

Tasneem Ahmad Siddiqui. *Towards Good Governance.* Karachi: Oxford University Press, 2000. 235 pages Hardback. Rs 495.00.

Tasneem Ahmad Siddiqui is a former civil servant who has written a book that is in tune with the governance issues being faced by Pakistan on a variety of fronts. The author has had much experience of the grassroots level and provides the reader a view of the changes at that level for a dynamic societal change. There is clear evidence of the faith that he seems to have in the resourcefulness of the people of Pakistan. The hallmark of the book is its concise and easy reading with not just criticisms but workable solutions that are offered by the author.

At the outset, the crisis being faced by Pakistan is highlighted. The author delves into the historical antecedents of this crisis, apportioning blame to the Harvard Advisory Group, as it was their flawed development strategy with a pro-industry bias that ignored agriculture. They believed in jump-start modernisation without giving serious consideration to the fact that Pakistan has a strong agricultural base. The stated wisdom of such a policy at that time was that surplus labour from agriculture would be shifted to industry and this would tackle poverty and income inequalities as espoused by the 'trickle-down theory'. This thinking was not an exclusive one, as such a strategy was pursued by policy-makers of many newly independent states in the post-Second World War era. However, the ensuing importance granted to profits as opposed to wages in the 'development decade' resulted in greater inequalities of income, and a greater concentration of economic resources, whereby twenty-two families came to own 80 percent of the banks and 95 percent of the insurance companies. According to the author, what the policy-makers failed to realise, through the import of such a Western model, was that in the long run low wages would generate low profits.

Agriculture was given attention via the much-touted 'green revolution', which no doubt vastly enhanced output through increased use of capital-intensive technologies and high-yield seeds. However, the beneficiaries were big landowners as they were the ones who could afford the necessary inputs. The consequent capital-intensive agriculture resulted in the loss of jobs for farmers and caused a rural-urban migration. Most of the successful economies of the world have their basis in the inducements that have been offered to develop the small-scale industry. However, in Pakistan, foreign aid at that time was directed towards large-scale industry, at the expense of small-scale industry.

Siddiqui calls for reforms in the bureaucratic set-up and its policies regarding education, housing, intelligence agencies, and rural development. The author views the increasing rate of crime as an issue of concern and calls for reforms also in the police force. He gives the causes and offers solutions. Rules that have been in force for ages need to be revised and political intervention needs to be reduced to a minimum, with the aegis of long overdue police reforms. Politicisation has resulted

in adverse consequences for the working and efficiency of the force, compromising its independence, neutrality, and humanism. Along with this, there is an urgent need to improve the deplorable living conditions of ordinary policemen. He concludes the first section with a list of main items that are vital to alter the status quo, and these include the rule of law including governance issues, a free press, an educated population, and government servants with high salaries.

In the second section, he begins by explaining how Pakistan as a nation-state had a positive beginning, despite many problems, and had the promise of becoming a well-governed state with a decent infrastructure, good administrative network, and an absence of foreign debts. According to him, four broad areas where the problems lie are:

- slow industrial development built on a weak agricultural base;
- increased rate of urbanisation;
- fast growth in services viz-à-viz the productive base offered by agriculture and industry; and
- growth rate not in tune with the rate of population growth.

The author also describes how the authority of the state has weakened and the institutional vacuum created by this has been filled by non-state actors such as mafias, armed private militias, and informal sector operators. He lays responsibility for this at the doorstep of the intelligentsia, for the lack of a concerted, coherent, and systematic response to various issues. One of the reasons in the author's view is that many of them lack an adequate understanding of issues and are out of touch with ground realities.

Thus, the failings of the political and bureaucratic system, according to Siddiqui, are that the transformations taking place have not been kept in mind. Policy-makers have failed to bring in indigenous development solutions, have excluded the people from decision-making, and there has been a bare minimum investment in human resources and social sectors. Moreover, the governance system runs on *ad-hocism* that discourages sustainable solutions, and is not proactive. Such an approach lacks tolerance and leaves no room for dissenting points of view. Another pertinent point raised by the author is that since most of the development policies, foreign policy, and economic policy are conducted by the civil and military bureaucrats, it would be inappropriate to blame the politicians for all the ills facing the nation.

In the second section, Siddiqui argues that at the micro level the economy appears to be booming. The question arises: Is this apparent prosperity of some of the lower middle class and the middle class built on a house of sand or does it have a strong foundation? He takes heart from the fact that despite macroeconomic mismanagement, the fundamentals such as the prices of basic food necessities are in relative control. With this argument, he dispels fears of hyperinflation or a civil war,

or even a Taliban-style upheaval, as the situation does not have the necessary ingredients to take root in Pakistan when one views the economic crisis of the state. He reinforces this by basing his argument on the need for proactive roles by the educated classes to face this threat.

Furthermore, he calls for a change in the foreign policy of the country to arrest the economic and social downslide. Above all, he calls for a reconstruction of the moral fabric that has created a vacuum on a long-term basis, as an élite bias persists in development planning. He also emphasises research to understand the issues, their contexts and dimensions, facing the country, and less reliance on the Western models of development. Also, politicisation of the bureaucratic services is to be discouraged. A retooling of the bureaucracy is essential and on-the-job training is vital, as is transparency at the decision-making level.

The author is a firm believer in the decentralisation of power in order to stabilise the federal superstructure and to deliver social services to the target groups. Decentralisation is vital, as health, education, family planning, and housing can be effective only if dealt with at the immediate level. Moreover, he emphasises that policy planners and concerned people should learn from success stories such as the AKRSP, OPP, and SKAA that are models of decentralisation and have included people in decision-making for the delivery of social services. He gives the instance of the education sector as an example of Pakistan's experiment with centralisation of authority, an approach that has flaws in the management of resources. Not only is the physical infrastructure in a shambles but a great deal is left to be desired in terms of the actual delivery of education services. To rectify this, the author offers policies which call for the participation of the community, teacher recruitment from the local areas with supervisory committees appointed by parents, teacher training courses, and an improvement in the quality of textbooks and curriculum.

In Section Four, he deals with approaches that aim to give workable solutions to the plight of the urban poor in terms of housing needs. The pro-industry approach has accentuated the reality of *katchi abadis* [slum dwellers], constituting 35 percent of the urban population of Pakistan. Prices of agricultural commodities have remained stagnant, as industry is given concessions and overall favourable treatment. As a consequence, people have been migrating to cities, as jobs are available in industry. As the state machinery has been unable to provide land for housing, a mafia has emerged to provide land and services to low-income people.

He cites some success stories that are available on the issue of housing for the urban poor, such as the one implemented by the Hyderabad Development Authority. He shows that despite the lack of technical and financial resources people in slum dwellings there have organised into groups and participate in development; also that it is a legal and planning dilemma. There is a need to legalise these settlements, and also to prevent further illegal settlements.

One of his policy prescriptions details how the informal sector can be tapped, bringing it into statistical records; for instance, how *bhatta* [extortion] seeps through the official tax-collecting machinery. One cannot but agree with the author that the informal sector has come to be a parallel system, with about 70 percent of the urban population connected to it in one way or another. However, intellectually and logically, the policy-makers, the middle classes, and the economists have faltered as they suffer from substantial lack of knowledge regarding the poor and low-income people.

In Section Five, he calls for a change in the development pattern, requiring vision, decentralisation, achieving a balance between quantity-oriented and quality-oriented approaches, accountability, and prioritisation. In Section Six, it is discussed whether Pakistan can achieve success and turn the tide in its own favour. As a first, the author details the poverty of the peasants and the landless in rural areas and calls for land reforms that are required to enable small farmers to enhance yields and to reduce social polarisation. The author argues for such land reforms on the basis of efficiency and equity. The situation of small farmers worsened on account of previous reforms since big landlords had a hold on capital inputs, which strengthened their position further. In conclusion he makes an important point: “...it is not feudalism but the feudal mindset, which is the root cause of our problem”. This mindset is present in our bureaucracy, political parties, moneylenders, and middlemen, as feudal systems are naturally under threat. He states that from this experience and others at the grassroots level, people know how to prioritise their needs. State failures will permit these actors to become empowered in the process, in a slow and gradual change lasting fifteen to twenty years. However, despite its failings, government has a role to play and it has come to realise the growing role of communities in development policy. The Hyderabad experiment has shown that a solution can be brought about from within the system, that is, without altering societal power structures and without altering unequal relationships between the *katchi abadi* dwellers and the government. Therefore, this reality and the reality of mismanagement have meant that low-income people have come to rely on themselves for services, the provision of which is normally the responsibility of the state.

The author observes that social change is under way, with a change in class structure. Negative trends in legal and other matters, failing law and order, and failure to collect taxes always give way to a new order. What can be done is to make this change easier and better controlled in order to avoid violence and anarchy. A link needs to be established between social reality and the response of the state by initiating reforms in a range of sectors. We need to remove the misconception that the role of government can be taken over by non-governmental organisations. The government has to deliver basic services, and also ensure that democracy functions. For it is not just parliaments, cabinets, or the formal trappings of a democracy, but

also strong institutions, free press, and religious tolerance that can lead to a viable state.

In a lighter vein, he also observes how the corrupt have to face their plight in terms of psychological pressures—the ever-prevalent fear of anti-corruption agencies, family problems, emotional costs, and health issues due to the strain of ill-gotten wealth! He also views macroeconomic mismanagement as the most immediate threat. One can relate to this in view of the debt crisis faced by Pakistan. The prescription offered is that we face issues on many fronts, so as to deal with these and come up with solutions.

One steps aside from the book with a feeling of despair, but also with some hope that changes are under way at the level of the lower middle classes. All in all, there is an urgent need to understand the changes at the grassroots level and to help formalise them.

Hyder Hussain Khan Yusafzai

Mahbub ul Haq Human Development Centre,
Islamabad.