

Improving the Public Sector Development Programme Allocations in the Clientelistic Environment of Balochistan: A Political Economy Analysis

MIR SADAAT BALOCH and NADIR KHAN

Successive governments in Balochistan have failed to streamline the Public Sector Development Programme (PSDP). This study discusses how political clientelism influences the process of PSDP by diverting scarce resources to create incentives for powerful political actors to keep the public dependent and poor. An analysis of the disbursement of PSDP in the 10 districts in the last ten years clearly shows that some districts with more population and area receive fewer funds as compared to less populated and smaller districts. This paper formulates a mathematical model that estimates the amount to be allocated to each district. Then to further prioritise the projects of any department a performance matrix is developed. The matrix ranks the public sector development projects.

Keywords: Clientelism, Development, Balochistan, Performance Matrix, PSDP Allocation, Poverty

INTRODUCTION

This paper is about the Public Sector Development Programme (PSDP) in Balochistan. The province has always been on the development agenda of every political party, but, sadly, we have not witnessed any meaningful development in the region. The growth rate of the region is the lowest in Pakistan. After the 7th NFC award and the 18th Amendment in 2010, the people of Balochistan anticipated an era of sustainable development, but this fiscal autonomy has proved to be a zero-sum equation. The PSDP is considered a key component in improving the socio-economic outlook of an area. However, successive governments have failed to streamline it despite repeated directions from the High Court and the Supreme Court to plan it effectively. During 2017 and 2018 no new development projects were undertaken as the matter was sub judice. Even in the following years, the PSDP was challenged in the Balochistan High Court and the Supreme Court of Pakistan as the opposition claimed that the allocative efficiency and distributive justice were very low. Finally, the opposition, with the help of the ruling party, changed the incumbent Chief Minister of Balochistan as he was not addressing their clientelistic demands. The province is experiencing a clientelistic environment that is affecting the overall development of the area. This paper discusses how effective PSDP allocations can be done in a clientelistic environment.

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Keeping in view the events of the last five years, it is imperative to find ways to improve the process of PSDP allocations. For this study, resource allocation means the projects allocated in the PSDP to different departments and districts. In this paper wherever resource allocation is mentioned it means the PSDP allocations, which is the case in the relevant literature as well. Ideally, the PSDP allocation should be based on a prioritisation exercise keeping in view the challenges in the province. However, in Balochistan political clientelism plays a major role. Financial allocations are mostly done based on what could be best described as an incremental approach: a certain fraction is added to the department's previous year's allocation every year without a rigorous investigation of the departmental needs and impact of previous allocations. Based on these issues the research has devised the following aim and objectives.

Scope

The main focus of the current study is to formulate a mathematical model and develop a matrix for only four departments, namely health, education, social welfare, and communication and works in the province of Balochistan.

Rationale

To suggest better methods and tools for the improvement of PSDP allocations in Balochistan.

Objectives

- (1) To understand the influence of political clientelism on the process of PSDP allocations in Balochistan.
- (2) To suggest more effective ways for resource allocation.
- (3) To discuss policy inputs for the improvement of PSDP allocations.
- (4) Based on the rationale and objectives, we answer the following three questions based on the findings:
- (5) How political clientelism influences the process of PSDP allocations in Balochistan?
- (6) How effective resource allocation can be performed in Balochistan?
- (7) What are policy inputs for the improvement of PSDP allocations in Balochistan?

Before discussing the literature related to resource allocation, we examine the current system of development budget allocations in Balochistan below.

LITERATURE REVIEW

Development Budget Allocation System in Balochistan

Budget allocation in Pakistan is based on budgetary demand, which covers both the development and the non-development sides. On the other hand, the current mechanism used in Balochistan for development budget allocations can be best described as incremental (Green, et al. 2000). Franklin & Ebdon (2020) and O'Hagan, et al. (2020), claim that, in theory, development budget allocation should be done with the involvement of focal persons, which are district officers at the grassroots level in the case of Balochistan. However, contrary to what is argued by Panday & Chowdhury (2020) and Williams, et al (2019), in Balochistan, a centralised approach is used as most of the decisions are taken by the provincial capital, Quetta.

Mostly, departments do allocations without the involvement of key stakeholders, such as the general public or the private sector (Escobar, 2018). Furthermore, any changes such as the addition/deletion of resources are done based on political clientelism. This implies that there is no specific plan or policy for development budget allocation in Balochistan as suggested in theory (Dias & Julio, 2018; Franklin, Krane & Ebdon, 2013; Glodfrank, 2020).

There are other weaknesses in the process as well. For example, we can hardly witness any productive debates being conducted for budget allocations (Head, 2007). The majority of budget meetings are rushed, and their sessions are not long enough to ensure that the process is as inclusive and successful as it should be (Bostan, et al. 2021; Jobaid & Khan, 2018; Jackobsen, et al. 2016). Finally, a budget document is presented to the assembly for approval without any discussion by the members. Hence, as argued by McGuire, et al. (2020), the development budget allocation turns out to be a mismatch between the people's needs, the required facility, and allocated resources. There is a huge gap between what certain districts actually need and what they get. In the following sections, we discuss the relationship between public expenditure and resource allocation and how it is influenced by political clientelism, and how multi-criteria decision analysis can help in effective resource allocation in Balochistan.

Public Expenditure and Resource Allocation

Public expenditure efficiency has been a debatable issue for both academics and non-academics (Khan & Murova, 2015) because public expenditure makes a huge percentage of domestic output and it has a direct influence on public policymaking whether it is education, social welfare, public safety, health care, or any relevant social issue (Khan & Murova, 2015). Albassam (2020) argues that to bring efficiency to public expenditure, budget allocations play a vital role in the development and prosperity of an area. Therefore, dealing with public expenditure in terms of resource allocation remains the hardest job, particularly, in developing countries. In developing nations, it also has a significant role in the monetary development and the prosperity of people.

Further analysis of the importance of resource allocation during capital expenditure shows that there is a positive relationship between capital expenditure and growth rate. However, some researchers have argued that there is no association between the two. Thus, numerous studies have resulted in mixed results about the efficiency of capital expenditure, which makes the issue more complicated. For example, an empirical study conducted by Landau (1983), in ninety-six countries, concluded a negative relationship between government expenditure and gross domestic product (GDP). However, Albassam (2020) argued that public budget allocation plays a significant role in economic growth and the well-being of the public through the programs that provide different services, such as health and education. Therefore, scholars and policy-makers are in search of effective models, that can help the decision-makers in the allocation of resources wisely and effectively. Another major factor in resource allocation, particularly in developing countries, is the clientelistic environment caused by political clientelism.

Political Clientelism

Like most social concepts, there is a lack of consensus about the concept of clientelism. Few researchers have conceptualised it as a citizen–politician linkage that is commonly based on direct material exchange to small groups or individuals that are eager

to sell their vote for the right price (Stokes, 2007). While another group of scholars has explained it as an alliance between two entities of unequal power, status, or resources, where both parties reckon it beneficial to have such a relationship (Hicken, 2011). Another school of thought has conceptualised this exchange as a way to tie the client to the patron not via a rule of mutuality but by promoting a concern that the chain of benefit will break off if they do not act as per the wishes of their masters (Kitschelt & Wilkinson, 2007). While exploring different definitions of clientelism, Hicken (2011) highlighted the following significant fundamentals of this relationship: contingency, dyadic relationships, iteration, and hierarchy. The powerful political actors reinforce their influence by giving their supporters traditional favours that create a sense of obligation that the favour must be reciprocated when demanded. Access and control over state resources are vital for clientelism.

Clientelism and State Resources

Political clientelism, especially in developing nations, can affect resource allocation of state-related projects such as subsidised health care, pension or unemployment benefits, community infrastructure funds, or government jobs (Hicken, 2011). Political actors in such nations very effectively reward their followers with resources, while others remain excluded. Berenschot & Aspinall (2020) claimed that while doing so, politicians find ways to bypass, manipulate or abolish, official procedures of resource distribution. They replace the prescribed standards for selecting recipients of government projects with their political standards such as party loyalty. Apart from powerful political actors in the case of some developing countries high degree of discretionary control over the state resources is exercised by their bureaucrats as well (Cruz & Keefer, 2015). They hold autonomous power, making them powerful actors in resource allocation. This control over state resources ultimately influences the development of a nation.

Why Clientelism is Bad for the Development of a Nation?

One of the most prominent debates in clientelism literature is on the association of clientelism with development. Researchers assert that clientelism is predominant in developing countries (Brusco, et al. 2004). The contemporary conception of the connection between clientelism and economic development is that it is not deterministic but probabilistic. Although the empirical association between development and clientelism is fairly robust (Kitschelt & Wilkinson, 2007; Bustikova & Corduneanu-Huci, 2011; Berenschot, 2018), there are a variety of views about the causal mechanisms at work.

Hicken (2011) claimed that clientelism hampers economic development by diverting scarce resources to create incentives for powerful political actors to keep the general public dependent and poor. As a result, it feeds on extreme levels of exploitation and corruption, ultimately creating a trust deficit in the public who become sceptical of democratic foundations. There is a consensus among the researchers that it has immense negative repercussions on the functions of democracy, especially on the capability of the administration to deliver necessary public policies (Gherghina & Nemčok, 2021). Apart from this, clientelism tends to change the basic accountability connection and hinders sustainable development in a region (Bustikova &

Corduneanu-Huci, 2011). Clientelism not only slows down the development of a country but also stagnates political institutions. The politicisation of the bureaucracy is also associated with clientelism. It obstructs the system and creates governance issues for the administration (Keefer, 2007, Cruz & Keefer, 2015). The clientelist approach is bad for transparency as it discourages information sharing and collaboration (Keefer, 2007).

Several studies claim a relationship between the size of the public sector and clientelism, whether calculated in terms of wage bills, development funds, or jobs (Grzymala-Busse, 2008). It is attributed as one of the main factors for public sector inefficiencies and larger public deficits. Researchers claim a major variance in the types of goods and services offered in programmatic systems versus clientelist systems (Gherghina & Nemčok, 2021). The impact of clientelism on institutions is still not explored widely as most of the research has focused on offices of political parties. For example, Desposato (2007) argued that political offices that practise clientelist strategies act in a different way than the parties that mobilise electoral support by providing public goods. Such political parties are more focused on consolidating public resources and supplying them through their private links. The influence of clientelism on development and institutions ultimately leads to a poor nation.

How Clientelism Causes Poverty?

If we examine the conception of clientelism, the majority point toward the poverty of the client, especially in the context of poor countries (Hicken, 2011). It is pertinent to mention that most of these surveys are qualitative and lack quantitative cross-national studies. Despite that, if we analyse the qualitative literature, it can be concluded that clientelism is more prevalent in the developing world (Hicken, 2011). These studies have theorised two distinct justifications for the linkage between poverty and clientelism. As Kitschelt (2000) explains, “poor and uneducated citizens discount the future, rely on short causal chains, and prize instant advantages such that the appeal of direct, clientelist exchanges always trumps that of indirect, programmatic linkages promising uncertain and distant rewards to voters” (p. 857).

However, another school of thought argues that it is not poverty that generates clientelism, but it is the other way around, i.e, clientelism generates poverty (Robinson & Verdier, 2013). Scholars explain that to stay in power powerful political actors can develop a strategy to hold back income growth and social mobility. In developing countries, political parties discourage the delivery of development-enhancing public goods and prefer the provision of personal favours (Robinson & Verdier, 2013) resulting in a decline in the productivity of the country while increasing the dependence of people on favours from politicians (Medina & Stokes, 2007). One may argue that both premises can be true; clientelism can cause poverty and poverty can also cause clientelism. However, if resources are allocated in better ways, clientelism can be overcome. This raises the question of how resource allocation can be done more effectively.

Multi-Criteria Decision Analysis for Effective Resource Allocation in Balochistan

The present study aims to create a decision matrix that can help the decision maker to select the best project for each department. The following section discusses one such criterion for resource allocation.

Kurth, et al. (2017) claimed that public administration has to make complex decisions that must create a balance among technical, economic, and political considerations. They have to face pressure from multiple concerns to ensure transparent techniques for decision-making (Esmail and Geneletti, 2018). For governments, efficient administration means the prioritisation of scarce resources reasonably and transparently. Hence, decisions about resource allocation must involve all the stakeholders (Kurth, et al. 2017). Dodgson, et al. (2009) while discussing this further asserted that for decision-making in government projects the popular form of analysis is cost-effectiveness analysis (CEA). This tool equates the costs of different project alternatives that provide similar kinds of output. Another less popular tool, called cost-benefit analysis (CBA), also considers some essential goods or services that are economically insignificant in monetary terms (Gamper and Turcanu, 2007). Both CEA and CBA are systematic tools of comparison that give monetary value to the decision maker to rank or prioritise projects (Gamper and Turcanu, 2007). However, this research is focused on methods of comparing impacts in ways that do not involve assigning explicit monetary values to all of them.

Multi-criteria analysis (MCA) is supposed to overcome the deficiencies of old decision-support techniques such as cost-effectiveness analysis (CEA) or cost-benefit analysis (CBA) (Müller, et al. 2020). Müller, et al. (2020) asserted that MCA can deal with qualitative measures and uncertainties related to the future impacts of a project. This tool is favoured by the government organisations that have used it in recent times (Melville-Shreeve, Ward & Butler, 2016). Although previously used models such as CEA or CBA do provide a decision-making framework, the MCA enables the use of quantitative as well as qualitative measurement scales (Nedeljković, et al. 2021). For this reason, the tool is more suitable to address multidisciplinary problems such as resource allocation. Gamper, et al. (2006) argued that MCA is an ideal method if the government needs to find consensual resolutions to overcome conflicts.

The MCA banks on the ruling of the decision-making team, while setting objectives and criteria approximating comparative vital weights (Reddy, Thokala & Duenas, 2017). However, for researchers, the subjectivity of MCA is a matter of concern because choices of objectives, criteria, weights, and assessments are based on the choices of decision-makers for achieving the objectives (Gamper and Turcanu, 2007). Stirling (2006) claimed that this subjectivity can be tackled by using 'objective' data that can be measurable, such as observed prices, population, or any other index. He further claimed that despite its subjectivity the MCA can bring a degree of objectivity, scrutiny, and honesty to the process of decision-making that lies beyond the practical reach of CBA.

The present study uses a more informed and objective form of the MCA known as multi-criteria decision analysis (MCDA). This tool was created to provide an ordering for the option used in the criteria, from the least preferred to the most preferred option (Dodgson, et al. 2009). The options used differ in their impact on the objectives set by the government, and secondly, no one option can be best in achieving objectives (Dodgson, et al. 2009).

Kurth, et al. (2017) claimed that the MCDA is a better way to examine complex problems that involve a variety of non-monetary and monetary objectives. It helps in

analysing the problem in light of realistic information that allows data and judgements to be more objective. The main aim of this technique is to help in decision-making, but not to take the decision (Kurth, et al. 2017). This tool offers diverse ways of examining a multifaceted issue by gauging the impacts of options on set objectives. They further discussed that multi-criteria decision analysis can be used either to assess things that are only proposed or to appraise things to which resources have previously been allocated. The MCDA can also help public organisations in decision justification and checks (Dodgson, et al. 2009). The formation of the MCDA for this study is further discussed in the methodology part of this paper.

DATA AND METHODOLOGY

In this section, the procedure adopted to analyse the development budget allocation in Balochistan is discussed. For this purpose, secondary data was obtained from the provincial planning and development, education, health, social welfare, communication & works, and finance departments. The data set was composed of data related to PSDP projects in Balochistan from 2011 to 2021. Statistical analysis was performed using frequency distributions to understand the dimensions and distribution of the development budget.

The sample for the study was 10 districts of Balochistan selected using the multiple poverty index (MPI). Four departments, namely education, health, social welfare, and communication and works development projects were analysed to find out inequalities in resource allocation. Table 1 shows the top 5 districts having the lowest MPI values and the bottom 5 districts having the highest MPI values.

Table 1
Sample of the Study

Top 5 Districts		
S. No.	District	MPI
1.	Quetta	0.213
2.	Kalat	0.275
3.	Khuzdar	0.285
4.	Gwadar	0.293
5.	Mastung	0.302
Bottom 5 Districts		
S. No.	District	MPI
1.	Killa Abdullah	0.641
2.	Harnai	0.633
3.	Barkhan	0.627
4.	Ziarat	0.575
5.	Chagai	0.546

Source: Multidimensional Poverty in Pakistan 2014-15.

The table shows that Quetta has the lowest MPI depicting low poverty and Killa Abdullah has the highest MPI depicting the highest poverty among the districts of Balochistan.

Mathematical Model

Furthermore, the model was developed by using population and area as the constructs for the allocation of development funds. The weights for population and area were estimated and incorporated into the following model to calculate the estimated funds for each district:

$$R_i = P_T x (W_{Pi} + W_{Ai}) \quad \dots \quad \dots \quad \dots \quad \dots \quad \dots \quad \dots \quad (1)$$

Equation 1 shows the allocation of resources to a particular district. The allocated resources of a district are a function of its population and area and the total PSDP. After estimating the funds for each district, the allocation of funds to each department was calculated by using the following method:

$$R_{Dj} = R_j x \frac{\sum R_j}{years} \quad \dots \quad \dots \quad \dots \quad \dots \quad \dots \quad \dots \quad (2)$$

Equation 2 shows that the resources to be allocated to each department are a function of the weighted average of the resources allocated previously and the resources allocated to the district.

The MCDA Performance Matrix

The matrix for this study was based on the Multi-Criteria Decision Analysis (Dodgson, et al. 2009). In the MCDA, the preferences of the stakeholders determine the criteria for project selection. The weights given to each criterion are subjective and are dependent on the availability and fulfilment of the criterion.

The projects to be approved in the PSDP were scored on each criterion. The score of each criterion was then estimated as a part of the total weight given to that criterion. The total preference score was calculated using the following mathematical equation:

$$S_T = w_1s_{i1} + w_2s_{i2} + \dots + w_n s_{in} = \sum_{j=1}^n w_j s_{ij} \quad \dots \quad \dots \quad \dots \quad \dots \quad (3)$$

To make an MCDA performance matrix, this study focused on the choice of key players to give more informed data. A key player in this study was a person who could give us suitable and substantial information for the creation of our performance matrix for the MCDA (Dodgson, et al. 2009). Key informants were selected to signify all the important viewpoints about resource allocation in Balochistan. They were the people who cannot participate in the process of PSDP making but their values should be represented in the matrix to make an impact on the decision-making. The study was not limited to the views of these key informants. Supplementary informants from the Department of Finance, the Planning and Development Department, and the Chief Minister's Office were also involved because of their expertise and knowledge about the process of PSDP allocations.

While collecting data from these informants, we ensured that all contributors are given equal opportunities to give their viewpoints. It was ensured that the minority points of view are not marginalised in the process of data collection. They assisted the participants through numerous phases, getting pertinent knowledge and findings. Through knowledge sharing, it was ensured that every participant also envisioned the larger picture for which the MCDA is working.

The present study uses one of the typical features of multi-criteria analysis known as a performance matrix (Dodgson, et al. 2009). In such a matrix, each column describes the performance of the options against each criterion and each row describes an option (Dodgson, et al. 2009). This study used numerical values for each criterion of individual performance assessments that are often expressed as 'bullet point' scores, or colour coding, in other research.

For this study, the performance matrix was key for the analysis of each project by any department. The departments can assess the extent to which their PSDP objectives are met by the entries in the matrix and rank their project for efficient selection. This spontaneous valuation of data ensures the timely and operative selection of projects for the departments (Dodgson, et al. 2009).

RESULTS AND DISCUSSION

Comparative Analysis

A comparative analysis of the disbursement of PSDP in the 10 districts in the last ten years can be seen in Table 2. The allocated percentages are averages for the last 10 years. The discrepancies in the allocation of PSDP to the departments are quite evident. Some districts with more population received fewer funds as compared to less populated and smaller districts. This inefficiency justifies the purpose of this research as currently, the Government of Balochistan has no proper model or matrix to allocate the development budget to the districts or even to the departments in an efficient manner.

Table 2

Comparative Analysis of the Disbursement of PSDP in the 10 Districts

Districts	Population	Area (sq. km)	Communication & Works	Education	Health	Social Welfare
Quetta	2,269,473	3,447	19%	15%	17%	32%
Khuzdar	798,896	14,958	5%	4%	7%	2%
Killa Abdullah	758,354	4,894	4%	3%	3%	2%
Kalat	412,058	8,416	2%	1%	1%	1%
Mastung	265,676	3,308	1%	2%	1%	1%
Gwadar	262,253	12,637	4%	2%	5%	1%
Chagai	226,517	44,748	2%	1%	1%	0.5%
Barkhan	171,025	3,514	1%	1%	0.5%	0%
Ziarat	160,095	3,301	1%	0.5%	1%	1%
Harnai	97,052	2,492	2%	1%	0.5%	1%

Application of the Mathematical Model

The mathematical model was applied to the secondary data on population, area, and PSDP. For practical use of the model, weights for the population and area of each district were estimated. The weight for each district was taken as a part of the total. Table 4 shows the weights calculated for the population and area of each district.

Table 4

Estimated Weights for each District

Districts	Population	Area
Quetta	18.40%	0.99%
Khuzdar	6.48%	4.31%
Killa Abdullah	6.15%	1.41%
Kalat	3.34%	2.42%
Mastung	2.15%	0.95%
Gwadar	2.13%	3.64%
Chagai	1.84%	12.89%
Barkhan	1.39%	1.01%
Ziarat	1.30%	0.95%
Harnai	0.79%	0.72%

The weights for population show that Quetta is the most populated district (18.4 percent) but is among the smallest districts (0.99 percent), which can be seen from the weights. District Harnai is the least populated (0.79 percent) and the smallest (0.72 percent). Chagai and Gwadar (12.89 percent and 3.64 percent) are the largest districts but with low populations (1.84 percent and 2.13 percent). Khuzdar is the only district with a large area (4.31 percent) and the second highest population (6.48 percent).

Not considering the population and area statistics leads to inefficient allocation of resources. More populated and large area districts are receiving lower allocations from PSDP as shown in Table 2. Therefore, it is imperative to consider population and area as important factors in PSDP allocations.

The mathematical model estimated the amount to be allocated to each district, where the amount to be allocated to each district is a function of the total PSDP and the weights of population and area for that district. As a case, the total amount of PSDP for the year 2020-2021 was set as the input and the estimated amounts to be allocated to each district are shown in Table 5.

Table 5

Comparison of Actual and Required PSDP Allocation to each District in Billion Rs.

District	Actual PSDP	Required PSDP
Quetta	25.3	22.9
Chagai	11.1	17.4
Khuzdar	8.1	12.7
Killa Abdullah	5.2	8.9
Gwadar	3.5	6.8
Kalat	1.5	6.8
Mastung	2.2	3.6
Barkhan	0.4	2.8
Ziarat	0.9	2.6
Harnai	1.6	1.7

Furthermore, the amount allocated to each district is then disbursed to the respective departments. The disbursement is made based on the average amount allocated to the departments previously. This systematic allocation of PSDP, firstly, to the districts and then to the departments is an attempt to remove the inefficiencies in the current development budget allocation process of Balochistan.

Table 6 shows the proposed amounts to be disbursed to the departments of each district. The amounts were estimated using the total amount allocated to the district and the historical data of each department.

Table 6
PSDP Allocation to the Departments of each District in Billion Rs.

District	Communication	Education	Health	Social Welfare
Quetta	4.3	3.3	3.9	7.2
Khuzdar	0.6	0.4	0.8	0.2
Killa Abdullah	0.3	0.2	0.2	0.1
Kalat	0.1	0.08	0.09	0.05
Mastung	0.05	0.05	0.01	0.03
Gwadar	0.2	0.1	0.3	0.07
Chagai	0.2	0.1	0.1	0.03
Barkhan	0.03	0.02	0.004	0
Ziarat	0.03	0.01	0.02	0.01
Harnai	0.04	0.008	0.005	0.008

Application of Performance Matrix

This performance matrix used numerical analysis in two stages. In the first stage scoring for each expected consequence of each option was assigned a numerical score. In the second stage, numerical weights were assigned to each criterion keeping in view their importance for the process of PSDP allocations. The matrix was developed to rank the public sector development projects. The criteria used in the matrix were the themes obtained from the interviews and focus group discussions with the personnel of the relevant departments. Each project was given a score on a scale of 0–100 for each criterion. The score of each criterion given to a project was then taken as a product with the assigned weight of that criterion. The final score for each project was calculated using Equation 3 mentioned in the Research Methodology section. Table 6 is an example of how the health department can prioritise different projects for a given year.

Table 7
Project Decision Matrix for Health Department

Project Name	District MPI Rank	District		Project Prerequisites	Project Risks	Score
		Pervious PSDP Funds	Infrastructure for Project			
P1	10	10	100	100	100	46
P2	20	70	100	100	100	67
P3	90	60	66	100	50	77
P4	100	30	66	0	50	51
P5	80	80	33	100	0	71
<i>Weights</i>	<i>30</i>	<i>30</i>	<i>10</i>	<i>20</i>	<i>10</i>	

The findings of this research showed that there are inefficiencies and inequalities in the process of PSDP allocations in Balochistan. The process of PSDP allocations is influenced by political clientelism and there are impediments and shortcomings in the process of allocating the PSDP funds. Realising them is vital for effective PSDP allocations. The data on PSDP allocations in Communication & Works, Education, Health and Social Welfare departments in the 10 districts during the last 10 years i.e., 2011 to 2021 indicated discrepancies in the allocation of PSDP to the departments. Some districts with more population and area received fewer funds as compared to less populated and smaller districts. This inefficiency justifies the purpose of this research since currently, the Government of Balochistan has no proper model or matrix for the efficient allocation of PSDP projects to the districts or even to the departments. The analysis of quantitative data further highlighted that ignoring the population and area statistics lead to an inefficient allocation of resources. More populated and large area districts received lesser allocations from PSDP as shown in the figures. Therefore, as discussed in the literature review it is imperative to consider population and area as important factors for PSDP allocations.

Below, we answer all three questions raised in the introduction section before the conclusion and recommendations.

Question 1: How political clientelism influences the process of PSDP allocations in Balochistan?

The findings of this research indicated that the process of PSDP allocations is influenced by political clientelism. High officials such as the minister of finance showed their concern about it and admitted that most of the projects are included to please the members of the parliament and their followers. As argued by Berenschot (2018) the powerful political actors reinforce their influence by giving their supporters desired projects to create a sense of obligation that would ultimately be reciprocated in a time of need. While further explaining the influence of political actors, another official of the education department claimed that schools or colleges are built without any need for assessment, and projects are included on the wishes of influential people.

As discussed by Stokes (2007) the more powerful political actors do not need to take public office. Even without a public office, they would still be considered credible enough to promise their voters access to public resources. The politicians' influence on state resources is so strong that deputy commissioners, who are the administrative heads of districts, are not taken into the loop while allocating PSDP funds to their districts. This resonates with the study of Berenschot & Aspinall (2020) that politicians find ways to bypass, manipulate, or abolish official procedures of resource distribution. They replace the prescribed standards for selecting recipients of government projects with their own political standards such as party loyalty. However, as asserted by Cruz and Keefer, (2015) in developing countries a high degree of discretionary control over the state resources exercised by their bureaucrats seems to be missing in the case of Balochistan. Hence the politician holds autonomous power, making them more powerful actors in resource allocation.

Due to this political victimisation, many districts in Balochistan faces development problems over the years. As explained by Gherghina & Nemčok (2021) it has immense negative repercussions on the functions of democracy, especially on the capability of

administrations to deliver necessary public policies. The political parties in Balochistan are more focused to consolidate public resources and then supply them through their private links. This is one of the reasons that these political parties have less cohesion and their members tend to switch parties as they find any opportunity to do so.

This whole scenario is hampering the development of Balochistan. Services and goods to the general public are underprovided while in some specific constituencies they are provided in abundance. The politicians are diverting scarce resources to create incentives for themselves to keep the general public dependent and poor. As a result, there are extreme levels of exploitation and corruption in Balochistan that are creating a trust deficit among the people of Balochistan. The political influence is so high that it has changed the basic accountability connection in the province and people go unpunished even after failing a project. This is hindering sustainable development and causing the politicisation of bureaucracy. Ultimately obstructing the system and creating governance issues. In order to stay in power, the powerful political actors will hold to this strategy to hold back income growth and social mobility in Balochistan. Political clientelism is discouraging the administration from offering services and goods to the public as it serves the interests of powerful political actors that thrive on poverty in Balochistan.

Question 2: How effective resource allocation can be performed in Balochistan?

As argued if resource allocations are done without improvement in the process of fund allocation and supervision of the schemes then it is a zero-sum equation. Inefficiencies in fund allocations in Balochistan have led this research to find better ways to address the issues of resource allocation. The main aim of this research was to ascertain better ways for PSDP allocations in Balochistan. The findings of the research indicate that the allocation of PSDP projects in Balochistan is disproportionate and unfair. The study has analysed the data on PSDP in Communication & Works, Education, Health and Social Welfare departments in the 10 districts during the last 10 years i.e., 2011 to 2021. It was indicated by the results that there is unfairness on both accounts i.e., district level and departmental level. Some districts have more population and areas that have been receiving fewer funds as compared to less populated and smaller districts. Banking on the arguments of McGuire, et al. (2020) for using a formulaic approach. To overcome discrepancies in Balochistan this study has proposed a mathematical model that uses weights for the population and area of each district. This research has used these parameters on the premise that consideration of the population and area statistics leads to inefficient allocation of PSDP projects. More populated and large area districts are receiving lesser allocations from PSDP as shown in Table 2. Therefore, it is imperative to consider population and area as important factors while making development budget allocations. Table 3 shows the weights calculated for the population and area of each district. Using the model as a case, the total amount of PSDP for the Year 2020–2021 was set as the input and the estimated amounts to be allocated to each district are stated in Table 4. Then in Table 5, the proposed amounts are further distributed to departments of each district.

This study envisaged that only proposing a financial model for funds allocation would not suffice, hence it constructed a matrix that will help the decision maker to select the best PSDP projects for each department. Stemming this argument from Kurth, et al.

(2017) that complex decisions such as public resources allocations must create a balance among technical, economic, and political considerations; this paper proposes a matrix that helps in the prioritisation of scarce resources reasonably and transparently. So the decisions about PSDP allocations must involve all the stakeholders. This study uses a matrix known as multi-criteria decision analysis (MCDA). This tool is created to provide an ordering for decision makers from least preferred to most preferred option (Dodgson, et al. 2009).

MCDA will help in analysing the problem in light of realistic information that will allow data and judgements to be more objective. It will help in decision-making, but not take the decision (Kurth et al, 2017). This matrix offers diverse ways of examining the multifaceted issue of resource allocation by gauging the impacts of options on set criteria. This tool is an organised and official platform for engaging all stakeholders. It will provide means to interface with strictly rigorous analysis while working beyond quantitative analysis. Finally, MCDA will also help the government of Balochistan in decision justification and checks (Dodgson, et al. 2009).

Question 3: What are policy inputs for the improvement of PSDP allocations in Balochistan?

Following Jobaid & Khan (2018), this research proposes at the time of development budgeting spatial distribution should be considered. Most importantly the allocation should be made without any bias and influence as such influence and biases would turn some districts stronger and others weaker. Furthermore, the government of Balochistan should include each district's local government body to know their need and responsibilities. The government needs to adopt a bottom-up approach to understand the real development needs of departments. It is imperative to conduct proper monitoring along with an assessment of the utilisation of money that is allocated to these projects.

The government of Balochistan must use a formulaic approach for development budgeting based on performance, political goals, and fairness (McGuire, et al. 2020). The efficiency in this context means that public money is spent as per policies developed (or to be developed) for the wise use of resources. While every political party should have a certain commitment and set promises within its community in terms of addressing their needs. The government to shift away from historical resource allocations and toward resource distribution based on metrics that try to capture the ground reality.

Grounded on evidence by Williams, St Denny & Bristow (2019) this study further suggests that a single approach to budgeting would make it difficult for the government. We understand that budget decisions are getting progressively difficult, especially during times of reduced public sector budget and austerity as the people of Balochistan are demanding more public services. In recent times the public has had minimal trust in the political process as they feel limited engagement in any political decision. The government of Balochistan can decide their level of participation depending on their preferences. They may only inform them through objective and balanced information or can obtain their feedback about alternative opportunities and solutions. On the other hand, the public can be involved throughout the process to understand their concerns and aspirations in a better way. In the best-case scenario, the public and government can work in a partnership and decide the course of action through joint decision-making.

However, if the government of Balochistan finds it difficult to engage the public in these traditional ways they can opt for innovative ways such as consensus conferences, planning cells, deliberative polls, citizens' assemblies, and citizens juries to engage the public at a micro level that can also facilitate deliberation and participation (Escobar and Elstub, 2017). The government can use the concept of 'mini public' for such engagement. Mini-publics are randomly nominated residents following the principle that stakeholders affected by the issue have an equal chance of being selected to ensure the legitimacy of the process.

Along with engaging the public the government needs to ensure that the whole process of PSDP is improved. The government of Balochistan needs to ensure transparency by providing information about decisions taken in the process. For a budget to be more effective it should be managed on the following four principles such as multiyear planning, transparency, public expenditure consolidation, and effectiveness and efficiency. For this, the stakeholders need to ensure the planning of tasks, expenditure, objectives, and their effects on a yearly basis. Transparency can be achieved through clarity, comparability, and legibility of financial statements. The consolidation of public expenditure can be achieved through the synergy of revenue and expenditure with assigned tasks. Finally, efficiency and effectiveness mean matching the planned tasks, expenditures, and objectives with the outcome achieved. The government needs to establish a relationship between resource allocation and results to increase productivity. The departments can ensure efficiency by measuring and promoting progress while making evidence-based policymaking by basing decisions on performance data.

CONCLUSION AND POLICY IMPLICATIONS

The findings of this research show that there are inefficiencies and inequalities in the process of PSDP allocations in Balochistan. The process of PSDP allocations is not free of political leverage and there are impediments and shortcomings and realising them is vital for an effective allocation. The data from PSDP in Communication & Works, Education, Health and Social Welfare departments in the 10 districts during the last 10 years i.e., 2011 to 2021 indicates that discrepancies in the allocation of PSDP to the departments are quite evident. Some districts with more population and area have been receiving fewer funds as compared to less populated and smaller districts.

This whole scenario is hampering the development of Balochistan. Services and goods to the general public are underprovided while in some specific constituencies they are provided in abundance. The politicians are diverting scarce resources to create incentives for themselves to keep the general public dependent and poor. As a result, there are extreme levels of exploitation and corruption in Balochistan that are creating a trust deficit among the people of Balochistan. The political influence is so high that it has changed the basic accountability connection in the province and people go unpunished even after failing a project. This is hindering sustainable development and causing politicisation of the bureaucracy. This is ultimately obstructing the system and creating governance issues. To stay in power, the powerful political actors will hold to this strategy to hold back income growth and social mobility in Balochistan. Political clientelism is discouraging the administration from offering services and goods to the public as it serves the interests of powerful political actors that thrive on the poverty of Balochistan. To overcome these issues this paper, have the following recommendations.

RECOMMENDATIONS

Banking on the arguments of McGuire, et al. (2020) for using a formulaic approach. Especially in the case of developing countries have tried to shift away from historical resource allocations and toward resource distribution based on metrics that try to capture variance in need. Contemplating these arguments to overcome discrepancies in Balochistan this study has proposed a mathematical model that uses weights for the population and area of each district. These parameters are used on the premise that not considering the population and area statistics leads to inefficient allocation of resources as shown in the findings.

This study envisioned that only proposing a financial model for resource allocation would not suffice, hence it designed a matrix that will help the decision maker to select the best project for each department. Stemming our argument from Kurth, et al. (2017) that complex decisions such as public resources allocation must create a balance among technical, economic, and political considerations; we propose a matrix that helps in the prioritisation of scarce resources reasonably and transparently. Therefore, the decisions about resource allocation must involve all the stakeholders.

Contemplating Jobaid & Khan (2018) this research recommends at allocations should be made without any bias and influence as such influence and biases would turn some districts stronger and others weaker. Furthermore, the governments of Balochistan should include each district's local government body to know their need and responsibilities. Grounded on evidence by Williams, St Denny & Bristow (2019) this study further suggests that a single approach to budgeting would make it difficult for the government. This study understands that budget decisions are getting progressively difficult, especially during times of reduced public sector budget and austerity as the people of Balochistan are demanding more public services. In recent times the public has had minimal trust in the political process as they feel limited engagement in any political decision. As suggested during such times we can gain public trust by involving them in the process. Along with engaging the public the government needs to ensure that the whole process of PSDP is improved. The government of Balochistan needs to ensure transparency by providing information about decisions taken in the process.

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