

18th Amendment and deprivation

Have the grievances and deprivations been addressed sufficiently?

[Sadia Sherbaz/Karim Khan](#) | March 13, 2020



Editorial & Opinion



Dr Karim Khan is an Associate Professor and Sadia Sherbaz is a PhD scholar, both associated with the Pakistan Institute of Development Economics (PIDE)

Being an ethno-federation, ethno-nationalism has always been a challenge to the national, political and geographical integrity of Pakistan, with the greatest contention being the distribution of political power and economic resources between the federating units. This distribution has invariably been skewed in favour of Punjab throughout the country's history. It has propelled the country into two civil wars and periods of widespread, ethnically-motivated violence. It has led to a successful secession movement in East Pakistan and quite a few unsuccessful, albeit violent, ones in Balochistan and Khyber-Pakhtunkhwa (K-P).

The 7th National Finance Commission (NFC) Award significantly increased the resources available to the provinces. Previously, 45% of the divisible pool (including taxes) was allotted to the provinces; this was revised to 57.5%. The inter-provincial distribution of revenues was also revised as criteria broader than population were also added, including the contribution to the national exchequer, levels of poverty (or backwardness) and inverse population density (especially important for Balochistan). This decreased Punjab's share by 5.6%, while simultaneously increased the shares of K-P and Balochistan by 1.1% and 3.8%, respectively. Balochistan was even awarded a floor of Rs83 billion in revenues, regardless to what the existing formula churned up.

The 18th Constitutional Amendment was seen as a decisive step towards greater ethnic cohesion through provincial autonomy and re-establishment of a fundamental democratic institutional structure in Pakistan. The amendment further institutionalised provincial autonomy and equitable distribution of resources. The deletion of the concurrent list effectively relegated significant decision-making powers to the provincial government. The addition of Clause 3(A) and 3(B) to Article 160 established crucial rules regarding the NFC Awards. The amendment to Clause 1 of Article 161 ensures

the entitlement of the provinces to revenues generated from natural gas and oil. Furthermore, Article 167, Clause 4, enhances the provincial government's ability to raise funds through borrowing from both, domestic and international sources.

This should have resulted in a decrease in inter-provincial inequities and improved the representation of generally marginalised ethnic interests, while reducing the clout of the Punjabi ethnicity. Which makes us question: why would politicians in Punjab agree to this? Katharine Adeney of University of Sheffield is of the view that the Punjabi politicians did not believe that things would change significantly by the 18th Amendment. A more realistic view can be that without any compensation from Punjab, consensus would not have been possible. Either ways, an unprecedented consensus was achieved 10 years ago and the rhetoric of provincial autonomy and ethnic representation that was dangled since the 1970s, started taking concrete institutional form. Now the issue is that: has it made any real difference? To what extent, if any, has this pacified the ethnic tensions within the nation? Have the grievances and deprivations been addressed sufficiently?

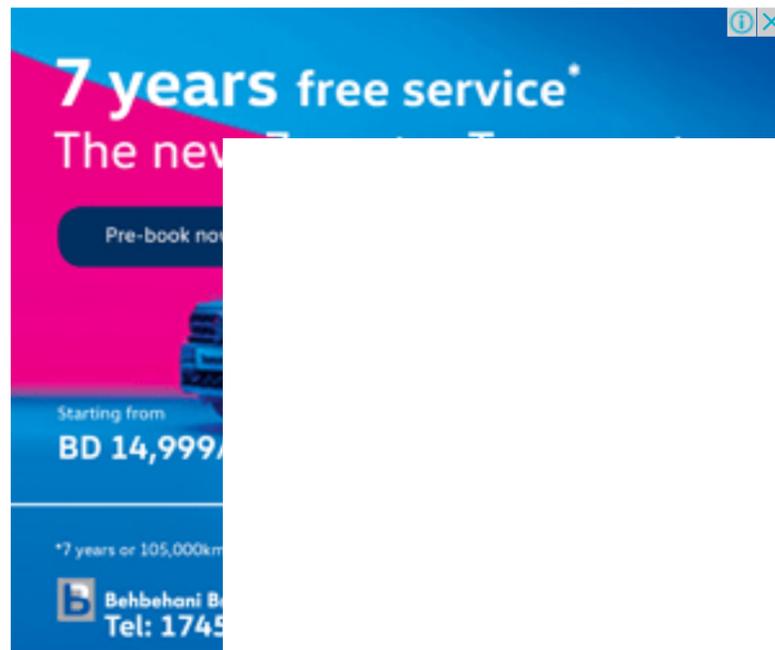
The first big difference these changes made was the increased availability of resources to provinces other than Punjab. However, on ground, the pre-existing disparities seem to be consistent. The inequalities in human development remain stark. The SBP's annual report (2018-19) posits that Sindh and Balochistan remain relatively more food insecure. The level of access to social programmes also remains unequal with Balochistan (0.3% of the population) being in distinct disadvantage, when compared with Sindh and K-P. Balochistan also reports the highest number of children who missed essential vaccination while Gilgit-Baltistan reported 100% coverage. A 2018 study carried out by researchers from the University of Maryland in collaboration with USAID also confirms this asymmetry in health outcomes. This asymmetry exists despite increased growth in the current expenditures especially in Punjab and Balochistan. However, the share of development expenditure remains the lowest in Balochistan. This brings us to the issue of capacity of the provinces in utilising the increased resources effectively and exercising the new "relative" autonomy to address issues of regional significance. A 2015 report of the Institute of Policy Reforms (IPR) shows that while the contribution to the country's economy of Sindh and K-P has increased since 1999-2000, it had actually declined for Balochistan. In comparison of the regime-wise growth analysis of the provinces, Dr Hafeez Pasha pointed out that K-P has shown impressive growth rates since 2008, while Punjab has remained consistent. The same report points out the persistence of Balochistan's dismal economic performance and the deterioration of performance by Sindh since 2008. A 2019 World Bank report on poverty in Pakistan corroborates this outcome, with K-P showing significant decline in poverty since 2010, while Balochistan again lagging significantly behind. Both Dr Pasha's analysis and the aforementioned report suggest that the new distribution scheme has benefitted the provinces; however, the positive effect is not sufficiently effective in eradicating decades of neglect and relative deprivation.

The intra-provincial distribution brings forward an interesting picture with the urban-rural poverty gap increasing for Punjab, Sindh and Balochistan in 2015-16. The report also points out that from 2009 to 2014, the per capita allocation of revenues to district Lahore was almost 18 times higher the average of all other districts in the province combined. The largest gap was recorded in Sindh with Karachi receiving almost 100 times more in per capita than other districts. A 2018 research brief by Pakistan Poverty Alleviation Fund (PPAF) goes so far as to say that the revenue allocation to districts in Punjab has been negatively correlated with the level of poverty, with the poorest districts receiving lowest share of allocation. Not surprisingly, the poorest districts are all from South Punjab. This geographical divide in access to basic resources has intensified ethnic cleavages. For example a 2019 study of rural Pakistan by Hameed and Qaiser presents that social exclusion is highest among Balochi, Saraiki and Sindhi rural households. This means that these ethnicities experience higher deprivation in material assets, education, and access to financial resources, health services, and food security, as compared to Punjabi, Pashtun and Hazarawal communities. This depicts that the relative deprivation is not only geographical in nature but also deprives certain ethnicities disproportionately. Therefore, one can conclude that relative deprivation that formed the basis for ethnic strife and secession movements in the past seem to be

persisting and while a step in the right direction, the 18th Amendment so far has been insufficiently effective in reducing the existing inequalities. That said, do all the above arguments make the 18th Amendment redundant? We would like to posit that no. A step in the right direction is nevertheless more desirable than inactivity. In fact we would like to argue that the 18th Amendment has to be implemented to the fullest extent in order for it to be effective in eliminating relative derivations. Article 140(A) provides for a viable solution, i.e. devolution of “political, administrative and financial responsibility and authority to the elected representatives of the local governments” to cater for intra-provincial diversity. This will ensure more equitable access to resources within provinces and may go a long way towards pacifying grievances and reducing disparities that have divided this country since its inception.

Published in The Express Tribune, March 13th, 2020.

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