

## **5**

# **Administration**

**ROBERT LAPORTE, JR.**

Leaders from Mohammad Ali Jinnah onwards have relied upon the civil services to advise them on economic and political issues and chart out the course Pakistan pursued. This chapter will try to analyze the role of the civil service and see how this role has changed.

### **CHANGES IN THE CIVIL SERVICES**

The division of territory into districts was first made by Mughal emperors.<sup>1</sup> The British developed this administrative practice.<sup>2</sup> They made their impact on the area which is now Pakistan after gaining control of the Punjab from the Sikhs in the middle of the nineteenth century. Sind was added about the same time. The North-West Frontier area, controlled by the British, was demarcated from Afghanistan with the establishment of the Durand Line in 1895, and part of what is now the Province of Baluchistan was added towards the latter part of the nineteenth century.<sup>3</sup> The

British extended the viceregal system to what were termed the 'settled' areas, and indirectly ruled the tribal areas in the NWFP much in the same fashion as did the Sikhs and the Mughals. Provincial governors were appointed for Punjab and Sind, with parts of NWFP and Baluchistan administered by Political Agents who reported to the Viceroy. What the British introduced was a bureaucratic system of government which stressed law and order and the orderly collection of revenue.

In the early twentieth century, the British began to develop the western portion of Punjab through the development of irrigation.<sup>4</sup> They also contributed to the development of a zamindari or landlord class. Political and economic power was linked to the possession of land and access to the irrigation systems in the settled areas. In the tribal areas, power was based on wealth in terms of livestock and gold. The nature of privilege during the British period was based on British recognition of the individual or the family. Hence, British-recognized 'sardars' (or chiefs) in Baluchistan, 'maliks' in NWFP, 'waderas' or landlords in Sind, and zamindars in Punjab were afforded privileges by the British. For example, sardars and maliks received cash payments from the British in exchange for maintaining law and order in their areas of control and for refraining from conducting raids into the settled areas. Waderas and zamindars were given the right to control land, and the inhabitants who worked the land, as long as revenue was provided to government-appointed civil servants. These privileges also included education for the sons of sardars, maliks, waderas and zamindars in British-established English medium schools, such as Aitchison College in Lahore and various Cadet Colleges located in other parts of what is now Pakistan. The viceregal system of government was the basis of British colonial rule in India. This system placed strong emphasis on law and order and did not encourage democratic participation. Although the British did develop parts of what is today Pakistan, development activities were planned and implemented by the government with little input from the population in the areas affected. At the apex of the system, the Viceroy controlled the civil side while the Commander-in-Chief of the British Indian Army was responsible for military matters. Legally, the Viceroy was the chief representative of the British Crown in India and the Commander-in-Chief could not take action unless the Viceroy requested him to do so or approved of his planned actions. The



viceregal system which developed during the British period involved the governing of the British Indian Empire by the civil service. The Viceroy dealt directly with the civil service, with no control of the civil service by politicians. Civil servants appointed as district officers governed the settled areas with life and death powers, and political agents (who were also civil servants or military officers) in the tribal areas controlled the major towns and roads. Deputy Commissioners in the Province of Baluchistan still have the power to order the execution of an individual convicted of certain crimes.

Decision-making was centralized and controlled by the civil service. Civil service appointments, transfers and promotions were made by the Government of India Commissioners, and Deputy Commissioners were almost always members of the Central Superior Services and invariably Indian Civil Service (ICS) officers. Centralization of decision-making was fostered through this centralized personnel system. At the local level, autonomy in decision-making was vested in the Deputy Commissioner of each district. The title of the officer in charge of a district varied throughout the British Indian Empire. In some places, the head of the district was known as the District Magistrate; in other places, the title was Deputy Commissioner. Regardless of title, this official was responsible for revenue collection, the judicial process as well as law and order. Although all districts had Superintendents of Police, the Superintendent reported to the Deputy Commissioner who was not responsible to regional or local power structures but to the Viceroy. Until the latter part of the nineteenth century, all major civil service and military posts were held by the British—the Indianization of the civil service began later in what is now Pakistan than in other parts of the British Indian Empire.

With Partition in 1947, the Pakistan that was created included the eastern portion of Bengal, the western portion of Punjab, all of Sind and NWFP and most of Baluchistan. The Makran Coast area of Baluchistan remained part of the Sultanate of Oman until 1958. There were immediate problems of administration. Of the approximately 500 Indian Officers of the Indian Civil Service (ICS) and the Indian Political Service, only 82 chose to join Pakistan.<sup>5</sup> The Government of Pakistan filled this critical personnel void by hiring under contract former British ICS officers. On the military side, British military officers were also hired, and in fact it was not until

1952 that the first Pakistani—Ayub Khan—was appointed Commander-in-Chief of the Pakistan Army. The British viceregal system of administration remained virtually unchanged during the first 11 years of independence, from 1947 to 1958.<sup>6</sup>

With the military takeover in October 1958, Ayub Khan made some minor changes in the recruitment of individuals to civil service positions by inducting military officers into the civil service, but the structure of the civil service was relatively untouched. Ayub Khan continued the viceregal system, but he initiated the partnership between the military and the civil bureaucracy, a partnership continued by his immediate successor, Yahya Khan.

After the Bangladesh War in December 1971, Zulfikar Ali Bhutto came to power and in 1973 he made changes in the structure of the civil service.<sup>7</sup> The Civil Service Reform Act of 1973 unified the Central Superior Services into the All Pakistan Unified Grades system; abolished all service labels like CSP and FSP; and established a lateral entry system which permitted the appointment of individuals at the top of the civil service.<sup>8</sup> In addition, the constitutional guarantees afforded to the civil service through the Constitutions of 1956 and 1962 were abolished. This meant that civil servants could be more easily dismissed from the service. He also conducted two purges of the civil service, one in 1972 when 2,000 civil servants were dismissed and another in 1976.<sup>9</sup> Through lateral entry, over 5,000 individuals were appointed to civil service positions. He also dismantled the economic planning system established by Ayub Khan and replaced it with a centralized planning system located in the Prime Minister's office.

The 'new' civil service is a product of the Civil Service reform of 1973. By opening up the civil service through lateral entry and expanding the recruitment base, civil servants now come from families whose members were previously excluded from the service. Appointment to the civil service is still based on how well the individual does in the civil service examination. Postings, however, are based both on merit and grade level and the extent to which the officers develop the necessary 'connections'. One new source is the sons and daughters from feudal, zamindari families where they are the first generation of English speakers. The reasons for choosing the civil service vary but one is the desire of the family to have its members in positions of power so as to influence decisions relating to law and order issues in their area. Others are



attracted to the service because of their perceptions of the power and privilege afforded to civil servants. Newly graduated professionals who find that employment opportunities are limited due to an oversupply in their fields are another source. This, apparently, has happened in the case of medical doctors, so it is not unusual to find a generalist civil servant being addressed as 'doctor' since, in fact, the officer possesses a medical degree. There has been no systematic study of the new sources of recruitment to the civil service. It is hoped that the broadening of the recruitment base will include officers concerned for the well-being of other segments of the class structure in Pakistan that have been previously excluded from the benefits of rapid economic development but there is no guarantee that this will, in fact, occur.

Bhutto's reasons for making these changes were based on his style of leadership and his earlier experience in working with civil servants. As a cabinet minister during the Ayub Khan years, he had been frustrated by actions taken by senior civil servants, many of whom were Civil Service of Pakistan (CSP) officers, and he felt that the CSP thwarted his efforts. His leadership style did not allow for opposition of any sort. The civil service and its apex, the CSP, were threats to his power.

Following the military coup in July 1977, Zia ul-Haq commissioned a study of the civil service as part of the process of accountability for actions taken by the Bhutto government. The Civil Services Commission, chaired by the then Chief Justice of the Supreme Court, S. Anwarul Haq, was commissioned in February 1978 and completed its report in early 1979. The report was critical of Bhutto's 1973 reforms but did not recommend a reversal of all that was put in place. Although Zia ul-Haq did not accept or put into action all of the recommendations of this Commission, he did take a number of steps to reverse actions taken by Bhutto. These included:

1. Appointing prominent civil servants to his cabinets. (Two very important appointments were Ghulam Ishaq Khan as Minister of Finance and Commerce and Agha Shahi as Foreign Minister; both were Secretaries-General of the civil service).
2. Restoring powers to the federal secretariat, the provincial secretariats, the Divisional Commissioners and the Deputy Commissioners in the districts.

3. Appointing technically trained civil servants to important posts in the government (for example, Mahbub ul-Haq) and resurrecting the technically-based planning process.
4. Reappointing to the civil service many civil servants who had been purged by Bhutto.
5. Replacing Bhutto-appointees on the boards of the public enterprises with both civil servants and military officers.
6. Restoring the status, if not the label, of the Civil Service of Pakistan (the CSP—the 'new' CSPs are members of the District Management Group or DMG).

Essentially Zia ul-Haq restored, at least in part, the 'steel frame' and the viceregal system and resurrected the partnership between the military and civil bureaucracy initiated by Ayub Khan.<sup>10</sup>

There were differences between the leadership styles of Ayub Khan and Zia ul-Haq. Except for the initial takeover in 1958, Ayub Khan sent the military back to the barracks while Zia ul-Haq relied on his military colleagues, appointing many military officers to civil service and public enterprise management positions. The governors of the provinces, all of whom were military officers until the Junejo government took limited power in 1986, exercised considerable power. In addition, the chairmen of the boards of directors of major public enterprises were also military officers. With the exception of economics and finance, the key decision-making positions had a decidedly military cast to them during the first nine years of the Zia ul-Haq regime. Zia ul-Haq retained the office of Chief of the Army Staff throughout his rule.<sup>11</sup>

### LEVELS OF ADMINISTRATION

What levels in the administrative system make decisions in which areas, and how these levels relate internally and to the private sector, are important for an understanding of the administrative process. This section briefly examines and analyzes the role of the central government; the role of provincial governments; the role of divisions, districts and local government bodies; the public



enterprise sector; inter-governmental relations; and the interface between the government and the private sector.

### **Central Government**

The Government of Pakistan is responsible for foreign affairs, defence, commerce, public welfare, energy development and production, banking and currency, air, rail and sea transportation, and telephone and postal communications. Each federal department is headed by a Secretary, a permanent civil servant. It administers the tribal agencies that are under federal control, i.e., the Federally Administered Tribal Agencies or FATA. It also plays a major role in heavy industry and manufacturing through its public enterprises. In addition, it is involved in any public project or programme which requires a substantial outlay of funds. It also influences private sector projects through the State Bank of Pakistan's allocation of and controls on credit. Government of Pakistan clearance on development projects must be secured and this contributes to the delays in initiating such projects.

Although Pakistan is a federal republic, the central government plays the major role in economic policy-making. The majority of revenues collected are central government revenues. With the exception of the Province of Punjab, all other provinces are heavily dependent upon federal funding for development projects and the maintenance of existing programmes. Control of finance is vested in the federal Ministry of Finance and the federal Planning Commission controls national economic development and oversees economic development at the provincial level. Official Development Assistance from international and bilateral assistance agencies is controlled by the Government of Pakistan.

The State Bank of Pakistan, acting as a central bank, controls credit available to both the public and private sectors. It supervises the activities of the domestic commercial-banks, which are public enterprises, and regulates foreign currency.

Another central government unit that has considerable power and influence is the Establishment Division. This unit controls the placement and promotions of personnel of the All Pakistan Unified Grades and has the power to appoint APUG officers to the provincial and district levels.

Through its control of public financial and human resources, the power of the central government is substantial.

### **Provincial Governments**

Provincial government structures and decision-making have changed over the past 40 years. In 1947, five provinces were carved out of British India. These included East Bengal, West Punjab, Sind, North-West Frontier and Baluchistan. In 1956, the so-called 'One Unit Plan' was adopted and the four western provinces were consolidated into one province—West Pakistan. In 1969, West Pakistan was broken up into the original four provinces. In 1971 East Pakistan (the former East Bengal) became independent Bangladesh.

The chief executive officer of each province is the Chief Minister (during periods of civilian rule) who is an elected official. The head of the civil service is the Chief Secretary (who is a permanent civil servant). Each provincial department is headed by a Secretary (also a permanent civil servant). The provinces are primarily responsible for education, health, agriculture, local government and rural development, irrigation, highways and roads, and police and courts. They play a significant role in provincial-level economic development.

Key provincial agencies are Finance, Home (police), and Planning and Development. Each province develops an Annual Development Programme which is the economic development plan for the province. This task is accomplished by the Planning and Development agency and is reviewed by the federal Planning Commission.

The revenue base for each province is very limited.<sup>12</sup> Each province has its own civil officer cadre (the Provincial Civil Service or PCS) although PCS officers may serve at the federal level.

The provincial governments are not equal in terms of staff, effectiveness or efficiency. One rating based on a subjective analysis of efficiency (which translated into the time it took to get written responses to questions asked by the Government of Pakistan) showed that the 'most efficient' was Punjab, followed in rank order by NWFP, Baluchistan and Sind. Punjab is the largest of the provinces in terms of population and the richest, and most of the civil officers come from this province. NWFP, however, has been known for the quality of its officers.

### **Divisions and Districts**

Divisions are coordinating units headed by Commissioners who are permanent civil servants. The number of districts included in a



division varies but the norm is about four. The responsibilities of Commissioners include ensuring that district officers carry out federal and provincial directives and the supervision of the work of Deputy Commissioners. The district has been the keystone of area administration on the subcontinent since the British period if not before. Each district is headed by a Deputy Commissioner (a permanent civil servant often from the District Management Group) and is responsible for law and order, revenue collection and, from time to time, economic development activities. The Superintendent of Police in each district reports to the Deputy Commissioner. Each Deputy Commissioner is assisted by Assistant Commissioners.

Districts have been reorganized and created since 1947 as population has increased or shifted. In the rural areas, the Deputy Commissioner is the most important official and one to whom members of the population may petition to settle disputes. The role of the Deputy Commissioner has changed over time. During periods of civilian rule, his powers have been reduced or modified but the popular image of his powers has remained relatively constant.

### **Local Bodies**

Pakistan has experimented with a variety of local government and rural development schemes. From its Village Agriculture and Industrial Development programme in the 1950s to the current Local Bodies Scheme introduced by Zia ul-Haq, the goals have remained relatively constant—to try to encourage the population to participate in government at the local level. But how much participation has always been a problem. The current scheme permits local bodies officials, who are elected by the people on a partyless basis, to design and manage small-scale economic development projects (rural roads, construction of elementary schools, small-scale irrigation schemes, etc.) through grants from the provincial governments and through locally generated revenues. Locally elected officials, however, have no role in law and order or the collection of revenue—these continue to be the responsibilities of the civil service (i.e., the Deputy Commissioners).

### **The Public Sector**

There are over 200 central government and a more limited number of provincial public enterprises. These semi-autonomous organizations operate in eight economic sectors and enjoy a monopoly

position in two sectors, finance and energy. They produce and distribute energy (electricity and fossil fuel); provide telephone and postal services; manufacture or assemble durable goods; produce steel; produce fertilizer and seeds; export and import goods; provide banking, credit and other financial services to both government and the private sector; construct roads and dams; manage the seaports and airports; and transport goods and passengers by air, rail, road and water. Their collective role in the economy is substantial.

In 1947 the British left behind approximately 12 public enterprises. Each successive government has created new public enterprises with the largest number created during the Bhutto regime due to the nationalization of private firms. They operate autonomously from government ministries and departments in the sense that each public enterprise has its own board of directors responsible for policy-making and management of its enterprise within the rules and regulations issued by various ministries and departments. They are supposed to be managed along 'business type' lines—pursuing commercial goals (i.e. making profits and generating income for the government)—and pursue public, socio-economic goals (developing physical infrastructure, such as roads, and new economic enterprises, such as textile or other manufacturing plants, in the more 'lagging' or economically backward areas of the country).

On the whole, public enterprises have not been successful commercial ventures and create a drain on government financial resources. The reasons for their inability to be commercially viable vary but relate, in large part, to the absence of competition and the government rules and regulations which constrain their operations.<sup>13</sup> From time to time, the Government of Pakistan has explored privatization as well as disinvestment. It has also taken off its budget some of the larger public enterprises, such as the Water and Power Development Authority, and allowed them to float bond issues as a means towards becoming less dependent upon government finances.

### **Inter-governmental Relations**

Inter-governmental relations in Pakistan may be best viewed through the economic development process. Both the central and the four provincial governments produce Annual Development Programmes.



The provincial plans are integrated into the national Five Year Plan which is produced by the federal Planning Commission. Through its financial powers, the Government of Pakistan controls the planning process since the provincial governments do not possess the financial resources required in their development plans. Also, the control of public personnel exercised by the Government of Pakistan constrains the ability of the provinces to staff development and other programmes.

### **Government-Private Sector Relations**

Except during the Zulfikar Ali Bhutto period, the Government of Pakistan has attempted to encourage the growth and development of the private sector. The Ayub Khan years saw substantial incentives offered to Pakistani businessmen to establish industrial, commercial and manufacturing firms. Government policies which encourage private sector growth and expansion exist alongside government rules and regulations which control growth. The availability of credit is controlled by the State Bank and the priorities in rank order are the government itself to cover deficits; the public enterprise sector; and the private sector and individual citizens. Government labour regulations (a remnant of the Bhutto years) are alleged by some businessmen to be anti-business in their orientation. Despite complaints from businessmen, the climate for business was positive in Pakistan during the Zia ul-Haq regime. Zia abandoned Bhutto's nationalization policies and offered guarantees against nationalization. Certain sectors of the economy including agriculture are totally open to private investment. The government also sought to encourage exports and foreign trade more actively in the 1980s.

### **ECONOMIC DEVELOPMENT**

Economic development has caused changes in power, privilege and government decision-making in Pakistan. The development of an industrial sector changed the definition of power and the increase in private sector activity redefined the concept of privilege.

Government economic policy decisions had a bureaucratic basis, biased towards rapid industrial development which may have benefited the rich more than the poor, and aggravated the disparities between West and East Pakistan. Protective industrial policies, the overvalued rupee and controls over agricultural goods encouraged investments in industry and caused some major landlords to diversify their investments. The Zulfikar Ali Bhutto Government saw changes in economic policy. Under the slogan of Islamic socialism, his nationalization efforts affected the major business houses and threatened the middle class. All commercial banks as well as a number of manufacturing firms were nationalized except for those that were foreign-owned. The scope and involvement of the government in the economy was broadened and expanded. Economic planning and policy-making was taken out of the hands of civil servants and technocrats and controlled by the Prime Minister and his PPP office-holders. Power and privilege were redefined by Bhutto, and his PPP supporters benefited. He also restructured government decision-making in the process. Some comments on economic policy-making and the management of the economy during the Zia ul-Haq period have already been made. However, it should be pointed out that Zia ul-Haq, through the management of the economy by Ghulam Ishaq Khan, did not set aside all that Bhutto did in the early to middle 1970s. Pakistan did not engage in wholesale denationalization of the firms nationalized during the Bhutto period. And not all of the PPP stalwarts appointed by Bhutto lost their positions of power and influence. Ghulam Ishaq Khan re-established the economic policy-making process started by Ayub Khan and reduced public sector investments and expenditures.<sup>14</sup>

The Zia ul-Haq regime attempted to encourage businessmen to invest. However, private investment did not increase to the level desired by the government and the investment that was made went into short-term, high profit ventures. Improved management of the economy during the Zia ul-Haq regime contributed to rapid economic growth. Outmigration of labourers and remittances have also contributed to the alleviation of poverty, which has, in turn, redefined power and privilege and altered government decision-making in the process. Although the possession of land still provides a base for power and privilege, especially in the rural areas of Sind and Punjab, the waderas and the zamindars do not wield the



power they once did. And the power of the sardars and maliks has also been reduced.

Politics and political crises have also influenced power, privilege, and decision-making and the role that state institutions have played. Non-representative institutions (the military and the civil bureaucracy) have emerged as important actors in the politics of Pakistan.

The politics of Pakistan over the past four decades have altered power, privilege and decision-making. The inability of the political leadership to agree on basic fundamentals contributed to the rise of the military as a political force. The absence of a cadre of trained and experienced political managers caused successive regimes to rely upon the elite civil service. The desires of political leaders from Jinnah to Zia ul-Haq to attempt to control events has continued the British pattern of centralized decision-making. The emergence of new groups like the industrial/commercial elite and the middle class, and the erosion of power of the traditional elites like landlords and tribal leaders, resulted, at least in part, from decisions taken by successive regimes.

### CONCLUSION

We have explored the changing nature of the administrative system of Pakistan, and how the concepts of power and privilege have evolved. In examining the administrative system, emphasis was placed on the decision-making process, and on who influences and who benefits from it. One well-documented fact emerges—the economy of Pakistan has been greatly influenced if not totally managed and controlled by the civil service. Politicians and military leaders have come and gone but the civil service has remained even though its nature and composition have changed. Until elected political leaders redefine the role of the elite civil service and take upon themselves the role of economic policy-maker and manager of the economy, the elite civil service in conjunction with the technocracy will continue to make economic policy and manage the economy.

There are several reasons why radical changes have not occurred despite changes in the political leadership. First, given the factional

nature of major political parties and the disparities between parties at the regional level, no national politician has yet attained the political strength needed to undertake radical changes. Second, economic conditions have been relatively good in Pakistan, except in some areas as rural Sind. In other words, so far there has not been any severe economic downturn that could become the reason to make changes. Radical departures from existing economic policies, such as another round of nationalization, are not desirable or required. Third, it appears that political leaders have stayed away from the economic ideologues that once had a strong voice in parties like the PPP. Fourth and finally, the two dominant state institutions, the military and the civil service, are not in disarray. A legacy of Zia ul-Haq's 11-year rule is a strong military and a strengthened civil bureaucracy.

The new political leaders will have to deal with the numerous problems left over from the long period of military rule, and will have to demonstrate their ability to govern and to secure re-election. In the process, power, privilege and decision-making will continue to evolve and change.