakistan: Reform or Regression?*, op. cit., p. 4.

⁴⁸ For more on Zia’s local government system, see Crisis Group report, *Devolution in Pakistan: Reform or Regression?*, op. cit.

⁴⁹ Crisis Group interview, Shafqat Mehmood, Lahore, 31 October 2009.

⁵⁰ Crisis Group interview, Islamabad, 6 November 2009.

⁵¹ Shafqat and Wahla, op. cit., p. 208.

⁵² For example, the October 1999 coup was primarily the result of Musharraf’s Kargil misadventure, when military operations across the Line of Control dividing Indian and Pakistan-administered Kashmir brought the two nuclear-armed adversaries to the brink of all-out war, forcing the U.S. to intervene diplomatically. Prime Minister Sharif blamed army chief Musharraf and attempted to dismiss him. Musharraf retaliated by ousting the Sharif government and seizing power. See Crisis Group Asia Report N°35, *Kashmir: Confrontation and Miscalculation*, 11 July 2003.

⁵³ See Crisis Group Report, *Devolution in Pakistan: Reform or Regression?*, op. cit.

III. MILITARY RULE AND CIVIL SERVICE REFORM

A. RESTRUCTURING DISTRICT ADMINISTRATION

Musharraf, like Ayub and Zia, seized on the idea of using local government to achieve legitimacy and consolidate military rule. In 2001, the newly created National Reconstruction Bureau, headed by a retired lieutenant general, devised a Devolution of Power Plan that established three tiers of local government at the district, *tehsil* (sub-district) and union levels. Musharraf's devolution plan differed considerably from Zia's local government system since administrative and developmental powers were delegated to locally elected officials.⁵⁴

The plan subordinated district officials to the indirectly elected district *nazim* (mayor). The posts of deputy commissioner/district magistrate and assistant commissioner/sub-divisional magistrate, who had traditionally controlled executive, judicial and revenue functions in the district, were abolished and replaced by an administrative structure headed by a district coordination officer (DCO) directly responsible to the *nazim*. Magisterial powers were transferred to district and sessions judges,⁵⁵ and revenue and police oversight powers to the district *nazim*.

This restructuring had less to do with improving governance than extending the regime's reach to the local level, sidelining mainstream political parties and bypassing the provincial legislatures. Critics also charged the military regime of colluding with officials in occupational groups such as the police and the income tax group to cut the powerful DMG down to size. "By abolishing the office of the deputy commissioner ostensibly in the name of 'grassroots democracy', the military actually intended to eliminate a potential institutional competitor and thereby ensure unimpeded control over the districts through the new institution of the *nazim*", said a former Sindh chief secretary.⁵⁶

Under the DCO, in order of seniority, were a number of executive district officers (EDO), district officers (DO) and deputy district officers (DDO). Each *tehsil* administration was headed by a *tehsil*/town *nazim* assisted by a *tehsil*/town municipal officer (TMO), the senior-most administrative officer at the *tehsil* level. The lowest tier

of local government, the union council, was headed by a union *nazim* assisted by up to three union secretaries who coordinated community development and service delivery. Since all three tiers operated independently of each other, the resultant administrative confusion and conflicts over jurisdictional rights undermined service delivery. "The DCO and TMO are seldom on the same page, leading to painfully slow progress on developmental projects. If the district and *tehsil nazims* are political rivals, it can even lead to administrative paralysis", said a district officer in Sukkur, Sindh.⁵⁷

As many as eleven provincial departments were devolved to the districts, with an EDO heading each department. The DCO coordinated the activities of all district departments and exercised general supervision over all projects and service delivery mechanisms.⁵⁸ Provincial administrators also still exercised considerable influence on district functioning through an extensive network of departmental linkages. As a result, district officials were forced to "balance the demands of the *nazim* with the often conflicting orders of their provincial bosses".⁵⁹

Given the absence of accountability of the district *nazim*, opportunities for corruption also increased. While the provincial Local Government Commission could conduct special audits and inspections of district government, these were at best sporadic and no substitute for permanent, institutionalised checks and balances.⁶⁰ Moreover, the DCO, now the district's principal accounting officer as well as head of the district development committee that approved development schemes, was not accountable to either the provincial legislature or the district council. "In financial and administrative matters, the office of the DCO is more powerful now than its predecessor, the deputy commissioner, before devolution", said a district officer in Sindh. "Therefore, if the *nazim* and DCO decide to make common cause, there is virtually no limit to the corruption that they can commit".⁶¹

Most civil servants interviewed for this report argued that Musharraf's devolution plan undermined administrative efficiency, compromised bureaucratic neutrality and eroded civil service morale. They insisted that the previous system, while certainly flawed, was not as

⁵⁴ Ibid.

⁵⁵ For details on Pakistan's judicial structure, see Asia Report N°86, *Building Judicial Independence in Pakistan*, 9 November 2004.

⁵⁶ Crisis Group interview, Kunwar Idris, Karachi, 24 October 2009.

⁵⁷ Crisis Group interview, district officer, Sukkur, 23 October 2009.

⁵⁸ These local government departments were: Coordination; Agriculture; Community development; Education; Finance and Planning; Health; Information Technology; Law; Literacy; Revenue; and Works and Services.

⁵⁹ Crisis Group interview, district officer, Lahore, 1 November 2009.

⁶⁰ Crisis Group Report, *Devolution in Pakistan: Reform or Regression?*, op. cit., p. 16.

⁶¹ Crisis Group interview, Sukkur, 23 October 2009.

dysfunctional as a non-party based order, rooted in the politics of patronage, ethnicity and caste.⁶² Most civil servants also argued that responsibility for law and order and revenue should not belong to *nazims* but to non-partisan administrators who would not be swayed by personal or political considerations. "All developmental functions must remain in the hands of elected officials", said a former deputy commissioner of Karachi, "but control over revenue and the police must be placed in the hands of a neutral administrator who should, at the same time, be subject to ruthless accountability. Only then can public confidence in the institutions of the state be restored".⁶³ Another added: "I was a supporter of devolution to start off with but am now convinced by its disastrous implementation that the deputy commissioner must be restored as the nucleus of administrative authority in the district".⁶⁴

Although the constitution designates local bodies a provincial subject, Musharraf had placed his devolution plan under the Sixth Schedule of the constitution, requiring presidential approval for amendment. That requirement lapsed on 31 December 2009, allowing provincial assemblies to legislate on the local bodies in their provinces. Provincial governments in Punjab, NWFP and Balochistan, critical of Musharraf's devolution scheme, appear inclined to restore the executive magistracy, granting a district's deputy commissioner magisterial powers. In January 2010, the Balochistan provincial assembly unanimously passed a bill to dissolve local bodies, dismiss all *nazims* and replace them with administrators until fresh local elections were held within a year.⁶⁵ The Awami National Party (ANP)-led government in the NWFP has produced a draft Local Government Act that proposes significant reductions in the powers of *nazims* and other elected officials and a corresponding increase in the district bureaucracy's authority.⁶⁶

The PML-N-led Punjab government has restored the office of commissioner while "incrementally reviving the magisterial functions of the DCO".⁶⁷ It has also introduced legislation to appoint administrators to replace *nazims* until the devolution scheme is revised, and local polls held on a party basis. The proposed Punjab Local Govern-

ment Act 2010 envisages a return to Zia's Local Government Ordinance of 1979, also restoring the rural-urban divide (discussed above) abolished by Musharraf's devolution scheme.⁶⁸ The Muttahida Qaumi Movement (MQM), the PPP's coalition partner in the Sindh government, a major beneficiary of Musharraf's devolution scheme, particularly in urban Sindh, wants to retain the *nazim* system.⁶⁹

While there is indeed pressing need for the devolution of political, administrative and economic power, any new scheme must avoid past pitfalls by taking into account the legitimate concerns of elected politicians and provincial governments. Party-based, direct elections for local government positions are crucial to ensure electoral accountability of local officials and curtail the divisive impact of non-partisan elections. Yet any reforms to district government will have little chance of success absent broader civil service reform that addresses the inherent problems of weak capacity, over-centralisation and widespread corruption.

B. MILITARISING THE CIVIL SERVICES

Musharraf's nine-year rule also saw a dramatic rise in military interference in the civil bureaucracy. Shortly after assuming power, Musharraf appointed army monitoring teams to supervise civil administration at all levels – from the sub-division and district to federal and provincial departments. "In what was perhaps the most humiliating exercise that the civil bureaucracy was ever subjected to in Pakistan's history, junior military officers of the rank of major and even captain supervised and evaluated the performance of senior civil servants", said a former federal secretary, adding that, "as a result, morale in the bureaucracy plummeted".⁷⁰ The appointment of 3,500 serving and retired military personnel to these monitoring teams, ostensibly in the name of reduc-

⁶² Crisis Group interviews, civil servants, Karachi, Gujranwala, Lahore and Sukkur, October-November 2009.

⁶³ Crisis Group interview, Kunwar Idris, Karachi, 24 October 2009.

⁶⁴ Crisis Group interview, Shafqat Mehmood, Lahore, 31 October 2009.

⁶⁵ Saleem Shahid, "Nazims' reign ends in Balochistan", *Dawn*, 10 January 2010.

⁶⁶ Mohammed Ali Khan, "NWFP prefers Zia over Musharraf", *Dawn*, 13 August 2009.

⁶⁷ Crisis Group interview, district officer, Gujranwala, 14 November 2009.

⁶⁸ Jawad R. Awan, "PML-N to reintroduce LG system in Punjab", *The Nation*, 3 January 2010. Under Zia's local bodies system, rural and urban areas were distinct political entities, divided into union and district councils for rural districts, and town committees, municipal and metropolitan corporations for urban ones. With the ostensible aim of mitigating this rural-urban divide, Musharraf's devolution system decreed that *tehsils* would include both rural as well as urban union councils. See Crisis Group Report, *Devolution in Pakistan: Reform or Regression?*, op. cit., p. 8.

⁶⁹ Imtiaz Ali, "Neutral caretaker set-up necessary to ensure transparency in LB elections", *The News*, 7 January 2010.

⁷⁰ Crisis Group interview, Islamabad, 19 November 2009.

ing corruption, increasing accountability and monitoring governance, instead led to a blatant abuse of authority.⁷¹

Military officials were also appointed to key civilian posts, including the chairmanship of the Federal Public Service Commission (FPSC), which is responsible for recruitment of the federal bureaucracy. Military officers, some serving but mostly retired, were appointed heads of a large number of civilian organisations, many of which required technical expertise, such as the chief executive of the Alternative Energy Development Board; chairman of Pakistan Steel Mill; and chairman of the Pakistan Telecommunication Authority.

Virtually every aspect of the civil bureaucracy's functioning, from recruitment and early, mid-career and senior-level training to postings and promotions, was placed in the hands of military personnel. In 2002, the Pakistan Administrative Staff College, the country's main training institution for senior civil servants, was transformed into the National School of Public Policy (NSPP), and headed by a retired lieutenant general. In 2006, a retired major general was appointed director-general of the Civil Services Academy, which trains fresh recruits to Pakistan's premier civil services. While the present government has replaced the major general with a civilian bureaucrat as director general of the Civil Services Academy, it has retained Musharraf's appointee as head of the NSPP.

"There can be no justification whatsoever for placing military officers in charge of civil service training institutions", said a recently recruited civil servant. "If it is unthinkable for a civilian to be entrusted the task of running the Pakistan Military Academy or the National Defence University, then it should be similarly inconceivable for military men to be made responsible for framing this country's public policy or for training its civil bureaucracy".⁷² Added a former chief secretary: "Why should a retired general, with no experience of civil administration, be allowed not only to recruit civil servants but also to decide whether they are to be promoted or not? Can you imagine the army ever agreeing to federal secretaries presiding over its own promotion boards?"⁷³

C. REFORM ATTEMPTS

In 2006, the National Commission on Government Reforms (NCGR) was set up to recommend reforms that would enable "the government, its institutions and infrastructure" to better "meet the social, economic and political challenges that Pakistan faces in the 21st century".⁷⁴ Headed by Ishrat Hussain, a retired civil servant and former State Bank governor, the NCGR produced a report after two years of consultations with provincial and district governments, serving and retired civil servants, and civil society members. The commission submitted the report in May 2008 to Prime Minister Yusuf Raza Gilani, who pledged to consult provincial governments and other stakeholders on the report's recommendations as well as to debate them in the National Assembly. He has yet to do so.⁷⁵ Hussain's successor as chairman of the NCGR, Chaudhry Abdul Ghafoor, a PPP parliamentarian, intends to revisit the recommendations and produce a new report.⁷⁶

The NCGR report recommends administrative restructuring, human resource management, simplification of existing rules and procedures and improvements in service delivery. Discarding the original report in favour of a new one may unnecessarily divert resources and delay implementation. The government should instead present the existing recommendations for review and approval by a special parliamentary committee on government reform, on which half the members are nominated by the government, half by the opposition, and co-chaired by the prime minister and leader of the opposition. Once approved, a final bill should be presented for a vote in the National Assembly and, if passed, implemented without delay.

The military government established another reform-related body, the Civil Service Reforms Unit (CSRU), headed by a retired major general, to "catalyse and oversee" the implementation of civil service reforms. According to a World Bank assessment, it failed to make any significant progress in civil service restructuring.⁷⁷ Indeed, by the time the elected government took office in 2008, the military's adverse impact on civil services,

⁷¹ See Crisis Group Report, *Devolution in Pakistan: Reform or Regression?*, op. cit., p. 8.

⁷² Crisis Group interview, district officer, Lahore, 28 November 2009.

⁷³ Crisis Group interview, Karachi, 21 October 2009.

⁷⁴ "Report of the National Commission for Government Reforms on Reforming the Government in Pakistan", op. cit., p. 5.

⁷⁵ "Recommendations of NCGR to be debated in National Assembly: Prime Minister", *Pakistan Press International (PPI)*, 9 May 2008, www.highbeam.com/doc/1G1-178881909.html.

⁷⁶ "NCGR for Reforms in LG System", *Daily Times*, 11 January 2009.

⁷⁷ "Governance in Pakistan", World Bank Country Page, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/EXTSAREGTOPPRISECDEV/0,contentMDK:20584876~menuPK:496677~pagePK:34004173~piPK:34003707~theSitePK:496671,00.html>.

once the preferred option for the best and brightest of Pakistan's youth, could be gauged by the fact that very few were willing to join it. In the CSS examination of 2007, only 190 of 290 vacancies were filled, leaving the remainder to be filled after the next exam.⁷⁸

IV. CIVIL SERVICE STRUCTURE AND ORGANISATION

A. CONSTITUTIONAL PROVISIONS AND REGULATORY MECHANISMS

Under Article 240 of the constitution, civil service appointments and their terms and conditions are determined by an act of parliament: in this case the Civil Servants Act of 1973. According to Article 240, all provincial civil service posts are determined by acts passed by provincial assemblies. The acts promulgated by the four federal units, which regulate the appointment and terms of service of provincial civil servants are essentially replicas of the federal Civil Servants Act of 1973.⁷⁹ A number of other legal instruments also regulate the functioning of the civil bureaucracy, within the rubric of these federal and provincial acts. The Civil Establishment Code (ESTACODE) especially, a vast compendium of laws, operating procedures, and rules and regulations, governs every aspect of the civil service. Of particular importance to civil servants are laws and rules pertaining to:

- ❑ terms and conditions of service: Articles 240 and 241 of the constitution and the Civil Servants Act of 1973;
- ❑ appointment/recruitment, seniority and promotions: Civil Servants (Appointment, Promotion and Transfer) Rules, 1973;
- ❑ conduct and discipline: Government Servants (Conduct) Rules, 1964; and Government Servants (Efficiency and Discipline) Rules, 1973;
- ❑ postings and transfers: Section 10 of the Civil Servants Act of 1973; and
- ❑ appeals, petitions and representations: Section 22 of the Civil Servants Act of 1973 and the Civil Servants (Appeal) Rules, 1977.

The FPSC, a constitutionally mandated body headed by a chairman and eleven members – all presidential appointees – is responsible for direct recruitment to officer-level positions in the federal bureaucracy.⁸⁰ The FPSC conducts tests and examinations to all federal posts of and above a specified level of seniority.⁸¹ Each of the

⁷⁹ These are the Sindh Civil Servants Act of 1973, the NWFP Civil Servants Act of 1973, the Balochistan Civil Servants Act of 1973 and the Punjab Civil Servants Act of 1974.

⁸⁰ Article 242, constitution and Section 3 of the Federal Public Service Commission (Composition and Condition of Service) Regulations, 1978.

⁸¹ Section 3, Federal Public Service Commission (Functions) Rules, 1978.

⁷⁸ "Civil Services facing unprecedented downfall", *The News*, 25 April 2008.

provinces has its own public service commission, constituted along similar lines to the FPSC and responsible for recruitment to the provincial civil service.

Article 212 of the constitution mandates the creation of special administrative bodies known as service tribunals to exercise exclusive jurisdiction over issues relating to the terms and conditions of service of civil servants, including disciplinary matters. Thus, the Federal Services Tribunal, consisting of a chairman and no fewer than three members,⁸² hears appeals made by a civil servant against any order by a departmental authority regarding his or her terms and conditions of service.⁸³ Upon such an appeal, the tribunal may confirm, set aside or modify the order.⁸⁴ Each of the four provinces has a similarly constituted provincial services tribunal, with equivalent functions.

Another important regulatory body is the office of the *Wafaqi Mohtasib*, or federal ombudsman, authorised under the *Wafaqi Mohtasib* (Ombudsman) Order 1983 to “diagnose, investigate, redress and rectify”⁸⁵ any injustice done to any person through “maladministration” by any governmental agency.⁸⁶ Thus, while the Federal Services Tribunal adjudicates cases of alleged injustice by departmental authorities against civil servants, the office of the federal ombudsman investigates complaints by citizens against governmental agencies.⁸⁷ The federal ombudsman may summon officials, compel them to pro-

duce documents, receive evidence on affidavits⁸⁸ and recommend the concerned agency to initiate disciplinary proceedings against an official found guilty of maladministration.⁸⁹ These recommendations are non-binding. Each of the four provinces also has a provincial ombudsman to hear complaints against provincial governmental agencies.

B. FEDERAL AND PROVINCIAL SECRETARIATS

Secretariats form the nucleus of civil administration at the centre and provinces, with federal and provincial ministries maintaining their own. Every ministry is divided into one or more administrative divisions.⁹⁰ While an elected parliamentarian heads each ministry, a senior civil servant with the rank of secretary heads each of the ministry's divisions. Immediately below the secretary in order of seniority are additional secretaries, joint secretaries and deputy secretaries. In the provinces, the highest ranking member of the civil administration is the chief secretary, who supervises the administrative functioning of all provincial ministries and acts as the primary link between the provincial political executive – the chief minister – and the province's civil administration.

Each administrative division in the centre and in the provinces consists of a central secretariat, attached departments and subordinate offices, and affiliated autonomous and/or semi-autonomous organisations. While there is no fixed rule determining the relationship between attached departments or autonomous organisations with their parent secretariats, autonomous organisations generally tend, as their name suggests, to be under less direct control of, and encounter comparatively limited interference by, their respective central secretariats.⁹¹ There are currently 411 such entities under the control of federal government ministries, ranging from constitutional and regulatory bodies to commercial, financial, developmental and educational institutions.⁹²

⁸² Section 3, Service Tribunals Act of 1973. The chairman of the tribunal, appointed by the president, must be a serving or retired judge of a provincial high court, or a person qualified to be one.

⁸³ Section 4(1), Service Tribunals Act of 1973.

⁸⁴ Section 5(1), Services Tribunals Act of 1973.

⁸⁵ Preamble, *Wafaqi Mohtasib* (Ombudsman) Order of 1983.

⁸⁶ Under Section 2 (2) of the *Wafaqi Mohtasib* (Ombudsman) Order of 1983, “maladministration” includes a “decision, process, recommendation, or act of commission or omission which is contrary to law, rules or regulations or is a departure from established practice or procedure; is perverse, arbitrary or unreasonable, unjust, biased, oppressive or discriminatory; is based on irrelevant grounds; or involves the exercise of powers or the failure or refusal to do so for corrupt or improper motives, such as bribery, jobbery, favouritism, nepotism and administrative excesses”. It also includes “neglect, inattention, delay, incompetence, inefficiency and ineptitude in the administration and discharge of duties and responsibilities”.

⁸⁷ Under Section 2 (1) of the *Wafaqi Mohtasib* (Ombudsman) Order of 1983, an “agency” refers to a “Ministry, Division, Department, Commission or office of the Federal Government or a statutory body, corporation or other institution established or controlled by the Federal Government but does not include the Supreme Court, the Supreme Judicial Council, the Federal Shariat Court or a High Court”.

⁸⁸ Section 14 (1), *Wafaqi Mohtasib* (Ombudsman) Order of 1983.

⁸⁹ Section 11 (1) (d), *Wafaqi Mohtasib* (Ombudsman) Order of 1983.

⁹⁰ There are currently 44 federal ministries, each headed by a federal minister. Most ministries also have a state minister, a member of parliament, to share the federal minister's workload. Smaller ministries tend to have only one division unlike larger and more powerful ones. The finance and revenue ministry, the largest in the federal government, has two divisions, namely the finance division and the revenue division. Similarly, the cabinet secretariat has the cabinet division and the establishment division.

⁹¹ Kennedy, *op. cit.*, p. 6.

⁹² “Report of the National Commission for Government Reforms on Reforming the Government in Pakistan”, *op. cit.*, p.

This secretariat system distinguishes between staff officers (those working in the secretariats) and line officers (in attached departments/autonomous organisations). Staff officers, such as secretaries, set the policy direction for programs, are responsible for staffing and training of officers, and serve as the link between administrative institutions. Line officers only implement projects. Thus, secretariat officers, who are primarily generalists, are ranked higher than line officers, who are specialists or technocrats. The career progression of secretariat officers is also much more clearly defined, with most progressing from deputy secretary to joint secretary within five to seven years, subject to the availability of posts. Meanwhile, technocrats can take anywhere from ten to fifteen years to attain an equivalent status. There is also a significantly greater degree of inter-institutional mobility for secretariat officers, while specialists are generally confined to their parent departments for their entire careers.

Because of this systemic bias almost all senior federal and provincial positions are reserved for generalists from one of the federal or provincial occupational groups.⁹³ Although they make up 80-90 per cent of officer-level positions in the federal government,⁹⁴ technocrats have extremely slow promotions and limited career prospects, leading to “lack of initiative, erosion of morale, and a greater inclination towards corruption”, according to a provincial civil servant.⁹⁵

While Zulfikar Ali Bhutto's administrative reforms made the bureaucracy more egalitarian by breaking the hold of the CSP cadre over all top positions and mandating equal pay scales for all services, they failed to provide mechanisms for career advancement and promotions uniformly for all groups. The DMG cadre continues to dominate policy-making positions, federally and provincially,

although secretariat positions at the deputy secretary level and above are open to officers from all occupational groups. The federal secretariat, in particular, has become “an arena of competition and rivalry among services – because control over the secretariat means control over policy-making and the federal government”.⁹⁶

Civil servants argue that inter-service rivalry and jealousy not only distracts from policymaking but also undermines the federal secretariat's capacity. Many also believe that a transparent selection process, including reserving seats for occupational groups in each basic pay scale, could significantly reduce the acrimony that currently exists.⁹⁷ Selection to secretariat posts should be based on “professional expertise, diversity of experience, demonstrable leadership performance in public institutions, and a capacity to innovate and accept challenging assignments”.⁹⁸

Provincial secretariats are similarly hampered by turf battles between federally recruited civil servants and their provincially recruited counterparts. The federal bureaucracy controls key provincial posts, favouring its own while sidelining provincial civil service officers. Senior provincial posts such as chief secretary, departmental secretary, commissioner and district coordination officer are generally monopolised by bureaucrats appointed by Islamabad, particularly from the DMG. A part of the All-Pakistan service, DMG officers can be appointed to positions at all three levels of bureaucratic administration – federal, provincial and local. According to a former provincial bureaucrat, “There is only marginal difference in the ability and output of DMG and PCS officers to start off with but that difference is exacerbated over time since the latter are not provided the opportunities or training to grow in their profession”.⁹⁹

75 per cent of provincial posts at the junior officer level (BPS-17) are reserved for PCS officers and the remainder for DMG officers. As the level of seniority increases, so too does the quota for federal bureaucrats, with 75 per cent of BPS-21 posts reserved for the DMG. “It is almost impossible for PCS officers to become chief secretaries or even secretaries under the existing dispensation”, said a PCS officer in Punjab. “Due to inadequate postings and slow promotions, there is precious little incentive for PCS officers to be diligent in their

129. The total number of organisational entities includes six constitutional bodies, 29 regulatory bodies, 22 courts/tribunals, 84 commercial/semi-commercial/manufacturing concerns, 42 public utilities/service providers, 24 promotion bodies, fifteen financial institutions, 30 training institutions, 29 research/data/documentation organisations, 27 educational institutions, six quality assurance bodies, six development authorities, nineteen councils/commissions/committees, fifteen trusts/foundations, 42 executive agencies, thirteen security/law enforcement agencies and two others.

⁹³ Generalists are inducted through a Central Superior Services (CSS) examination while specialists are recruited primarily through advertisements placed by individual departments and ministries.

⁹⁴ “Report of the National Commission for Government Reforms on Reforming the Government in Pakistan”, op. cit., p. 77.

⁹⁵ Crisis Group interview, Chaudhry Riaz, former additional secretary, Punjab government, Lahore, 27 October 2009.

⁹⁶ Saeed Shafqat, “Pakistani Bureaucracy: Crisis of Governance and Prospects of Reform”, *The Pakistan Development Review*, 38(4), Part II (Winter 1999), p. 1012.

⁹⁷ Crisis Group interviews, civil servants, countrywide, October 2009-January 2010.

⁹⁸ Shafqat, op. cit., p. 1012.

⁹⁹ Crisis Group interview, Chaudhry Riaz, Lahore, 27 October 2009.

duties".¹⁰⁰ Provincial civil servants complain that they lack the DMG and other federal service's clearly defined paths of promotion and career development, demoralising provincial officials and making them more inclined towards corruption.¹⁰¹

The powerful FATA bureaucracy falls outside this system. Under FATA's administrative and legal framework, codified in the Frontier Crimes Regulations (FCR) 1901, a federally appointed political agent (PA) is the senior-most civil servant in an agency, and exercises extensive executive, judicial and revenue powers.¹⁰² The PA is also FATA's chief development agent and planner, and selectively distributes funds to local elites through a patronage system. While the federal ministry of states and frontier regions is responsible for the overall administration and political control of FATA, in reality it has little if any influence in devising or implementing FATA policy. The PA is not accountable to NWFP's provincial assembly since FATA has no representation in the provincial legislature and only elects representatives to the National Assembly, the federal parliament, which only has limited authority to legislate on the tribal areas.¹⁰³

Apart from the PA, the other main bureaucratic institution is the FATA secretariat, set up by the military regime in 2006 ostensibly to remove bottlenecks created by multiple administrative tiers. Like the PA, the FATA secretariat is not accountable to the FATA public or their elected representatives. It is headed by a centrally-appointed additional chief secretary. Reliance on informal mechanisms and forums like tribal jirgas, or councils, rather than courts and elected bodies favours the tribal male elite, patronised by the civil administration in return for loyalty. There is no auditing of the money the PA receives and spends, and the FATA secretariat's rules of business provide for very limited internal and external accountability.

Militants, warlords and other criminal networks have exploited FATA's tenuous governance, paralysing life in most, if not all, tribal agencies. Indeed if militancy in FATA is to be effectively countered, Islamabad must institute proper governance by abolishing the FATA

secretariat and the office of the PA, transferring their powers and functions to the NWFP secretariat, relevant provincial line ministries and district departments.¹⁰⁴

C. RECRUITMENT

There are four channels of recruitment to Pakistan's federal bureaucracy:

- ❑ Direct recruitment: Candidates can enter the bureaucracy through the Central Superior Services (CSS) examination, an annual nationwide competition conducted by the FPSC. Successful candidates are assigned to their respective occupational groups based on a combination of their overall position and regional/provincial quotas calculated on the basis of population. While 7.5 per cent of the positions in each examination are decided on merit regardless of regional or provincial affiliations, 50 per cent of the remainder are allocated to Punjab, 19 per cent to Sindh (of which urban Sindh gets 40 per cent and rural Sindh gets 60 per cent), 11.5 per cent to NWFP, 6 per cent to Balochistan, 4 per cent to FATA and Gilgit-Baltistan (formerly called the Federally Administered Northern Areas), and 2 per cent to Azad Jammu and Kashmir. Since 2007 a 10 per cent quota has been allocated for women from the share of each of the provinces and regions.¹⁰⁵
- ❑ Direct induction of military officers: Since the Zia regime in the 1980s, there has been an annual 10 per cent induction of military officers, generally at the rank of captain and equivalent ranks from the navy and air force. Military inductees do not have to take the CSS examination or any other entry test, and are instead simply nominated by their respective military hierarchies and then subject to an interview by the FPSC. According to a former member of the FPSC, this "an exercise, in almost all cases, is a formality".¹⁰⁶ They are then assigned to one of the three most coveted services: the police, the district management cadre and the foreign service.
- ❑ Advertisements against listed vacancies in ministries and departments.
- ❑ Ad hoc recruitment by departments or ministries for temporary vacancies.

The four provincial public service commissions (PPSC) function identically to the FPSC, directly recruiting of-

¹⁰⁰ Crisis Group interview, Lahore, 29 December 2009.

¹⁰¹ "It takes a doctor or engineer in the provincial service cadre fifteen years to move from BPS-17 to BPS-18 as compared to five years for federally recruited officers", said a PCS officer. Crisis Group interview, Lahore, 29 December 2009.

¹⁰² For more on the PA's powers, see Crisis Group Reports, *Pakistan: Countering Militancy in FATA and Pakistan's Tribal Areas: Appeasing the Militants*, both op. cit. FATA comprises seven agencies: South Waziristan, North Waziristan, Khyber, Kurram, Orakzai, Mohmand and Bajaur.

¹⁰³ Crisis Group Report, *Pakistan: Countering Militancy in FATA*, op. cit.

¹⁰⁴ Ibid.

¹⁰⁵ "Rules for Competitive Examination 2009", FPSC website, www.fpsc.gov.pk/icms/admin/webpages/docs/Rules%20&%20Syllabus%20CSS-2009.pdf.

¹⁰⁶ Crisis Group interview, Islamabad, 28 November 2009.

ficers to the provincial bureaucracy. These recruits are selected after taking a test similar to the CSS examination and serve exclusively in their respective provinces. While provincial recruitment occurs through parallel channels to the federal services, there is one notable exception: the absence of a quota for military inductees.

V. REFORMING THE BUREAUCRACY

A. TACKLING OVER-CENTRALISATION

Over-centralisation of powers and functions has consistently undermined any serious attempts at civil service reform. Combined with cumbersome rules and procedures and a rigidly defined hierarchical structure, centralisation prevents the bureaucracy from effectively managing a public sector that has expanded considerably since the 1970s. Even the recruitment or transfer of clerks and other low-level support staff cannot take place without the approval of the secretary or at times even the minister, distracting senior officials from more vital tasks of implementing government policy.¹⁰⁷ While centralisation is said to reduce costs and improve service delivery, it has made the bureaucracy less responsive to public concerns and priorities. In fact, rigid centralised procedures undermine service delivery, contributing to “a corresponding increase in public dissatisfaction with the bureaucracy”.¹⁰⁸

Ministries have virtually taken over the functions of attached departments and subordinate offices. The lower and middle tiers of multi-tiered ministries are often uninformed or unclear about their role because of the absence of an effective framework for delegating authority. Standard operating procedures for most ministries have not been revised for years, leading to further confusion among staff about their powers, functions and responsibilities.¹⁰⁹

Despite ostensibly rigid rules and regulations, “there are neither adequate control mechanisms nor effective supervisory structures to ensure bureaucratic efficiency and accountability”, according to a former federal secretary.¹¹⁰ Officers complain that while countless reports are commissioned, prepared and filed, very few are ever properly reviewed. “There is always a tendency to avoid responsibility and pass the buck on to others”, a secretariat officer said. “Even where clearly defined powers to handle a given situation exist, most concerned officers will be reluctant to exercise them, preferring instead to transfer responsibility upwards or sideways”.¹¹¹

Excessive centralisation, particularly in granting approval for projects, leads to inordinate delays in service

¹⁰⁷ Crisis Group interview, former cabinet secretary, Islamabad, 6 January 2010.

¹⁰⁸ Crisis Group interview, federal secretariat official, Islamabad, 12 December 2009.

¹⁰⁹ Crisis Group interviews, secretariat officials, Islamabad and Lahore, October-December 2009.

¹¹⁰ Crisis Group interview, Islamabad, 25 November 2009.

¹¹¹ Crisis Group interview, Islamabad, 18 December 2009.

delivery. An \$800-million hydroelectric power project in Azad Jammu and Kashmir provides a glaring example of how bureaucratic centralisation impedes development. The Korean investors have been unable to start construction despite support from the federal government as well as the Azad Kashmir authorities. This is reportedly due to a senior federal bureaucrat blocking the dam's construction until the project is transferred to the state public sector, allowing him to become its director.¹¹²

A development proposal originating in one ministry must be approved not only by its senior officials, but also by other relevant ministries, especially the ministry of finance and revenue. "Files keep being shunted from one ministry to the other and precious time and resources are frittered away simply because approval and budgeting functions are over-centralised and the decision-making processes in each ministry differs", said an official in the finance ministry.¹¹³ According to a former federal finance secretary, "while the system provides for a plethora of pre-and post-investment appraisal and monitoring processes ostensibly in the interests of greater transparency, the end result is generally inordinate delays and excessive costs, eroding public confidence in the government's developmental agenda and increasing public scepticism of the government's ability to provide services".¹¹⁴

Rules and procedures should be revised to reduce hierarchical rigidity and encourage delegation. Some precedents exist. For instance, in June 2008, Zubair Bhatti, then DCO of Punjab's Jhang district, delegated powers to *tehsil* officials to issue certificates of domicile. Previously, residents had to travel from their *tehsils* to district headquarters, often a distance of over 100 miles, to obtain these and other documents. "For those who were poor, this was a particularly painful waste of time and resources", said Bhatti. "Such delegation of authority must be instituted in large and unwieldy districts in particular in order to reduce unnecessary costs and delays in service delivery".¹¹⁵

B. COMBATING CORRUPTION AND INCREASING ACCOUNTABILITY

Bureaucratic corruption takes several forms, including abuse of discretionary power, misuse of regulatory authority, as well as institutionalised and participative practices described below. "Rules granting discretionary power to officials were designed by the British to protect their colonial interests", said a former police official. "Since then, they have rarely been revised or even reviewed".¹¹⁶ Where changes have been made, they have increased rather than reduced discretionary powers since "the rules are framed by the regulatory bodies who have a vested interest in retaining the status quo".¹¹⁷ Although government contracts, for example, are awarded through open tenders and other ostensibly open processes, the lack of transparency in executive authority and decisions make these procedures easier to manipulate. "With the growth of the economy and the increasing complexity in procurement issues and government contracts, the incentive to misuse authority as well as the ability to do so have both increased", said an official in the Federal Investigation Agency (FIA), which investigates official corruption.¹¹⁸

Unlike institutionalised corruption, whereby a government organisation provides cover to its own corrupt officials, participative corruption involves collusion between the bureaucracy and the private sector. The latter is particularly prevalent in Pakistan's tax administration, where the complexity of taxation laws, excessive taxation rates, lack of proper documentation in the private sector and widespread tax evasion make the income tax and customs and excise departments among the most corrupt in the country.

Low salaries and pensions and inadequate welfare programs for civil servants have also encouraged widespread corruption, while at the same time lowering morale and increasing inefficiency. Many capable officials opt to join the private sector. Unlike military personnel who benefit from their institution's substantial network of welfare organisations, health facilities for civil servants are poor and housing and transportation inadequate. Despite low salaries and soaring inflation, there is no subsidised schooling for civil servants' children.

If low salaries and benefits are a major cause of bureaucratic corruption, the deterioration in both internal and external accountability mechanisms is an equally,

¹¹² Khaleeq Kiani, "Bureaucracy stalls \$800m hydel project", *Dawn*, 21 December 2009.

¹¹³ Crisis Group interview, Islamabad, 21 November 2009.

¹¹⁴ Crisis Group interview, Islamabad, 10 December 2009.

¹¹⁵ Crisis Group interview, Islamabad, 7 January 2010.

¹¹⁶ Crisis Group interview, former inspector-general of police, Islamabad, 19 November 2009.

¹¹⁷ Crisis Group interview, former chief secretary, Karachi, 22 October 2009.

¹¹⁸ Crisis Group interview, Lahore, 1 November 2009.

if not more, significant contributing factor. In theory, a civil servant is answerable to his immediate supervisor and upwards to the secretary who, in his capacity as principal accounting officer, is accountable to the minister and to parliament. Several factors undercut this chain of accountability, including inadequate training; the absence of merit in appointments and promotions; and poor practices and norms. Other problems include weak regulatory mechanisms, unchecked discretionary powers, weak standard management systems and procedures, and the failure to regularly upgrade rules and provide easily accessible information on service delivery.¹¹⁹ A 1998 World Bank report highlighted the civil service's failing accountability mechanisms, including lack of follow-through in areas like time-keeping and tour reports. "Over ten years have passed since the publication of that report but many of the defects it identified in terms of a lack of bureaucratic accountability remain in place", said a recently retired federal secretary.¹²⁰

Many bureaucrats argue that values and norms have deteriorated significantly over the last three decades, which saw two military regimes and a dysfunctional democratic transition in the 1990s. "There was a time when corrupt bureaucrats were exceptions to the rule and were shunned both by their peers as well as by society at large", said a former federal secretary who joined service in the 1960s. "Today, there is a far greater acceptance of corruption and abuse of authority not only within the bureaucracy itself but also in society in general".¹²¹

Moreover, the system of evaluation through annual confidential reports (ACRs) seldom, if ever, records criticisms and is, in any case, ill-suited to developing a performance-oriented ethos since it emphasises personal qualities over the achievement of specified goals. Higher-level accountability mechanisms, such as quarterly and annual reports submitted by the secretary about the performance of his or her division, are mere formalities. The dysfunction of successive parliamentary public accounts committees also resulted in public hearings into alleged official malpractices often occurring after the officials had been transferred or retired.¹²²

There are some encouraging signs of change. Currently, the leader of the opposition in the National Assembly, the PML-N's Chaudhry Nisar Ali Khan, chairs the Public Accounts Committee (PAC), as stipulated by the Char-

ter of Democracy (CoD) signed by former prime ministers Nawaz Sharif and Benazir Bhutto in 2006. "Previous PACs, being headed by chairmen from the ruling party, were always unwilling to ruffle feathers", said the PML-N's Zahid Hamid, a PAC member. "This PAC, however, has been extremely proactive, and the main reason for that is its chairmanship being allocated to the opposition".¹²³

The PAC was indeed the most active of all National Assembly committees during the first year of the current parliament, with regular hearings and investigations into bureaucratic corruption and inefficiency. The committee thus demonstrated its potential of becoming an important check on bureaucratic malfunctioning. Federal secretaries, the principal accounting officers of their respective divisions, "now make much more of an effort to acquaint themselves with audit objections against them before they are due to appear before the PAC, since they know they are in for a grilling", said a PAC member.¹²⁴

The PPP and PML-N should implement the Charter of Democracy's recommendation for "an independent accountability commission, whose chairman shall be nominated by the prime minister in consultation with the leader of opposition and confirmed by a joint parliamentary committee with 50 per cent of members from treasury benches and remaining 50 per cent from opposition parties".¹²⁵ With overall responsibility for accountability, the commission could play a vital role, in tandem with the FIA, in curbing financial and other corruption by government officials, provided it is answerable to the National Assembly's PAC. Granted complete autonomy and provided his rulings are properly implemented, the federal ombudsman could also act as an effective check on the bureaucracy.

C. RECRUITMENT AND TRAINING

1. Recruitment

The recruitment functions of the federal and provincial public service commissions are limited to officer-level positions in BPS-16 and above, leaving lower level recruitment to departmental selection committees headed by the department's secretary. Recruitment to Pakistan's civil services is rarely based on detailed job descriptions and qualifications for particular posts. The annual CSS exam involves written tests in compulsory and elective subjects, followed by a psychological aptitude test and

¹¹⁹ "Pakistan: A Framework for Civil Service Reform in Pakistan", World Bank Report No. 18386-PAK, 15 December 1998, p. 22.

¹²⁰ Crisis Group interview, Islamabad, 20 December 2009.

¹²¹ Crisis Group interview, Lahore, 1 November 2009.

¹²² "Pakistan: A Framework for Civil Service Reform in Pakistan", op. cit., pp. 22-23.

¹²³ Crisis Group interview, Islamabad, 14 January 2010.

¹²⁴ Crisis Group interview, Islamabad, 14 January 2010.

¹²⁵ Article 13 (d), Charter of Democracy. Text of the Charter of Democracy, *Dawn*, 16 May 2006.

an interview. Candidates with academic backgrounds in high-scoring subjects such as botany, biology or mathematics have an advantage over those with liberal arts backgrounds. Moreover, a selected candidate's academic or professional background is not taken into consideration in assignments to one of the federal occupational groups. As a result, doctors and engineers can, and often do, end up in services like the police, district management or the foreign service. Candidates' selection to occupational groups should be based on their educational and professional backgrounds so as to provide ministries with the right recruits.

The 2008 NCGR report proposes replacing the present exam with an initial screening test for all cadre and ex-cadre positions that would include multiple choice questions that test logical reasoning and language skills. This would be followed by compulsory tests in English, Pakistan studies, general knowledge and current affairs. Tests would also be held to gauge candidates' knowledge or skill for their chosen groups. Thus, candidates opting for Income Tax, Customs and Excise, and Audit and Accounts would have to pass examinations in financial accounting, financial management and international standards of audit. Similarly, candidates opting for the DMG would have to show proficiency in economics, human resource management and financial management. Those opting for the foreign service would be tested on international relations, international law and international political economy; those interested in the police would be tested in law-related subjects.¹²⁶

2. Training

The first step for civil servants recruited through the CSS examination is a common pre-service training program, followed by specialised training conducted by each of the central superior services. During in-service training, federal and provincial officials at the level of deputy secretary take courses in administration and development at the National Management Institute; successful completion is mandatory for promotion. The National Management College conducts training of senior officers in BPS-20, successful completion again a prerequisite for promotion to BPS-21.

Generally, individual ministries or divisions arrange trainings in foreign universities and institutes. Under the World Bank-financed Public Sector Capacity Building (2004-2009), BPS-17-19 grade officers were sent abroad to attain master's degrees in relevant disciplines, while BPS-20-21 grade officers attended Harvard University's Kennedy School of Government under the Executive Devel-

opment Program. Such programs are useful but should be expanded to include both cadre officers and specialists.

There are no such extensive training opportunities for specialists, although roughly 700 are recruited annually by the FPSC, compared to 150 to 200 CSS-qualified officers.¹²⁷ "Technocrats constitute the overwhelming majority of officer-level positions in the federal and provincial bureaucracies but hardly a handful ever undergo any state-sponsored training to improve their skills", said a specialist engineer working in an autonomous government organisation.¹²⁸ This gap seriously undermines the government's ability to formulate and implement projects that require specialised input. The NCGR report recommends that engineers, accountants, economists, doctors, teachers and other specialists who form the bulk of the officers' grades in the federal and provincial governments be provided in-service training along the same lines as officers in the central superior services.

Provincial governments have thus far paid scant attention to the training of either generalists or specialists. Since the vast majority of provincial and district civil servants work in education, health, police, agriculture, revenue, agriculture, engineering and municipal services, professional training should be made mandatory, including for promotions.¹²⁹

The shortage of qualified and motivated instructors in government training programs should also be addressed. Most instructors are serving officers who regard these postings as punishments. According to an administration official at a training institute in Lahore, "the general perception within the bureaucracy is that only officers who are to be sidelined are deputed as instructors".¹³⁰ To attract the best possible instructors, all should receive the same compensation, facilities and other incentives as employees of constituent units of the National School of Public Policy (NSPP), the foremost training institution for senior civil servants.¹³¹ Moreover, the standards of instruction, testing and certification at all training institutions should be brought in line with those prescribed by the NSPP.

¹²⁶ "Report of the National Commission for Government Reforms on Reforming the Government in Pakistan", op. cit., p. 164.

¹²⁷ Ibid., p. 167.

¹²⁸ Crisis Group interview, Lahore, 1 November 2009.

¹²⁹ "Report of the National Commission for Government Reforms on Reforming the Government in Pakistan", op. cit., p. 170.

¹³⁰ Crisis Group interview, Lahore, 1 November 2009.

¹³¹ "Report of the National Commission for Government Reforms on Reforming the Government in Pakistan", op. cit.

D. POSTINGS, PROMOTIONS AND PERFORMANCE EVALUATION

Postings and transfers have become increasingly arbitrary. Absent greater transparency in career planning by the establishment division and other departments, an officer's progress remains uncertain, thus weakening his or her professional commitment. In February 2009, for instance, President Asif Ali Zardari briefly imposed governor's rule in Punjab after the Supreme Court upheld the judiciary's politically motivated disqualification of the province's chief minister, PML-N's Shahbaz Sharif, from electoral politics. Governor Salmaan Taseer subsequently ordered numerous transfers and postings of civil servants, including the province's chief secretary and inspector-general of police. Once restored to office in April 2009, Sharif reinstated his team of civil servants, dismissing Taseer's appointees. Such disruptions distract the federal and provincial governments from the business of governing and, in the words of one prominent analyst, "can quickly convince weaker minds in the services of the possibility of advancement through currying favour with political satraps instead of relying on merit".¹³²

Officers in All-Pakistan services like the police and the DMG are also often reluctant to serve outside their home province for extended periods, particularly in remote or under-developed areas, since there are few career advancement incentives associated with such "hardship" postings. "The net effect of officers refusing to serve outside their home provinces or at times spending their entire careers in Islamabad is to make a mockery of the underlying purpose of having All-Pakistan services, which is to strengthen the unity of the federation", a former federal secretary argued.¹³³

While acknowledging the difficulties of implementing a uniform policy across the public sector, the NCGR report suggests some broad guidelines that could significantly reduce arbitrary and political nature of postings and transfers. These include security of tenure for three years and legal protection to civil servants against postings and transfers that do not conform to due process, including before the end of their terms.¹³⁴ The government should empower the Federal Services Tribunal and provincial tribunals to monitor postings and transfers, and review civil servants' complaints about arbitrary transfers. Statutory legislation should be introduced which

would require the federal and provincial political executive to provide reasons in writing for prematurely transferring officials.

The existing promotion policy is seldom transparent or consistent, leading civil servants to periodically file petitions in the courts. In September 2009, for instance, Prime Minister Gilani promoted 51 officers from BPS-21 to 22 over many senior officers. Officers bypassed for promotion have filed a petition in the Supreme Court claiming that Gilani's decision was based on nepotism.¹³⁵ "It is commonplace for officers with political or military connections to get most of the prized postings on offer, leaving those without similar clout dispirited and demoralised", said a senior civil servant.¹³⁶

Under the Civil Servants (Appointment, Promotion and Transfer) Rules of 1973, promotions in the bureaucracy are based on a combination of seniority and merit. The Central Selection Board makes promotions to "selection posts" – BPS-19 posts and above – on the twin criteria of excellence and merit, determined by the board's members. Promotions to BPS-22, the highest grade, are decided by the prime minister. Departmental promotion committees headed by the secretary are responsible for promotions in BPS-17-18. These promotions are generally based on four criteria: minimum length of active service; an unblemished disciplinary record; the required threshold in performance evaluation reports (PERs); and successful completion of the mandatory training course.

The FPSC chairman previously headed the Central Selection Board. The current government has made the secretary of the establishment division the board's chairman, eliminating the FPSC chairman's role,¹³⁷ a move many bureaucrats argue will further undermine merit-based promotions in the senior bureaucracy.¹³⁸ Indeed, civil servants interviewed for this report advocated enlarging the FPSC's role from a recruiting agency to one that oversees the bureaucracy's functioning, including postings, transfers, promotions and career progression.

While there is no formal requirement of favourable reports by the military's intelligence agencies as a criterion for promotion, in practice, these reports are also often decisive in senior officers' promotions. An officer denied promotion because of a negative report is never informed of the intelligence agencies' allegations and therefore

¹³² I.A. Rehman, "Poor governance", *Dawn*, 2 April 2009. Rehman is director of the independent Human Rights Commission of Pakistan (HRCP).

¹³³ Crisis Group interview, Islamabad, 23 November 2009.

¹³⁴ "Report of the National Commission for Government Reforms on Reforming the Government in Pakistan", op. cit., p. 195.

¹³⁵ Qamar-uz-Zaman, "Supreme Court moved against promotion of 51 bureaucrats", *Business Recorder*, 30 September 2009.

¹³⁶ Crisis Group interview, federal secretary, Islamabad, 7 December 2009.

¹³⁷ "PM clips powers of FPSC chairman", *The News*, 10 September 2009.

¹³⁸ Crisis Group interview, former chief secretary, Karachi, 21 October 2009.

denied a chance to defend his or her case.¹³⁹ The Musharraf regime introduced the practice of linking such arbitrary intelligence reports to promotions of senior bureaucrats as “yet another way of subordinating the civil bureaucracy to military rule”, said a senior civil servant.¹⁴⁰

Although training courses are mandatory for promotions, successful completion is the only requirement. Performance has no bearing on their promotion prospects, thus offering no incentive to improve. Diversity of experience does play a role in promotion but there are no clear guidelines. These should be framed and incorporated in promotion policies. Diversity should be rewarded and the civil service career framework should encourage officers to broaden their experience and credentials.

Favourable performance evaluation reports (Annual Confidential Reports) are also a major criterion for advancement. These reports, however, “rarely contain adverse remarks since there are doubts about their confidentiality”, according to a former cabinet secretary. “Moreover, they are very general and simplistic and completely devoid of performance-related targets”.¹⁴¹ The NCGR report, moreover, found the system of performance evaluation reports to be “highly subjective” and “a stick used by some immediate superiors to force obedience and obsequiousness among their subordinates”.¹⁴²

Mechanisms must be put in place to ensure that promotions take place solely on merit and in accordance with rules and regulations. Promotions policy should be re-framed to include measures such as objective, performance-related criteria, linking promotions to management and leadership potential demonstrated during training programs; and integrating diversity of experience into career advancement frameworks. To preclude allegations of favouritism, the prime minister’s sole authority over promotions to BPS-22 should be transferred to an independent body like the FPSC.

The political executive has often misused its power to designate civil servants “officers on special duty” (OSD). Officially OSD status is meant for clearly defined reasons, including enabling government officials to draw their salaries while waiting for new postings; to perform duties or complete training abroad; and to perform

special assignments such as examining or implementing a particular commission’s report.¹⁴³

While civil servants should be shielded from unwarranted political interference, they must be subject to greater parliamentary oversight. Relevant parliamentary committees could, for instance, be given the authority to vet key civil service appointments along the lines of U.S. Senate committees.¹⁴⁴ Military personnel, serving or retired, should be excluded from the FPSC, and membership expanded beyond retired civil servants. The chairman and other members should be appointed by the prime minister, subject to approval by a sub-committee of the PAC, followed by a vote in the National Assembly.

The federal ombudsman and the chairman and members of the Federal Services Tribunal should also be vetted and approved by the standing committee of cabinet, before a full parliamentary vote. Other parliamentary committees should also be mandated to vet and approve key civil service appointments that fall within their area of responsibility. For example, the PAC should vet and approve candidates for auditor general. Provincial governments should set up parallel mechanisms.

¹³⁹ Ibid, p. 187.

¹⁴⁰ Crisis Group interview, federal secretary, Islamabad, 4 January 2010.

¹⁴¹ Crisis Group interview, Islamabad, 25 November 2009.

¹⁴² “Report of the National Commission for Government Reforms on Reforming the Government in Pakistan”, op. cit., p. 188.

¹⁴³ Annexure, Government of Pakistan, O.M. No. 5(1)/8/67-DV, 19 September 1968, ESTACODE, 2009, pp. 84-85.

¹⁴⁴ There is growing support within parliament for such oversight powers. Crisis Group interview, Zahid Hamid, public accounts committee member, Islamabad, 14 January 2010.

VI. IMPROVING SERVICE DELIVERY IN KEY AREAS

A. LAND MANAGEMENT

While Pakistan remains a predominantly agrarian country, its system of maintaining land records and assessing and collecting land revenue remains “one of the most antiquated and obsolete in the world”, according to a former member of the Punjab Board of Revenue.¹⁴⁵ At the centre of this system lies the colonial-era office of the *patwari* (village revenue officer), responsible for assessing and collecting agricultural revenue, recording the inheritance, sale and transfer of land, and maintaining all land records in its area of jurisdiction. All information is noted manually by the *patwari* in several voluminous registers.¹⁴⁶ “It is shameful that, in the present technology-driven age, we still have this ramshackle system that gives arbitrary control to a solitary individual over both land holdings as well as revenue assessment and collection”, a provincial civil servant said.¹⁴⁷

The most commonly required but generally elusive land-related document is a certificate of possession called the *fard*, which can only be granted by the *patwari*, thereby giving a BPS-5 revenue officer disproportionate power. The *fard* serves a range of purposes, including as a guarantee for furnishing bail in court cases; proof of permanent residence in order to obtain a domicile certificate as well as loans from financial institutions; proof of changed ownership through inheritance; and as recording the ownership of land through sale, purchase, mortgage, lease or gift.¹⁴⁸ Unsurprisingly, people seeking a *fard* are vulnerable to extortion by the *patwari*.¹⁴⁹

Bribes paid to the *patwari* vary according to the individual's finances as well as the nature of the transaction for which the document is required. According a district officer in Lahore, “cases involving mutation of land or the granting of bail can sometimes fetch a *patwari* several hundred thousand rupees”.¹⁵⁰ There are no effective checks on the *patwari*, and the provincial revenue department generally lacks both the will and the resources

to hold *patwaris* accountable. “The revenue departments themselves are corrupt to the core”, said a provincial civil servant in Punjab. “There can be no improvement in the system of land revenue until and unless the provincial revenue departments themselves are cleansed from top to bottom”.¹⁵¹

Many within and outside the bureaucracy advocate computerising all land records, which would eliminate two of the *patwari*'s most frequently abused powers: the maintenance of land records and the assessment of revenue. Two World Bank-assisted pilot projects in Punjab and Balochistan have already instituted computerised records, but are faltering primarily due to resistance from *patwaris*. “There are major vested interests at work in preserving the existing system of land management”, argued a revenue officer. “The landed elite, many of whom are also politicians sitting in national and provincial legislatures or operating as *nazims*, are in collusion with the *patwaris*, who grant them preferential access to land and other privileges in exchange for bribes and protection from prosecution”.¹⁵² A district officer in Sukkur claimed “the moment you suspend or remove a *patwari*, you receive calls from provincial and even federal ministers ordering him to be restored. With such powerful patrons behind them, it is no wonder that the *patwaris* have become virtually a law unto themselves”.¹⁵³

Computerising all land records would significantly reduce opportunities for corruption and malpractice. One model for this is the “Bhoomi” project in the Indian state of Karnataka in 2001, which computerised 20 million land records in the state, covering seven million farmers and 35 million beneficiaries in 27,000 villages. Where farmers before had to wait for months and pay bribes for rights of tenancy, they can now simply visit information kiosks to obtain a computerised copy of their records for a nominal service fee.¹⁵⁴ The transformation of land administration through similar computerisation in Pakistan would generate public goodwill towards the government, especially among of the country's largely rural population, the primary victims of corrupt land revenue officials.

In June 2008, the then-DCO in Punjab's Jhang district, Zubair Bhatti, ordered all clerks who handled land transfers to provide a daily list of transactions, including the amount paid and the cellphone numbers of both buyer and seller, who were then contacted randomly to verify

¹⁴⁵ Crisis Group interview, Lahore, 1 November 2009.

¹⁴⁶ Registers are maintained not only for current details of land ownership, but also for the kinds of crops grown and the outbreak of disease affecting yields.

¹⁴⁷ Crisis Group interview, Gujranwala, 14 November 2009.

¹⁴⁸ Muhammad Usman Qazi, “Computerisation of Land Records in Pakistan: A Comparative Analysis of Two Projects from a Human Security Perspective”, LEAD International, April 2006, p. 7.

¹⁴⁹ Crisis Group interview, revenue officer, Gujranwala, 14 November 2009.

¹⁵⁰ Crisis Group interview, Lahore, 14 November 2009.

¹⁵¹ Crisis Group interview, Lahore, 1 November 2009.

¹⁵² Crisis Group interview, Gujranwala, 14 November 2009.

¹⁵³ Crisis Group interview, Sukkur, 23 October 2009.

¹⁵⁴ “Bhoomi plans to computerize urban records”, *Business Standard*, 15 January 2009.

if any bribes or commissions had been paid. "After I had proceeded against one official who had been reported as taking bribes, the others realised I meant business and fell into line", said Bhatti. He claimed that this resulted in a dramatic reduction in corruption, improved public confidence in government, and can "easily be institutionalised in every district through special call-centres".¹⁵⁵

B. EDUCATION

Pakistan's failing public education system has radicalised many young people by failing to furnish them with the skills necessary for a modern economy, instead pushing them towards crime and militancy.¹⁵⁶ As with other departments, the education sector is over-centralised – from curriculum policy, the responsibility of the federal ministry's curriculum wing, to provincial textbook boards' control over the production and content of textbooks for a province's public schools. Delays in production, for example, resulting from bureaucratic infighting and inefficiency, have occasionally deprived teachers and students of learning material. In 2004, differences within the Sindh provincial government between the ministry of finance and the Sindh Textbook Board (STB) delayed publication of the province's textbooks, leaving three million public school students without textbooks until almost four months into the academic year.

Public school teachers are tenured civil servants and many are attracted less by an interest in imparting education than by the job security provided by state as opposed to private schools. Moreover, with limited federal and provincial oversight, state-run schools and the federal and provincial education ministries offer many more opportunities for corruption than in the private school system. One symptom of this is the alarming mushrooming of "ghost" schools that either do not exist or are dysfunctional, but that are allocated precious resources by the education ministry. Local officials, usually with strong political or bureaucratic connections, obtain government funds to run schools that exist only on paper, while some administrators even sub-let school premises to private interests.¹⁵⁷

While the constitution designates education a provincial subject, Musharraf's local government scheme devolved education from the province to the district. Thus, district governments decided on the location of new schools and arranged funding for their construction. Additionally, district governments monitored schools and carried

out evaluations of teachers. The Executive District Officer (Education), the senior district bureaucrat, assisted by a host of subordinate officers such as District Officers, Deputy District Officers, and Assistant District Officers, oversaw the education department, allocating all education-related resources.

District governments were responsible for primary, secondary and higher secondary education but could recruit primary and secondary school teachers only up to BPS-16. All powers of hiring, firing and transferring senior positions (BPS-17 and above) remained with the provincial government, which also exercised control over inter-district transfers, budgets and textbook production. "No EDO in his right mind would defy his provincial bosses for fear of being transferred", said a district education officer.¹⁵⁸

Genuine devolution of education to the districts will require new initiatives and mechanisms to reduce bureaucratic control. Each public school should have its own board of governors elected by parents as well as teachers, and comprising both elected members of the district government as well as parents and respected members of the community. The boards should be empowered to hire and fire public school teachers and administrators based on performance. Instead of teachers and administrators functioning as full-time civil servants, they should be hired on short-term, institution-specific contracts that are renewable, based on performance to be reviewed annually by the board of governors.¹⁵⁹

C. LAW AND ORDER

The government must prioritise reform of a dysfunctional police force that after six decades of misuse and neglect has become incapable of combating crime, upholding the law and protecting citizens and the state against militant violence.¹⁶⁰ While Musharraf had promulgated the Police Order of 2002 ostensibly to transform the police into an efficient, apolitical and service-oriented force, his subsequent decision to amend the order to increase his own control and that of his political allies over the police has ensured that the force remains inefficient, heavy-handed and corrupt.

Absent effective monitoring and accountability mechanisms, political manipulation of the police continues, as

¹⁵⁵ Crisis Group interview, Islamabad, 7 January 2010.

¹⁵⁶ See Crisis Group Asia Report N°84, *Pakistan: Reforming the Education Sector*, 7 October 2004.

¹⁵⁷ Ibid.

¹⁵⁸ Crisis Group interview, Islamabad, 14 December 2009.

¹⁵⁹ Crisis Group Report, *Reforming the Education Sector*, op. cit.

¹⁶⁰ For earlier analysis on the capacity of civilian law enforcement agencies to tackle extremism, see Crisis Group Asia Report N°164, *Pakistan: The Militant Jihadi Challenge*, 13 March 2009; and Crisis Group Report, *Reforming Pakistan's Police*, op. cit.

does nepotism.¹⁶¹ “Establishing law and order is a critical component of good governance”, said a former inspector-general of the Sindh police. “But as long as recruitments, postings and transfers in the police continue to be made on political grounds, effective enforcement of law and order will continue to elude both the government and the public”.¹⁶²

Since the police is the first contact point between the citizen and the state, a corrupt and brutal force strains that bond and undermines state legitimacy. With the public demanding basic security from their elected government, amid increasing militancy in urban centres as well as rural and tribal areas, the government should urgently devise and implement measures to improve police functioning. It should redress public grievances against police excesses and insulate operations from political manipulation.

While the government has taken some important steps, including raising police salaries, and allocating funds for better weapons, vehicles and other facilities, Islamabad has yet to take many of the crucial decisions that would transform the police into a disciplined, efficient and modern institution that serves and protects citizens. The federal cabinet should without further delay place the Police Order 2002 before parliament for debate and review. The National Assembly's standing committee on interior should constitute a sub-committee exclusively dealing with policing; and the government should empower accountability and managerial bodies like the national, provincial and district public safety commissions and the National Police Management Board.¹⁶³

D. E-GOVERNANCE

Enhancing information and communication technologies to support government processes and provision of public services may ensure greater transparency in bureaucratic decision-making, increased accountability of civil servants, and more effective service delivery. E-governance technology would also broaden citizens' participation in the government's policy and decision-making processes.

While there is an E-Government Directorate (EGD) cell within the information technology ministry, its work has been severely hampered by bureaucratic obstruction and lack of autonomy. The ministry itself has been without a full-time minister for two years, with Prime Minister Gilani holding the portfolio himself. If accepted, the EGD's recommendation that it become at least an attached department of the information technology ministry would give it greater financial and operational autonomy. At present, it remains a ministerial cell.¹⁶⁴

In May 2005, the EGD produced a five-year plan to enhance e-governance within federal ministries to improve inter-ministerial coordination and communication. While ministries have been provided basic hardware such as personal computers, there is still no federal government data centre, an essential requirement to connect all government agencies and preserve their data in a single secure location. According to officials in the information technology ministry, the military's intelligence agencies have objected to the creation of such a system on security grounds. They believe, however, that the military mainly opposes the scheme because it wants to place the system under an organisation with significant military presence, such as the National Telecommunication Organisation, headed by a retired brigadier, or the National Database and Registration Authority, which has a number of retired army officers in senior management positions.¹⁶⁵

In 2004, the military regime established the National Electronic Government Council, under the chairmanship of the prime minister, to review progress in adopting e-governance standards and to suggest changes in legislation, rules and regulations. Mandated to meet on a quarterly basis, the council has met just once since its creation. Ministries were supposed to adopt e-governance programs with the EGD's support, but have not done so due to bureaucratic resistance.¹⁶⁶

The government should increase the use of e-governance in ministries, departments and other public agencies along the lines outlined by the EGD's five-year plan. It should make compliance with the EGD's standards mandatory

¹⁶¹ For example, in April 2009 a number of close relatives of influential members in the Sindh government were reportedly either inducted into the Sindh police as deputy superintendents of police, or seconded to the police from other provincial departments. See “Out-of-turn inductions in Sindh police”, *The News*, 12 April 2009.

¹⁶² Crisis Group interview, Karachi, 21 October 2009.

¹⁶³ For recommendations on broader police reforms, see Crisis Group Report, *Reforming Pakistan's Police*, op. cit.

¹⁶⁴ “E-Government Strategy and 5-Year Plan for the Federal Government”, Electronic Government Directorate, Ministry of Information Technology, Government of Pakistan, May 2005.

¹⁶⁵ Crisis Group interviews, officials in the information technology ministry, Islamabad, 12 January 2010. The chief projects officer, chief operating officer, chief commercial officer and chief administrative officer of the National Database and Registration Authority are all retired army officers. See the organisation's website at www.nadra.gov.pk/index.php?option=com_content&view=article&id=2&Itemid=4.

¹⁶⁶ Crisis Group interview, government official, information technology ministry, January 2010.

for all large information technology (IT) federal government projects, as well as provide basic IT training for all government employees of BPS-5 and above. The EGD should also be given organisational and financial autonomy by converting it from a cell to an attached department of the ministry of information technology.

E. THE INTERNATIONAL ROLE

The international community, particularly the U.S., must demonstrate its commitment to strengthening democracy by making public sector development a major priority. The U.S. Congress's Pakistan Enduring Assistance and Cooperation Enhancement Act, commonly referred to as the Kerry-Lugar-Berman bill, signed into law by President Barack Obama in October 2009, calls for the provision of \$1.5 billion in non-military assistance annually over the next five years. Key target areas include democratic institutions, judiciary, health and education, agriculture and rural development programs, and law enforcement.¹⁶⁷ While a welcome step, this assistance is unlikely to achieve the desired results without comprehensive civil service reform. Absent such reform, U.S. assistance will merely increase opportunities for corruption, with little to show in terms of delivery as a corrupt and dysfunctional bureaucracy siphons off development funds.

This is a particular concern in FATA, where an unaccountable bureaucracy continues to dominate almost all aspects of governance.¹⁶⁸ Without fundamental structural and political reforms, including merging the FATA secretariat into its NWFP counterpart, which is accountable to the NWFP assembly, militancy in the tribal agencies will continue to flourish. Extremists exploit the political and economic void created by the state's failure to provide basic services, security and good governance.

The Obama administration is under pressure to channel FATA development aid directly to the Pakistan government.¹⁶⁹ In December 2009, the U.S. government announced \$55 million for infrastructure, rehabilitation and power projects in South Waziristan Agency, where the Pakistani military has been conducting operations against the Hakimullah Mehsud-led Pakistani Taliban network since October 2009. The money will reportedly go directly to the FATA secretariat, which will in turn allocate it, among other government entities, to

military-controlled agencies such as the Frontier Works Organisation.¹⁷⁰ This continued reliance on a civil and military bureaucracy would, however, alienate rather than win the hearts and minds of FATA's public. Instead, the U.S. should make the direct delivery of assistance contingent on the reform of FATA's dysfunctional and unaccountable institutions, including greater transparency and accountability to representative institutions.

This applies to Pakistan's bureaucracy in general. With more money coming in, the chances of corruption, misuse and waste will only increase if service delivery mechanisms remain dysfunctional. For example, building police capacity has been rightly identified as a key area in the Pakistan Enduring Assistance and Cooperation Enhancement Act. Donor support for law enforcement could go to waste unless police reforms ensure operational autonomy and empower oversight bodies such as the national, provincial and district public safety commissions, and the National Police Management Board.

The international community, particularly the U.S. and the European Union, could also play a significant role in strengthening the EGD through technical assistance and training. If the EGD is provided and helped to develop more advanced applications, these could then be provided to line ministries to ensure more effective and transparent service delivery. Donors should, in fact, leverage aid to encourage line ministries, departments and agencies to adopt e-governance, computerisation of records, and other modern methods of administration.

Donors, including the U.S. government, should also support civil service training initiatives such as the establishment of specialised training institutions for civil service recruits, as recommended by the NCGR. In particular, training institutes should be prioritised for: policing; fiscal policy and financial management; energy; human development; infrastructure development; trade and industry; and agriculture and the environment. These bodies would be particularly useful for technocrats who occupy the overwhelming majority of officer-level positions in the civil bureaucracy but are denied the training and career advancement available to their generalist counterparts. Any foreign-funded training should, furthermore, target young and mid-career officers rather than senior officials nearing retirement, as training has tended to do in the past.

¹⁶⁷ For text of the "Enhanced Partnership with Pakistan Act 2009", S. 1707, passed by both chambers of Congress, see Congressional Record – Senate S9813, 24 September 2009; and Congressional Record – House H10108, 30 September 2009.

¹⁶⁸ See Crisis Group Report, *Pakistan: Countering Militancy in FATA*, op. cit.

¹⁶⁹ Ibid., p. 21.

¹⁷⁰ See "U.S. to give \$55 million for Waziristan: Patterson", *Dawn*, 31 December 2009.

VII. CONCLUSION

Pakistan's deteriorating civil service is in urgent need of repair. Decades of mismanagement have left it ill-equipped to meet formidable governance needs, including security and basic provisions at a time when the elected government is facing major political, security and economic challenges. The future of the current democratic transition will depend not just on political reconciliation between the ruling party and its opposition, and constitutional amendments to restore parliamentary rule, but also on restoring links between citizen and state, including at the grassroots. These links have become more tenuous, especially in FATA and NWFP, where millions have been affected and displaced by conflict. The state's ability to deliver good governance and services to all citizens will be as vital to containing the spread of radicalism countrywide as the use of force against militant groups.

Reforming a bloated, corrupt, and heavily politicised bureaucracy will not be easy. While the bureaucracy must accept its share of responsibility for historically siding with the military to stunt democratic development, political parties, particularly the PPP and PML-N, must also acknowledge that their attempts to curb the excesses of the bureaucracy have more often eroded its neutrality and efficiency, and pressured civil servants to

act more as personal retainers than as impartial public servants. Internal reforms will only be effective if the bureaucracy is shielded from political manipulation.

While the accountability of officials must be effective, impartial and transparent, higher salaries and benefits, and better conditions of employment, could significantly reduce incentives for corruption. The civilian government should also focus on transforming the civil service into a more flexible and responsive institution. Reform should therefore include drastic changes to a rigid and over-centralised authority structure that has been unable to address local fiscal needs and underdevelopment, by delegating important administrative and financial functions to lower tiers.

Bureaucratic rules, procedures and structures should be modernised and training programs geared towards not just producing a class of capable civil servants, but restoring a spirit of public service. If such reforms are not urgently undertaken, and the quality of bureaucratic governance continues to deteriorate, public disillusionment and resentment towards the government could grow and could well be used by the military to justify yet another spell of authoritarian rule, whether direct or through civilian proxies.

Islamabad/Brussels, 16 February 2010

APPENDIX A

MAP OF PAKISTAN



APPENDIX B

GLOSSARY

ANP	Awami National Party, the main secular Pashtun nationalist party in the NWFP, which currently heads the provincial NWFP government, in coalition with the PPP.
BPS	Basic Pay Scales, signifying the civil service's salary structure arranged according to seniority.
CSP	Civil Service of Pakistan, a defunct cadre that dominated Pakistan's bureaucracy during the 1950s and 1960s, until its abolition in 1973.
DCO	District Coordination Officer, the senior-most civil servant in a district.
DMG	District Management Group, which dominates civil service appointments in the federal and provincial secretariats as well as in the districts.
EGD	E-Governance Directorate
ESTACODE	The Civil Establishment Code, a compendium of laws, operating procedures, and rules and regulations governing the civil service.
<i>Fard</i>	A certificate of land possession
FATA	Federally Administered Tribal Areas, comprising seven administrative districts or agencies, and six Frontier Regions bordering on south-eastern Afghanistan.
FIA	Federal Investigation Agency
FPSC	Federal Public Service Commission, the agency responsible for civil service recruitment at the federal level.
ICS	The Indian Civil Service, the bureaucratic bulwark of British colonial rule in India and the forerunner of the Civil Service of Pakistan.
MQM	Muttahida Qaumi Movement (United National Movement), the PPP's coalition partner in Sindh.
<i>Nazim</i>	Mayor
NCGR	National Commission on Government Reforms
NSPP	National School of Public Policy
NWFP	North-West Frontier Province
PA	Political agent, a centrally appointed bureaucrat who is the top official in a tribal agency, exercising extensive executive, judicial and financial powers.
PAC	Public Accounts Committee
<i>Patwari</i>	Village revenue officer
PCS	Provincial Civil Service, whose officers serve exclusively in each of Pakistan's four provinces.
PML	Pakistan Muslim League, the founding party of Pakistan, originally called the All India Muslim League. Many politicians claim to be leaders of the "real" Muslim League in Pakistan and have their own factions. Former Prime Minister Nawaz Sharif heads the Muslim League's largest grouping, known as PML-N, currently running the government in Pakistan's largest province, Punjab, in coalition with the PPP.
PPP	The Pakistan People's Party, founded by Zulfikar Ali Bhutto in 1967 with a socialist, egalitarian agenda. Since Benazir Bhutto's assassination in 2007, the party is headed by her widower, President Asif Ali Zardari, and currently heads the coalition government in the centre.
PSP	Police Service of Pakistan
<i>Tehsil</i>	Town
<i>Wafaqi Mohtasib</i>	Federal Ombudsman
<i>Zila</i>	District