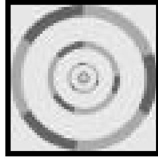


Chapter 3

Political Dimensions of Governance

Powerful ruling personalities and weak institutions have fortified political misgovernance in South Asia

The political process lies at the core of governance in all societies. In South Asia, where democratic institutions have yet to take a firm root in the majority of countries, the crisis of governance is inextricably linked to a failure to follow the due process. Every society has laws that regulate behaviour. It is when these laws cease to be binding that the political and social fabric begin to unravel.

The political process defines the creation and distribution of power within a society. It underpins the manner in which governments are formed and run, and guides the relationship between the government, state institutions, and the rest of society. What makes a political process equitable and efficient? There are several essential conditions. First, elections must be free, fair, and inclusive. Second, elected representatives must be made accountable to people through checks and balances. Third, power should rest with institutions and not individuals. Authority must be separated and distributed amongst the three pillars of the state. Fourth, power should be decentralized down to the local level in order to enhance people's participation in governance. Most critically, however, established rules need to be followed by all so that the process works—and is seen to work.

Powerful ruling personalities and weak institutions have fortified political misgovernance in South Asia. This lethal combination has subverted the rule of law and deprived people of their sovereignty. The region's poor political governance stems from two critical failures: first, power remains concentrated and distant from common people. A few privileged groups retain access to political power and state patronage. The stubborn resistance to power-sharing is also visible in the centralized nature of South Asian governments. This concentration has hampered human development, precluded popular participation, and alienated citizens. Second, the political process remains largely informal and personalized. There is a disturbing tendency among both the state and civil society to bend rules and to operate outside institutions. This not only makes transactions more costly and less predictable, it also discourages transparency and accountability. However, some countries in South Asia have done better than others in the struggle to establish a humane political process based on democratic principles of inclusion, justice, and rule of law.

This chapter is divided into two parts. The first part analyzes the continued exclusion of ordinary citizens despite political changes, attributing much of it to concentration of economic and political power in the hands of a few. The second part examines the weakness of institutions within a largely informal and unregulated South Asian setting, and its implications for political governance. The chapter opens with a snapshot of the challenges faced by existing South Asian political systems, which sets the stage for the rest of the discussion.

Are people sovereign?

There has been little uniformity in the nature of political systems across South Asia. Democracy, monarchy, and authoritarianism have all existed in different places at different points in time. Democracy is firmly entrenched in India and Sri Lanka, but has only recently been established in Bangladesh and Pakistan after long periods of direct or indirect military rule and Nepal after extended monarchical rule, while Maldives has adopted a non-party presidential system and Bhutan still functions under a

monarchy. Despite this diversity of political arrangements, there has been a broad similarity in styles of governance. Large sections of the population continue to be excluded from decision-making even under democracies. Even though 99 per cent of South Asians are now free to elect their leaders, they have yet to participate fully in the political process.

The end of the eighties and the early nineties have marked a healthy transition towards popularly elected governments in three South Asian countries—Bangladesh, Pakistan, and Nepal. The difficulties of engineering and managing such historic turnarounds in a region that is desperately poor and whose people are generally unaccustomed to concepts of citizenship should not be underestimated. Rapid and noteworthy strides have been made by the newcomers in donning at least the trappings of a multi-party system based on universal franchise.

However, the quality of the democratic process leaves much to be desired in both the fledgling as well as longer-standing democracies. Only in India, which has witnessed virtually uninterrupted democracy, have institutions been resilient and alternative centres of power accommodated within the state structure. Competitive elections, positive discrimination and the direct involvement of diverse social forces have created spaces for popular participation. However, here too, democracy faces challenges of corruption, poverty, fickle coalitions, regionalism, and violence. Sri Lanka, having started as a liberal and progressive democracy that ensured popular participation and freedom from the worst social deprivations, witnesses growing social intolerance, increasing militarization, and a steady erosion of institutions in recent times. In the absence of policies of accommodation, women and minorities have been kept out of the political system. In South Asia as a whole, real decision-making is controlled by powerful elite. Sovereignty continues to be conceived in terms of a powerful government, not free citizens.

Democracy, as understood by the region's leaders and much of its illiterate population, begins and ends with the ballot box. Only a small part of the political system—the parliament—is ever exposed to public mandate. Other features of a democratic political order are mostly missing. Western democracies have been associated with liberal traditions for almost a century—in going beyond free and fair elections, to include the rule of law, separation of powers, checks and balances on public power, and the protection of basic liberties of speech, religion, assembly, and property. Such a system is yet to be adequately established in South Asia. Even under democratic systems, South Asians everywhere are deprived of their most basic rights as their governments routinely flout constitutional limits on public power. As shown in chapter 1, South Asia remains home to the most distressing social and economic deprivations. Democracy has not done much to change the lives of millions of ordinary South Asians, who are still unable to read and write, to drink clean water, and to make a decent living, let alone access their rights to free speech and personal freedom.

In the face of this apparent de-link between democracy and human development, it is well to remember that democracy is a long process of political development. In modern democracies, elections are a part of a larger set of rules that legitimize the state. In South Asia, they are the only bridge between the state and society. But there is a life beyond elections, which must also be protected. Legitimate governments are not necessarily good governments. A good government will guarantee its citizens certain basic liberties in addition to maintaining territorial and physical security, promoting development, and providing social opportunities. Economic and civil liberties promote human dignity and freedom. The protection of individual rights (including those of property and contract) and the creation of a framework of law and administration have been

Democracy, as understood by leaders and much of the illiterate population, begins and ends with the ballot box

shown in empirical studies to promote economic growth.

It is one thing to proclaim social justice; it is quite another to deliver on that promise. The crucial issue is not one of constitutional provision, but of popular access. Can people be truly free when they have no control over their destinies? According to a recent survey by Freedom House (1998), measuring civil and political rights worldwide, none of the countries of South Asia can be categorized as free (see table 3.1). India, Bangladesh, Nepal, Sri Lanka, and Pakistan are *partly free*, while Maldives and Bhutan are *not free*. In order to work, democracies require stable and democratic political parties, vibrant opposition parties, vigilant civil society actors to articulate peoples' demands, checks and balances on state power, and strong institutions of accountability that strengthen adherence to rules. Only this will transform South Asian states from democracies of the ballot box into liberal societies that value peoples' participation. As box 3.1 argues, it is naïve to expect that democracy will by itself bring humane governance. Building institutions that protect and enhance human freedom takes time. Tearing them down does not take half as long. The experiences of the region testify that even as democracy offers opportunities for liberty and welfare, it cannot ensure them.

The moral foundations of the state have been eroded by electoral fraud, the advent of money politics, the steady criminalization of the political system, and increasing corruption in public life. Many past leaders in India, Pakistan, and Bangladesh have been investigated on corruption charges. Since the return of democracy in Pakistan, every elected government has been dismissed on charges of corruption. The Indian elections of 1989 were estimated to have cost over $6 billion, and the results in up to 150 constituencies in 1991 were reported to have been influenced by money (Seshan 1995). A seat in parliament was reported to cost up to $2

Table 3.1 The state of democracy

1997-8	Political rights[a]	Civil liberties[b]
India	2	4
Bangladesh	2	4
Nepal	3	4
Sri Lanka	3	4
Pakistan	4	5
Maldives	6	6
Bhutan	7	7

a. Political rights enable people to participate freely in the political process, and include the right of all adults to vote and compete for public office, and for elected representatives to have a decisive vote on public policies.

b. Civil liberties include the rule of law and the freedom to develop views, institutions, and personal autonomy apart from the state.

Source: Freedom House 1998; rankings from 1 (highest) to 7 (lowest).

Box 3.1 The missing ingredients in a poor democracy

Human lives may shrivel and the poor remain voiceless even under a democracy. How can we explain this unhappy combination? A major explanation lies in the quality of a democratic process. Democracy is much more than regular elections and political pluralism. For a democracy to be substantive, it must be aided by a number of key factors.

There are several reasons why democracy fails to deliver in many poor countries:

First, sharp income inequalities and intense distributional conflicts diminish the utility of a democratic process. Highly unequal societies are often more politically unstable. They are also more open to greater abuse by a selected and privileged minority that is recycled by an unequal political system.

Second, widespread feudalism makes sure that political power stays concentrated among landlords. Human rights of the rural poor are often violated. In several parts of rural Sindh in Pakistan, for instance, there are an estimated 4,500 private jails maintained by Sindhi feudal lords, where poor tenants are subjugated to a miserable life.

Third, effective democracy requires democratic culture and values which emphasize consensus and power sharing. Frequent elections within political parties are as crucial as regular elections at the national level. Internal democracy holds leaders accountable to their own party and workers. When internal democracy is absent individuals become more important than political parties and popular confidence in the political system is gradually eroded.

Fourth, democracy is reduced to a luxury of a few when money and mafia exercise great influence on election results. Criminal attitudes and commercial use of politics close the doors of democracy to the population.

Fifth, when proper checks and balances do not work effectively, democracy loses much of its efficacy. A free press, a proper separation of powers, and sound political institutions, such as an independent judiciary and an impartial bureaucracy, are considered inseparable parts of a well-functioning democracy. But political governments in poor countries often influence these institutions through arbitrary constitutional amendments and political appointments.

Sixth, where ignorance rules and poverty is pervasive, democracy often locks the poor into a patron-client relationship with their political representatives. Illiterate people are often not aware of their rights. Self-serving politicians can make use of this ignorance by keeping common people perpetually dependent on them for accessing basic social and economic services.

Source: HDC staff.

million. In Pakistan in 1997, a parliamentarian spent, on average, about $120,000 in order to get elected (Shafqat 1999). Attempts to curtail election expenditures and open the accounts of parties to public scrutiny have thus far yielded limited results, though the Indian election of 1998 was considered comparatively free from such abuses.

The general failure of South Asian states to deliver good political governance has cost them their legitimacy in the eyes of ordinary citizens. This has spilled over into disenchantment with democracy itself. Voter turnouts have dropped dramatically in Pakistan, and there are similar fears of low turn out ahead of the latest Indian elections. The political process no longer commands the confidence of people. Marginalized groups, desperate for representation and bypassed by the mainstream, take up arms against the state. Internal conflicts are the most disturbing evidence of the failure of democracy in South Asian societies (see box 3.2). Human lives lost in these conflicts represent the brutal costs of poor governance (see table 3.2).

All South Asian societies have suffered through such violence and conflict. India has been hounded by civil tensions ever since the first signs of dissent around Kashmir in the forties and state re-organization in the fifties. Since then, various ethnic groups in Punjab, Haryana, Himachal Pradesh, Bihar, Orissa, Jharkhand, Assam, and other parts of the North-East have demanded strengthening of rights and even autonomy from a state that is felt to have failed in protecting their interests. Bangladesh emerged in 1972 from a violent war within Pakistan. A bloody insurgency in Nepal has claimed over 400 lives over the last three years. More than 100,000 Bhutanese of Nepalese origin seek asylum in Nepal and India. In Pakistan, sectarian violence has assumed frightening proportions, with ethnic and

Table 3.2 Societies at war

A snapshot of conflict, 1947-98

	Conflict	Casualties
British India 1946-8	Partition	500,000
India 1954-94	Muslim/ Hindu	13,000
Pakistan 1973-7	Baluchis/ Government	9,000
Bangladesh 1971	Civil war	500,000
Sri Lanka 1971	Maoists/ Government	10,000
1983-date	LTTE/ Government	55,000

Source: Akhtar 1996; IISS 1998; and US State Department 1998.

Box 3.2 A culture of violence?

Today, violence has become part of state-society relations in South Asia, as ethnically diverse states struggle to accommodate the multiple needs of their communities. In India, for instance, between 1980 and 1984 alone, the army was involved in internal security operations on 369 different occasions. The region was not always a violent neighbourhood. Prior to the colonial period, diverse religious and ethnic communities lived in relative harmony. The open hostility between Hindus and Muslims is a recent phenomenon. Similarly, Sri Lanka did not display major conflicts between the majority Sinhalese population and the Tamils until recently.

The underlying causes of internal conflicts have seldom been addressed. The most contentious issues revolve around ethnic status, religion, language, demarcation of land, distribution of assets, and the shortage of meaningful employment. In India and Pakistan, religion lies at the centre of the most severe conflicts. Communal rioting came to a head in India during the Ayodhya incident of 1992, when a mosque was razed. Nearly 2,000 people died in the ensuing violence that touched many major urban centres, including Bombay. Recently, minority Christians have been the targets of extreme violence in both India and Pakistan. Religious fundamentalism has sometimes been supported by the state to counter political opposition. The inequitable distribution of wealth and imbalances in regional growth have also traditionally fuelled discontent. When times are hard, the sense of injustice is often borne along ethnic, religious, and caste lines. Recently, the criminalization of politics, which has seen a vast underworld of smugglers, killers, drug barons, and gangsters being used by politicians to influence elections, has also fanned the flames of communal violence.

In most civilized societies, popular participation in decision-making helps to integrate communities. An independent judiciary and an accountable bureaucracy can help contain grievances. The centralized states of South Asia have not been prepared to yield to demands for devolution and adequate representation without bitter conflict and violence. Throughout South Asia, legitimate instruments of participation, particularly elections, have been abused. Genuine democratization and decentralization have not been allowed to take root and electoral procedures have been consistently manipulated to ensure the continued domination of the ruling elite. The new generation of political aspirants everywhere in the region is drawn towards religious and nationalist parties promoting exclusion and intolerance.

The promotion of liberal democratic values and institutionalized forums of discussion will render violence meaningless as a device for resolving conflicts. Greater degree of autonomy for minorities, enhanced access to decision-making, institutionalized social insurance, respect for fundamental civil liberties, the promotion of civil society including a vibrant press, and fundamental social reforms aimed at uplifting the most disadvantaged sections of society—including education, land reform, labour rights, and social redistribution of wealth—will help.

Violence thrives in poor societies where politics is weakly institutionalized, law and order is fragile, and where the parallel economy is strong. South Asia, at least for the moment, fits the bill perfectly.

Source: Misra 1995; Mitra 1998; Rothermund and Mitra 1997; and Rupesinghe and Mumtaz 1996.

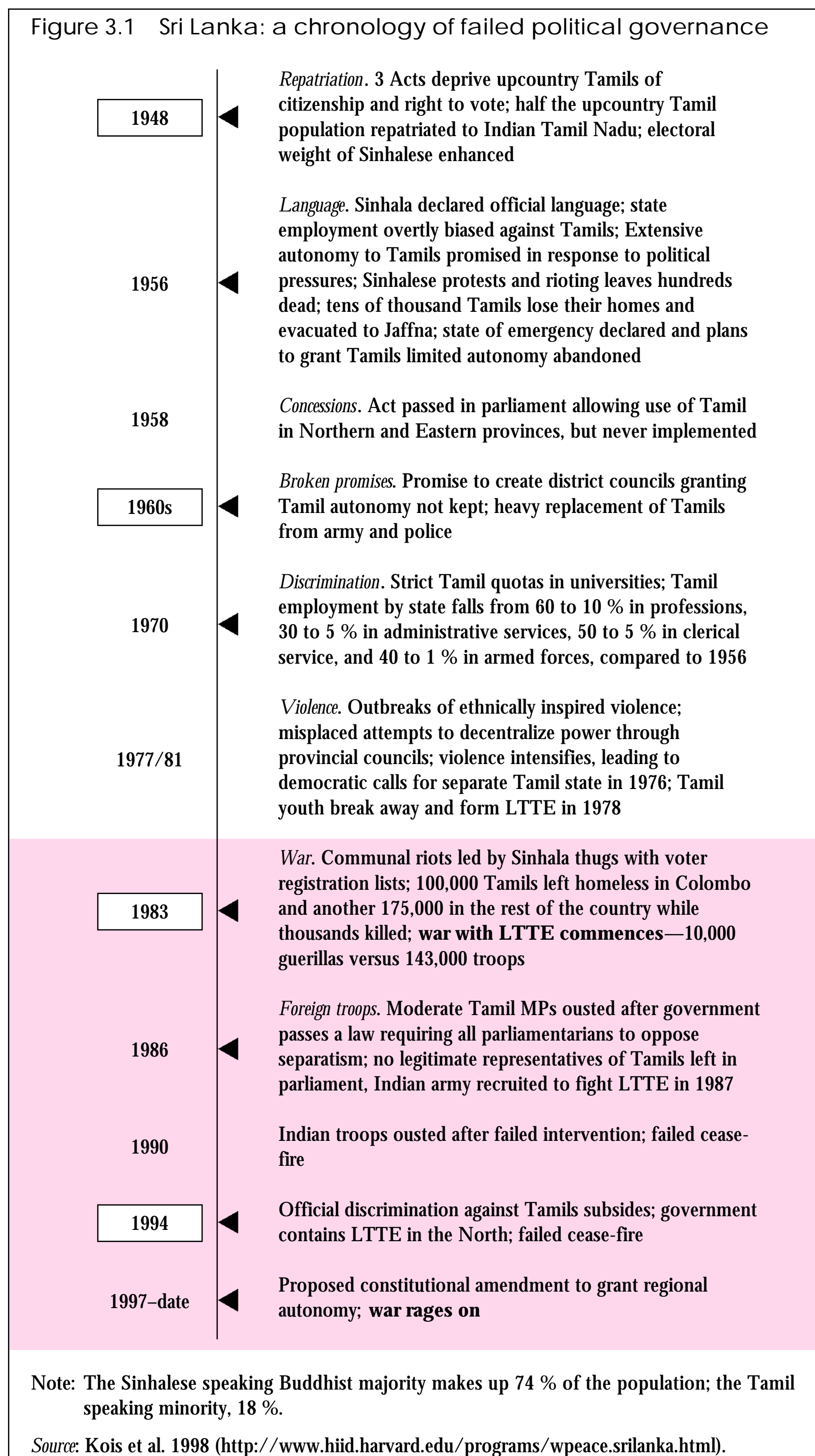
religious minorities at the receiving end. Since 1970, three times as many people in Pakistan have lost their lives in civil strife as the number of casualties sustained in its three wars against India. Sri Lanka has twice witnessed violent uprisings against the state since the early eighties. The secessionist war of the Liberation Tigers of Tamil Eelam rages on in the North-East, at tremendous human cost—having already claimed over 50,000 lives and every year costing $1 billion and 3 percentage points of growth (*Newsweek* 1999 and Kois et al. 1998). As illustrated by the timeline in figure 3.1, the inability of the state to manage this crisis represents one of the most graphic failures of political governance in South Asia.

The assassination of political leaders—Mahatma Gandhi, Indira Gandhi, and Rajiv Gandhi in India, Liaquat Ali Khan in Pakistan, Bandaranaike and Premadasa in Sri Lanka, and Mujib ur Rahman and Zia ur Rahman in Bangladesh—highlights the culture of political violence that has been prevailing in the region since the beginning of independence.

Internal conflicts, along with continuing poverty and alienation of the masses from mainstream economic and political systems, form the biggest challenge to democracy in the region. Today, more than two million people have been displaced from their homes as a result of this violence.

In the final analysis, it is liberal democracy that is the ultimate defender of the rule of law. There are many reasons why democratic governance has not produced the desired results in South Asia. Some blame a leadership that is not genuinely supportive of democratic practices beyond elections and which promotes exclusionary modes of governance, since most parties are themselves highly centralized and autocratic; the opposition parties that are confrontational and unable to stimulate healthy democratic dialogue (most visibly in Pakistan and Bangladesh); a weak civil society that is unable to defend human freedoms; the inability of institutions to serve as checks and balances on the exercise of state power; and the concentrated nature of economic and political power. Some of these factors are examined in greater detail in the rest of this chapter, while others are taken up elsewhere in the Report.

Figure 3.1 Sri Lanka: a chronology of failed political governance



Note: The Sinhalese speaking Buddhist majority makes up 74 % of the population; the Tamil speaking minority, 18 %.

Source: Kois et al. 1998 (http://www.hiid.harvard.edu/programs/wpeace.srilanka.html).

Part I. Who governs South Asia?

South Asia is a region that has largely been ruled by a few elitist groups. Despite several political changes, the faces of the rulers have barely changed. It is a shifting coalition of the same powerful families who derive their political and economic influence from either land and money, or civil and military connections. Neither political faces nor policies have changed much. Historically, a narrow elite has dominated the state apparatus in most parts of South Asia. By virtue of this political power, it have also controlled the economy. Growth has accrued to these elite disproportionately, leaving ordinary citizens relatively untouched. Of course, power and resources are distributed unequally virtually everywhere in the world, but the degree of inequality is more vulgar in South Asia. Moreover, the absence of social and political safety nets makes life even harsher for those outside these groups.

The politics of patronage and personalized government

Democracy is best understood as government of the people, for the people, and by the people. Democracy in South Asia is not about people, it is about access to state power. Entrance into the political arena is driven by a desire for personal gain, not by a genuine commitment to serving the people. State resources are the most valued prize for both politicians and their constituencies. A client-patron relationship has evolved out of this impulse, between the holders of state power and those seeking public services. Ultimate authority over resources lies in the hands of individuals, not formal institutions bound to follow set procedures. Where power is highly personalized and weakly institutionalized, the political process is replaced by arbitrary and informal transactions.

Without a radical transformation in the existing political culture prompted by a proper institutionalization of the state, democratic elections will never be able to alter the perceived need for personalized governance. Only such a transformation will herald a new political and civic consciousness among South Asians, allowing them to choose candidates based on an intelligent appraisal of manifestos. Unless citizens perceive a link between their votes and the quality of services they are provided, the taxes they pay and the benefits they derive, democracy will remain elusive.

Recycling the elite

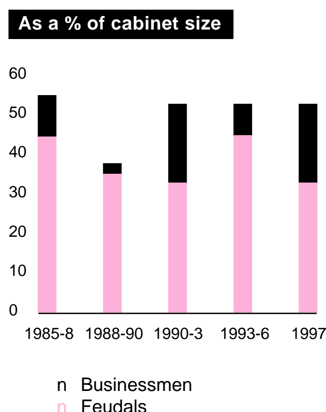
In South Asia, there has been very limited renewal of major political actors

In South Asia, there has been very limited renewal of major political actors. Since the restoration of democracy in Bangladesh, Pakistan, and Nepal, the same prime ministers have alternated at the helm. In all of Sri Lankan history, only one person from outside the Goyigama elite, President Premadasa, has held high office. Even under multi-party elections, there is a stong degree of permanence among the ruling elite. In parliament, faces barely change—constituencies and loyalties remain entrenched.

Who are these recycled elites? In the South Asian context, four classes—landlords, industrialists, bureaucrats, and army officers—have traditionally dominated the economic and political landscape, though backward classes have made some headway in regional arenas in India. Dynastic politics prevails, with the same select families preserving access to state power. The elite are tightly knit by bonds of common interest. Despite democratic upheavals, these unequal power structures have persisted.

Landlords. Feudalism still prevails in many parts of the region including Pakistan, Nepal, and some parts of India. Landlords continue to form a major proportion of their national and sub-national assemblies. Between one-half and one-third of parliamentarians in India and Pakistan are landlords. Some state assemblies in India, notably in Andhra Pradesh, have historically been dominated by landowning classes. Landlords have

Figure 3.2
Cabinets of the elite in Pakistan



Source: Shafqat 1999.

not only provided the bulk of parliamentarians in Pakistan since independence, they are also heavily represented in political parties and other powerful decision-making bodies, including the military and bureaucracy. One-third of the current cabinet is made up of landlords. The country's present electoral districts were drawn in 1984, based on the 1981 Census. The rapid demographic shift that has since taken place from rural to urban areas is not accounted for. Thus, wealthy landowners from rural areas hold a disproportionately high number of seats in parliament, shaping policies in their own favour, and resisting reform.

In India, the Lok Sabha is heavily represented by rich peasant interests. Till independence, the leadership of the Indian National Congress had a considerable number of lawyers and similar urban professionals. In fact, they were heavily represented in the Indian Constituent Assembly mainly because the then Prime Minister Nehru wanted senior lawyers to draft the constitution. Since then, however, the composition of parliament has changed substantially in favour of agriculturists, up from about 20 per cent in the first few years of independence. What is more, dominant industrialists, bureaucrats, and military officers in most countries have substantial landowning interests. The landed class is consequently firmly entrenched within the structure of state power.

The economic and political power of the feudal class in South Asia is due mainly to the highly skewed distribution of land in these countries. Effective implementation of a comprehensive land reform programme and taxation of agricultural incomes are therefore important steps towards breaking the concentration of economic and political power in the region. Many Indian states accomplished marked success in this regard through the Zamindari Act, but others such as Bihar still encounter resistance. Without such reforms, neither agricultural growth, nor equity, nor democracy, nor human development can take its roots. This does not mean that no change is possible without land reforms. Historic evolutions do not wait for particular events. But there is no question that land reforms can greatly advance the prospects for a constructive change in society.

INDUSTRIALISTS. In addition to landlords, businessmen have also assumed a critical role in the economic and political power structure of countries like India, Pakistan, and Bangladesh. In Pakistan, the share of businessmen in the national assembly and the cabinet has doubled since the 1980s (Shafqat 1999). 'It has become an incentive for industrialists to put one family member into politics so they can evade taxes' (TI 1997b). Industry has gradually been feudalized, with landlords branching out into the industrial sector. In the mid 1960s, twenty-two families owned 65 per cent of the industrial capital and 80 per cent of the financial assets of the country (Haq 1973).

Economic power is concentrated among a few industrial houses in India and Pakistan. In India, at the time of independence, four largest business groups namely *Tatas, Birlas, Dalmia jain*, and *Martin Burn* had full control by virtue of ownership of almost all industries. These groups continued to be heavyweights of the Indian industrial sector up until the liberalization period. In Pakistan, the degree of concentration is evident from the fact that the industrial assets of the top forty-four business groups are equal to the size of the entire budget (Rehman 1998).

The rise of businessmen and industrialists in these countries is mostly explained by the crucial role of money in politics. In India, one of the most convenient ways to raise party funds has been to extract money from industry. In 1996, big business houses were reported to have funded 80 per cent of a major party's finances (IRS 1998). This practice dates back to the 1960s, at the height of the licence-quota-permit raj that forged an alliance between industry and politics. Of course, there is nothing new about

corporate financing for parties. However, the lack of transparency of these transactions is worrisome. In other parts of the world, donations are audited and open to public scrutiny. No large party in India opens its accounts for independent audit. Party funds are shrouded in secrecy. In 1996, the Havala Scandal created political upheaval when an industrialist family was found to have paid a large sum as commission to leaders of all major political parties. In such an environment, the election process is reduced to an auction of potential political power and patronage, in the form of lucrative government contracts. Industrialists making illegal donations thus continue to enjoy heavy political clout and form a part of the ruling alliance of the elite.

BUREAUCRATS. The origins of the bureaucratic structure in the subcontinent can be traced back to the administrative system developed by the British colonies in the region. The colonial system of administration was divided into two parts. While policies were made by the colonial masters, their implementation was left to the civil servants. However, in most parts of South Asia after independence, the bureaucrats themselves engaged in performing the twin functions of the formulation and implementation of policies. This was facilitated by the weak, inexperienced, and segmented political leadership. Most of the cabinet ministers, especially at lower levels, were inexperienced in the affairs of government.

Ideally, the primary function of civil bureaucracy is to take orders from the representative government and work within the framework of the law. The position of civil servants in a parliamentary system is therefore clearly a subordinate one. They are policy executors and not policy makers. In many developing countries, including Pakistan and Bangladesh, the extent of bureaucratic involvement in politics is exceptionally high. For instance in Pakistan, by 1996, ten prime ministers had been dismissed by seven heads of state, three of whom were generals and four senior bureaucrats. In Pakistan and Bangladesh, a military-bureaucratic oligarchy forms the major segment of the governing elite (see discussion on the executive later in this chapter).

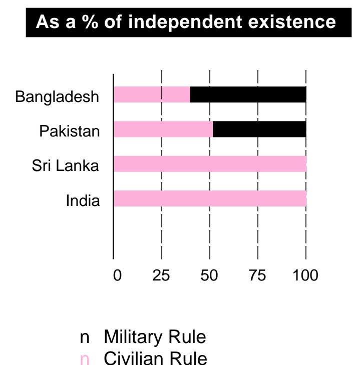
MILITARY OFFICERS. The military elites have historically occupied a central position in politics in at least two South Asian countries. A pervasive 'culture of militarism' enables the military profession to establish extensive autonomy and assume a privileged position in society—especially in states where civil society institutions are still relatively weak and dissipated. Militarism has been identified as existing in a variety of forms, ranging from repressive authoritarian regimes backed by the military, to direct military rule, to civilian rule with the military exerting predominant influence.

When civilian institutions lack legitimacy, electoral support, and effective executive power, the militarization of civil affairs often occurs. In Bangladesh and Pakistan, rule by the military establishment has prevailed for almost half of the two countries' history (see figure 3.3). Conversely, the Indian and Sri Lankan political systems have witnessed effective civilian control over armed forces that has internalized the doctrine of civilian supremacy. The ruling civilian regimes of South Asia maintain a strong reliance on the military even in the domestic context, as internal instability and violence stemming from ethnic-linguistic tensions and crime endure. India's ruling regimes, for example, have come to rely increasingly on a dominant role for their armed forces in provinces such as Punjab, Assam, and Kashmir, where over half of the regular army is currently employed on internal security duties. Many South Asian governments have also utilized intelligence agencies for wire-tapping the opposition, dirty trick operations, and a host of other political purposes—assuming that the government's interest and national interest are synonymous.

The armed forces usually enter politics when civilian political groups fail to legitimize themselves. All armed forces

The election process is reduced to an auction of potential political power and patronage, in the form of lucrative government contracts

Figure 3.3
The civil military nexus



Source: HDC staff calculations.

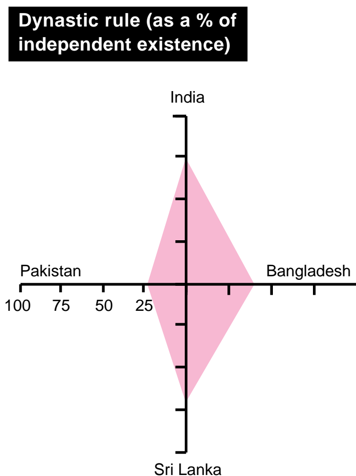
have been used in various degrees in political governance, but the crucial issue in civilian control is to limit the sphere within which the military may act, and prescribe areas of civic responsibility under which the military may be usefully employed. Recently, the army has been used in Bangladesh to aid flood relief efforts, and in Pakistan to monitor the non-payment of utility bills. There are many other areas of everyday social and economic life where the vast resources of the military may be used during peacetime, such as the spreading of education, monitoring elections, and checking corruption.

There is something in the air of the subcontinent that lends itself to political dynasties

DYNASTIC POLITICS. Another important dimension of the concentration of political power in South Asia is the role of dynastic families in the political power structure. The number of sons, daughters, and widows that have been elected to power in Pakistan, India, Bangladesh, and Sri Lanka (see box 3.3) suggests that there is something in the air of the subcontinent that lends itself to political dynasties. In democracies other than those prevailing in South Asia, distinguished political lineage is seldom a useful tool for contesting elections. However the ease with which political figures, equipped with only family connections, become heads of government in South Asia is surprising. In almost all major South Asian countries, only a few families have dominated the political landscape of the region since independence (see figure 3.4).

India has known perhaps one of the longest one family rules in the region.

Figure 3.4 Born to rule



Note: India, Pakistan (1 family); Bangladesh, Sri Lanka (2 families)

Source: Asian Governments on the World Wide Web.

Box 3.3 All in the family: the case of Sri Lanka

Family ties have played a very important role in Sri Lankan politics. Throughout the history of the country, politics has been dominated by a few families and the political and economic elite of the country has been dominated by a relatively small number of family groups. This differs from India where the Nehru family has been one dominant family through most periods of its political history or Pakistan where a large number of families have formed the alliances. The largest political party in Sri Lanka, the United National Party (UNP) was once known as the 'Uncle Nephew Party' because of the kinship ties among the party's leaders.

A total of three families have been occupying the highest leadership positions in Sri Lanka. These include: the Senanayakes, the Bandaranaikes, and the Jayawardenes. All the governments formed since independence have revolved around the personalities of these party leaders. The political history of these leaders reads as follows:

Mr Don Stephen Senanayake was the first prime minister of Sri Lanka. He was elected as the prime minister in 1947 as the leader of the United National Party (UNP). Upon his death in 1952, Mr Senanayake was replaced by his son Dudley who immediately called new elections. These elections were won by UNP. Dudley experienced several political set-backs as a result of which he resigned as prime minister in 1953. However, the dominance of Senanayake family continued as the party selected Dudley's uncle, Sir John Kotelawala as prime minister.

In 1956, a new party called the Sri Lankan Freedom Party (SLFP) came into power and a new family emerged in Sri Lankan politics. The new prime minister was Solomon West Ridgeway Dias Bandaranaike. He led the country for a little more than three years until his assassination in 1959. In the elections that were held later on in 1960, Mr Bandaranaike's widow, Ms Sirimavo, became the prime minister. She ruled the country till 1965 until her party (SLFP) lost parliamentary elections to the UNP as a result of which Mr. Dudley was back in power. However, Mr Dudley lost the next parliamentary elections in 1970 and Ms Sirimavo Bandaranaike again became prime minister. In 1973, the leader of the UNP, Mr Dudley Senanayake, died and as a consequence, Mr Richard Jayawardane, a distant relative of Mr Dudley, became the party leader. He won the elections in 1977 and became the prime minister of Sri Lanka. After coming to power, he directed the rewriting of the constitution and the creation of a presidential system. He became the president under the new system and assumed control of the government machinery and his party. The SLFP was also undergoing transformation. The party's leadership shifted from Ms Sirimavo Bandaranaike to her son, Anura, after a long and divisive battle within the party. Since 1994, Ms Bandaranaike has returned as the Prime Minister of Sri Lanka; her daughter, Ms Chandika Kumaratunga, is the President. The dynasty continues.

Source: Asian Governments on the World Wide Web; and De Silva 1994.

This goes as far back as the pre-independence period. Nehru participated actively in the independence movement and after independence, his daughter, Indira Gandhi prepared herself well to take over her father's position. After coming to power, she groomed her sons as her political successors. In Pakistan, the significance of political lineage is not only evident from the extended rule of the Bhutto family whenever civilian governments have been in power, but also from members of national and provincial assemblies whose only source of strength is often their political lineage. In Bangladesh, this phenomenon of dynastic rule is evident from the rule of Sheikh Mujib ur Rehman and his daughter Sheikh Hasina Wajid, as well as Zia ur Rahman and his widow Khaleda Zia. In Sri Lanka, family ties have played a very significant role in the country's politics. The domination of political dynasties is symptomatic of the widespread belief that political power is derived from patronge rather than performance. The system of government is often used to enrich rulers and their family and friends, rather than the nation.

The political and economic fortunes of South Asia have long been controlled by the interests of a narrow minority wielding uncanny, and at times seemingly mystical, power. Ordinary citizens lack sovereignty, despite a new awareness of democratic rights. The overwhelming desire of political actors to monopolize power spills over into institutional impulses towards centralization. This is nowhere more apparent than in the inability of South Asian governments to bring about meaningful decentralization of power. For decentralized governance, done right, is perhaps the most powerful means of ensuring popular participation in governance, and of bringing power to where it should rightly rest—with the people. We have already identified who rules this region. The following section examines the decentralization experience in order to analyze how South Asia is governed.

The reality of decentralized governance

Decentralization, local level participation, or 'bottom-up' development are all concepts that have received great attention in recent times. Ever since the end of the Cold War, there have been strong worldwide pressures for democratic self-rule. This wave has been inspired by the inability of centralized regimes in socialist countries and the Third World to deliver tangible benefits in terms of equitable growth, human development, and pro-people governance. Economic liberalization has also spurred the tendency to decentralize, with many international lenders strongly encouraging this transition. All of these pressures emerge from one single precept—bringing power to people.

The affirmation of representative democracy is often considered to be the first step in empowering people. The second most crucial step is the decentralization of power from the centre to state, provincial, and local levels. Democratic systems pre-suppose that all power rests with the people. Ideally, only limited powers are transferred to elected governments in the interests of convenience and co-ordination. The assumption is that this power will be exercised as close to people as possible. Decentralized governance—from capital cities to regions, towns, and villages—is now widely recognized as a desirable phenomenon.

In South Asia too, the demands for greater local autonomy have taken on a new vigour. This has sometimes been driven by ethnic diversity, as in India where over-centralization of power is often thought to be responsible for the unrest in Punjab, Kashmir, and parts of the North-East. A consensus has now emerged that all states should establish a local government system—or *panchayati raj*—to better cope with India's remarkable diversity. These village councils have been provided substantial autonomy by the constitution. At least a

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third of their seats have been reserved for women and there are quotas for marginal social groups, such as former untouchables and tribals. Similarly, Sri Lanka established elected provincial councils in 1987, to help placate the demands for greater political autonomy voiced by Tamils.

In Pakistan, local elections are being held for the first time since the return of democracy. The country had started out with a well-developed local government structure which was a vibrant part of the public sector in the 1950s and 1960s. However, the more important functions, including primary education and health were gradually centralized and development funds channelled through parliamentarians instead of local structures. Here, as in Bangladesh, military regimes have been more supportive of local bodies as a device to mobilize public support and legitimize authority. It is not just the bigger states of South Asia that are making this move. In Nepal, a network of district and village development committees (that innovatively involve NGOs) has been established in recognition of the inability of the central government to reach the most remote localities buried deep in the mountains. Bhutan is also following suit, while Maldives maintains its own system of local administration.

Despite this trend towards decentralized governance in South Asia, its degree and success have been limited. Decentralization involves delegation of central government power to lower tiers of authority—state, regional, and local governments. In essence, it means devolution of real decision-making power, including financial decision-making, from the central government. This is witnessed virtually nowhere in South Asia, where decentralization occurs in its weakest form, involving the transfer of limited discretionary powers to local authorities that still require central government clearance.

Decentralized governance is desirable because it allows people to participate in decision-making. It also ensures greater efficiency, flexibility, accountability, fiscal discipline, responsiveness to local needs, and proximity to point of delivery. However, a certain degree of central control is necessary for attaining macro-economic stability and for ensuring equity to disadvantaged regions and groups. Case studies show that decentralized governance tends to favour expenditures in human priority areas.

However, devolving powers to the local level may not always guarantee that they are shared. In fact, where power is concentrated in the hands of a few, it may further empower elites rather than ordinary people. In South Asia, a common criticism of local bodies is their domination by landlords, influential personalities, or their kinsmen (see box 3.4). This can be avoided, however, through 'positive discrimination' in favour of women and the less privileged classes, allowing them to run for political office, and complementary social reforms. Local bodies can thus be made more broad-based and representative. Such an arrangement has worked well in the Indian state of Karnataka.

The political structure of a country can determine the extent of local involvement. Federations generally encourage the devolution of power, though this has not been true of India and Pakistan. While both countries are ostensibly federal, they lack some of federalism's most crucial features, as discussed later. It is widely believed that Pakistan's crisis of governance is compounded by an inadequate federal set-up and an over centralization of power. The other five countries in the region are unitary in structure, despite calls for a federation to better manage the ethnic tensions in Sri Lanka. Sri Lanka has bowed to this pressure somewhat by introducing certain federal elements, including a local tier of government, into its constitution. Bangladesh and Nepal, in adopting a unitary system, place local governments under the control of the central authority. In Bhutan and Maldives, the highly centralized state structures have impeded the development of local

governments. However, as our special focus on the government structures of India and Pakistan shows, merely adopting a federal constitution does not guarantee decentralization and autonomous local level decision-making. Conversely, a unitary form of government does not preclude the development of local institutions (as seen in China, for example).

Confused Federalism in India and Pakistan

The form of government that a nation chooses to adopt has a direct bearing on its styles of governance and decision-making. A federal system differs from a unitary system in that it is multi-tiered, with national and state governments functioning as partners exercising independent authority within their assigned areas. Such a system lends itself well to decentralized decision-making which ensures greater political participation, responsiveness to local needs, and accountability—all essential elements of humane governance. The basic model has been adapted to fit different societies. India and Pakistan, while clinging to their fragile and euphemistic federal structures, have never accepted these basic principles of autonomy and separation.

Both countries are more concerned with retaining centralized authority than strengthening rights of citizenship. The central authority has progressively and unmistakably usurped the authority of states and provinces (hereafter, referred as states). More than in India, Pakistan has manipulated regional cultural diversities to deprive states of political and economic rights. The pre-dominance of the majority province, Punjab, in both elected as well as non-elected institutions, is also a peculiar feature in Pakistan.

Box 3.4 Strengthening local level governance

South Asia has a long tradition of local governance. Village committees have existed from the earliest times as social, administrative, economic, and political units. The *Rig Vedas*, the oldest Hindu writings dating back to 1200 BC, describe certain forms of village self-government. In the latter half of the present century, governments of the region have tended to become heavily centralized and the institution of local government has consequently been marginalized. In more recent times, states have gradually become aware of the possibilities that decentralization offers and local tiers of government have been revived. Owing to their limited political and financial independence, however, these local governments mostly remain handmaidens of central governments and dominant local personalities.

Throughout South Asia, there are fears that decentralization has failed to empower people despite numerous legislations. In general, local institutions have been unable to serve local needs and to allow people to take control of their lives. Often, local governments are no more than local branches of the central authority. Financial autonomy is non-existent, with local sources of revenue severely limited. In the Philippines, local governments receive as much as 40 per cent of central revenue and play a large part in social expenditures. In South Asia, they normally receive less than 10 per cent of total revenue, despite playing a dominant role in the provision of public services.

Only in India and Sri Lanka have some encouraging results emerged. The Indian states of West Bengal and Karnataka have been among the most successful. Prior to the Constitutional Amendment of 1995 granting them statutory status, India's *panchayats* (local governments) were controlled by the states, who did not encourage local autonomy. In Tamil Nadu, for example, the 1986 local elections were the first in sixteen years. There is a feeling that state governments, especially in Bihar, Orissa, and Tamil Nadu, continue to defy the constitutional amendment. Panchayati Raj has worked best when complemented by social reforms to redress local power balances, and where representation has been opened to all segments of society, including women and lower castes. The success of West Bengal has shown that land reforms can go a long way towards ensuring the effectiveness of local government. Studies show that leakages in development programmes at the local level have been much higher in states such as Tamil Nadu, where local landlords dominate local government, compared to West Bengal.

Decentralization is usually thought to ensure participation. However, it is no magic wand as the South Asian experience illustrates. In stratified societies with unequal distributions of land, wealth, income, and access to human capital, devolving power from the centre may only pass it on to powerful local elites who are even less responsive to the needs of their people. Without fundamental land reforms and universal education, local governments become an instrument of oppression in the hands of influential local elites. The success or failure of decentralization hinges upon the nature of the institutions created, the extent of power and finances delegated, the pattern of power distribution among groups in the region, and the participation of civil society. It pays to remember that decentralized governance, when carefully executed, is the most potent mechanism for social cohesion and peoples' empowerment.

Source: Aziz and Arnold 1996; Ludden 1997; and Siddiqui 1995.