



Research Report No. 74

**SATISFACTION OR
FRUSTRATION:
A SURVEY OF SELECTED
DISTRICT GOVERNMENTS**

SOCIAL POLICY AND DEVELOPMENT CENTRE

SATISFACTION OR FRUSTRATION
A Survey of Selected District Governments

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A research team of Social Policy and Development Centre (SPDC) visited selected districts of Pakistan to gather views of officials and representatives of district governments on the present system of local governance. A semi-structured questionnaire was used in the interviews and their opinions were obtained regarding satisfaction with the system, nature of coordination and working relationship amongst different tiers of the government, problems in financing, issues in development planning and status of community empowerment institutions. This report presents the glimpses of interviews with Nazims and officials of district governments.

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ACRONYMS

AC	Assistant Commissioner	LGS	Local Government System
ACR	Annual Confidential Report	MC	Monitoring Committee
ADB	Asian Development Bank	MMA	Muttahida Majlis-e-Amal
ADP	Annual Development Program	MNA	Member of National Assembly
BD	Basic Democracy	MPA	Member of Provincial Assembly
BHU	Basic Health Unit	MQM	Muttahia Qaumi Movement
BNP	Balochistan National Party	NGO	Non-Governmental Organization
CC	Complaint Cell	NRB	National Reconstruction Bureau
CCB	Citizen Community Board	NWFP	North West Frontier Province
CIET	Community Information, Empowerment and Transparency	PML-F	Pakistan Muslim League, Functional
CM	Chief Minister	PML-N	Pakistan Muslim League, Nawaz
DC	Deputy Commissioner	PML-Q	Pakistan Muslim League – Quaid-e-Azam
DCO	District Coordination Officer (DCO)	PPP	Pakistan Peoples Party (PPP)
DDC	District Development Committee	SHO	Station House Officer
DDO	District Development Officer	SPDC	Social Policy and Development Centre
DFID	Department for International Development UK	TA/DA	Traveling Allowance/Daily Allowance
DPO	District Police Officer (DPO)	TMA	Tehsil/Taluka Municipal Administration
DPSC	District Public Safety Commission	TMO	Tehsil Municipal Officer
DTCE	Devolution Trust for Community Empowerment	UC	Union Council
EDO	Executive District Officer	USA	United States of America
ER	Elected Representative	USAID	United States Agency for International Development
FIR	First Information Report	VC	Village Council
HP	Haq Parast	WB	World Bank
ICG	International Crisis Group	WN	Watan Nawaz Group
JUI-F	Jamiat Ulami-Islam, Fazl ur Rehman Group	ZM	Zila Mohtasib
KPP	Kushal Pakistan Party	ZMC	Zila Mushavirati Committee
LFO	Legal Framework Order		
LGO	Local Government Ordinance		

1. BACKGROUND

Over the last two decades, an increasing number of countries have made efforts to decentralize government services,¹ often with emphasis on providing ‘good governance’ – improved administration, transparency and greater accountability. Moreover, international development agencies have made a significant shift in their aid strategies toward strengthening local governments by responding to the rise of sociopolitical movements for the reform and democratization of the states in Latin America, which have helped propel “decentralization and citizen participation” in government decision-making (Licha, 2002). In this context, international agencies have advanced significantly in developing participatory approaches for the design and implementation of policies, programs and projects of local governments.

Countries receiving international assistance have also been persuaded by donors to improve the delivery of public services in terms of responsiveness, effectiveness and efficiency through decentralization. They argue that massive wastage and very poor productive efficiency are the problems of over-centralization, which point to the ‘covert political economy’ of rent-seeking and diversion of public resources intended for service delivery (Manning, 2003). Decentralization or devolution is an attempt to tackle such entrenched interests.

Decentralization is also considered effective for speeding up human development by way of increasing efficiency in service delivery and removing or decreasing inter and intra-region inequality. Various dimensions of decentralization - participation, financing and comparative priorities - effect upon efficiency, resource availability and equity. Regarding efficiency, the main problems associated with centralization include the irrelevance of projects and policies to local needs and conditions, lack of adaptability, delays, under-utilization of local resources and inadequate maintenance. It is observed that decentralization has demonstrated the potential to lead to more appropriate and better utilized facilities, lower costs per unit of service and improved operations and maintenance (Klugman, 1994). However, greater efficiency need not necessarily accompany decentralization, given the risk of loss of economies of scale, duplication and overlap. Therefore, to avoid disadvantages of decentralization, governments have to adopt a careful and systematic process of devolution of authority. With respect to effects on equity, a distinction is drawn between inter and intra-district aspects. It is found that intra-district equity is likely to improve, following increased expenditure on basic social services which improves access and utilization on the part of poorer segments of the community (Klugman, 1994). At the same time however, the pivotal role of central or provincial special grants in affecting inter-district or inter-province equity should be identified and explored to accompany the decentralization plan.

To sum up, the decentralization has emerged due to a prevalent global trend towards local autonomy and self determination, and also due to increased tendency to minimize reliance on centralized planning. It requires community involvement and motivation to address local

¹ There are different forms of decentralization that are often referred to in the literature. These include de-concentration, delegation, devolution and privatization. Each of these represents a progressively greater degree of decentralization. Devolution, as we experienced in Pakistan, refers to the transfer of specific functions to local authorities together with the legal basis, capacity for the generation of material and human resources and discretionary decision-making power.

needs and characteristics. This has spilled over into demands by local governments and local populations for a greater share of resources and decision making power to affect their own development.

In Pakistan, however another factor is alluded to be behind the motivation of decentralization that is “legitimacy and survival” of military governments. Historically, it is always the military governments who supported the local government systems in Pakistan. In 1960, General Ayub Khan issued an ordinance which introduced the municipal administration order and provided the basis for local bodies in Pakistan. About 80,000 Basic Democracy (BD) members were elected through non-party elections and were used as an Electoral College for subsequent election of the President. Local bodies were not active during Zulfikar Ali Bhutto’s period, though the federal government issued the Peoples’ Local Ordinance which remained in place in all provinces except Punjab. After two years, the Punjab government introduced the Local Government Act, but elections were not held till the next military regime of General Zia ul Haq. Unfortunately, the system was never in place during elected regimes.

The present system of local governments in Pakistan is also the brainchild of the military government. The then government introduced the Devolution Plan 2000, which resulted in promulgation of the Local Government Ordinance (LGO), 2001. The LGO provides a framework for the functioning of the local governments. The object was to provide change at multiple levels including restructuring political and service structures through devolution of power including empowerment of citizens, delegation of administrative authority, decentralization of professional functions and distribution of financial resources to the provincial and local governments. The system envisaged proper checks and balances against misuse of power and authority. According to NRB (2002), “the objective of devolution is to solve most of the problems of most of the people within the district. These include respect for rights, improving service delivery and bringing justice to people’s doorstep so that citizens can be assured of being respected and protected, as well as having access to affordable and effective justice. The minimization of prevailing levels of harassment, corruption and wastage of resources through increased transparency, accountability and responsiveness to citizens’ needs are essential measures for the achievement of these aspirations”.

The Devolution Plan 2000, eventually changed the political landscape of Pakistan. Nonetheless, the system is facing serious challenges in the process of implementation. A few empirical studies have been conducted to appraise the new system of local governance. However, these studies were conducted during the initial phase of implementation of the Devolution Plan and before the second local government election in 2005. Therefore, the authors of this report felt that it would be useful to re-examine the ground realities by consulting representatives and bureaucrats of district governments. After brief sections on empirics on devolutions and survey methodology, this report presents the views of district managers of some selected districts of Pakistan.

2. EMPIRICS ON DEVOLUTION IN PAKISTAN

The research conducted by Paracha (2003), is perhaps the first systematic study to review the progress in implementation of Devolution Plan 2000 with the help of a semi-structured questionnaire. He concludes “The system obviously has its strengths, weaknesses, offers opportunities and faces a number of threats. Weaknesses of the system stem from unclear responsibilities and roles specially the uncertain fate of numerous laws from which the office

of Deputy Commissioner (DC)² draws its powers, gaps in interrelationships among various actors, ‘one formula for all’ approach, absence of devolution from federal to provincial levels, failure to undertake financial repercussions, issues relating to the capacity of both elected and other officials, are all bottlenecks in implementation. The set-up however offers many opportunities in the shape of hopes for empowerment of people and resolution of their local problems at local levels. The system is receiving unprecedented support from international partners as well. But at the same time, the system is at risk due to political reasons and a troublesome constitutional position”.

A joint study by the Asian Development Bank (ADB), the UK Department for International Development (DFID) and the World Bank (WB) was carried out in 2004. The report, based on empirical research³ in six districts and two Tehsils in each district, finds evidence of genuine change, particularly in the opportunities that citizens have gained to make their concerns heard. The report, however warns that “At the same time, the assessment shows many entrenched practices and attitudes still impede efforts to meet those concerns with sustained, effective action.” Along with the examination of what has happened and what needs to be done in the process of devolution, the report provides extensive recommendations for further actions to give devolution greater momentum and enhanced impact than it has so far achieved.

While commenting on the positive aspects of devolution, the report concludes, “On a more positive note, it has been observed that doctors are more often present in health facilities and teachers in schools than was the case prior to devolution. This increasing availability of staff may also be related to the increasing likelihood that local facilities, particularly for health, will actually have medicines available for treating patients. Where procurement is fully devolved, as in Punjab, where evidence suggests that public medical facilities are now well-stocked and therefore, used more frequently. Some provinces and districts have rationalized facilities. Punjab rationalized its Basic Health Units (BHUs), many of which did not meet the local needs. Other achievements that might be attributable, at least in part, to devolution include community participation fostering reduction in school-building costs and some increases in enrolment and retention. Significantly, at the union level, there is considerable evidence of councilor involvement in local dispute resolution and redressal of grievances against service providers.”

Another important finding of the study is the concern about the lack of coordination among representatives and officials. The report narrates, “The relationship between the district Nazim and the senior staff in the district, particularly the District Coordination Officer (DCO) and the District Police Officer (DPO), can be particularly problematic. Nazims have very little authority over these staff – writing the Annual Confidential Reports (ACRs) of DCOs is a weak mechanism for enforcing accountability.”

Devolution Trust for Community Empowerment (DTCE), which is a “not-for-profit” Non-Governmental Organization⁴ (NGO), also commissioned a study of social audit titled, “Social

² Deputy Commissioner

³ Fieldwork was conducted between June and August 2003.

⁴ However, the chairman of NRB is also ex-officio chairman of DTCE Board of Directors. Moreover, one former minister and two Ministers of States are among the directors of DTCE.

Audit of Governance and Delivery of Public Services: Pakistan 2004-05,” to assess the impact of devolution on household welfare. The 2004-5 social audit follows the baseline social audit of 2001-2 and allows comparisons over time in citizens’ views, use and experience of public services under devolved local government. An international agency, Community Information, Empowerment and Transparency (CIET) conducted both household surveys of more than 50,000 households. The study is based on responses of households in terms of public service delivery. Moreover, the sample is quite large and the report claims that the sample gives representation nationally, as well as within each province and each districts. The major findings related to household perception about education, health, solid waste management, sewerage, roads and public transport are:

- In 2004, 73 percent of parents of children in a government school were satisfied with the school. There was no change in the level of parental satisfaction with regards to government schools during 2002-04.
- There was a reported increased (from 23 percent in 2002 to 27 percent in 2004) in households’ satisfaction with health services in all provinces except in NWFP.
- The proportion of households who usually use government health facilities decreased during 2001-04 (from 29 percent to 24 percent).
- During 2004, 69 percent of government health service users were found to be satisfied with facilities compared with 65 percent users in 2001/2.
- Only 8 percent of households were satisfied with garbage disposal services in 2004, which has remained unchanged from the proportion in 2002.
- More households were satisfied with sewerage services in 2004, (20 percent) than in 2002 (13 percent).
- In 2004, households in all provinces except in Balochistan were more likely to have a water supply within the homestead (82 percent) than in 2001/2 (79 percent)
- Across the country, more people were satisfied with the condition of roads in 2004 (38 percent) than in 2002 (31 percent), except in NWFP, where there was no change.
 - Overall, there was no change in the level of satisfaction with public transport in 2002 and 2004 (59 percent).

Notwithstanding, results were not disaggregated into urban/rural and household income status, the message reflects that there was no change in the public perceptions regarding public services during the period from 2002-2004. On the contrary, district representatives and government officials who were also interviewed were more or less satisfied with the system. The report summarizes the finding related to district managers’ interviews as:

“The elected representatives (Zila⁵, Tehsil and Union Nazims) were positive about the system and cited many achievements. At district level, almost 82 Zila Nazims and a significant number (around 86) of DCOs rated their government’s performance as good; at Tehsil level, 83 percent of Nazims and 85 percent of

⁵ District

TMOs⁶ rated the TMA⁷ performance as good; and at Union level, 67 percent of Union Nazims rated the UC⁸ performance as good. Most of the interviewees pointed to achievements in delivery of services as well as in increasing access of the public and transparency. They identified some hindrances to good performance, especially lack of timely funding and bureaucratic and political interference, especially in transfers and postings.”

The International Crisis Group (ICG) has also conducted a study on devolution. However, the major conclusions and recommendations presented in the study are based on one or two interviews. The study does not evaluate the system rather it raises questions about the motivation behind. Some comments are in order.

“Devolution, in fact, has proved little more than a cover for further centralised control over the lower levels of government. Despite the rhetoric from Islamabad of empowerment, local governments have only nominal powers. Devolution from the centre directly to the local levels, moreover, negates the normal concept of decentralization, since Pakistan's principal federal units, its four provinces, have been bypassed. The misuse of local government officials during the April 2002 presidential referendum and the October 2002 general elections has left little doubt that these governments were primarily instituted to create a pliant political elite that could help root the military's power in local politics and displace its traditional civilian adversaries.”

“Friction is growing between various levels of government, especially since the military transferred power, at least formally, to the central and provincial governments that were formed after the 2002 elections. These tensions are partly the result of the manner in which the devolution plan was devised and implemented in the absence of elected officials and against the strong opposition of the major political parties, civil society and media.”

“Despite its lack of domestic legitimacy, the devolution plan has considerable support from donors, who mistakenly believe it is advancing democracy and bringing down military rule. For now, the military's backing as well as this external support works in its favour. But low domestic acceptance undermines its long-term prospects, and the military's political engineering that accompanies it, is creating divisions at the local and provincial levels. Some of these could well lead to greater domestic violence and instability.”

“Now that the military and the MMA⁹ have reached a deal on the LFO,¹⁰ there is speculation that Musharraf could choose to reshape the devolution scheme in the NWFP and Balochistan to assuage the concerns of the religious alliance.”

Only two comments of the study relate to the fiscal devolution and provincial concerns regarding devolution reforms. The report concludes that, “To make devolution viable, the financial autonomy of local units of government will have to be enhanced with provisions for

⁶ Tehsil Municipal Officer

⁷ Tehsil Municipal Administration

⁸ Union Council

⁹ Muttahida Majlis-e-Amal

¹⁰ Legal Framework Order

raising additional revenue through taxation. And provincial transfers to local tiers of government must be adjusted to reflect local fiscal needs, underdevelopment and poverty levels.” It further states that “Provincial grievances will have to be addressed through meaningful step towards decentralization of administrative and financial powers. Provinces must also be consulted and involved in the timely implementation of police reforms.”

Just after the second election of Local Bodies in August 2005, The Urban Institute, Washington conducted a study for USAID¹¹ in December 2005. The report concludes “Yet, four and a half years into devolution, political decentralization has not been followed by adequate administrative and fiscal decentralization to ensure quality service delivery to the public. Citizens recognize this incapacity and mistrust the government’s ability to improve the quality of their lives. Citizens’ participation in local government activities and decision-making is very low, despite the fact that the Government of Pakistan’s (GoP) approach to devolution is marked by a very strong role assigned to citizen organizations and governmental accountability to them.” Nonetheless, authors qualify the above conclusion arguing that “Since the field assessment is based on a limited sample, specific situations in the districts and Tehsils that the team visited cannot be considered representative for the entire country. Each province sets its own slightly different policies, and there are also some differences across districts/Tehsils in the same province.” However, lessons can still be drawn because all local governments face similar constraints—technical, financial and managerial—in providing responsive, quality services to their citizens and in involving citizens in decision-making.

3. SURVEY METHODOLOGY

The views and recommendation from bureaucracy and elected representatives of district governments were collected from 12 districts; 5 from Punjab, 3 each from Sindh and NWFP and only one from Balochistan. The criteria used in selecting sample districts include; District Nazim’s political affiliation, level of district development,¹³ and geographical position of the district. From each district, one Tehsil/Town and two Union Councils (UCs) were also selected for enumeration. Political affiliation and distance from district headquarter are used as a stratification criteria for selecting Tehsils and UCs. A schematic view of selected districts is as follows:

Districts	District Nazim’s Affiliation ¹²	Level of Deprivation	Location
Lahore	PML – N	Low	Punjab – Capital
Sialkot	PML – Q	Low	Middle Punjab
Muzaffargarh	PPP	High	Lower Punjab
Chakwal	PML – Q	Medium	Upper Punjab
Kasur	PPP	Medium	Middle Punjab
Nawabshah	PPP	Medium	Middle Sindh
Mirpurkhas	Functional – (HP)	High	Lower Sindh
Shikarpur	KPP – (PML – Q)	High	Upper Sindh
Peshawar	JUI – F	Low	NWFP – Capital
Haripur	PML – N	Medium	
Karak	WN Group	High	
Quetta	KPP	Low	Balochistan – Capital
Pishin**	JUI – F	Medium	Pukhtoon Area
Khuzdar**	BNP	High	Baloch Area

****Note:** These districts were not covered due to law and order situation in the province.

¹¹ See Nayyar-Stone, Ritu (2006)

¹² The abbreviations for political parties stand for ; the Pakistan Muslim League-Nawaz (PML–N), the Pakistan Muslim League–Quaid-a-Azam (PML–Q), the Pakistan Peoples Party (PPP), the Pakistan Muslim League Functional (Functional), the MQM Haq Parast (HP), the Kushal Pakistan Party (KPP), the Jamiat Ulami-Islam Fazl ur Rehman Group (JUI – F), the Watan Nawaz Group (WN) and the Balochistan National Party (BNP)

¹³ District level of deprivation (underdevelopment) is taken from Jamal et al (2003).

Detailed interviews were conducted with Nazimeen (District, Tehsil and UC), District Coordination Officers (DCOs) and Executive District Officers (EDOs) for finance, education and health departments.

A semi-structured questionnaire was administered during the interviews. Separate set of questions were prepared for Nazims, DCOs and EDOs. However, main modules were: strong and weak aspects of the devolved system, nature of coordination and working relations, concerns in development planning, fiscal issues and the status of institutional arrangement for community empowerment. Most questions were open ended, nonetheless in some questions respondents were requested to evaluate their views on the scale 0-10.

In order to understand the questionnaire, a three-day comprehensive training was given to a four-member survey team. Each section of the questionnaire was explained thoroughly including the concept, issues and hypothesis behind it. Team visited district Badin for a pilot survey and also for better understanding of the project. They conducted interviews with Nazim, DCO and EDOs and also gathered relevant socioeconomic data of the district. The filled questionnaires were evaluated and marked, and mistakes/misunderstandings during the interviews were identified. Once the team had a complete understanding of the questionnaire, mock interviews were also conducted. In this way, they had far greater understanding and fluency about the questions to be asked.

4. MAJOR FINDINGS

The findings are grouped into the following five sections. An attempt has been made to minimize the biases of the research team in recording and narrating their views, recommendations and other constraints. Important aspects/points are reproduced quote-in-quote, keeping their words, phrases and expressions as far as possible. The differences in opinion, where applicable are highlighted between bureaucrats (DCO, EDOs) and Nazims (District, Tehsil and Union Nazims).

4.1 Perception about the New System

4.1.1 Positives of Devolution

The dialogue starts with the question “What two positive results could you name which you consider most important of the devolution process?” The most important benefit which Nazims perceived is the access of people to district administration (elected representatives as well as officials). Some comments are given below:

“Now a common man has the confidence to talk to a person (district Nazim) who belongs to his district, while he was not able to talk/approach the DC in the previous system.”

“Now people representatives are available to hear the problems of public. In the previous system, Assistant Commissioner (AC) was the head of Tehsil and DC was the Head of district, they hardly met 5 to 7 persons per day to resolve the issues at district level. The accountability of the DC was zero. In this system the role of district Nazim has enhanced so much, she/he can do much more for an ordinary person”.

“Councilors and Nazims are easily available to the common man. In the past, MNA, and MPA were not in reach of the common man. It was quite difficult for a common man to meet a DC.”

“In the old system, bureaucracy was out of reach to elected representatives, merely 50 percent could actually access the DC and 15 percent had access to commissioner. Now, bureaucracy is accessible to community and elected representatives.”

Another important point which nearly all representatives indicated is the improvement in the identification of local needs, development planning, cost efficiency and monitoring of projects. Following selected narrations highlight that representatives are of the opinion that financing and development planning at local level simulated development works and enhanced public service delivery.

“Identification of development needs has improved. Problems, whether big or small, are now identified and resolved more quickly.”

“Administrative authority devolved to local level and elected representatives give vision for development according to local needs.”

“Concept of assembly (like national and provincial assemblies) for legislating bye-laws at local tiers of government is creating an environment conducive to development. Planning and spending has come down to grass-roots, development work at local level has increased”.

“Before the devolution, there were 150 members of Municipal Corporation Lahore. But after LGS, the number of members of local government (those who can identify the problems) has increased to 1,950. Not only problem identification, but also development and execution has improved.”

“The volume of development work done during this system is unprecedented since 1947. The number of roads, drainage system and other projects at local level are far more than before. Compared to the past 50 years, the development work in Musharraf’s era is unprecedented. Solutions for problems at a local level are available much quicker.”

“Elected Representatives (ERs) are directly selected by people and they live in community; they understand the local issues better. The ERs (e.g. Nazims) get first hand information of the area which helps in appropriate identification of development needs. If some work is going wrong or some new problem occurs, it is highlighted promptly. Community can tell their grievance to the ER very easily, no hindrance. Access to MPAs and MNAs was hard in the previous system, while councilors and Nazims can be accessed easily.”

“The community partnership increased in development process, therefore, concept of public-private partnership has established the roots.”

“Councilors and Nazims are playing important role in devolution, and they can identify problems and pinpoint issues at grass-root level. Service delivery has improved.”

“Union Nazims are the member of different monitoring committees. They can participate in development activities and monitoring at local level. Union Nazim is authorized to check any school and hospital.”

“Public participation through UC initiated projects is more cost effective, the projects which cost Rs100,000 at official level can be carried out in Rs80,000 by UC.”

Nazims at Union and Tehsil level also highlighted the role of elected representatives in resolving local disputes. For instance, in Chakwal, the UC is solving local disputes through Musalehati Anjuman. So far, UC has resolved 100 cases out of 103 civil and criminal cases received. Similarly, among 54 Muslim family cases, 50 are resolved and 25 police cases have been withdrawn from the police station and matters are settled amicably. UC get Rs50 for issuing a copy of the settled case and thus the system has also become a source of revenue.

Most bureaucrats went along with the Nazims while narrating the important aspects of the new system of local governance. Development according to local needs and access of masses to district administration (officials) were the main points referred to as positive indicators by officials interviewed. Most of the officials affirmed that bureaucrats are not well aware about local needs and local problems and that the politicians are in a better position for prioritizing development projects and schemes. They were also of the opinion that the situation of public service delivery, especially in education and health has quite improved due to monitoring at local level. Interestingly but not surprisingly, one DCO gave following argument while commenting on the benefits of devolution:

“Government employees are very happy from this system because in this system more opportunities are available for them to be promoted as 9 to 10 posts of EDOs (of Grade 19) are available in a district. In the previous system, only one Deputy Commissioner of Grade 18 was posted in a district. Now there are so many officer of Grade 17, 18 and 19 working in a district. “

4.1.2 Constraints in Implementations

While responding to the question “What are the two major constraints in the implementation of devolution process,” Nazims were vocal in arguing the vulnerability of the system due to political divide. And this is not only between district Nazim and Chief Minister of provinces, but also between district Nazim and Tehsil and Union Nazims. Vulnerability issue was also mentioned with reference to the constitutional provision of local government system. Other major constraints, recorded by Nazims include the following:

- Interference of MNAs and MPAs in the district matters which create hurdles in the smooth functioning of the district government (MNAs/MPAs did not accept the new system)
- Uncertainty and delays in fiscal transfers from province (or from district to union)

- Provincial control over district bureaucracy (system is drifting back to the old DC-centric system)
- A lack of understanding of the LG system, rules and regulation, rights and duties (especially at Tehsil and union level)

Union Nazims further complained about the attitude of bureaucracy and low level of the availability of resources. Remarks by some Union Nazims are summarized below:

“Bureaucracy does not accept authority of UC Nazim. For instance, there are ten non-functional schools in area; teachers of these schools are receiving salaries at homes. We have tried several times to report this matter but nobody listens. Especially police bureaucracy starting from the level of DPO to SHO, does not cooperate with us. Police does not consult with us when lodging an FIR, whereas the law requires them to. This is very necessary because we are representatives of local people and we know our area and our community. We can point out exactly who is a criminal and who is not. Funds are very limited. We are planning to make a road of 27 kilometers and it costs Rs2.7 million, but we do not have finances.”

“Union Council is the basic unit of this system and it is being ignored and is not given due power and authorities. People directly elect UC members, while Nazim and Naib Nazim of Tehsil and Zila are indirectly elected. UC Nazim and Naib Nazim have better understanding of local problems than the Zila and Tehsil Nazim. However, UC has not been made powerful as compared to Tehsil and Zila councils. For example, Zila Nazim and Tehsil Nazim are not aware about the working of schools.”

Observations of district officials, however, were quite different. While commenting on constraints in achieving the objectives of devolution, they expressed their concern on various issues including lack of proper administrative devolution, multiple reporting, provincial interference, insufficient financial and human resources and lack of coordination among three tiers of local government – district, Tehsil and union. Especially, EDOs were very annoyed due to multiple reporting channels and pressure from Nazims and provincial bureaucracy, including MPAs. Bureaucrats were also vocal in arguing that elected representatives are not aware about the local government system, they have the powers but they do not know how to use it. To comprehend their views, the following narrations are reproduced.

“In principle devolution process is sequential. First step is the devolution from federal to provincial level, which has not been done. As a result, provincial governments have disowned the system. Provincial governments do not want to devolve powers at the local level.”

“Coordination between provincial and district government is also weak. There are some crucial areas of authority which are still in the hands of provincial government.”

“In case of City District, overlapping of functions between Towns and Zila government is a problem.”

“There is a lack of harmony in development projects and schemes at Tehsil and Zila level.”

“Executing agencies for development funds of MNAs/MPAs are district governments. EDOs have to simultaneously entertain a host of stakeholders such as Nazims, MNAs/MPAs and even ministers.”

“There is a confusion regarding the roles of district and provincial governments. Moreover, there exists overlapping in powers and authorities. EDOs have to report to both, the provincial secretariat and the district government.”

“The local governance system is dual i.e. dual reporting as well dual authority; one part is concerned with Zila government the other is concerned with provincial government. There is also a lack of awareness regarding the system on both side-elected representative and bureaucracy.”

“The number of officers (i.e. EDOs) has increased in district government. EDO has to fulfill the orders of DCO, Zila Nazim, and the provincial secretary. In the majority of the issues, different official orders are in contrast to each other. Sometimes, there is a divergence between priorities of district provincial governments. Therefore, it becomes very hard to satisfy both province and Zila at the same time.”

“Political interference is affecting the education system due to the unnecessary transfers and posting of the staff. Provincial interference is also a hindrance in independent working of district government.”

“Powers are not totally devolved at the district level. Some powers are associated with provincial level and some are at district level (e.g. posting of doctors are under provincial government but they are working under the district government). To quote another example, some time official meetings with provincial government clash with district government meetings. This puts the officials in a difficult situation. District Nazim are usually forced to attend the district meetings.”

“A lack of awareness about the system and absence of citizen participation is perhaps a major constraint.”

“District government gets development planning inputs from UC Nazims who are not aware of the system. Further, coordination among the city district, town and union administration is very weak.”

“Shortage of staff in district government is a matter of concern, which is hindering efficient working of district government. However, development activity in district has increased.”

“Capacity of finance and planning is severely constrained; working efficiency is lower due to human resource shortage.”

“District Government has insufficient financial and human resources. EDO health is answerable to Director General Health, DCO and District Nazim; and each of them have different expectations. UC Nazims, though they do not understand medical issues, interfere in the working of BHUs and try to check records of the BHUs. EDO cannot use financial resources available to the district for health related projects at his discretion, (EDO, Health)

It is also important to note that the coordination between DCOs and EDOs is also quite tense, which is indicated through the following narration.

“The EDOs are working without checks and balances, EDOs are not under control of district government, and they are involved in corruption,” (DCO).

“Zila Nazim and DCO do not allow EDOs to work independently, interference in work is substantial, and DCO acts like a DC. The pressure from MPAs adds on to the frustration. In principle, the transfer and posting of 1- 10 Grades rests with EDO, but a notification from CM or from DCO is issued, according to which all the transfer and postings then are done with the consent of provincial government,” (EDO).

“EDOs are employees of provincial government and work for provincial governments but their ACR is written by the DCO. It is confusing as provincial secretaries should write EDOs ACR.”

4.1.3 Recommendations for Improving the Efficiency

Respondents were asked the question “What two recommendations can you make in order to improve the efficiency of the devolution process?” Although most of the recommendations relate to the constraints described above, it is worth recapping here again due to their importance and specificity.

RECOMMENDATIONS OF

Elected Representatives	Government Officials
<ul style="list-style-type: none"> ▪ LGO should be fully implemented according to its true spirit. It is also suggested that LGO should be printed in Urdu so that councilors can understand it too. ▪ Provincial bureaucracy (including MPAs/MNAs) should not interfere in district government matters. ▪ Control of devolved departments should be ‘completely’ transferred to the district Nazims. ▪ District cadre of public employees should be created. ▪ Union Council, which is the original base of this system, should be given a proper role, power and strength. The system would not deliver its benefits unless, the UCs are made stronger. District governments must be there to support the Union Councils but district and town governments should not be made so strong to interfere in the working of UCs. ▪ Nazim and Naib Nazim of TMA and district governments should be elected through direct vote like Union Nazim. ▪ Approval of District Development Committee (DDC) is required for all development projects and schemes, but Tehsil and Union Nazims are not part of the DDC; they should also be represented in DDC. ▪ Federal (not provincial) government should monitor local government’s use of funds as well as its functioning. ▪ Police should be under Tehsil and Union Nazims, Urban UCs should have the authorities of municipal works. The funds should be provided directly to TMA and UA. 	<ul style="list-style-type: none"> ▪ The authorities and responsibilities of the provincial and district government should be clearly defined. ▪ Awareness about LGO should be created among peoples working at district level (in particular) and among community (in general). ▪ Nazim and DCO should be the in-charge of the total fiscal power of district. The power to resolve the district level problems and planning should be completely devolved to Nazim and DCO. ▪ TMA performs its functions independent of district government. The working relation of TMA rests with province (i.e. local government department). TMA should come under district government hierarchy. All departments should be under the Nazim and DCO. ▪ District Cadre should be created. ▪ Local government elections should be held on non-party basis and Nazims should be elected through direct votes of the people. ▪ Zila Nazim should be given training to understand the priorities of the district. ▪ Training should be imparted at every level. Officers should also be properly trained. ▪ Financial self sufficient districts are necessary for full implementation of the devolution system. Therefore, district budget and trained staff should be increased. There is also need to strengthen the district government financially as district government has no or little sources of their own revenue. ▪ Capacity of TMAs should be enhanced to tackle planning and development.

4.1.4 Comments on Party vs Non-Party LG Polls

Nazims are divided on the issue of party vs non-party local government polls. Although, effectively both elections of LG were political and people were well aware about political affiliation of candidates at each level of LG system, about half of the Nazims who commented on this issue were in favor of open party-based election to avoid manipulation of castes, tribes and feudalism in choosing public representatives. Following are some narrations for and against the party-based LG elections.

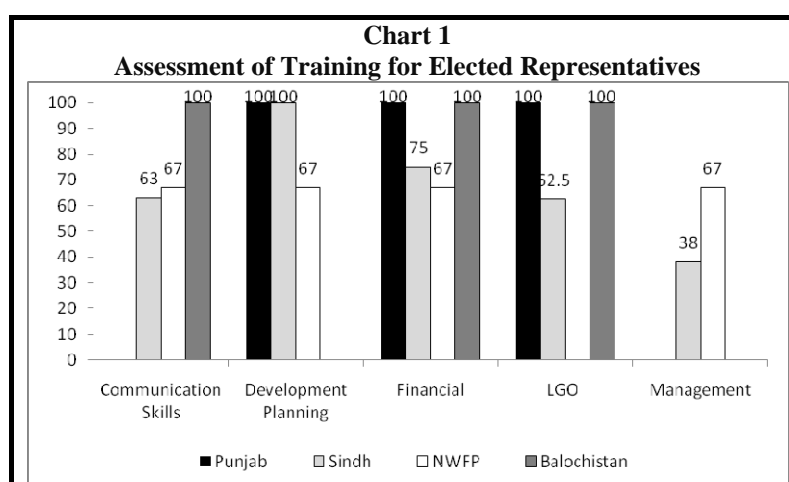
COMMENTS MADE BY NAZIMS ON PARTY VS NON-PARTY POLLS

For	Against
<ul style="list-style-type: none"> • The election system should be on party basis because unless political parties own this system, it cannot sustain. Furthermore, party-based election would be more transparent and the chances of rigging would be reduced. • Local government elections should be held on party basis because parties have their ideologies, visions and mandates and they train their members accordingly. Members of a party are answerable to the party management for all their deeds. Party management keeps a check on them so that they refrain from such practices that can damage party's reputation and affect party's vote bank. • Family (father, then son then grandson) politics may be eliminated through party based election. • Present local government system has exacerbated ethnic and tribal divisions. Nazim supports members from his/her cast. Therefore, election should be on party basis. • There are people who are diligent and efficient, however without party membership cannot win the elections. 	<ul style="list-style-type: none"> • Election should be on non-party basis. Party based representatives will protect interests of their party rather than interests of the community. • Local government elections should be held on non-party basis. In many countries including USA local elections are always on non-party basis. • Now people join parties not on ideological basis but for fulfilling personal interests. Therefore election should be on non-party basis. • Elections should be on non-party basis, because political divide creates a situation of non-cooperation between elected representatives.

4.1.5 Assessment of Training Needs

To assess the training needs, both Nazims and bureaucrats were requested to identify their specific training requirements aimed at improving the efficiency of Local Government (LG) system. It is observed that even after 5 years of LG system in place, the majority of Nazims and bureaucrats were of the opinion that training should be given to understand Local Government Ordinance

(LGO). There was almost consensus on the issue that elected persons and officials both require rigorous training on the LGO to improve efficiency of the system. Other training needs identified include areas such as, finance and accounts, administration and management,



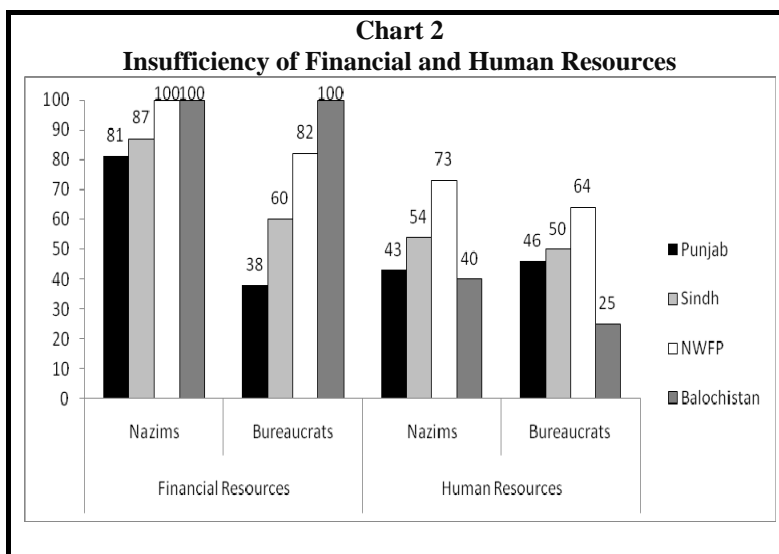
communication skills and development planning. Chart 1 summarizes these priorities across provinces.

Following are some narrations which give an understanding of the specific areas in which training is required.

1. "Elected representatives should be trained for better prioritization of development schemes."
2. "Training is required for utilization of funds at local level including in assessment of contractors."
3. "Training is needed for preparing of presentation of scheme/proposal."
4. "Effective utilization of resources is not possible without adequate training in planning and financial management."
5. "Officials require major training for financial management and administration (e.g. revenue DDO cannot draft a letter). The bureaucracy and elected representatives should be trained together; joint program will have more benefit than isolated programs."
6. "Relevant training for officials is required. For instance, EDO (Works) neither knows his duties/procedures properly nor about the policies of provincial and district government. Zila Nazim inquires about the basis of approval for some schools in district, but EDO does not know the basis of the approval."

4.1.6 Financial and Human Resources

Both bureaucrats and Nazims were requested to evaluate the nature of availability of human and financial resources in terms of 'Insufficient,' 'Sufficient' and 'More than Enough.' Chart 2 sketches answers of those who described these resources as 'Insufficient.' In terms of financial resources, Punjab and Sindh provinces are relatively better than other two provinces. In Balochistan (Quetta), both Nazims and bureaucrats unanimously (100 percent) described that financial



resources are insufficient to run district management and to finance developmental activities. Barring Balochistan, the percentage of bureaucrats who termed financial resources as insufficient is generally low as compared to Nazims. The position of human resources is relatively better and except NWFP 40 to 50 percent of Nazims opted for the category of 'insufficient human resources.'

4.1.7 Evaluating Efficiency

Efficiency of the system is evaluated in terms of attendance of employees and in terms of speed of processing of public routine services. The current level of these indicators is compared with 2001-02, when the devolved local government system was introduced. These are very crude and imprecise indicators; nonetheless, opinions of elected representatives and

officials in this respect do provide some insight about efficiency of the system. Table 1 and Table 2, portray opinions of elected representatives and bureaucrats about the status of staff attendance.

Table 1			
Impact of Devolution in Terms of Attendance of Employees			
	Better	No change	Worst
Zila Nazim	81.8	0.0	18.2
Tehsil Nazim	80.0	10.0	10.0
UC Nazim	57.6	27.3	15.2
Councilors	66.7	18.5	14.8
DCO	27.3	45.5	27.3
EDO	55.6	33.3	11.1
Overall			
Elected Rep	66.7	18.5	14.8
Bureaucrats	47.4	36.8	15.8

Table 2				
Impact of Devolution in Terms of Attendance of Employees: Province-wise				
		Better	No Change	Worst
Punjab	Nazims	68.4	21.1	10.5
	Bureaucrats	50.0	50.0	
Sindh	Nazims	53.3	33.3	13.3
	Bureaucrats	60.0	30.0	10.0
NWFP	Nazims	86.7	6.7	6.7
	Bureaucrats	30.0	20.0	50.0
Balochistan	Nazims	40.0		60.0
	Bureaucrats	50.0	50.0	

Overall, the majority of respondents (67 percent of elected representatives and 47 percent of bureaucrats) felt that attendance of the staff in departments of district government has improved after devolution. Within bureaucracy, EDOs appear to be more satisfied than DCOs. However, 15 percent of the respondents thought that the situation has become even worse. There also appear provincial differences as shown in Table 6. Nazims in NWFP and Punjab (87 percent and 68 percent, respectively) seem to be more satisfied than the Nazims in Sindh and Balochistan (53 percent and 40 percent, respectively).

Table 3				
Impact of Devolution in Terms of Speed of Processing of Routine Services				
		Better	No Change	Worst
Punjab	Nazims	72.2	16.7	11.1
	Bureaucrats	92.3		7.7
Sindh	Nazims	80.0	20.0	
	Bureaucrats	80.0	20.0	
NWFP	Nazims	100.0		
	Bureaucrats	30.0	30.0	40.0
Balochistan	Nazims	80.0	20.0	
	Bureaucrats	50.0	50.0	

Impact of devolution in terms of speed of processing of routine services is depicted in Table 3. A great majority of Nazims were of the opinion that speed of routine services has increased

since the last few years (after devolution). Government officials in Punjab and Sindh strongly seconded this opinion. However, satisfaction level of bureaucrats in NWFP and Balochistan is contrary to that of Nazims.

4.2 Coordination and Working Relations

4.2.1 Nazims vs Bureaucrats (DCO and EDOs)

The District Nazim and DCO jointly run the district government and are responsible for all district matters. Therefore, their coordination and good working relations are important in running district business smoothly. Similarly, Nazim's relation with EDOs is also important as they provide professional and technical guidance to Nazims in their respective sectors. However, SPDC field work indicates that the relationship between elected and bureaucratic components at the district level is strained by issues of "mind-set," duplication of authority, a lack of clarity in the allocation of functions and conflicting priorities. Specific questions put for comments before district Nazims were "What problems do you have in dealing with bureaucracy?" and "Name three specific aspects regarding Nazim and DCO relationship which in your view are damaging the process of devolution."

From the responses of elected representatives, provincial interference through the DCO and EDOs appears to be a major concern with respect to the working relationship between Nazim and DCO. There is consensus among the elected representatives interviewed about demanding separate district cadres for these posts. Posting/transfers of employees and interference in the approval of development schemes were also identified as problem areas.

Nazims feel that the provincial government is using EDOs as a vehicle of interference in the matters of district governments, which has led to weaker coordination between Nazims and bureaucrats. Provincial government is able to do this because administrative powers are not fully devolved to district governments. Issues identified with regard to administrative powers include transfers and postings of staff and multiple reporting.

A district Nazim stated that "Politics creates weaker coordination between bureaucracy and Zila Nazim, sometimes Zila Nazim has to withdraw from his/her stand. If the district bureaucracy is under pressure from provincial or federal government, then the Zila Nazim's instructions will not be honored. Coordination with bureaucracy is difficult; various issues at DCO level are not addressed properly in LGO."

A sense of mistrust between elected representatives and bureaucracy was detected in a few cases: "DCOs are not interested in the successful implementation of devolution because they are employees of provincial government and provincial government pulls the strings to create weaker co-ordination between DCOs and Zila Nazims." "The employees who are appointed through back door policy at provincial level create weaker working coordination with Zila Nazim. Provincial affiliated staff joins the district government with a political agenda from provincial government, and the result is weaker co-ordination."

Another interesting observation that emerged from the survey was that the majority of Nazims shared a perception that bureaucracy had not accepted the devolution of power whole heartedly and still wanted to maintain a subservient relationship. As a district Nazim stated:

"Bureaucrats cannot take 'DC-ship' and 'Commissioner-ship' out of their minds. They still think they should act as the Deputy Commissioner (DC) of the district. This is not the problem of only the DCO, but of the whole bureaucrat community. The approval of development schemes often becomes a source of contention among DCO and Nazims. Transfer of employees in education and health department creates differences among EDOs and Zila Nazim."

Similarly, another district Nazim stated that "DCO post was created to coordinate district government bureaucracy with district Nazim and council, but the DCO still behaves like a DC. That should not be the case. A DCO should coordinate with district political leadership and should come under the professional guidance of the district Nazim." Some of the views expressed by other representatives are presented in Box 1.

Box 1
Concerns regarding Coordination Voiced by Elected Representatives
<p><i>District Nazims</i></p> <p>"The political involvement of federal and provincial governments in the affairs of district government creates misunderstandings between the DCO and Zila Nazim."</p> <p>"EDOs do not attend meetings called by Zila Nazim and often they do not respond to calls from the Zila Nazim's office."</p> <p>"Development funds should be spent according to the guidance of Zila Nazim. But, DCO allocates funds according to his own consideration. DCO says that CM does not allow him to work under the guidance of Zila Nazim."</p> <p>"Department such as irrigation, WAPDA and others are not under the supervision or control of the Zila Nazim. The Zila Nazim has little power to force these departments for the timely completion of work or to resolve the complaints by the people. Transfers and postings of the employees are not under the jurisdiction of Zila Nazim; staff transfers should be approved through district councils."</p> <p>"Transfer of staff is the main cause of contention. The community believes that transfer is the prerogative of Zila Nazim, while EDOs consider it MPA's responsibility. For instance, MPAs interfere in the issues related to transfer of staff in education department. EDO succumbs to MPA's pressure. The functions of Zila and the provincial government are duplicate or not clear, tussle between province and district over transfers is fierce as the provincial administration has got more powers."</p> <p><i>Tehsil and Union Nazims</i></p> <p>"DC is now DCO, but he still behaves with elected representatives like a DC, I waited for one hour to meet with the DCO."</p> <p>"The attitude of the bureaucracy is still a problem. Our bureaucracy belongs to the English system of the colonial period and they consider themselves superior to elected representatives. If I go to a bureaucrat for any work he will not entertain me. But if another bureaucrat asks him for the same work he will entertain him."</p> <p>"Officials' do not facilitate us in solving our problems. This is because they want elected people to come 'directly' to them. If anything (document, scheme and application) gets to their table 'marked,' they prolong the whole process. They want it to reach their tables 'unmarked' (i.e. directly)."</p> <p>"Police never coordinates with the UC Nazim. Although the district has some influence over police, police never coordinates with UC Nazims. When Nazim/councilors go to the police station for any complain or FIR, police officials do not give any importance and do not write any report."</p> <p>"Nazim and DCO relationship are damaging the process of devolution. There is this power sharing game going on, in which both look for their benefits only."</p>

4.2.2 Bureaucrats (DCO and EDOs) vs Elected Representatives

Interviews with bureaucrats also reveal a degree of frustration with elected representatives, including the perception that Nazims do not have clear understanding of rules and regulations and that their decisions are usually not based on merit. Bureaucrats feel that they are public officials and they have to fulfill their responsibilities.

An official stated that "Elected representatives do not know the rules and regulations, they are unaware of policies (e.g. up gradation of school, staff transfer), and they force EDOs to work contrary to provincial policy. Moreover, priorities of Zila and provincial government are different." Similarly, another official complained that "Nazims are not aware of technical aspects of matters, particularly formal rules and regulations. They think that EDOs are not interested in completing their requests. In fact that is not the case. However, EDOs have to take care of rules and regulations. They want quick response for their proposals, while bureaucrats have to follow government rules and regulation. Further, understanding of vision of policy is also very important."

The delay in release of funds was also identified as an issue that potentially causes tensions. Officials were of the view that they had to follow the rules and procedures, which is a time consuming process. The bureaucracy also feels that priorities of provincial governments are sometimes in conflict with the political priorities of the elected representatives at the district

level; the latter gives importance to their political compulsions and their directives are not always based on merit, while the bureaucracy only follows rules and regulations. According to them, this is particularly true in the case of allocation of development funds where decisions are made on the basis of political considerations rather than local development needs.

A DCO stated that “During preparation of budgets, Zila Nazim prepares district budget according to his political agenda (i.e. own priorities according to party affiliations), while DCO is a public servant and ensures “equity” in development budget; this results in clash with Zila Nazim. In case Zila Nazim and DCO clash over development budget allocations, then two possibilities arise. First, if Zila Nazim is in the opposition to CM, the DCO tighten his grip over Zila Nazim and the development budget is prepared with DCO’s recommendations. Second, if Zila Nazim is from the CM’s party, then DCO become passive and Zila Nazim accedes to the majority of Zila Nazim’s proposals.”

District government officials pointed out to another aspect of political interference of Nazims in the affairs of functioning of district departments such as political pressure for not entertaining requests of elected representatives belonging to opposition parties. For example, a district official stated:

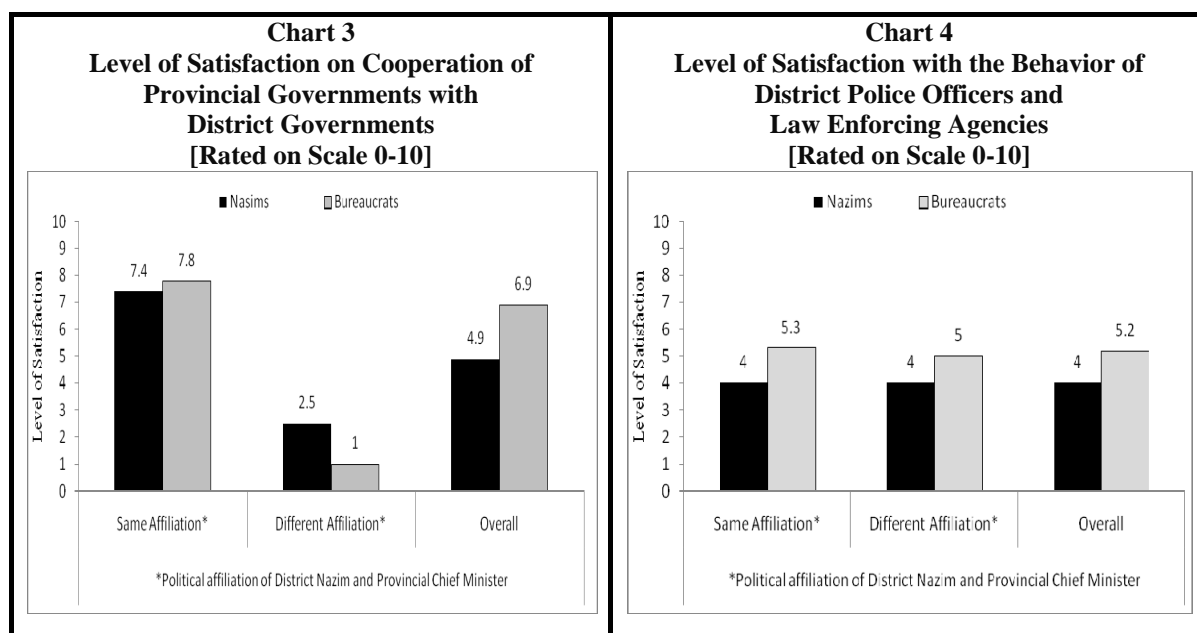
“People from both the ruling party and opposition party come to the DCO for their issues. Nazim and the ruling party get annoyed if DCO tries to facilitate the opposition party members. There are 50 UCs in Shikarpur of which 27 are from the ruling party. There is no problem faced at the time of “allocation” of funds for any UC. The problem starts when ruling party members try to rule out the schemes presented by opposition party members.”

Box 2
Concerns regarding Coordination Voiced by Government Officials
<p>“Government priorities conflict with political priorities. Elected representatives give importance to their political compulsions, while bureaucracy only follows rules and regulations.”</p> <p>“The communication gap between Zila Nazim and DCO creates misunderstandings. This risk is higher in districts with political divide and DCO faces tough time. Sometimes elected representatives try to manipulate us by blaming us in the press etc.”</p> <p>“Elected representatives consider them all in all, they do not appreciate rules and regulations, instead try to impose their will. They feel government officials are under their “<i>Chaudrahat</i>,” (<i>authority</i>). Issues related to favoritism in development schemes and transfer/posting create discontent among bureaucracy and elected representatives.”</p> <p>“Intrusion of DCO or Zila Nazim in each others’ offices creates a tussle between the two offices. Zila Nazim is the head of the district government. His role is to provide policy guidelines. For instance, Zila Nazim could emphasize on importance of physical infrastructure, but there should be no further involvement in execution of development work as this is DCO’s work. However, in practice Zila Nazim tries to interfere in each scheme and activity.”</p> <p>“Power struggle between Zila Nazim and DCO creates pressure for EDOs, Zila Nazim directly deals with EDOs, whereas, according to law, Zila Nazim’s communication with EDOs should be through DCO. There is a lack of authority in district bureaucracy, for example, multiple bosses and reporting. EDO health is not clear about who to report to - District Nazim, DCO or DG Health?”</p> <p>“District Nazim, a political person, usually belongs to the privileged class/land lord, while DCO is a qualified person with some exceptional professional skills and follows government rules and regulations. Due to their different backgrounds, DCO and District Nazim do not enjoy a good working relationship.”</p> <p>“There is no unity of command. It appears that Zila Nazim and DCO share powers. There has to be a clear distinction between the job description, responsibilities and authorities of Zila Nazim and DCO. The DCO is a much more powerful person than the District Nazim.”</p> <p>“Transfers and postings of staff also create tension among bureaucracy and elected representatives.”</p> <p>“Communication gap creates weak coordination between elected representatives and EDO. Disinformation and a lack of communication between health department and elected representatives create problems. When EDO communicates with District Nazim regularly, matters are settled easily. Elected representatives consider that bureaucracy is in their command; actually that is not the case. Elected representatives are not aware about rules and regulations. They try to manipulate any official work to serve their political interest, while EDO has to follow certain rules. Most of the time they send the issues directly to EDO and do not follow proper channel of communication. Sometime, political conflicts emerge regarding transfer of employees. The political involvement in transfer and posting of teachers or paramedics not only results in inefficient allocation of staff but also leads to strained working relations.”</p>

Overall, bureaucrats feel burdened operating in an environment where the relationship between the elected and bureaucratic components is not based on understanding and trust. An official stated that, "All the responsibilities rest on the shoulders of DCO but all the powers are in the hand of Zila Nazim. Zila Nazim can do anything but the DCO is left to face the consequences due to his official responsibilities." Views of some other officials are presented in Box 2.

4.2.3 District Government vs Provincial Government

Political divide is perhaps the major cause of contention between the province and the district administrations. Chart 3 reveals the level of satisfaction in terms of provincial cooperation with the district government. It is evident that districts where Nazim and Chief Minister (CM) of province have different political party affiliations, satisfaction level is considerably low. It is also observed that maximum level of satisfaction, in districts where both Nazim and CM are from the same party, the level of satisfaction is at the scale of 7 (out of 10). This indicates that there are also other problems which are contributing to the tension and anxiety in the province-district relationship. Nazims and bureaucrats were of the view that provinces did not accept the devolution with spirit.



Lack of clear responsibilities and full administrative devolution (especially recruitment and transfer of staff) are creating hurdles in smooth functioning of the district government. Chart 4 plots the satisfaction level of district government with the behavior of DPO and law enforcing agencies. On an average, the level of satisfaction is low. However, surprisingly there is no difference in terms of political divide. Another interesting feature in terms of

District	DCO	EDO F&P	EDO Education	EDO Health
Nawabshah	8	2	10	7
Mirpur Khas	6	8	6	5
Shikarpur	6	5	5	5
Sialkot	5	2	7	6
Lahore	4	5	6	4
Chakwal	4	9	4	4
Muzaffargarh	6	4	2	5
Haripur	5	6	-	5
Karak	6	4	5	4
Peshawar	3	4	4	-
Quetta	5	-	6	-

provincial interference in district affairs is frequent transfers and posting of DCOs and EDOs. Table 4 indicates that the average length of DCO in a district is one year, although LGO recommends at least 3 years length of services in a particular district. Same is true for the EDOs of education, health, and finance & planning. Some narrations of Nazims and bureaucrats are furnished below.

Views of Respondents about Relationship between District and Provincial Government

Elected Representatives	Government Officials
<ul style="list-style-type: none"> ▪ “Power politics is the root cause, every one considers himself a “Chaudhary” of the area. The provincial bureaucracy (secretary, additional secretary) is also a big hurdle between provincial and district governments.” ▪ “Staff appointment in district is without consultation of the Nazim. The provincial government is curtailing the powers of the district government instead of transferring more powers.” ▪ “Officers (EDOs, DOs) take dictations directly from the provincial government and often bypass Zila Nazim. EDOs are affiliated with the provincial governments. Provincial government, through MPAs, often imposes its agenda by using EDOs.” ▪ “Politics affect the province-district relationship. It is totally politicized, not a healthy relationship. Actually, provincial governments never accepted this system. This system will remain until Musharraf remains in power.” ▪ “The main opposition between province and district emerges because of transfer of staff.” ▪ “The functions of district and provincial governments are not clear. District government inquires to provincial government for staff transfer issue, but provincial government fails to provide satisfactory answer. Provincial government did not accept the devolution of administrative powers.” 	<ul style="list-style-type: none"> ▪ “If Zila Nazim comes from the opposition (to CM), DCO will not release the funds and will not approve the budget. In addition, according to LGO, provincial governments can recall budget of districts and can make it redundant. There are several instruments in the hands of provincial governments to twist the arm of Zila Nazim.” ▪ “The provincial government does not want to loose control over the district government. Relationship between provincial and district governments are affected by the political affiliation of elected representatives (particularly Zila Nazim).” ▪ “Recruitment of the staff should be devolved at the district level for the smooth functioning of the system.” ▪ “In the present system, a lack of clarity of functions is the main concern. For instance, a <i>Patwari</i> level transfer is made through CM, MPA and MNA. Provincial governments do not want to loose the grip over district government. Sometime small matters become problematic, for instance, inauguration of a sports complex in Haripur became a source of contention among provincial, federal and district government.”

4.2.4 Comments on Political Divide

It is generally believed that political divide, not only between province and district but also among district, Tehsil and union, is affecting smooth functioning of district governments. In the survey, the specific question asked in this regard was “Do you think that political affiliation of elected representatives is a threat to the process of devolution?” Table 5,

Responses	Punjab	Sindh	NWFP	Balochistan	Overall
Disagree	54.8	43.5	52.4	44.4	50.0
Fully Agree	25.8	39.1	42.9	33.3	34.5
Partly Agree	19.4	17.4	4.8	22.2	15.5

collates the responses of Nazims and bureaucrats of selected districts in the four provinces. About 50 percent denied that political affiliation is harmful for devolution. They argued that

after two or three local elections, acceptability towards the system will increase and things will normalize.

The majority of Nazims were of the view that the risk due to political divide of elected representatives at different tiers of government can be minimized if elected district and provincial representatives are allowed to operate within the sphere of the authority given to them by the constitution of Pakistan and the LG system. Also, they emphasized that responsibilities and authorities should be clearly defined for avoiding any negative impact of political divide on the smooth functioning of district governments. The examples of victimization due to political divide as quoted by Nazims and officials are presented in Box 4.

Box 4
Examples of Victimization due to Political Divide
<p>“Kasur is an example of political divide; DCO is working as acting District Nazim due to political divide between ZN and the CM.”</p> <p>“Tehsil Nazim was elected as independent candidate, while Zila Nazim belongs to the PML-Q. Tehsil Nazim faced a tough time. For instance, supply of electricity of his office was disconnected until Tehsil Nazim joined the PML-Q. Now both belong to the same party and things are running smoothly.”</p> <p>“Affiliation of the MPA and the MNA also affect development of the districts. Federal Minister approved WAPDA electricity posts/project. Meanwhile, an MPA from the opposition supported the cancellation of project, and ultimately the project was closed.”</p> <p>“All UCs were given Rupees one million. Zila Naib Nazim asked EDO (F&P) to stop the UC ‘xyz’ funds (due to political opposition).”</p> <p>“Taluka Naib Nazim belongs to the opposition party. That is why last year’s budget of TMA approved in the eleventh month of the year due to political differences.”</p> <p>“Recently TMA has initiated a program ‘Hafta-e- Safai’. TMA has not issued any notification or information to Union Council for that program. Union Nazim has hardly any information regarding the arrangements of such programs mainly due to political divide. In this case, Tehsil and Union Nazims belong to different parties.”</p> <p>“Tehsil Nazim ‘xyz’ joined District Nazim party to get development funds and political support.”</p> <p>“There is no funding for public health schemes in Tehsil ‘xyz’ area because Tehsil Nazim belongs to the opposition party.”</p> <p>“District Nazim, who belongs to the opposition party, identified a teacher who was absent for the last five years, and transferred him but the CM stopped the transfer.”</p> <p>“In another incident, Muzaffargarh District Nazim was forced to conduct Zila Council meetings on the road.”</p> <p>“Tehsil Nazim is an independent candidate while Zila Nazim belongs to the PML-Q. Tehsil Nazim was installing billboards on some places. Despite the fact that billboard installation comes under Tehsil Nazim, district Nazim successfully kept Tehsil Nazim away from doing so.”</p> <p>“In one case, CCB approved by Zila Nazim was challenged in court by political opponents. In another case, the CM transferred an LHV, Zila Nazim cancelled the transfer order, the matter went to court and CM won the case.”</p> <p>“EDO education was called late night by CM and ordered to approve the transfer case of a teacher (belonging to the opposition). Zila Nazim was not consulted.”</p>

4.2.5 Recommendations to Improve Inter-Tier Coordination

After obtaining comments of Nazims and bureaucracy on the issue of political divide, they were requested to recommend possible actions they think should be taken to minimize the risk of endangering the devolution system. Nazims, in general, recommended direct election of district Nazim, removal of Taluka/Tehsil tier, legal provision for transferring funds to Unions and Tehsils, and a provision for a framework of clear responsibility and authority. Specific recommendations of Nazims are collated below:

“Government should introduce the direct voting system (one man one vote) for district Nazim. This will ensure that the elected personality is very powerful and thus, he cannot be oppressed easily.”

“Tehsil government is working as an independent body. Tehsil and Union council should be answerable to district government completely.”

“Union Nazim should have more resources and autonomy, particularly in urban UCs with larger population. Union Nazim is elected by direct vote; he/she should be given more importance in the system.”

“Tehsil Nazim and Zila Nazim should execute the scheme, which is passed by Union Council. All decision should be finalized through Tehsil and Union Council; it should not be decided by the Nazim individually.”

“Taluka Nazim should come under District Nazim. Taluka Nazim should be a member of Zila Council and should be answerable to the district government.”

“Taluka level development schemes should be approved through Zila Nazim. Talukas should officially consult Zila Nazim to get their schemes approved.”

“Equitable distribution of resources should be ensured through legislation so that that political divide could not affect initiatives and decision made by different tiers.”

“Union Nazim should be the member of Taluka Council, while Taluka Nazim should be the member of District Council. This is how all three tiers can be interlinked.”

“Town and Union funds should be transferred through district government.”

On the contrary, bureaucrats (DCOs and EDOs) recommendation include: more power to DCOs; enhanced role of Zila Mushavirati Committee (ZMC); reconsideration of Tehsil tier; reconsideration of role of district Naib Nazim; and establishment of bureaucratic channel between district and Tehsils. They emphasized that elected representatives should realize that they are no more political person, and they should work for all irrespective of political affiliation. They also recommended that NRB should ensure that elected representative should work under the limits defined in LGO. Some of their recommendations are narrated below:

“DCO should be made more powerful to enhance the level of coordination.”

“The role of ZMC is significant in improving Tehsil and Zila relations. However if it is not working, no meeting of ZMC is conducted.”

“Union Administration (UA) and TMA should be made answerable to Zila government.”

“DCO should have a right to take actions against wrongdoer in UA or TMA, and authority should be with DCO not Zila Nazim as he/she is a political person and may victimize opponents.”

“TMA is a corporate body and works as a separate entity, link with the district government needs to be improved. There should be one development agency in Zila. TMA should be completely under Zila. Right now, TMA is a state within state. TMA should be subordinate to district government/hierarchy.”

“Naib Nazim post should be removed. Instead, Naib Nazim should be the Tehsil Nazim. There should be ‘n’ Naib Nazims in case where there are ‘n’ Tehsils”

“District should have a proper check on Tehsil and Tehsil should have over Union. UC should be somehow reporting to Zila government through TMA. A formal coordination committee of all TMOs should be made under DCO (informally it is working but it should be a formal body).”

“Union Nazim should be the member of Taluka council. Similarly, Taluka Nazim should be the member of Zila Council. District Government should have the right to monitor TMA. District should have the direct influence over Taluka. Taluka Municipal Officer TMO currently reports to the secretary Local Government, while he should be reporting to the DCO (the right of writing TMO’s ACR should lie with the DCO).”

4.2.6 Recommendations to Improve District-Province Coordination

Nazims of district governments were also requested to recommend steps or measures to improve the working relationship between district and provincial governments in the presence of political divide. An interesting recommendation, suggested by one Nazim is that “Zila Nazim should follow the instructions of provincial and federal government to avoid

confrontation.” Further, the same Nazim went on to say that “Zila Nazim should extend full support to TMAs, UCs, Governor, CM, Corps Commander, and the Cantonment Board and work with them as a partner.” Besides this simplistic approach, other Nazims suggested the following measures:

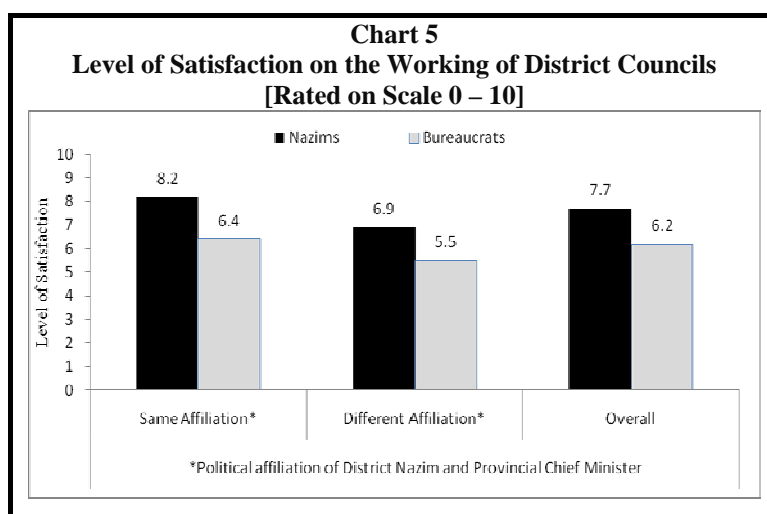
- Regular review meeting with CM
- Posting of officials in consultation with Nazim
- Creation of district cadre for government employees
- Ban on award of development funds to MPAs
- Right to suspend district Nazim should be withdrawn
- Clear job descriptions for district officials

4.2.7 Working of Councils, Monitoring Committees and Other Institutions

District, Tehsil and Union councils play an important role in development planning and monitoring. Although, the majority of Nazims is satisfied (Chart 5) with the working of councils, political divide is however highlighted by many Nazims as a constraint in improving the effectiveness of councils. Further, Tehsil and Union Nazims demanded more authority from councils and financial soundness to improve the working of these councils.

District Nazims also reiterated to provide short training in public relations, communication and monitoring. Some Nazims complained about the provincial interference (through MPAs) in the working of councils and stressed on being given a free hand in deciding projects and budgets. They also quoted some instances of provincial interference in projects which have already discussed and approved in district councils.

On the contrary, bureaucrats were of the view that councilors lack vision of development. They said that the councilors are not trained and educated enough to run the councils smoothly and efficiently. Education and capacity building measures are suggested to improve the working of councils. It is therefore, emphasized that competent secretarial staff in councils should be appointed for better functioning of the system.



Responses	Punjab	Sindh	NWFP	Balochistan	Overall
Disagree	47.6	66.7	41.2	66.7	53.2
Fully Agree	23.8	27.8	35.3	16.7	27.4
Partly Agree	28.6	5.6	23.5	16.7	19.4

The Devolution Plan 2000, provides an opportunity to elect or select minorities, female, peasants and laborers in councils at different levels on direct or reserved seats. In this milieu, a natural question arises, ‘Does qualification divide (illiterate vs literate) or castes or tribe split affect the smooth functioning of councils?’ Table 6

and 7, furnish the answers of Nazims and officials in three categories: ‘Disagree’, ‘Fully

Agree’, and ‘Partly Agree.’ Among the respondents, 53 percent disagree (glass half filled) or 47 percent agree (glass half empty) that qualification divide is affecting the efficiency and functioning of councils. The percentage of respondents who disagree on the impact of cast or tribe split on the running of councils is however relatively less (35 percent). It is worth mentioning that significant differences exist in views across provinces.

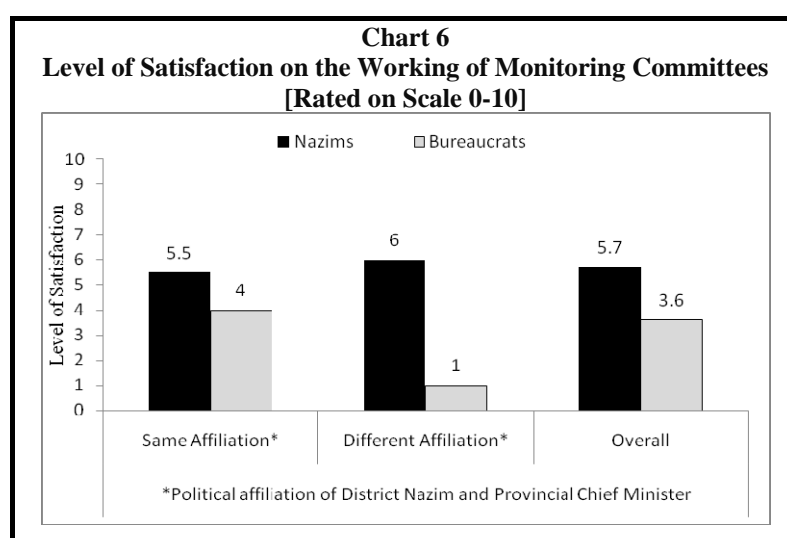
Responses	Punjab	Sindh	NWFP	Balochistan	Overall
Disagree	68.2	44.4	78.6	83.3	65.0
Fully Agree	18.2	44.4	21.4		25.0
Partly Agree	13.6	11.1		16.7	10.0

The LGO provides a comprehensive mechanism of monitoring and overseeing of public service functions by elected representatives. The council can establish a number of committees for specialized council functions with specific roles including monitoring of departments. These committees are expected to submit their visit reports along with recommendations to the council which can then forward the same in the form of Resolution to the Nazim or other government and public functionaries for taking action.

The new local government system calls for a number of institutional structures to improve accountability in the system. These include Village/Neighborhood Councils, various Monitoring Committees (District, Tehsil, Union), Complaints Cells, Musalihati Anjuman, and others. Table 8, shows the status of districts surveyed in terms of setting up of various committees. It appears that Monitoring Committees (MCs) have been formed in all districts and at all levels. On the contrary, Village Councils (VCs) do not exist yet in any of the districts. There is mixed pattern regarding establishment of Complaint Cells (CCs). At district level, CCs have been formed in only 3 out of 12 districts surveyed by SPDC. Most of the districts have CCs at Tehsil level while at UC level, CCs exist in 5 districts.

	District		Tehsil		
	MCs	CC	VCs	MCs	CC
Nawabshah	yes	yes	no	yes	Yes
Mirpurkhas	yes	no	no	yes	Yes
Shikarpur	yes	no	no	yes	Yes
Sialkot	yes	no	no	yes	Yes
Lahore	yes	no	no	yes	Yes
Chakwal	yes	no	no	no	Yes
Muzaffargarh	yes	no	no	yes	Yes
Kasur	yes	no	-	-	-
Haripur	yes	yes	no	yes	Yes
Peshawar	yes	yes	no	yes	
Karak	yes	no	no	yes	No
Quetta	yes	no	no	yes	No

MC= Monitoring Committee; CC= Complaint Cell; VC= Village Council



The MCs are working in districts, but, in general, no action is taken on their proposals (particularly in case of non-cooperation of Zila Nazim). It was told that the majority of MCs

are set up just to fulfill formality of LGO. These committees do not have powers nor do the people coordinate with these committees. Moreover, MCs are not much effective due to a lack of interest of Nazims.

As shown in Chart 6, the level of satisfaction of Nazims and bureaucrats regarding working of MC's is quite low. The LGO recommends that the MCs should work in a non-intrusive manner i.e. MCs cannot interfere in the working of the departments. Their role is primarily of monitoring and reporting. However, some Nazims believe that MCs role should be made more effective by amending the LGO and introducing some measures of accountability. It is argued that reports presented by MCs were not tackled properly and thus all efforts of MCs were wasted. Nazims also complained that members of the MCs do not take interest and do not perform their role seriously.

Others important institutions of local government system include District Public Safety Commission (DPSC), Zila Mohtasib (ZM) and Zila Mushavirati Committee (ZMC).

This survey of selected district governments found that DPSC is not functioning in any of the sample districts. In one case it is constituted but not functional due to provincial government's inactivity in this regard. DPSC is the most important institution since nobody has the power over police. If this committee is made functional, there will be a system of checks and balances over police. Similarly, ZM is not appointed in any of the sample district. It is worth mentioning that responsibility of appointing ZM rests with the provincial government.

ZMC comprises Taluka Nazim(s) with Zila Nazim as chairman and DCO as secretary. The survey indicates that ZMC are constituted in 6 out of 12 districts. But it was told that the decisions of the ZMC are not legally binding and there is no legal cover in resolving issues because the committee does not have magisterial powers. There is no proper mandate of ZMC. Moreover, there is no formally planned working method of ZMC. Taluka Nazim of opposition most of the times do not attend the meetings of ZMC due to political differences and disjoint.

A general perception of respondent was that these institutions are only on papers and either are not constituted or not working properly. There is a strong need for empowering these institutions. It was also highlighted that awareness about these institutions is minimal, community interest and participation is low. So there is a need to improve on the publicity of these institutions.

4.3 Issues in Development Planning

Peoples' participation in development process and need assessment at the grassroots level are important ingredients of the new devolved system. In the survey, Nazims and officials were requested to tell their experience in the process of planning and what constraints they face while executing development projects. It was also important to know their feedback in terms of reflection of their priorities in district budgets and development plans. After enquiring

	Nazims	Bureaucrats	Overall
Do Not Reflect	45.8	9.7	31.6
Fully Reflect	12.5	32.2	20.3
Partly Reflect	41.7	58.1	48.1

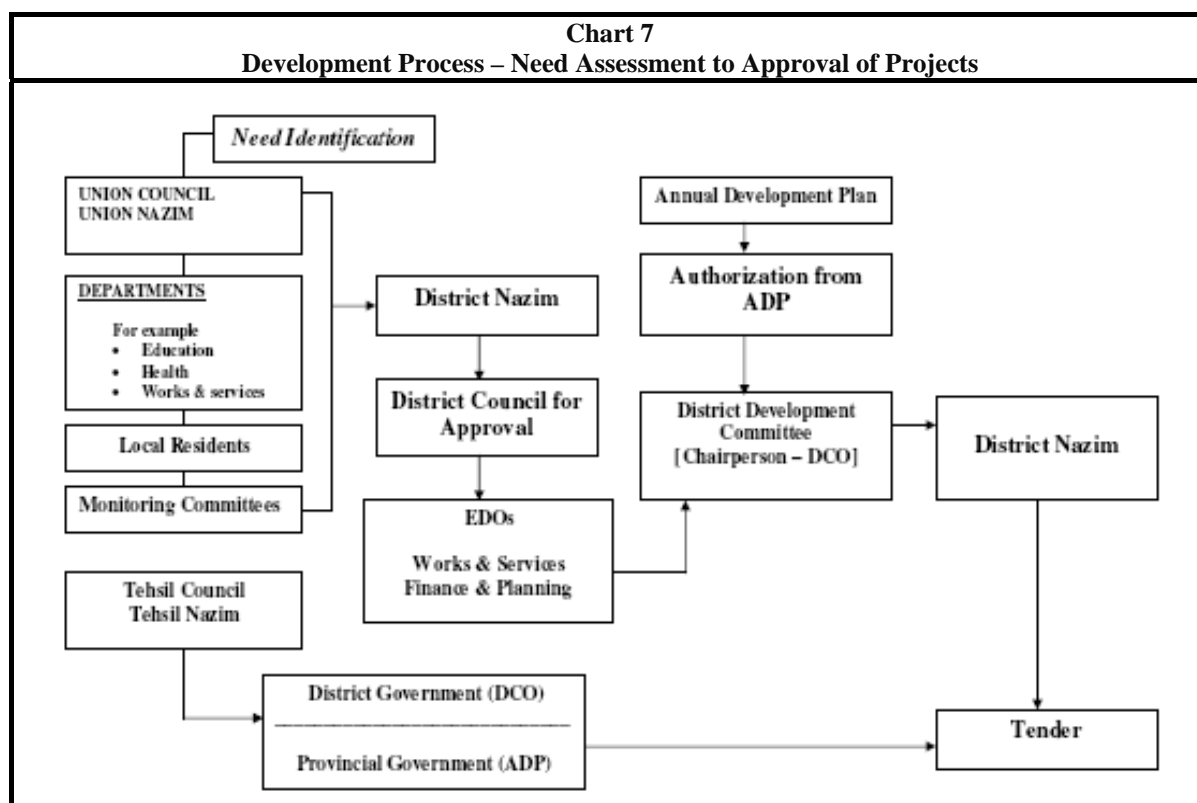
development priorities (their own perceptions) from Nazims and bureaucrats, the specific question put before them was, “Do you think the district development plans and budgets reflect these priorities?” According to Table 8, which reports the answer of the above question, 46 percent of Nazims do not think that their priorities are reflected in the budget. This percentage is however, low in the case of officials (9.7 percent).

4.3.1 Constraints in Development Planning

Nazims and Officials were also asked to record their views on the hurdles or constraints in development planning. Besides financial constraints, provincial interference, bureaucratic delays, impediments in receipt of allocated funds, weak inter-tier relations between Nazims (district, Tehsil and union), and hindrances in the process of approval of projects are some of the constraints in development planning referred to by Nazims.

According to the view of officials (DCOs, and EDOs), the major constraints in achieving development targets and priorities include shortage of human resource, financial resources, a lack of basic infrastructure, political affiliations of elected representatives, interference from Chief Minister, and low capacity to raise own resources. It was also told that allocation of funds is a prerogative of district Nazim and he/she prioritizes the sectoral allocations. However, the district council must approve development plan proposed by district Nazim. Funds are not allocated to individual members, but scheme proposals are invited from the members.

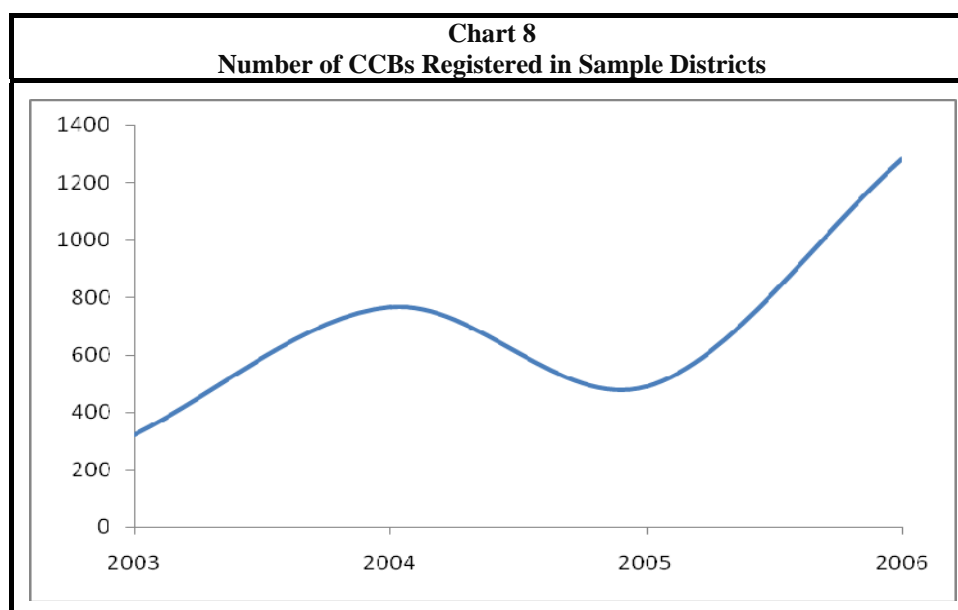
The team also tried to understand the process (from need assessment to project approval) of development projects. It was felt that there was not a clear-cut understanding regarding the planning process. Although technocrats were quite clear, Union and Tehsil Nazims, however, were somewhat confused and recorded diverse opinions. On the basis of information provided by different respondents, following chart (Chart 7) is prepared to show the flow of process from need identification to approval of development projects.



4.3.2 Comments on Citizen Community Boards

The Citizen Community Board (CCB) is an innovative approach for participatory development which has been introduced in the Devolution Plan 2000. CCBs have a vital place in the conceptual framework of the Devolution Plan. It is a major linchpin to people's empowerment at the grassroots level. The purpose is also to encourage voluntarism. Any group can form a CCB, as long as the group: is of non-elected people; has at least 25 members; and as an organization has elected a chairman, executive committee and secretary to carry out its functions. There is no restriction about the number of CCBs in a location.

Local governments are required to set apart at least twenty five percent of their annual development budget to be spent on schemes identified by CCBs. A local government may grant to the CCBs within its local areas, up to eighty percent of the budgeted amount of an approved development scheme. The rest of amount is to be contributed by CCBs.



The respondents of this survey generally hailed the idea of CCBs. Some Union Nazims however, argued that development funds reserved for CCBs should be allocated to various projects through Union Councils. Despite the substantial growth (Chart 8) in the formation of CCBs, especially after 2005, development through CCBs is still dormant. Substantial non-lapsable funds are being accumulated and there are concerns regarding the misuse of these funds by provincial or federal governments.

Although, the majority of respondents (Table 9) did not affirm inefficient utilization of development fund through CCBs, some however, recorded their dissent in terms of corruption, business motivation, inequity (regional and sectoral), absence of monitoring, lengthy process and delay in release of funds.

	Nazims	Bureaucrats	Overall
Disagree	10.3		8.6
Fully Agree	44.8	33.3	42.9
Partly Agree	44.8	66.7	48.6

The recommendations and suggestions by Nazims and officials to improve the working of CCBs are summarized below.

“Due to the shortage of funds, there should be some restrictions regarding area-wise number of schemes by a CCB to cover the whole district.”

“TMA should be allowed to register CCBs, when funds are available at TMA; why register CCB at district level.”

“The contribution of community should be decreased from 20 percent to 10 percent.”

“Amounts allocated for CCBs are quite large. Big amounts should not be left at community’s disposal, there should be strict management. There should be no scheme greater than Rs200,000.”

“CCBs do not have capacity to carry out big projects (roads, bridges), these projects should not be undertaken by CCBs.”

“Delays should be avoided in providing CCB funds after its approval. The total amount should be released for the project in a single installment.”

“A proper system should be developed for the project monitoring and evaluation during and after completion of work.”

“Political disjoint is a threat in the approval process of CCB. Power to approve the CCB should be given to Bureaucracy (e.g. EDO, DCO) not the Zila Council.”

“The CCB projects should not be haphazardly distributed. Nazim should visit every locality and should prepare a list of 25 households/persons for CCB. In one TMA, almost all of the CCBs are registered by professional people (contractors etc.) and not by community.”

“Registration process should be made easier. The complicated formalities involved discourage a common man to form a CCB.”

“Regional and sectoral equity in CCB fund allocation should be ensured.”

“Currently Union Nazim is not involved in the process of CCBs. As it is a community based process, Union Nazim should be involved in granting approval of a CCB. Currently there is no mechanism to avoid imbalance in allocation of CCB funds in terms of sectors.”

“The verification of the CCB members should be stringent. In most cases the member of the CCB is Union Nazim’s brother or relative of the MPA, participation of common man in CCBs should be enhanced.”

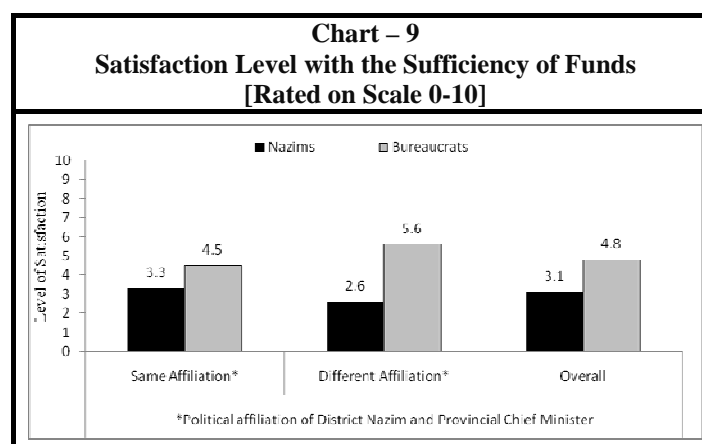
“Technical assistance should be provided to CCBs and some engineers should be the part of CCBs. CCBs should be affiliated with big NGOs.”

4.4 Fiscal Issues

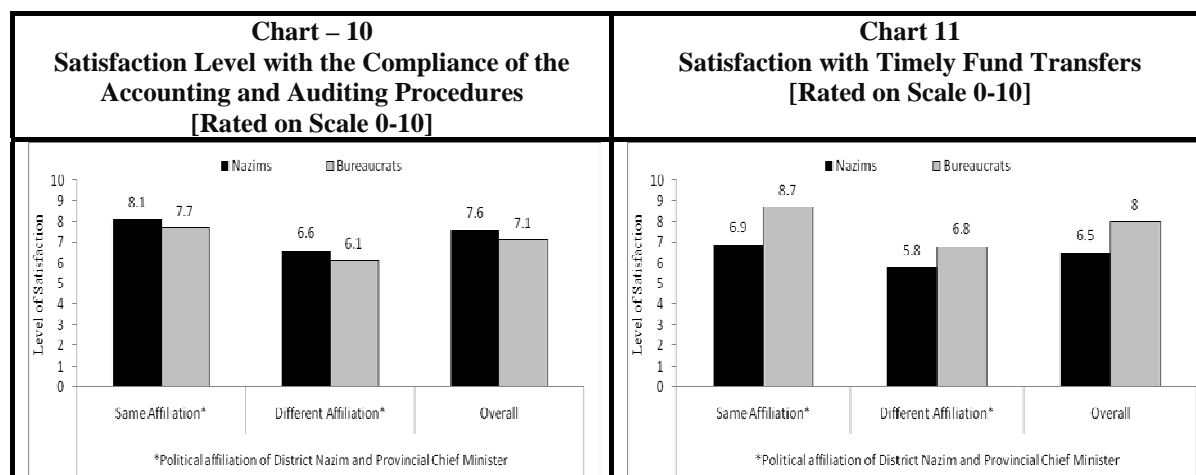
To gauge the extent of fiscal devolution, perception of Nazims and bureaucrats was obtained in terms of restrictions on the allocation of funds for various sectors. Table 10, presents their responses. Very few (12 percent) respondents were of the view that there are few restrictions or pressures from the province in sectoral allocations. Nonetheless, there was a consensus about the insufficiency of resources (Chart 9). Overall, Nazims assigned 3 points out of 10 regarding the sufficiency of financial resources.

The management and handling of financial resources is evaluated in terms of level of compliance with the accounting and auditing procedures

	Nazims	Bureaucrats	Overall
Few	9.8	16.7	11.6
None	90.2	83.3	88.4



prescribed in the LGO. Chart 10, plots the level of satisfaction of Nazims and Bureaucrats. A high level of satisfaction (7 out of 10 on 0-10 scale) is evident from the chart. More significantly, the level of satisfaction of the majority of technocrats is also high regarding the fulfillment of accounting and auditing procedures.



4.4.1 Concerns about Transfers of Funds

Timely transfers of funds and certainty in the level of resources are important for effective financial management and planning. Surprisingly, level of satisfaction in terms of timely fund transfers is not so low and Nazims assigned 6.5 marks out of 10 (Chart 11). The level of satisfaction of officials is further high (8 out of 10).

Besides this level of satisfaction, some concerns which Nazims and bureaucrats emphasized during the survey include the following.

“Provincial Government does not inform the district Nazim about funds transfer.”

“Provincial government deducts electricity and other bills at source without getting verification from district government. Similarly, provincial government deducts charges at source without getting verification from Taluka governments. Due to this, sometimes TMAs do not have enough funds even for their salary expenditures.”

“DCO and district Nazim both sign cheques for UC funds. Non-availability of any person results in delay of payment.”

“Government Officials demand commission (bribery) in order to properly transfer the funds to unions. In case when union Nazim does not belong to the district ruling party, the Union Council gets no discretionary funds from District Nazim.”

“In the beginning of the year, district government prepares budget according to the PFC amount. But after few months the provincial government stops the installment on the argument that federal government has stopped the funding of provincial government. Ultimately district government allocates the salary component from the development budget.”

“There are no administrative problems. However, there is the political motivation which creates the problem; the political divide between two tiers (e.g. province and Zila) hinders funds transfer.”

4.4.2 Constraints in Own Revenue Generation

Table 11, clearly indicates the absence of fiscal efforts in generating own revenues by districts, Tehsils and unions. The question asked was, “Are new taxes imposed in the district after 2002?” Overall, the response of more than 83 percent respondents was in the negative. Particularly, in Sindh, all the respondents said that there was no tax levied after 2002. In Balochistan, however, more than 50 percent responses were positive.

While commenting on the issue of own revenue generation, Nazims and bureaucrats referred to several obstacles in revenue generation. These include political unpopularity, non-tax culture, lack of awareness and knowledge about tax bases, lack of technical expertise, existence of pressure lobbies, confusion about tax jurisdiction, and bureaucratic hurdles (permission from province). Some selected comments are reproduced below:

Responses	Punjab	Sindh	NWFP	Balochistan	Overall
NO	92.0	100.0	68.4	42.9	83.1
Yes	8.0		31.6	57.1	16.9

“Public attitude turns out to be against us when we propose taxes. Community does not want to be taxed further.”

“Elected representatives are not interested in taxing people because this will affect their vote bank. Taxation has political risks. Taxes may affect the vote bank of elected representatives.”

“Some new taxes, such as parking fee, billboard fee and others, were imposed after 2002. Most of these taxes have, however, been cancelled in response to public agitation. People do not want to give any more taxes. This is the main problem in revenue generation otherwise there are no problems.”

“One new tax was imposed after 2002 i.e. trade tax. But ‘Anjuman-e-Tajiran’ held a strike against it and it was removed. The main problem in revenue generation is that people will give you taxes if you are providing them good facilities but since UCs are not able to deliver how can they collect taxes.”

“Why to burden people more, when we already have sufficient funds.” “The majority of households live below poverty line, they cannot bear the burden of taxes.”

“Technical knowledge of taxation in district government is lacking. For instance, there is a need to have a fully equipped taxation department so that elected representatives become aware of taxation policies. Taxing capacity of district government is weak (capacity in the sense that different departments should propose where the taxes can be levied).”

“Union Council approved schedule of taxes with proper consultation with people of the area. Proposal was sent to the provincial government for approval through Zila Nazim. The case is resting with the local government secretary, not approved yet.”

“Zila is not quite independent to levy taxes. We can impose tax in specific areas and have to take permission from provincial government. For instance, if Zila wants to levy education tax on schools, it must be approved by the provincial government. Some time provincial government’s vision is different and Zila government is not allowed to impose tax. Similarly, if Zila government wants to increase tax rate on property again consultation/approval is required from the provincial government.”

“People are not interested paying tax; community should be motivated to pay tax. District government also lacks the power to renew taxes.”

“District Nazim wants to collect the tax of Rs100,000 per month from bus stand which is in my jurisdiction. However, by law the bus stand comes in TMA tax base.”

“Union Council, particularly rural, has no tax base; the taxable sources are already taxed by TMA or district governments.”

5. VIEWS OF THE SURVEY TEAM

In the above sections, an attempt was made to state findings regarding overall perceptions about the Devolution Plan, level of coordination and working relationship, fiscal issues, development planning and status of institutions in the system with the minimum prejudice of the research team. Instead of presenting conclusion or recommendations in the last section, it is considered better to state the facts and findings of the field survey and leave it to readers to decide the level or degree of satisfaction with the process of implementation of the Devolution Plan. However, this section presents the views of SPDC survey team, irrespective of the structure and content of survey questionnaires.

5.1 Zila Nazim and DCO

The district government stands on two main pillars (DCO) and Zila Nazim (ZN). ZN is administrative head of district, while DCO performs the role of coordination among various departments and ZN, and submits the performance report to ZN/ District Council. However, in practice the working relationship between the ZN and DCO stands ambiguous due to the following factors:

1. Lack of clarity in objectives, responsibilities and authorities as prescribed in LGO provides opportunity to DCO, as well as DN, to intrude in each other's work.
2. Political affiliation of ZN has a significant impact on relationship with DCO. Zila Nazim (in most of the cases a political person) disburses development funds on political basis (i.e. UC Nazim's party affiliation) that provide DCO an opportunity to intervene in development scheme allocation (to ensure equitable distribution of funds on community/opposition pressure). At this stage if ZN belongs to provincial ruling party then DCO holds back due to the CM's pressure, otherwise DCO becomes 'acting' Zila Nazim. In any circumstance, provincial government can victimize district government, as DCO has such powers which can virtually cease the functioning of the district government; pulling of strings can vary from release of development funds to transfers/postings of key district officials.
3. EDOs become sandwiched between a provincial government and Zila Nazim (particularly in cases where ZN is in opposition to CM). In short, the Zila Nazim and DCO share powers in district government structure, their job description is ambiguous and the working relationship remains constrained. This raises an important question, what is the system of checks and balances in the district government? For instance, if Zila Nazim politically victimizes some segment of society, where should they go? Apparently DCO appears to be first cushion, but when Zila Nazim will be writing DCO's ACR, why should DCO be interested in becoming an appealing body.

5.2 Creation of District Cadres

Although district governments have been made, the administrative hierarchy is still a big question. DCO and EDOs are still provincial government employees and they adhere more to the orders of the provincial bureaucracy and CM of the province than to the district government. In addition, rest of the government employment in a district belongs to the provincial government since the province actually pays their salaries. This setup is creating problems in smooth functioning, especially where political divide between province and district prevails. This results in frequent transfers of DCOs and EDOs, either on their own behalf or on the behalf of provincial governments. As a result, long delays in official matters, lethargy and non-cooperation have become a norm. The first step in resolving these sorts of issues is the development of district cadre, in which the complete responsibility and powers of hiring and firing must lie in the domain of district governments.

5.3 Tehsil as a Missing Link

A Tehsil government exists below district governments but district government has virtually no control over it. District officials often reported that Tehsil is a missing link of current district government system and they work independently without any direct coordination with or under supervision of the district government. Although there is a link between district and Tehsil in the shape of District Mushavirati Committee, it is not functioning in most of the

cases. Province makes direct fiscal transfer to Tehsils, which only passes on from district government to Tehsil accounts, without any control of district government. Often, there are suggestions that Tehsil administration should be dissolved and its functions and resources should be distributed between district and union administration.

5.4 Political Divide

A new spirit has probably been brought in the political system. Local politicians are very enthusiastic about the change. This, however, has not introduced stability into the political scene. It has actually resulted in a greater politicization of the already instable political scene. Some concerns are:

- Accountability in the system has been enhanced. Due to politicization of the system, government officials are appointed by the provincial governments whereas, funds are provided by the provincial government. Therefore, political interference is done through the provincial government.
- The districts which support the provincial governments get many times more funds as compared to those districts where the district governments do not provide political support to provincial government.
- In districts where there is a political divide between district Nazim and province, matters are prone to run inefficiently no matter what the LGO states. The problems remain in day-to-day administrative affairs, development planning and execution, PFC funding, special development funding and so on. Kasur and Muzzafargarh are the two most prominent examples of this. In contrast, problems are minimal if the Nazim is an ally of the provincial ruling party; Chakwal being the example. Moreover, to be more specific, if the Nazim ‘adheres’ to the provincial government, he will be entertained as much as possible; Peshawar being the example where Nazim belongs to the MMA. This same pattern is true in Tehsil/district, Tehsil/province and union/district cases. In addition, the members of national and provincial assemblies in a district still have sizeable development funds at their discretion. This has a great tendency to run in conflict with the district spending powers, as the allocation of funds is highly politically-driven.
- The district politics has become a melting pot for the next general elections; the provincial Annual Development Program (ADP) is being used to gain the favor for elections rather than to achieve welfare objectives. The positive relations between Zila Nazim and provincial Chief Minister guarantees the approval of district development funds from provincial ADP. In return, the Zila Nazim makes sure to spend the funds in political supportive communities that will bail them out in the next elections.

5.5 Insufficient Human Resources

The capacity of district government stands out a big question mark. Particularly the capacity of finance and planning department appears to be weak. The district finance department is not equipped with professional staff. Similarly, the capacity of education and health department appears to be pathetic. Efficient and equitable utilization of unprecedented huge development fund at district level remains limited. The decentralization have given way to a large number of small projects, and thin budgeting increase thereby draining-out precious

public funds. Mega development projects are rarely initiated by non-city district governments.

5.6 Insufficient Financial Resources

District governments rely heavily on provincial governments for their financial needs. Most of the taxes devolved to local governments are less buoyant in nature, thus having limited capacity to raise revenues with stability. Unlike federal and provincial governments, local governments have limited capacity to propose and prepare vibrant taxation policies to raise revenues on their own. Besides this, they remain under immense pressure from the public regarding taxation.

Furthermore, the provincial-district transfer system still possesses some ambiguities. For instance, the government employees working in the districts are actually provincial employees. Until recently, this salary budget was subject to lapse if unspent, denying any control of the district government over it. The fiscal transfers thus were made separately for salary, non-salary and development budgets. This is worth mentioning that the salary expenditure, on an average, makes up around 92 percent of overall district recurring expenditure. Punjab and, recently Sindh started practicing the one-line budget system in which all the monies are transferred to district controlled Account IV.

Another issue related to transfer system is the presence of binding constraints over district spending decisions regarding development outlays. For instance, NWFP restricts its districts to spend 70 percent of development transfers on education, health and drinking water. Although perfectly rational, this type of restrictions may put the concept of devolution into thin air. Furthermore, the issues pertaining to provincial-district fiscal setup should be focused, analyzed and resolved along with, if not after, the issues in federal-provincial fiscal setup since provincial empowerment comes ahead of local empowerment.

5.7 Easy Access to Representatives and Officials

It is believed that since district, Tehsil and union Nazims are in close interaction with people hence, they will find themselves more answerable to the people. It is also believed that since the resources and authorities have been decentralized to district level and to the representatives of the people of the district, hence the need based expenditures would increase and funds would be utilized for the benefit of the people of the district. But whether this reach facilitates in solving problems is a big question.

5.8 Participatory Development

An important characteristic of this system is the introduction of public-private partnership (or civil society-public partnership) through establishment of CCBs. These CCBs are actively involved in all sorts of projects in Pakistan, including development of streets, pavements, schools, health facilities, among other areas. However, there are two issues associated with them. First, the registration process of CCBs is quite cumbersome and involves bureaucratic delays and briberies. Second, in some instances, only big contractors and wealthy people make CCBs since the arrangement of 20 percent community share is not a problem for them. Thus, if there is no 'real community participation' behind making any CCB, probability of rent-seeking becomes higher, which is indeed the case allegedly in some districts. It is also observed that the approval of schemes is highly politicized and approval normally awarded to those CCBs which are directly or indirectly related to the ruling party representatives.

5.9 Delivery of Social Services

It has improved in case of some services and has not changed in case of others. Getting death, birth, marriage certificates has become comparatively easier than before. Water supply, road networks, drainage and sewerage systems have improved in most of the districts. Standard of education has not improved though enrollment rate has increased. Health facilities have slightly improved. However, it is difficult to attribute the improvement to devolution as there could be other factors behind this such as overall macroeconomic improvements.

5.10 Community Empowerment Institutions

The Monitoring Committees (MCs) appear to be non-functional in most of the cases. Union Council MCs are formed merely to fulfill the LGO requirement. Overall, MCs exist on paper without any real existence. In case where MCs are formed, the members have no incentive (i.e. TA/DA) to work for the community. Most of the member are poor and cannot bear travel or other expenses. Across the board, Zila Mohtasib is not appointed and DPSCs are not constituted. Zila Mushavirati Committee (ZMC), which is the only executive body to ensure coordination between Zila and Tehsil/Town, is non functional in most of the districts. Either Tehsil Nazim feels reluctant to attend meetings or Zila Nazim feels the need not to invite Tehsil Nazims of the opposition party. 'Chaudrahat' and personal ego of Tehsil Nazims and Zila Nazim have constrained the functioning of ZMCs. The decisions of the ZMC are not legally binding, therefore, members do not really care about the functioning of the ZMC.

5.11 Access to Justice

It is an important issue in the present scene of politico-judicial war between the fundamental components of the state. At the district level, it is again a question whether the performance of the local administrations, courts and police, has improved or not when the coordination between the three departments is not satisfactory. No one knows to whom the police is answerable. Experience suggests that it is answerable to whoever enjoys more power. It listens only to the top administrator. The Nazims, who have good relationship with the ruling party can provide more access to justice to their people and the Nazims not having good relationship with the ruling party struggle to get justice for themselves let alone those they represent. Awareness of basic human rights has increased but their adherence has decreased. Another related matter is the coordination among local government and police. Although District Police Officer (DPO) coordinates with district Nazim on the law and order matters prevailing in the district, he is answerable to his own higher authority and *not to* the district Nazim. At lower levels, Tehsil and union Nazims are not provided with the legal umbrella of coordination by the police.

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