Inter Governmental Relations with Special reference to Local Government in Pakistan

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Abstract:
Multi tier system is considered the best device to manage governmental affairs in modern state systems. Local Government is at the tail of ladder and considered as vehicle of economic and political development in any society. Consequently, most of the states central as well as federal adopted this mechanism. The objective is to ensure political participation, equal distribution of resources, uplift far flung areas and to provide justice at the door step to the people of a nation state. A constructive, effective and balanced administrative, financial, political and social interaction between various tiers of the government is a pre-requisite for efficient and successful operation of adopted mechanism. Local government institution is efficiently operating in Pakistan since its emergence. However, some time it confronted with serious crisis. Policy makers of Pakistan reformed the system time to time to address the emerging issues. Intergovernmental relations remained under question in various experiences. This article is to evaluate inter-governmental relations intra-governmental relations under different local Government systems operated by government of Pakistan at different time.

Keywords: Multi tier government, Power Sharing, Finance, Local Government, Pakistan

I. Introduction
Globalization, rapid communication and modernization of political culture replaced the parochial political system with modern one. Consequently, people inspired to preserve their identity and culture; they desired equality and equity in distribution of resources and socio-political justice within state structure. Various states adopted layer of techniques to accommodate diverse group of society in nation state activities with the intention to ensure political participation, equal economic, political and cultural development and empowerment of marginalized people in multi-ethnic, multi-linguistic, multi-cultural, multi-religion and multi-regional societies and states. Federal state structure and local self government are usually, considered better techniques for the
purpose. However, Constructive political, economic and working relations are pre-requisite for excellent functioning of these institutions. The roots of local government in sub-continent could be found in Arian period. Mughal continued it with some modifications; British also continued the system by giving it a modern touch to administer the political affairs of the largest colony. The British rulers designed the system as highly centralized while local government institution was overshadowed by the administrative control of Deputy Commissioner possessing wide range of discretionary powers that left no space for the issue of inter-governmental relations. Pakistan adopted the legacy of local government system with an objective to ensure participation of local people in decision making process and to employ it as a vehicle of political and economic development. This objective demanded a set system and institutional arrangement for efficient and productive functioning of institution. Policy makers of Pakistan introduced reforms time to time to readjust the system with changing socio-political and economic environment. In the given context, this article is to evaluate inter-governmental and intra-governmental relation with special reference to local government in Pakistan.

Arians and Mughal

The local Government System is centuries old in subcontinent. One can find its foundation in Arian period normally with the name of Panchayat. The responsibilities of Panchayat were to distribute land, collect taxes and submit them to the central government, settle the disputes and also take care of the provision of the basic needs of people (Tinker 1968, 20-46). System Operated during these periods was not a testimony to the modern local self government; it can be called local government system with the traditional and parochial characteristics. Major financial characteristics of the system were as follow:

i. The flow of resources was from lower to higher tier.
ii. Tax collection agency was used to operate on the behalf of central government.
iii. The respective unit was empowered to readjust taxes in its respective area.
iv. A small militia was established by Zamindar. No extra tax was levied on public. The militia was paid from his remuneration.
v. Agency to render the social services, e.g., wells for water, Saraey (Inn) etc. (mostly, funded from his own pocket or collection from locality as Chanda).
vi. The local administration in Pre-British India was called “Area Administration”. The designations were usually the subaydar, the sheqedar, the amil, the mir deh and the muqaddam. (Muhammad 2001, pp. 81-101)

British Period

During the late nineteenth century, across the vast colonies of British Empire, a new conscious class emerged that initiated a change in political environment. That wave of change generated new political and administrative necessities to address local demands stimulated in colonies. All this compelled British policy makers to create space in political system for indigenous people. Consequently, The East India Company introduced the institution of local government in the year 1688, when it set up a municipal committee in Madras. In 1765, the company introduced the system in urban areas of Bengal, Bihar, and Orissa and proclaimed reforms in 1850. After the civil war of 1857, the government of India was shifted from Company to Crown and proclaimed 1861 Act followed by a series of legislation in the coming years of 1867, 1874, 1881, 1883, 1891, 1896, 1905, 1909, 1911, 1919, 1921, 1932, 1935 and 1939 reforms and Acts (Muhammad 2001) to make the system compatible with indigenous needs and ruler’s
requirements. Despite the series of reforms and acts the physical power and financial structure almost remained the same. Perhaps, rulers were intended to find out support base for the British rulers, generate revenues to enable local people to shoulder responsibility of civic services and to accommodate western educated class (Muhammad 2004). The logic was to teach people not to look at the government for things when they can do better for themselves. According to this structure police, health, sanitation, education, local civic services, town planning, local development etc. were funded managed and administered by the local government institution which would extract required resources from local community. Major sources of income were Local Rate, Octroi Tax, Fee, Service charges, few taxes sharing with upper tier of the government and personnel contribution. After bearing the police expenditure a very small amount was left for other services.

They established and managed educational and health institutions with their meager resources. Decisions of land, its location and construction of buildings were in the direct preview of the local units. Operational staff (Teachers, Doctors, tax collectors and other personnel) were recruited, paid and disciplined by the local administration. These institutions were able to distribute services to a very small segment of the society on a limited scale. Major taxes were collected by higher tiers of government with its administrative machinery, naturally, flow of money should have been from upward to downward but it was not the case, because government was not intended to invest money for civic and other services from its exchequers, so they never transferred money with generosity. Resultantly, the literacy rate remained very low and quality of life was not even in dreams. Local government was comprised of urban councils and rural councils. Rural area which was paying loin’s share to local as well as government revenues was utterly ignored. Major features can be termed as follow:

i. The District Board had the power of taxation. However, the board had to adopt a certain procedure for the imposition of taxes. According to the procedure, the final authority was vested with the provincial government.

ii. Every district had a district fund, which was kept in the government treasury.

iii. Every district board had to constitute a Finance Committee comprising at least three members to manage the financial affairs of the district board.

iv. Major source of the district fund was the local rate (a cess) ordinarily of one anna a coin (8 pies) per rupee (more or less 6 percent) on the land revenue. The district was also supplemented by the grants from provincial funds at very small scale.

It is pertinent to mention that local government was comprised by rural councils and urban councils. In rural areas two tier system was adopted Panchayat at village level and District board at district level. Initially members of Panchayat were nominated later on number of elected member was increased gradually, however, only qualified voters were entitled to vote.

i. The relation of Panchayat with the government can be observed by that the establishment of Panchayat and the decisions about its composition, i.e., number of elected or nominated panches, were discretion of the government (Sajid, 1994).

ii. Panchayat was just sub ordinate advisory body of District Board. Political participation of people and local self government was not in the agenda of the regime. So, the local government was almost subordinate department of the
government administrative hierarchy. Final authority of financial matters was vested in Deputy Commissioner (DC) and he was the Kingpin in the system.

iii. British felt, neither need nor they provided any institutional arrangement for constructive interaction between various tiers and various type of local government. Since the system was authoritarian in nature and DC was controlling authority as well as linkage between these little governments.

The Case of Pakistan

Pakistan adopted the Local Board System with required modifications soon after her emergence. That worked till the Basic Democracy System (BDS) replaced it in Ayub Khan Era. In the decade of 70’s, Parliament passed an ordinance but it could not be implemented. Zia’s government reformed the system and named it Local Self Government (LSG). This system worked up to 2000. In 2000 the government introduced revolutionary changes in whole administrative system and reformed local government with the name of Devolution Plan 2000. The Devolution Plan 2000 operated very successfully in Musharraf Era. However, in mentioned all systems inter-governmental and intra-local government relations remained different and changed.

Basic Democracy System (BDS)

Under BDS urban and rural areas had separate bodies. There was a four tier structure in rural area that was Divisional Council, District Council, Tehsil Council and Union Council. In urban area there were Municipal Corporations, Municipalities and Town Committees. Status was determined according to population.

• **Administrative Interaction:** A number of elected chairmen of union councils were members of upper tier of governments. So, chairman was bridge between union council and upper tiers of rural councils. The draw back of the system was that every chairman was not member of upper tier. So, union councils which chairman was not members of upper tier were not represented effectively.

• **Financial Matters:** In financial matters maximum resources and powers were enjoyed by District Council. Union Councils were left at the mercy of District Council.

• **National and Provincial Assemblies:** BD system was multi functional institution. This worked as Electoral College of Provincial and National Assemblies. However, after election there was not any interaction between these institutions.

• **Urban Councils:** In the system rural and urban councils were different identities. There was not any arrangement of interaction between these institutions. Urban areas were and are economic hub in respective areas. Indirect taxes for example Octori tax (the most regressive tax which is abolished in present system) was equally paid by rural community, while, it was solely used by urban community. There was not any arrangement to settle these type of issues. DC had administrative powers to resolve any emerging issue or problem.

Peoples Councils 1970’s

The central government promulgated local government ordinance 1975 under the leadership of Zulfiqar Ali Bhutto the then prime minister of Pakistan. According to this ordinance in rural area, District councils and Union Councils were renamed as Peoples District Council and Peoples Local Council respectively. The system was slightly modified and resultantly Divisional and Tehsil Councils were removed from the structure. All members were to be directly elected on the basis of adult franchise in rural
councils. The chairmen of people’s district council and people’s union council were to be elected by simple majority and could be removed with three fourth majority of the members voting against them. Each of the two bodies was to be elected for four years (Muhammad 2001).

- **Inter Governmental Relations in 1975 Ordinance:** To resolve inter body conflict (rural and urban bodies) a district co-ordination committee was created. This body was comprised of all members of the National Assembly, Provincial Assemblies and the chairmen of the three bodies and heads of various departments in the district. This committee was to be headed by the chairman of the district council, the deputy commissioner acting as its secretary (Qudus 1981).

  This could be considered good proposal. However, the system could not materialized. Elections of local bodies neither under old system nor under proposed system were held during the regime. Absence of election and elected representatives to run the institution during parliamentary regime is self explanatory to judge balance and relations between local government and provincial and central governments. In July 1977, the Martial Law regime sacked the government of People’s Party. The new regime inducted a new system under its umbrella.

**Local Self Government (LSG) 1979**

Zia government redesigned and reactivated local government by making them more democratic. In 1979, 21 district councils, more than 2400 union councils, 7 municipal corporations, 62 municipal committees and 128 town committees were established and turned into full-fledged local self government in Punjab, the biggest province of Pakistan (Government of Punjab 1994). All rural as well as urban Councils were democratically elected by adult franchised. Chairmen and vice chairman mayor and deputy mayors were elected by elected members of respective councils. Budget prepared and passed by the house with majority votes was a step towards the decentralization and more democratization.

**Inter Governmental Relations in LSG**

In the case of the Pakistan a few interactions were provided in the system amongst in different levels of government. One of the major problems with such structures arises with respect to the size and financial potential of units.

- **Union Council:** In the system the most important unit was union council. Owing to paucity of financial resources, this little government was largely dependent on the government grant and the share from the district council. The income of union councils from own sources have become less and less proportionately over the period. In 1981-82, 40.2 percent of their income came from grant in aid. During the period from 1982-83 to 1989-90 the grant in aid fluctuated 14 percent to 36 percent. In 1990-91, the percentage has gone up to 48.3 percent (Muhammad 2004). The grants were given as charity not as a right. Moreover, taxes, cesses, tolls and fees, major portion of which was collected by the upper tier governments and then transferred to the local government according to the specified share of the councils. This transfer ranged from 66.8 to 87.2 percent. This share was also at the mercy of district council. Members of district council and union council were separately elected. There was not any provision to represent each other.
Union Council and Provincial Government: only permanent employee of the union council was the secretary of the union council. He was custodian of the record and use to play an important role in collection of revenue and in managing the council's affairs. He was permanent employee of provincial government rather than the union council. Consequently, he worked as an agent of the government rather than the servant of local council. Moreover, every union council was bound to submit its monthly report to the circle office which was headed by a government employee designated as Assistant Director, Rural Development Projects.

District Council and Urban Councils Grants: The most important institution in rural councils was district government, while in urban area various type of urban councils. The process of transferring of the grants was long and discretionary. In case of District and urban councils the grant was allocated and notified by the government but ultimate release of that was in purview of deputy commissioner. The allocation of the amount to each union council was left in the discretionary powers of the deputy commissioner. On the average 73 union councils, 7 urban councils and one district council were looked after by each deputy commissioner. This offered a wide leverage to this office. Hence, the persuasion, relationship and political influence always played important role in distribution of the grant rather than the necessity. This method of ‘discretionary allocation’ of grants, fund, gave birth to corruption and victimization and put constraints on autonomy of councils (Muhammad 2004)

Constructive and working interaction between rural and urban councils and provincial governmental departments was missing. This hampered the developmental work. In case of Sargodha the entrance high way remained unmaintained and reduced to rubble in 1990’s due to dispute between Municipal Corporation, District Government and Provincial government departments.

Like other developing countries the government was given powers to modify the electoral law, as well as the structure of local governments. The chapter xv of the Punjab Local Government Ordinance 1979, clause 153 allows the government to interfere in the local council’s affairs. It suggests that government shall exercise general supervision and control over the local councils in order to ensure that their activities conform to the provisions of the Ordinance. The most counter productive clause in the 1979 Act which left the local council at the mercy of the provincial government is clause 156. According to this clause “if in the opinion of Government, anything done or intended to be done or on behalf of a local council or committee is not in conformity with law or is in any way against public interest, Government for reasons to be recorded may- (a) quash the proceeding (b) suspend the execution of any resolution passed or order made by the local council or committee (c) prohibit the doing of anything proposed to be done. Clause 157 of the said Act gives powers to the government to direct local councils (Government of Punjab 1979). Cacheux & Tourjansky (1993) observed that in developed countries, the central government is not allowed to exercise any kind of prior control or to interfere with the decision of local governments except for the definite general obligations with respect to the compulsory expenditures, tax bases, the promoted range of tax rates, etc.

Devolution Plan 2000
At the door step of twenty first century the government reformed the Local Government System and introduced major changes. The objectives of these changes were
(i) to give more autonomy and more functions to local governments (ii) to increase efficiency in the provision of a number of public goods and services (iii) to enhance local democracy. Under the system government introduced major changes. Urban and Rural councils were amalgamated in a single unit. Three tiers District Government, Tehsil Council and Union Council are introduced. The DC who was kingpin in British system and enjoyed by and large the same status in Islamic Republic of Pakistan was removed from the administrative setup. Divisioniii was removed from administrative hierarchy. District governments were created under the elected Nazimiv (chairman). District had a district assembly, comprised by elected representatives. Tehsil councils and union councils are headed by elected Nazim and comprised by elected representatives.

**Inter Governmental Relations under Devolution Plan 2000**

Devolution Plan 2000 endowed local government with more autonomy and more powers. The most controversial DC office which was supposed to control local bodies administratively or psychologically removed from the system. District Nazim is political as well as administrative head of the system. By and large all departments are in the jurisdiction of District Government. The district government receives budget of respective departments from respective province and shift to respective departments. District Coordination Officer (DCO) grade 20 with an army of departmental officers is available to manage administrative affairs of district under the district Nazim. All this indicates that local government is most powerful autonomous unit under the system. District governments receive grants under a set formula based on population, area, and own income from province.

Drawbacks of the system are that senior officers including DCO are normally recruited, administered and disciplined by central government in case of Central Superior Services (CSS) and by Provincial Government in case of Provincial Civil Services (PCS). District Nazim is empowered to evaluate and write the Annual Confidential Report (ACR) of the officer. Complexity of the system is that these officers are under various governments at one time. Moreover, Central and provincial governments are empowered to interfere in local government affairs through these officers.

**Intra local government relations**

Amalgamation of urban and rural councils bridged the gape between central, provincial and local government and between urban and rural area. Moreover, Nazim of the union Council is member of District Assembly, while, Naib Nazim of the Union Council is member of Tehsil Council. This arrangement provides constructive interaction between intra local government institutions.

**II. Conclusion**

The institutions suffered from lack of proper arrangement of intra local government and inter government relations. Most of the decisions about local governments were taken by the central and provincial governments particularly in finance matters. Central and Provincial representative were much more interested to retain maximum resources in central and provincial management. The central and provincial representatives were interested to maintain their contact by providing some services to their electoral constituencies. Therefore, a huge amount was always retained or allocated to them to spend through their discretionary powers in their respective areas. This action was repugnant to the spirit of local government. Theoretically, local government provides
local services at the door step and more close to the people but practically, their jurisdiction was encroached and surrendered by the provincial and central government through their representatives. Likewise, some genuine demands were also there, which central provincial representative had to address by using the platform of local government. Moreover, the responsibilities of local government and upper tiers of governments were not clearly defined. So, upper tier of government was in habit of interfering in local affairs. There was need to evolve some mechanism to ensure constructive interaction between various tiers of government. This could be done by providing some seats to local government representatives in provincial assemblies and some seats to provincial and central members in their respective local institutions as non-voting members.

**Constitutional Security:** Local governments had no reasonable constitutional security. The only clause in constitution 1973 for the local institutions is that government will encourage local government institutions. Just encouragement is not sufficient guarantee to this institution especially in developing countries. Presently local government is included in schedule six of the constitution of 1973, after seventeenth amendment, but this also not ensures sufficient guarantee to this institution.

**Institutional arrangement:** Strong, viable, well-organized and permanent institutions guaranteed by the constitution are required for efficient functioning of multi tier system. This institution should be comprised by elected members of various tier of government of respective area.

**Enlightened Political culture:** Modern political culture is essential for successful functioning of multi tier government system. This system can survive only where there is considerable tolerance of diversity and willingness to take political action through conciliation even when power to act unilaterally is available. The usual pre-requisite to action in federal system is ability to built consensus rather than the power to threaten coercion. (Sills 1972-360).

**Political Parties:** Recent studies have shown that the existence of non-centralized political party system is perhaps the most important element in the maintenance of federal decentralization. Political parties committed to ideology, organized on the bases of principles, having national characteristics and observing intra party democracy are pre-requisite for successful functioning of any system. So it is suggested that political parties should be organized according to modern political and federal requirements. And they must be provided space in management of local government.
References


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Notes

i Zamindar: Feudal Lord. The government was used to grant land to some one. He was called Zamindar. He was used to perform duties as government representative. Chanda: funds and donations from public.

ii subaydar, sheqedar, amil, mir deh and muqaddam, these were designations, used for various heads of local government during Mughal Period

iii Division was important tier of administration between province and district headed by Commissioner. Normally this tier was comprised by four districts. In devolution plan 2000 this tier was removed from the hierarchy but in 2008 it restored again.

iv Nazim an Urdu world is used to replace the words of chairman, and mayor.