

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.

Period	Number of times state assemblies dissolved
1951-5	2
1956-60	2
1961-5	2
1966-70	6
1971-5	10
1976-80	26
1981-5	4
1985-90	4
1991-5	9
Total	65

Source: Khan 1997.

	Revenue share ^a	Expenditure share
<i>India</i>		
Centre	60	49
States	40	51
<i>Pakistan</i>		
National	94	75
Provincial	6	25

a. before devolution

Source: GOP 1998c; SPDC 1996 and 1997; and World Bank 1998k.

Decentralization remains equivocal and local governments, bereft of any constitutional status in Pakistan, are dependent upon state governments for their mandate and sustenance. This notional federalism is devoid of the substance of democracy. Such a confused strain of federalism is indeed an obstacle to humane governance.

A federalist structure is ideally suited to large, diverse, and densely populated territories. As such, India and Pakistan are ideal candidates. And yet both these countries are not federations in the true sense of the word. The constitutions of both countries give broad powers to state governments. In actual practice, the federal ideal has been seriously diluted by several flawed provisions. At the heart of the problem lies the constitutional bias in favour of the centre and the legislative bias against the states. This is highlighted by the constitutionally permissible power to set aside state governments under exceptional circumstances (through the office of the centrally appointed Governor as shown in table 3.3, and as recently witnessed in Sindh). Further, the centre reserves the right to reorganize and alter state boundaries without the consent of the states.

Financially, states depend substantially on the centre for revenues and thus lack autonomy. Despite recent laws, local governments still lack complete legitimacy. The heavily centralized nature of planning, bureaucratic, police, and judicial services, as well as of the major political parties, tends to stifle local participation in governance. States and provinces have thus been subjected to the legislative control of the central government under exceptional circumstances and to its administrative control under normal circumstances. The mandated distribution of powers between the two orders of government have merely been thrown over the British parliamentary system, based on a strong cabinet and the rule of the majority. Subversion of the basic principles of federalism carries grave dangers, as Pakistan found in 1971 with the secession of East Pakistan.

This confused notion of federalism has led to growing civic problems, increasing regional disparities in living standards, inadequate social spending, and an unbalanced fiscal relationship between layers of government. The subsequent competition for government resources sets the stage for acrimony between the central authority and the federating units, bitter inter-regional disputes, demands for greater autonomy, and secessionist tendencies.

In both these countries, there are pressures for revisiting the spending and revenue responsibilities of the centre and states. In India, state governments are responsible for over half of public spending but only generate 40 per cent of the revenue. In Pakistan, vertical imbalance is even more serious (see table 3.4). Provincial governments account for just 6 per cent of total revenue, but are responsible for a quarter of all spending. Most vitally, between 80 and 90 per cent of public spending on social services occurs at lower levels of government in both countries. The centre collects more taxes including the most important ones such as income taxes and customs duties. This necessitates a transfer of funds from the centre to the states, and thus gives manipulative power to the centre.

Horizontal distribution of revenue across states is also problematic. In India, distribution is based on criteria such as income level, state tax performance, and degree of backwardness. This formula has been shown to be quite egalitarian in terms of ensuring greater funds for less developed states (World Bank 1995c). Yet, regional disparities in living standards are thought to have increased (Jalal 1995), in part due to the influence of discretionary grants. In Pakistan, allocations continue to be determined by population share alone. Allocations of funds to provinces are determined on the basis of the 1981 Census that is hopelessly outdated. Furthermore, the disproportionate size of the majority province, accounting for over half the population, presents a major challenge. Punjab not only leads the country in

development indices, it also receives the bulk of federal revenues and subsidies, concessional credit, and direct public sector investments. Smaller provinces are continually asking for a remodeling of the allocation formula along more equitable lines, such as those incorporated into the Indian formula (see box 3.5).

Today, both India and Pakistan are exposed to the same centrifugal forces that tore apart the federations of the former Soviet Union and Yugoslavia. State dissent has been accommodated at times, such as during the linguistic re-organization of the fifties in India. Since then, however, state complaints have been looked upon with suspicion, often boiling over into violence, such as in Balochistan during the 1970s. Kashmir remains an acute manifestation of India's federal dilemma.

The changes required in India and Pakistan are basic requisites for a sustainable federation. There has to be some re-negotiation of centre-state powers in order to increase the jurisdiction of states. The institution of elected governors with fixed tenures in states, transfer of control over centralized services to the states, and elimination of discretion in financial devolution would not only be closer to the federal principle, they would also facilitate good political governance.

Back to basics: rediscovering decentralization

Despite efforts at decentralization and bringing government closer to the people, South Asian governments remain inaccessible to their own citizens. Federalism in India and Pakistan has turned out to be little more than a façade, with an emphasis on the centralization of power and the use of coercive power to counter threats of turbulence. Power structures have alienated the masses. Without devolution of economic and political power, demands for regional autonomy will continue to intensify. The multiple social identities of the region require more than a simple appeasement of their cultural needs, they need

Box 3.5 The economics of national integration

It is obvious that Pakistan has chosen the wrong development formula. Provincial allocations continue to be based on provincial populations, not on their development needs. Some minor adjustments are made to the allocation formula in the case of the more deprived provinces of Balochistan and NWFP to compensate for the inequity of the basic formula. But these are inadequate adjustments. A more honest way of facing the situation is to base the provision of infrastructure and social services on the established needs of each province, and not on a population formula. For instance, it makes no sense to provide roads to Balochistan on a per capita basis when it accounts for just over 5 per cent of the population. However, the province commands 45 per cent of the land area of Pakistan (see table below).

Roads are built on land, not people. In the first instance, there is a need to update the population estimates on which existing distribution is based. Beyond that, Sindh would argue for incorporating source of collection, Balochistan for land area and backwardness (specially in its rural areas, where HDIs are as low as 0.388), NWFP for contribution to power generation, while Punjab would most want to maintain the status quo. At the very least, the development formula should adjust the population weight by the income level of each province, the existing disparity in physical infrastructure and social services, and differences in fiscal discipline and revenue generating effort.

Good models for such a modified formula exist today in many countries,

including Brazil which redistributes its tax revenues preferentially to its poorer states. For every 100 cruzeiros that it collects in taxes set aside by law for transfer to the state, the Brazilian federal government returns only 25 per cent to the richer states in the South and Southeast while giving 75 cruzeiros to those in the poorer North. In Pakistan, the relatively more prosperous provinces of Punjab and Sindh collectively receive about three-fourths of all central government transfers. As it is, a wrong allocation formula in Pakistan led to tremendous provincial fights over population census estimates. And through it all, no honest attempt was made to review the basic allocation formula.

If we are honest about national integration, then a number of courageous decisions will need to be taken to bind our provinces together—ranging from elevation of existing Divisions into Provinces, revising the existing development allocation formula, following up the decisions on distribution of financial resources and Indus waters through downstream development, abolishing the provincial quotas in public service while establishing the best education and technical training institutes in less developed regions, and many such measures. What is needed is an open national debate on these issues, not backroom deals or clever gimmicks. Unless we deal with our people with fairness and honesty, we can never build the foundations of a stable and modern state.

Provincial profile

	HDI value	Divisible pool transfers, % ^a	Total transfers, % (incl. grants and straight transfers)	Share of land area, %	Financial autonomy ratio, % ^b
Punjab	0.453	58	50	27	16
Sindh	0.461	23	24	19	15
NWFP	0.447	14	18	9	9
Balochistan	0.405	5	8	45	7

a. this corresponds to the share of population

b. own revenue as a percentage of provincial expenditure

Source: GOP 1998c; Haq 1997; and SPDC 1996 and 1997.

– excerpts from the writings of Mahbub ul Haq

Box 3.6 People's perception of political governance

Faith in the political system is quite variable across South Asian countries. In Nepal and India about two-thirds of the population appear to have confidence in the political system. But in Bangladesh, Pakistan, and Sri Lanka the faith in the political system is quite low, with only 45 per cent, 37 per cent and 25 per cent, respectively, of those polled giving a positive response in public opinion surveys. Recent devolution of authority from the monarchy in Nepal and long established traditions of electoral democracy in India are probably key factors behind the much greater public confidence in the political system in these countries. In Pakistan and Bangladesh, which have suffered bouts of military rule, where democratic traditions are yet to be fully established, and where there are serious problems of political governance, a large majority of the people appear to have low confidence in the system. In Sri Lanka, which has otherwise enjoyed great political stability and continuity, the fact that less than one-fourth of the people view the political system with confidence appears to be related mainly to the law and order problems created by the persistent Tamil insurgency.

In all South Asian countries, regardless of belief in the political system, people give high priority to the right of voting: the range being from 74 per cent in Sri Lanka and Pakistan to 90 per cent in India. Of those polled about two-thirds in Sri Lanka and Pakistan actually vote but this percentage is the highest in India, at 93 per cent.

Except for Nepal, where over two-thirds feel they have access to their public representatives, most South Asians seem to feel a lack of access. Only 30 to 40 per cent of persons responding in India, Pakistan, Sri Lanka, and Bangladesh gave a positive response to the question about access to their public

representatives. But what is worse, of those who believe they have access, only a small minority feel that their representatives are responsive: the range being from a high of 52 per cent in Nepal to a low of 15 per cent in Pakistan.

Even in countries where confidence in the political system is relatively high, political leaders are viewed with suspicion. In Pakistan, a mere 3 per cent feel that political leaders are honest, compared to 17 per cent in India and Nepal, and 24 per cent in Bangladesh, respectively. Only in Sri Lanka does a sizeable proportion (49 per cent) believe their leaders to be honest.

Furthermore, in all countries except Bangladesh and Sri Lanka, very large majorities appear to believe that leaders have become more corrupt over the last five years. In Nepal and India, 92 per cent and 80 per cent respectively of respondents felt that political leaders had become more corrupt. In Pakistan, 88 per cent believed corruption had increased during the last five years. In Sri Lanka, there is not only greater belief in the honesty of politicians but only 45 per cent believe that politicians' dishonesty has increased over time.

A considerable number show a lack of trust in their legal systems. In India, 30 per cent believe that judges are corrupt, as opposed to more than two-thirds in Pakistan. In other South Asian countries, the perception of judges' corruption ranges from over 60 per cent in Bangladesh to 44 per cent in Sri Lanka. The concern with the judges' honesty also spills over into judgement about whether the legal framework is just and protective of people's rights. In India and Nepal, a majority or near majority are confident about the legal framework but in Pakistan, Bangladesh, and Sri Lanka less than a third believe in it.

The above results are based on public opinion surveys conducted in five countries of South Asia, India, Pakistan, Bangladesh, Sri Lanka, and Nepal. The methodology of the surveys and sample sizes are explained (and the main findings summarized) in Annex B. As the Annex indicates, the typical sample size was 500 in each country but, the distribution of the sample by location, gender, income size, and education background varied somewhat among countries and was not necessarily representative of the population at large. The survey results cannot, therefore, claim scientific accuracy and too much should not be read into them. They are, nonetheless, interesting because in many cases they appear to confirm general societal perceptions.

economic and political structures that can accommodate them.

Disenchanted groups have typically found little room in the formal arena of politics, most visibly in Sri Lanka. India's longer tradition of democracy has allowed its regional political economies and electoral processes to better resist central influence, but it too faces challenges. The concentration of authority in the hands of a few has robbed South Asian citizens of their most valuable right—the freedom to participate in the governance of the societies in which they live. Power has been treated as a finite good that cannot be shared and must be personally owned. This fallacy has undermined the political process. In truth, it is the *separation* of powers that encourages adherence to rules and discourages discretion. This separation can be vertical—between central and local authorities—as well as horizontal, between state institutions.

PART II. THE FAILURE OF INSTITUTIONS

In much of South Asia, the main political institutions—the legislatures, executive, and judiciary—have not evolved indigenously. They are transplants from the colonial period. Despite the new wave of liberalization and modernization, South Asia remains a largely informal society based around kinship and patronage. This has impeded the development of institutions. Rules continue to be flouted in favour of discretion and decisions are made on the basis of political connections. Such disregard for institutions has not only increased transaction costs and made social and economic interaction less predictable, it has further reinforced misgovernance.

Institutions legitimize as well as constrain the exercise of political authority, and may be seen as rules governing human interaction in a society. Transactions become less transparent and policies lose their potency, through weak and ad hoc implementation, once rules are replaced by discretion. As shown by box 3.6, living in societies where rule of law is subverted has hurt peoples' faith in

their political systems and dampened their perceptions of the quality of governance. There are healthy exceptions, such as in India, but the majority of countries in the region have experienced a steady erosion of institutions. The relative resilience of institutions appears to be a function of the nature of political leadership, the character of political parties, and the social basis of the political system.

As argued in the opening sections of this chapter, democracy is not enough to ensure good political governance. Democracy must be supported by stronger institutions, such as representative parliament, more responsible executive, and impartial judiciary. Most importantly, ordinary people must feel that their institutions are accessible. These institutions must be transparent and accountable, and they must set clear and universally applicable rules.

Sadly, in South Asia, these qualities have not always been encouraged. Here, institutions protect the interests of the rulers and fail to promote mass sovereignty. Separation of powers among institutions checks against their violation and promotes the political process. This separation has time and again been blurred and violated. The independence of the judiciary has often been subverted through executive power. The civil service has been highly politicized and demoralized almost everywhere. The executive is only overtly accountable to legislatures. In many countries, the political system is fragile, unresponsive to people's needs, and corrupt. In the midst of this collapse of institutions, individual discretion has thrived. When rules exist but only some of the time, the political process falls into disarray.

The Legislatures

Under democracies, peoples' representatives are elected to parliament. Here, they serve as the spokespersons for their constituencies, protecting their interests and furthering their causes. Parliaments have various powers. Most crucially, they are the central forum for amending the

constitution. They enjoy the legislative power to enact laws for governing the country. They have powers to raise revenue, allocate resources, levy taxes and spend money from the national treasury. The executive is required to be collectively responsible to parliament. An elected parliament is thus also an important instrument of accountability.

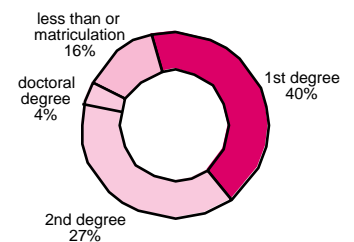
In the multiple guises of a watchdog, regulator, representative, and law-maker, the parliament is vital in ensuring and sustaining humane governance. Ultimate authority in a democratic set-up rests with the people, and through them, with their elected representatives who make up the legislatures. Ordinary citizens come into contact with members of their legislatures through four different avenues: firstly, in electing them to parliament; secondly, in approaching them for favours as part of their constituencies; thirdly, through organized civil society initiatives looking to influence parliamentary proceedings and bills; and, fourthly, as part of parliamentary committees constituted to make recommendations on certain issues. In South Asia, the responsiveness of the legislatures to the demands of people continues to be dictated by political exigency, personal ties, and patronage.

Parliamentary systems in South Asia suffer from a variety of corrupt practices, both during elections as well as in the process of policy-making. An effective parliament must be composed of individuals with integrity. According to some reports, as many as thirty-nine members of India's Parliament in 1997 had criminal records pending against them, including kidnapping, rape, and murder (IRS 1998). In 1999, forty-nine parliamentarians in Pakistan have been charged with power theft.

In South Asia, parliaments are often perceived to be nothing more than a collection of those who have bought their way to positions of power. Other factors, such as education, hardly play a role (see figure 3.5). In Sri Lanka, where adult literacy is as high as 90 per cent, three-fifths of parliamentarians are either matriculates or below. Parliamentary

When rules exist but only some of the time, the political process falls into disarray

Figure 3.5
Educational qualifications of South Asia's parliamentarians



Note: Figures do not add up to 100, due to absence of 3rd degree.
Source: HDC Governance Tables.

As a legacy of the colonial period, the bureaucracy continues to wield immense operational power

proceedings are poorly attended and alliances notoriously fickle. Women continue to be grossly under-represented. In many countries, public representatives endlessly debate over issues of public interest while policy initiatives remain in the hands of an overpowering executive.

Threats to parliament

Within the state system, the parliament expresses the sovereign will of the people through their chosen representatives and holds the executive that implements policies accountable on their behalf. In South Asia, the parliament has failed to adequately play either role. The first failure stems from the character of the representatives themselves and the political culture of the region. Once elected, parliamentarians seldom attend sessions and fail to spur informed debate. The second failure is the result of the peculiar institutional environment and the blurring of the separation of powers among state pillars.

Law-making and deliberation over proposed government actions are the realms of the parliament. However, the Supreme Court has a parallel function of law-making by setting precedents through its rulings. Similarly, it is the executive that implements the policies that are debated in parliament. However, as a legacy of the colonial period, the bureaucracy continues to wield immense operational power. This blurring of domains has seen institutions clash and governments fall. These clashes occur everywhere, but are most visible in Bangladesh, Pakistan, and Nepal, where democratic traditions are most fragile. In India, as regional parties become stronger, fragmented parliaments have made unwieldy coalitions unavoidable. The country faces its third election in as many years, at immense financial cost.

Power is still understood in non-legal terms, as a capacity to get things done. Traditionally, holders of important positions in the district administration and at higher levels have been approached by local influentials and politicians for

protection and promotion of various interests in their locality. Parliaments fulfil an ombudsmanic role, as complaint handlers. In Pakistan, the parliament faces challenges from the executive, especially the bureaucracy, which has sought to undercut the power of political governments, as well as the cabinet that reserves law-making powers outside the parliament through 'Presidential' ordinances (as many as 125 in 1996); the president, who has dissolved parliament and provincial assemblies four times since the return of democracy; and the army, which has thrice dissolved parliament and provincial assemblies, and time and again indulged in constitutional re-engineering.

In addition, the judiciary in Pakistan has played a significant role in shaping the parliamentary system, having gradually moved from the position of a partner of the bureaucracy. The instrument of judicial review has often worked in favour of extra-parliamentary forces in justifying the act of dissolution of parliament. The clash between the executive and the judiciary in late 1997 culminated in the removal of the Chief Justice after the government had sought control over the appointment, promotion, and transfer of judges and the latter had responded by removing constitutional amendments safeguarding the solidarity of the elected parliament. This violent incident brought into focus the constitutional ambiguity regarding separation of powers between the legislature and the judiciary.

Bangladesh faces similar problems. Parliament plays a subservient role to the executive, which uses it to legitimize its own rule while remaining unaccountable. Successive military governments have bypassed parliament and manipulated its composition. The role of the parliament in law-making has also been marginalized. During 1991, for example, ninety out of the ninety-four bills before parliament had already been promulgated as ordinances. The opposition has adopted a policy of non-compliance so that parliamentary proceedings are lacklustre.

In Nepal, six governments have been formed since 1994, and parliaments still

remain heavily influenced by the judiciary and the executive. Political parties, being relatively young, remain conflict prone and internally divided. Minorities and lower castes, including the Terai community, can find no place in parliament.

Disruptive proceedings

The sanctity of parliament demands an adherence to procedures and decorum on the part of parliamentarians. In South Asia, parliamentary alliances are notoriously fickle and proceedings riddled with indiscipline. The quality of debate remains disappointing and proceedings are usually poorly attended. The government that forms the majority merely uses parliament to pass its own legislations, leaving little time for informed debate on key issues or for the introduction of private bills.

In Bangladesh and Sri Lanka, the cabinet virtually monopolizes the business of parliament. So long as the party in power commands a majority, the cabinet decides what shall be discussed on the floor, when, for how long, and to what consequences. Constitutions are routinely amended by those controlling a majority, often without broad-based democratic debate—the Constitution of the United States has been amended twenty-seven times in 210 years, India’s seventy-eight times in less than a quarter of that time (see table 3.5). Besides many amendments, Pakistan has had as many as three different constitutions.

Opposition parties prefer to embarrass the government by concentrating on scandals rather than on substantive issues. In India during the 1980s, law-making declined from over 50 per cent of parliament activity to less than 20 per cent as sessions were increasingly boycotted. In Pakistan, legislation was relegated to a secondary position soon after independence as the first constituent assembly met for only fifty-one days a year for seven years. Today, the Prime Minister and his cabinet hardly attend parliamentary proceedings. Since the

restoration of multi-party democracy, less than seventy parliamentary sessions have been held, lasting less than three weeks on average.

To protect against shifting alliances, anti-defection laws are in place in India, Pakistan, and Nepal. These disqualify parliamentarians who vote against their party or give up membership of their parties. These laws have been criticized as restrictions on freedom of expression and dissent under a system where party decisions themselves are seldom democratic. However, there are no laws on opting out of coalition governments. This has bedevilled India and Nepal of late, where no single party has been able to claim a clear majority. The resulting coalitions are notoriously fragile. India braces itself for a sixth government in three years, after its latest government was felled by just one vote in a Parliament that houses nearly fifty parties and independents. One Nepalese government encompassed such a large variety of parties that its cabinet had as many as forty-eight ministers. In fact, throughout South Asia, this need to accommodate diverse partners often creates oversized cabinets (see table 3.6).

Parliaments have proved unable to serve as adequate watchdogs over the activities of the executive. Committees that include private actors have been put into place to help parliamentarians to better supervise the operations of the government. Recommendations of the committees, though not legally binding and subordinate to the legislatures, have a high rate of acceptance by the government. However, the committee system is in a formative stage and its achievements have been limited. In Pakistan, committees are seldom allowed to properly scrutinize bills as they are steam-rolled through parliament. Committee members themselves can be ill-qualified as they are selected on the basis of their standing in the party, factional backing, and personal links with the party leader and not on the basis of their educational background, knowledge of legislative work, or commitment to democratic principles.

Table 3.5
Constitutional amendments

	Present Constitution adopted	No. of amendments
India	1950	78
Pakistan	1973/85	14
Bangladesh	1972/86	15
Sri Lanka	1978	16

Note: Constitution suspended in 1977 in Pakistan and in 1982 in Bangladesh

Source: Asian Governments on the World Wide Web.

Table 3.6
Oversized cabinets

	Cabinet size as a % of national assembly (latest year)
India	7
Pakistan	11
Sri Lanka	13
Bangladesh	14
Nepal	20

Source: Asian Governments on the World Wide Web; and HDC Governance Tables.

Private money has been a great corrupting influence on parliamentarians and politicians running for office. As shown in box 3.7, the rise of political corruption in India exemplifies this worrying trend. Campaign finances remain shrouded in veils of secrecy. In most South Asian countries, there is no comprehensive legislation regulating the finances of political candidates. Contributions from business have often been made directly

to elect parliamentarians who will ensure access to industrial licences, permits, and other benefits. Big businesses finance elections, and a lot of this money comes from unaccounted income.

In the past, this money connection between politics and business thrived in a highly regulated economic system that allowed the exchange of business contributions for political favour. More recently, the preferred mode of operation has been commissions on trade licenses such as orders placed for equipment,

Box 3.7 Political corruption in India

The Indian state at fifty presents a picture of considerable strength fringed with traces of fragility. While regular, fair, and free elections have endowed the authority of the state with a high degree of legitimacy, criminalization of public life, terrorism, communal violence, and corruption have tended to challenge orderly governance in India.

The spread of political corruption appears to have kept pace with the broadening and deepening of Indian democracy. While the state has successfully devolved power by adding elected village councils, there has also been the parallel development of the induction of politicians with criminal records into legislatures and high office, influence peddling by legislators and civil servants, and allegations of bribery in defence procurement. The Vohra Report of 1995 found a clear nexus among 'crime syndicates, the police, bureaucracy, and politicians' in states like Maharashtra and Gujarat. A former minister from Uttar Pradesh was reported to have distributed some thirty-eight crore rupees to bureaucrats, journalists, political associates, and friends between 1992 and 1995.

Allegations of corruption, in its most elementary form of *bakshish* (speed money) to a peon or orderly in a panchayat office to make a file move from one hand to another to the highest level, where appointments to sensitive ministries are made not on the basis of merit but kinship, party leanings, or sheer material gain are rife in national affairs.

The former Prime Minister, Narasimha Rao, and his son have both been

investigated on corruption charges. The long shadow of the alleged payment of illegal gratification to Rajiv Gandhi by Bofors, a Swedish company that sold substantial quantities of arms to India, lingers on long after his death. The flip-flop with regard to the charges against Jayalalitha, the former Chief Minister of Tamil Nadu, shows the obstacles in investigating such charges, whose shadowy existence stalks all levels of the political system. The uncertain course of legal accountability in these cases stems from the fact that the accused, or those who stand to lose from a public prosecution of the guilty, hold high, elected office.

Corruption has emerged as a major issue in Indian politics. In an environment of scarcity and weak institutions, access to power and material resources can lead to the fuzzing of rules, plundering of public treasury, lowering of trust, and decay of governance. When game-keeper turns poacher, there is little chance of the survival of rule of law altogether.

Scarcely any part of India remains untouched from incidences of criminalization and corruption. Booth capturing, violence, and electoral rigging dog the democratic process. There are routine references to such incidences in Bihar, Maharashtra, Tamil Nadu, Uttar Pradesh, Delhi, and even communist West Bengal. In Andhra Pradesh, a minister was recently suspected of having organized incidents of violence and rigging during municipal elections. In 1995, 180 out of the 425 member Uttar Pradesh Assembly had criminal records, and elections in Bihar were contested by as many as 243 candidates

against whom cases were pending in court. In 1998, nineteen ministers in the Uttar Pradesh government had criminal records, including one with thirty-seven murder indictments pending in court. One can probably ask: does democratization in the context of a poor, post-colonial society, necessarily lead to the lowering of standards in public life?

The theoretical underpinning of this question is complex, but its practical implications are not as pessimistic as one might assume. Vigilance on the part of the press, judiciary, and the civil society; an emerging series of national legislation, such as the Prevention of Corruption Act 1988; and periodic elections have somewhat succeeded in focusing public disapproval on the guilty.

The degradation of public life in India has at least stopped short of degenerating into a terminal decline of the kind that led to the downfall of the crony capitalism of the Marcos and Suharto regimes. A survey of the Indian electorate in 1996, shortly after the parliamentary elections, revealed that the majority of the electorate had no trust in the police and only 13 per cent had 'a great deal of trust' in the keepers of the law. In comparison, other pillars of orderly governance like government officials and political parties, at 17 per cent of 'great deal of trust', did not fare much better.

However, trust in the institutions of the state like the judiciary (42 per cent) and the election commission (46 per cent) remains high. Orderly governance, thanks to these solid institutional anchors, bounces back.

Contributed by Subrata Mitra, University of Heidelberg.
Source: IRS 1998; and Outlook 1998b.

machinery, defence-related items and also for essential food and medical supplies. In the 1989 elections in India, the Congress Party was alleged to have been the beneficiary of kickbacks on government contracts for major arms purchases from abroad, most famously the \$1.3 billion Bofors contract. The 1989 election campaign was estimated to have cost \$6 billion, and yet every elected parliamentarian declared that they had spent less than \$1,235. There have been many proposals for reforms across the region, including the state funding of popular parties, independent auditing of party funds, filing of income and asset returns by political candidates, barring loan defaulters and criminals from running for elections, and strengthening the independence of the Election Commissioner. However, only a few of these have been initiated and only in some countries.

Women in parliament

Politics should be the realm of all citizens, yet men continue to dominate political spaces in South Asia. Even though they constitute almost half of the electorate, women occupy just 7 per cent of the seats in the region's parliaments, ranging from 2 per cent in Bhutan to 11 per cent in Bangladesh (see figure 3.6). Women are usually better represented at lower levels of government. In India, for instance, local governments reserve a third of their seats for women. As a result, 800,000 women have entered the political system. In South Asia, women achieved the right to vote soon after independence because they were actively involved in the freedom movement. However, this right was not exercised widely, and it took many years before the first female was elected to the national parliament in most of these countries—as many as twenty-six years in Pakistan. This despite the fact that four South Asian countries have had influential female heads of government.

Clearly, opening political opportunities to women is a challenge facing all of South Asia. At the very least, a 30 per

cent representation of women in political institutions is needed for building a critical mass of women in politics. There have been repeated calls in India and Pakistan to reserve seats in the parliament for women. These calls have thus far gone unheeded.

Erosion of parliamentary supremacy

Parliamentary democracy in South Asia is often disrupted by several factors: intervention of extra-parliamentary forces such as the army in Pakistan and Bangladesh; the exercise of power by the executive in a supra-parliamentary capacity; and persistent bureaucratic control over initiative in financial and administrative matters. The dominant role of the executive *vis-à-vis* parliament, reflected in the executive's disregard for the legislature's genuine input into policy-making and the executive's use of presidential ordinances, has contributed to the ineffectiveness of elected assemblies. The role of political parties has been unenviable due to a lack of institutional profundity, the chronic problem of defection, corrupt practices in pursuit of campaign finance, as well as absence of open and accountable activities of office holders.

The erosion of the legislatures' functions has coincided with the replacement of policy by patronage. The fact that political parties are weak and electoral candidates are expected to fend for themselves in polls makes the members of parliament impervious to long-term policy-making. Instead, they adhere to a more immediate pattern of plunder of state resources, as well as dole-out of these resources to their clients in the constituency and at higher levels.

In a world moving in the direction of economic liberalization, policy choices among political parties for economic development and governance are constantly shrinking. Not surprisingly, political parties tend to project their ideological profiles rather than long-term policies for the country. Also, the public's patience with long-winded policies via

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legislation has run out. In a situation of rampant cynicism, people would like to make good with whatever they can get instantly. This is a bad reflection on the credibility of the parliament and its chosen executive. Short-term rather than long-term solutions of problems, pursued at an individual rather than collective level, seems to be the common political strategy in contemporary South Asia.

The Executive: civil service

The executive is made up of the Prime Minister, the cabinet, and civil servants. While the Prime Minister and the cabinet are political appointees, and hence their term of office is determined by the tenure of the government, the civil service is a permanent institution and is supposed to be above politics and of the highest professional quality. The institution of civil service implements government policies and oversees administrative functions of the state, lending stability to otherwise unstable political systems. To ordinary citizens, the government is most tangibly embodied by the civil service. It is this institution that they must approach on a daily basis for access to public services, the payment of taxes, and the disbursement of development funds. As such, the institution wields immense power and controls the destinies of millions.

The civil service in South Asia has been neither very efficient nor effective in discharging its prime function to serve people (figure 3.7). It has tended to stall reform initiated by politicians. Sometimes politicians have had to cooperate with the civil servants in order to get their jobs done; at other times, politicians have sought to influence the civil service through patronage. This has led to erosion of this institution. This institutional decay can be traced to the inability of the state to clearly define a role for the civil service; to articulate policies for priority concerns; to maintain high professional standards by recruiting the best talent and imparting quality training; to provide adequate

remuneration in order to discourage corruption; and to insulate the institution from politics.

During the colonial period, the role of the civil service was pervasive, touching various aspects of peoples' lives. These overblown responsibilities spilled over after the British Raj left the subcontinent. Today, there is at once too much and too little involvement of civil servants in the functioning of South Asian governments. The majority of functions remain economic, such as imposing tariffs, distributing import licenses, and handing out subsidies. Many equally important social and civic areas in which people require state intervention, such as the provision of social services, remain neglected. As true servants of the people, civil servants have failed to deliver the services that people most want and need.

The bloated bureaucracy

The South Asian civil service has expanded enormously over the years, even though liberalization necessitates a diminishing role of the public sector in economic activities. This increase represents a divergence from the world trend since the 1970s. Today, there are almost fifty civil servants for every thousand people in Sri Lanka. The corresponding figures for Pakistan and Bangladesh are twenty-two and ten, respectively. Out of every hundred employees in the organized sector in India, forty are civil servants (1989), compared to thirty-three in Sri Lanka, seventeen in Egypt, fourteen in Mexico, and less than three in Chile and Argentina. In Pakistan, 20 per cent of the non-agricultural workforce is employed by the government.

In early years after independence, state interventions in all areas were needed and thus the bulk of employment was in the public sector. However, as the state began to shed many of its responsibilities, it was not able to reduce the size of the bureaucracy accordingly. During the mid-1980s, it was estimated