Seminar Report

"Achieving Good Governance: Some Conceptual Issues"

Thursday December 18, 2008 Islamabad



### Welcome Remarks

### Mr. Kashif Mumtaz

Research Fellow, I-SAPS

Mr. Mumtaz welcomed and thanked the participants for sparing time to participate in the seminar on 'Achieving Good Governance: some conceptual Issues.' Good governance, he said, had become a buzzword in development as well as academic discourse particularly since the end of the Cold War. Though the precise definition of good governance had remained elusive, Mr. Mumatz noted, the international bodies like the World Bank and the UNDP had been advocating it as essential for political stability, poverty reduction, and sustainable development. In Pakistan too, he said, the concept had been much talked about and had been propounded by many as the way out of the country's perceived crisis of governance. Good governance, Mr. Mumtaz said, manifested itself in a number of ways like the realization of civil liberties, human rights, rule of law and effective service delivery. He said, effective service delivery assumed a particularly important role because in the absence of it people's access to the basic services was compromised. Therefore, he said, there was a need to view the concept of crisis of governance from the standpoint of service delivery.

#### Mr. Naeem ul Haque

Member, National Reconstruction Bureau (NRB)

Mr. Haque started by thanking I-SAPS for inviting him to deliver the seminar. He said that he had come for a dialogue and not for a monologue and intended to learn from every one present there. He urged the participants to feel free in asking any question whether about the former President or NRB itself. Before starting his formal presentation, Mr. Haque chose to answer a question put forth by one of the participants during the informal discussion prior to the seminar that why the governments resorted to recruiting people with just bachelor degrees who would take Central Superior Services examinations to join the civil service.

Though there were different types of views on this particular subject, Mr. Haque said, it was for the government of Pakistan and the four provincial governments to take a decision whether they wanted to follow this particular method of recruiting civil servants and constituting the bureaucracy or did they want to follow other models like the Japanese, US, or the French model. He lamented that as we have not done a lot of work in other disciplines and areas, we have not done much work in the area of civil service reform too. That was why, he said, Pakistan still faced the controversial issue of whether the generalists or the specialists should be in the driving seat. He asked the questioner to share the possible solution, if he had any, with the NRB or with National Commission on Government Reform headed by Mr. Abdul Ghafoor (Member of National Assembly). He said we as a nation were fond of status quo but would talk about change. This, he said, was a fashion in our training and educational institutions, in our academic circles that we talked of change but when back to work we talked of status quo and thought that would deliver. That's why, he said, there was a governance deficit and a governance crisis in the country.

Moving on to his formal presentation, Mr. Haque said he had tried to make it simple, and would attempt to make it more meaningful and relevant by sharing his

governance related experiences. He said he would try to explain as to where we were in terms of governance and what it would take to turn governance into good governance and what was needed to strengthen the institutions in Pakistan.

Referring to a presentation made by the then Deputy Chairman Planning Commission before National Economic Council on 31<sup>st</sup> May 2007, Mr. Haque noted that 'Strategic Thrust' of the Vision 2030 was on continuous administrative reforms to sensitize leaders both from public and private sectors to play their leading role in inspiring the best out of people; enhance professionalism and capacity in civil services; improve quality of public service delivery; encourage social mobilization, community participation and teamwork; devolve more functions to provincial and local governments; promote public private partnership in provision of social services, and building of infrastructure. All this, he said, is premised on the notion that improved governance will enhance confidence in the state. Mr. Haque said that was a borrowed concept. Nevertheless, he said, that was the vision of the government which had been developed by the Planning Commission.

Mr. Haque then shared extracts from the manifestos of four major political parties – Pakistan Peoples Party, Pakistan Muslim League (PML) (N), Pakistan Muslim League (PML) (Q), and Muttahida Quami Movement (MQM), all of which contained references to good governance. However, to his surprise, there was no reference to good governance in the manifesto of Awami National Party (ANP). Following were the extracts he shared with the audience;

- We promise Good Governance. PPP
- Good Governance is a cross cutting theme and must apply to all institutions that form part of the Government. There cannot be any exception to this rule.

# PML (N)

• Good Governance: Since the inception of Pakistan, the system of government has been highly bureaucratic and common citizens can not assert their basic democratic rights. There is unquestionably a national crisis of confidence to which MQM will respond in a measured and sensible way. MQM, therefore, proposes not only to arrest this anarchical state of affairs but also to help establish the rule of law.

#### MQM

• The PML believes that Corruption is a big impediment to development and good governance. PML (Q)

The good thing in these statements according to Mr. Haque was that they covered a lot many aspects of good governance which the theorists and the practitioners believed constituted the whole canvas of good governance such as corruption eradication, development, democratic and human rights. So, he continued, it was very easy on the basis of this particular information that one could develop one's own definition of good governance. He further said that many people believed, and

wrongly so, that governance was synonymous to government or management or administration. That governance had a different connotation and mainly related to power and power sharing.

So, he said, we had three types of governments – federal, provincial, and local, and everybody in the governments was trying to share the power. Mr. Haque said he was using the term 'power' as synonymous with the word 'authority' although technically there might be different meanings of the two words. He said though people in the federal government were bothered about the schedule of delegation of power and delegation of authority, power in fact belonged to the elected representatives and authority belonged to the civil servants. Power, he explained, was the ability to influence minds, therefore the domain of a political leader, whereas authority was the right of a person sitting in a bureau or sitting in a chair to exercise that particular authority to dispose off the business of the government. He further said that in the power sharing functions in the governments, there were elected representatives, bureaucracy, and the public but no government could run its affairs without bureaucracy. That was viewed by Mr. Haque as the second important point which people must not forget when thinking about improved and good governance. The quality of bureaucracy, he said, was the most important ingredient for the public as well as the elected representatives to have the good governance in a particular country or setting.

Explaining the very concept of governance, Mr. Haque said the term had been derived from a Greek word, *'kubernao'* which meant to steer, noting that the process of decision-making and the process by which decisions were implemented was part and parcel of the term governance. Governance, he said, was also about public institutions that would conduct public affairs, manage public resources and guarantee the realization of human rights. Good governance would accomplish all these in a manner essentially free of abuse and corruption and with due regard to the rule of law.

In Pakistan, Mr. Haque said, though all of us believed that there should be rule of law hoping that rule of law would promote democracy and the vice versa, the unfortunate thing was that people did not read the law. Therefore, he continued, people were not aware of what their rights and duties were, nor did they know what should state and its functionaries do. Mr. Haque elaborated his point with the help of two examples. The federal government, he recalled, had decided to spend Rs. 13 billion in order to procure paddy rice at the rate of Rs. 1500/mond; however, when the policy was implemented the government found out that the farmers were getting only Rs. 1100/mound whereas the mill owners were getting a bounty of Rs. 400/mond in addition to a bounty of Rs. 600/mound they were getting in the second part of the policy. So, he noted, the difficulty lied with the policy implementation as there was nothing wrong with the intention which was to provide the farmers a support price which would protect them from the vagaries of market forces so that they had enough money to procure inputs for the other crops which would follow the paddy. The second example Mr. Haque quoted was about a police constable whom he had encountered and who upon being asked whether he had read law and that did he feel that he was a suitable official to be posted in a thana had replied 'yes, I keep reading books which were given to me.' If, Mr. Haque said, that was the state of affairs of policing and when the policeman did not know which particular section of the law

was to be implemented in a particular case how could we expect that he would give due regard to the rule of law.

Further elaborating the concept of governance, Mr. Haque said the concept was applicable to states, to corporations, to non profit organizations, to partnerships, and to other associations which underlined its importance. Referring to the Medium Term Development Framework (MTDF) of the government of Pakistan (2005-2010), he pointed to the fact that the document contained an entire chapter on good governance which, he said, showed that the government of Pakistan had given special status to the concept of governance. However, he said, one could ask where that particular governance was which had been talked about in MTDF in 2005. Although the government of Pakistan and all the political parties believed in good governance and in democratic values, he said, nothing worthwhile had happened towards this end.

Talking about organizational governance, he said, a good organization produced good results and avoided bad circumstances. This, he said, was part of the concept of governance. He said if one focused on the word 'organization', one would feel that in 21<sup>st</sup> century no country would develop itself and make it sustainable without thriving organizations.

Another aspect of concept of governance, he said, was the exercise of political authority and the use of institutional resources to manage society's problems and affairs because, he said, knowing the problem meant having half the solution. The rules of the political system to solve conflicts between actors and adopt decisions, and the proper functioning of institutions and their acceptance by the public were the other aspects of governance listed by Mr. Haque. All the above mentioned elements, Mr. Haque said, collectively defined the concept of governance. Assuming governance as simple a concept as 2+2=4 was a wrong concept for Mr. Haque who said governance there would be synergistic effect of one sector on the other. He further said that if that one sector was civil service or the bureaucracy then the bureaucracy should have an impact on rest of the sectors. But, he said, that was not happening making people raise questions about the utility of civil services and implementation of various policies in the country.

Mr. Haque then listed what he said were the six key governance dimensions, quoted in World Wide Governance Indicators by Kaufmann-Kraay-Mastruzzi, which could be helpful in providing some sort of guideline in dealing with governance issues; voice and accountability, political stability and lack of violence/terrorism, government's effectiveness, regulatory quality, rule of law, and control of corruption. These dimensions, he said, had been identified by the World Bank researchers as helpful in determining the state of affairs in a country with regard to governance and good governance.

Mr. Hque moved on to talk about what he said were four basic elements of good governance: accountability, transparency, predictability, and participation. Accountability, he said, was necessary as the public wanted that the public officials be held responsible for their deeds; therefore it was interested in knowing how much should it spend on a particular service. The significance of Transparency, Mr. Haque said, was evident from the fact that Transparency International rated all the countries, including Pakistan, and publicizing their findings which would sometimes depress us

while at others we believed that things were improving; and things were actually improving, he asserted. But, he said, the difficulty was that we did not want to compare ourselves with Botswana, therefore we would say the things were not improving but the accountability of civil services, of elected representatives at federal, provincial, and local level, and of a common citizen was increasing which was going to contribute positively to the governance index of Pakistan.

Transparency, he said, was about doing things in a manner that helped establish the rule of law and the citizens knew precisely how a particular task was going to be disposed off. For example, he said, National Database and Registration Authority (NADRA) was required to issue the card. If it, he noted, issued it without charging extra money, it meant that there was an element of transparency in it, and they were doing good work with regard to good governance.

Predictability, Mr. Haque said, was the need for a stable, open, and widely understood set of "rules of the game." He lamented that most of the people in Pakistan did not know which particular law applied to them in a particular situation, and the interpretation was made by the neighbour, imam masjid, police wala or by a civil servant. So, he said, whatever one knew one would try to apply on that particular situation. If, he continued, one had seen blood, one would immediately infer the case warranted section 302, although that could be a case where a person needed to be compensated but we would create an environment of fear and terror, which, he said, was habitual of both citizens and officials in this country, therefore we tried to control the society through fear factor.

Commenting about the element of participation, he recalled how as a student of public administration at Punjab University, he and his fellow students used to write in their term papers that the civil servants should be responsive to the needs of the people because in an independent state they were the servants of the people. But, he said, when he became the civil servant he felt that he had been given an environment where he had to assert himself and tell the people that he was the boss. And then, he said, he also wrote a paper for an international conference on good governance, where he would go with a material to prove that he was the civil servant who was allowing the people to participate in the business of the government.

To create such an impression, he said, he would create advisory commit of the railways wherein he would bring in the shurafa of that particular locality to prove that the system was participatory. Although, he said, those shurafa of that particular locality were unacceptable to the general public but he would prove that since participation was a basic element of good governance, he had allowed people to participate to ensure ownership and beneficiaries' support for his development initiatives.

The overall objective of good governance, according to Mr. Haque, should be people centered development and service oriented government. And in a country which had experienced 150 years' rule of alien people it was very difficult to inculcate this particular culture and if we do not inculcate this particular culture we should not be aspiring for achieving the overall objective of good governance.

Mr. Haque then moved on to discuss the characteristics of Pakistani organizations. He said that he was not saying that those were the characteristics of civil service of Pakistan, or cabinet division, nor were they relevant to police only. Those, he said, might be the characteristic of a university like NUML. Those characteristics were:

- People in the organization saw things going wrong and would do nothing about it.
- No body volunteered.
- Mistakes and problems were habitually hidden or shelved.
- People treated each other in a formal and polite manner that masked issues especially with the boss.
- People at the top tried to control as many decisions as possible.
- They often made decisions with inadequate information and advice.
- Mangers felt alone in trying to get things done.

Lamenting that Pakistani organizations had the characteristics of sick organizations, he said organizations were like human beings; had culture like humans had in the society; had ways and means to perform things like humans had, and like human beings, organizations had the tendency to acquire diseases. So, he asked, if we had sick organizations and if things were to be delivered through organizations how we could expect to achieve the overall objective of good governance. He further stated that we did not have organizational doctors because the type of literature we were teaching at the universities, particularly in disciplines like Business and Public Administration, did not prepare students for helping organizations get rid of those difficulties.

Continuing his argument, Mr. Haque said that we lived in a society which was dependent upon organizations and it was due to the vibrant organizations that the Europeans, the Japanese, and the Americans had achieved higher levels of development.

Giving his recipe for achieving good governance, Mr. Haque underlined the need to adhere to constitutional and legal requirements, failing which, he warned, the dream of realizing good governance would not be materialized. He said we had to stick to the rule book and the best rule book in the country was the constitution of Pakistan, and the second one was the laws which had been developed by the parliament. However, he said, unfortunately the parliament had not revisited thousands of laws which existed on the statue book but were not used, and those which did not have any utility. Those laws, he recommended, needed to be revisited and changed.

Mr. Haque then highlighted the importance of focusing on service delivery, lamenting that unfortunately in the civil service the focus was on the service structure. Therefore, he said, civil servants would always complain about their speedy promotion and they believed that the only document in the government worth any value was Annual Confidential Report (ACR). He reiterated the need to focus on service delivery and citizens' satisfaction. Recalling his recent visit to the SAARC Human Resource Development Center where he had been invited to deliver a lecture on SAARC Development Goals, he wondered if anybody in Pakistan had ever talked what those concepts were, or how did they differ from Millennium Development Goals (MDGs). Referring to the MDGs' clock which was ticking on NRB's website,

he said they had commissioned it on 29<sup>th</sup> of April 2007 and told the government that MDGs were to be achieved by 2015 and if those were achieved there was a possibility that Pakistan achieved a lot vis-à-vis good governance if not all. But, he lamented, nobody cared. Today, he said, it was December 18, 2008 and very soon it would be 29<sup>th</sup> April 2009 completing two years of that particular time but there had not been any push from any provincial or local government towards that end. Mr. Haque was of the view that we should focus on outcomes instead of outputs, noting that in Pakistan we were focusing on outputs and not on outcomes. We, he said, were not worried about the health of organizations therefore most of our organizations had not been able to deliver. Mr. Haque then talked about the leadership crisis. The simplest definition of a leader, he said, was that a person who had a purpose was a leader. In that particular context, he noted, every secretary in the government was a leader. But, he said, if one would go to a secretary and tell him that he was a leader and had to achieve certain objectives, the secretary would tell you his boss was the minister and he was the leader.

To achieve good governance, Mr. Haque said, there was a need to focus on four Ss – security (of job), secrecy, suspicion, and sifarish. Elaborating upon these points, he said people were worried about the security of job, because if the job was secure they were not required to deliver, but when the job was insecure everyone had to perform to prove that one was the person required by one's organization. We, he continued, functioned in an atmosphere of secrecy where nobody would give other any information fearing that the information might be used in a wrong way, or else others could thrive on it. In case of organizations, he said, we did our jobs in a secret manner that was the red-tapism, file work. As a civil servant, Mr. Haque said, he worked in an environment of suspicion, would not like to discuss things with his subordinates as well as ordinates, and would want to function in his own room because he had been warned against sharing information with others. Talking about the sifarish culture, he said, people would go to their elected representatives, asking for favours reminding the representative that they had elected him for such tasks and that they would not have come to his door had their concern been aboveboard.

The health of organizations, Mr. Haque said, had a relationship with four things – the skills, the opportunities, motivation, and environment. Talking about the often talked about deterioration of the standards in every walk of life, he said the reason was that because the focus was not on skills but on education. Education and skills, he said, were two different things - education broadened the mental horizon; skill was the thing that one had to perform. Commenting on opportunity, Mr. Haque said the bosses did not allow people to make a mistake as if committing mistake was an unpardonable sin paving one's way to hell. Therefore, he said, in our organizations people did not perform, fearing that if they performed they would commit mistakes which would lead to their suspension and possible removal form the service though he thanked God on the fact that that particular law about Removal from Service had been removed from the statute book. About motivation, he was of the view that, salary was not a motivation; rather it was related to promotions.

Mr. Haque further said that it was due to the fact that we had not created an environment for work that we had not been able to achieve our targets through institutions like Trading Corporation of Pakistan, Rice Export Corporation of Pakistan, the Cotton Export Corporation of Pakistan, and consequently had remained poor.

In the end he said there was a need to accept the reality that there was a governance deficit. That governance deficit, he said, had happened because in 1947-48 our forefathers probably did not have time to focus on these issues as they were busy in other things like the settlement of the refugees. But, he said, this should have been attended to in somewhere 1950s-1960s. Mr. Haque concluded his presentation by sharing an excerpt form PRSP 2003.

"Pakistan, addressing the governance component of the poverty reduction strategy has required major transformation of governance structures and systems, as well as of political and organizational culture, especially at the local level. This was essential due to an accumulated governance deficit that has led to institutional decay and breakdown. Despite the enormity of such an undertaking and the level and continuity of the political will required, Pakistan is now committed to overcome its governance crisis and lay the foundation for a successful poverty reduction strategy."

# Mr. Javaid Ahmad Malik

Independent Consultant

Mr. Malik started by appreciating Mr. Haque's presentation which, he said, had laid the basis for a very interesting discussion, besides offering an insiders' perspective from someone still involved in the business of state-formation. He recalled that before NRB there did not exist any such institutional arrangements in Pakistan, although there was Planning Commission but it was a very policy-focused and project-focused body and there was no agency to have a system-wide or systemic view of the whole state. So, he continued, it was very important to have such a national agency. He also appreciated the anecdotal evident presented by Mr. Hque in his presentation.

Commenting on the linkage between service delivery and good governance talked about by Mr. Haque, Mr. Malik described it as a very important development which needed to be acknowledged. Establishing a linkage between these two concepts, he said, meant that the manner or the process of governance was essentially linked with certain out puts. He viewed the establishment of this linkage as of particular importance in a post-colonial state where bureaucratic organizations were created essentially to maintain status quo and not for developing the communities. In fact, he said, this showed that now we had become clearer in terms of where we wanted to lead our state institutions in future.

Secondly, he said, this topic implicitly acknowledged another important development which the world had witnessed in the last fifty years in the realm of international human rights systems. The most import manifestation of this development, Mr. Malik said, was the International Covenant on Economic, Social, and Cultural Rights (1976) which held state responsible for providing people with access to health, education, and other facilities, and to which Pakistan too was a signatory. Linking service delivery with good governance was an acknowledgment of that development as well, and was one of the important developments in the evolution in the concept of governance, he said. Secondly, he added, since the 1989, when the word 'governance' was used for the first time in some World Bank publication, the concept had moved forward from there. Prior to 1990, he said, it was politically difficult to measure development as the world was split between two ideological blocks with one emphasizing the primacy of market mechanism in developing the state while the other would say it was the state. This dichotomy, he said, had made it difficult politically to define development.

However, Mr. Malik said, by the 1990, when the works of Amartya Sen and Dr. Mahbub ul Haue got more relevance, it became possible to measure development through Human Development Index (HDI) and tabulate it. It was then, he said, that the realization became more pronounced that there were some countries which were growing more rapidly and there were others growing slowly, and that why some countries were able to deliver better than others on the key aspects. That realization, he continued, allowed us to question why, for example, Vietnam was doing far better than Mangolia in education and health despite having almost same GDP/capita. That showed, he said, that something was wrong with our own institutions which were failing to deliver. The above mentioned two developments, he said, were worth taking note of. Referring to 189 UN member states, including Pakistan, agreeing to MDGs in 2001, Mr. Malik said they represented an international consensus that state had to deliver for people; it had to improve service delivery. Now, therefore, he said, it was easier than before to talk about such concepts and measure state agencies' performance by using this yardstick.

Referring to the Vision 2030, Mr. Malik said, it showed that governance reforms were on the agenda of the government. However, he said, he was thinking what if we had been writing the same document in 1950s; how it would have been different from the present document; noting that the document had not taken into consideration the technological developments that the world had witnessed. He said the document was being written as if it were 1950, without realizing that world had changed a great deal over the years. He was of the view that our organizational designs were like that of early 1900, when Max Weber wrote. At that time, he continued, that was vertical, but now the world was realizing that it was flat and not vertical. An important factor in this context, he said, was the role played by the technology. For example, he said, now if he had to write a letter to another person, it did not have to be directed to so many different agencies; rather, it could be directly emailed to the other person. That, he said, was not a small development as that suggested that now you could build cross agency collaboration and network form of collaboration.

Secondly, Mr. Malik said, this rights' orientation was very important, noting that focusing more on bureaucratic reforms while we were writing a vision meant that we were already excluding other actors which were important in society and which we had to look into. For example, he said, market structures and leveraging market for human development had become particularly important because market systems were increasingly taking over most of the service delivery which till 1950s was the excusive domain of the governments. Quoting from a recent study, he said that in district Gujrat around 80% of the health service delivery was taken care of by the market systems, and even in Rajanpur, an extremely impoverished area, around 40% of the service delivery in education was taken care of by the market systems. These facts, he said, necessitated that any talk of good governance for the coming decades needed to take into account the changes taking place in the society and the power

structures that were emerging therein such as citizens' rights movements, rights organizations, specialized NGOs working in the health sector. These, he said, were not there earlier and their emergence was offering new opportunities and creating new power centers also by shifting powers more to the citizens, making government and state irrelevant in many ways especially in urban areas. Therefore, he said, there was a need to come up with policy considerations which would regulate the private sector for the poor and for the human development.

Referring to the concept of power-sharing matrix discussed by Mr. Haque, Mr. Malik said now the concept included the society, NGOs, CBOs, and the media, in addition to the state. He then highlighted the changes seen over time in the concept sustainable development, noting that in the 1960s/1970s there was more emphasis on growth, but gradually the focus had shifted to the growth of institutions which was deemed essential to create conditions for development. For example, he said, if media was developed, having a better content making ability, that would actually serve as a watchdog which could ensure transparency in the government. Similarly, he said, if there were specialized rights organizations, they could play the role of a watchdog at district, provincial or other levels of government.

That's why, he explained, when the government said they had given independence to the media that was not something which they were giving for granted. In fact, he said, that was part of overall conception of sustainable development that when you let these entities grow over time, they spur development. When envisioning good governance, he said, the focus should not only be on government but also on society, individuals who were key players in a society and how did they manage society over time. That should be the main goal within power-sharing matrix, he said.

On definitional aspects of good governance, Mr. Malik said Mr. Haque's talk did cover the main aspects of good governance definition that were about government's ability, its responsiveness and accountability. However, he was of the view that the problem with the technically sound definition of good governance was that it was not about what should be done, rather how to do that. That, he reiterated, was really important and that was where the question of political negotiation arose that how one would sell those concepts to the ruling elite to convince them that if they did not respect rule of law it would eventually affect them also in the long run. That was important, he said, because notwithstanding the general perception that change came from bottom, change actually came from top in many ways. It was, he explained, when the elite decided to change themselves, and they would change under pressure; they would not volunteer themselves. Because, he said, reform was actually a political pressure, there had to be conditions for effective demand articulation for the establishment of rule of law in a society. Another important aspect, in this context, he said, was that political settlements happened between state and non state actors and between various interest groups in a society. Though, he cautioned, that was a good point to begin with but that was not enough to know what the prescription was. In fact, he said, more important was to know that how would it work. Since we did not know how it would work, it was important to keep discussing it.

Commenting on the characteristics of Pakistani organizations mentioned by Mr. Haque, Mr. Mlaik said that it was very good effort to come out with some kind of anecdotal indicators which could tell us how actually organizations in Pakistan

worked. While maintaining that such native analysis was very important to understand Pakistan, he said there was a need to qualify that in the sense that even in Pakistan the private sector worked very differently, because result based management system worked there, and because people knew that if they did not work they would be fired. To bring home his argument, Mr. Malik gave the example of McDonalds which he said worked in Pakistan with a very different work system. One example of that system he gave was the regular cleaning of washrooms at McDonalds chains noting that the system was being run by an MBA who might have been trained at Arid Agriculture University or at NUML. But since he was in a very different work system he was performing differently, he noted. Therefore, he said, when we were looking at Pakistani organizations especially the state organizations, we also had to account for other models which were being developed in Pakistan. Referring to an important study by Mr. Shahid Kardar, he said that the management of private schools was far better than the state schools which required far greater money due to the incentive system in place as the salary of a public sector school teacher was higher than that of a private school teacher. Noting that there was difference in performance, he said that there were other variables which could work necessitating a revisit of the incentive system so that we could ensure the behavioural aspects at the organizational level that actually worked.

Mr. Malik then said how, while looking at various governance reforms, he had found out that there were ten major donors supporting governance reforms in Pakistan, with 7-8 portfolios to support democracy but only two portfolios to support accountability. That, he said, actually showed the callousness of the donors who would come for the very easy projects in Pakistan, therefore most of these governance programmes coming in Pakistan. Even before the concept of governance had gained currency, he noted, Harvard group of consultants came to Pakistan in 1950s, but no such interventions had delivered, probably because of the kind of easy going and the simplistic buying in by the Pakistani state.

In terms of designing governance portfolio, he said, the bottom-line was that it should not be exclusively focused on bureaucratic reforms, and should focus more on societal aspects which meant that if you created demand that would enable state to behave in a certain way and that also meant focusing more on political parties. He lamented that there were not many champions of reform within political parties. He said that donors were making the mistake by focusing only on incumbent government and ignoring other political parties, recommending that donors should help opposition political parties develop their policy capacity so that when they were in power they already knew that where the state was and how to move forward from there. He also urged the donors to focus on other aspects like development of civil society and media.

He conclusively stated that there was a need to expand the ambit of governance portfolio, which, he said, would mean chances of better governance, especially in times when we had very elaborate MDGs in hand and useful monitoring mechanisms as the clock mentioned by Mr. Haque. Summing up with an optimistic note, he said that he believed that things had moved in Pakistan as governance and policy reforms had climbed up the agenda of the state, but, he said, we had to make it far more broad based, politically-owned, and inclusive.

# **General Discussion**

Mr. Malik's remarks were followed by a lively discussion during which participants showed their keen interest in issues broached by the speaker and the discussant by asking several questions and making some pertinent remarks. It was pointed out that though generally state apparatus in Pakistan was inefficient, there did exist success stories like NADRA and Motorways Police whose performance should be acknowledged and learnt lessons from. Need for having better human resource management was highlighted as a way out of administrative problems country was facing. One of the participants underlined the need for having strong leaders in organizations. The question was also asked about where to start the governance reforms, either while remaining within the system or taking some revolutionary steps. An important issue raised was about the need to view governance as the exercise of power; as something more than service delivery, and need for creating demand for devolution of power as nobody would voluntarily devolve or relinquish power. It was also said that the link between democracy and rule of law needed to be explored further. Another participant was of the view that donors should not be blamed for supporting certain programmes and ignoring others, which might appear more important to us, because they had their limitations.

(The audio report of the Seminar, available on I-SAPS' website, contains the complete discussion)