Interview

Hassan Khawar

The productivity and performance of almost all public sector organizations are deteriorating for the last 30 to 40 years. What do you think are the reasons? Why has civil service failed to deliver?

The performance of all major public sector institutions has, in fact, been deteriorating for the last 30-40 years, but I think it's a little far-fetched to say that the civil service is the only institution that's responsible for their failing. I think we, as a country, are failing, and everyone must share the blame: civil servants, politicians, and even other institutions like judiciary. You can look at a number of examples where each institution has played its due part in failing these institutions. Politicians do that by taking poor resource allocation decisions and by using these large public-sector enterprises to oblige their constituencies, while civil servants play their part in following through with these policies to get good postings and make their careers out of it. And judiciary has also not helped in this regard – for example, if you look at the Reko Diq case, it was a judicial decision that led to a $5.8 billion fine for Pakistan.

It is a general statement that Pakistan needs the right civil service reform for good governance. What does that mean, also which reforms are the right reforms?

I think that's a good question. Pakistan certainly needs a good and capable civil service to have good governance because civil service forms the core of the government machinery. For any policy that a political government makes, it is the civil service that has to implement it. And if you do not have a capable civil service, those decisions would either not get implemented, or worse, would lead to a different outcome than what the policymaker had intended.

The question of what the right civil service reform is, is perhaps the most important question, because over the years, our think-tanks, our intelligentsia and our academics have all come up with a variety of reforms, which at times are contrary to each other, baffling the policymakers as to which way they should go.

One person would come in and ask to enhance the duration of a training program, and another one would want to shorten the training program. Someone would say, give tenure security to the bureaucrats, while another would recommend enhancing accountability, and all these together would lead to even more confusion.

I think the right reform is the one which can improve service delivery for the citizens at the frontline, while at the very top, the right reform would be what could change the quality of advice given to politicians for them to take informed policy choices. Anything in between is merely a means to an end, and I think any reform that does not either lead to an improvement in the quality of advice given to politicians or improve service delivery means nothing on its own. I think if we have such criteria to screen reforms, that could perhaps be the first step towards adopting and embracing more meaningful civil service reforms.

Why do public sector employees oppose reforms, and why the government isn't serious about implementing such reforms?

The tragedy of civil service reforms is that while everyone wants to reform the civil service, everyone has a different axe to grind. When you ask the civil servants, they believe tenure security and a better compensation package is the right reform to undertake. Politicians think that civil service needs to be more efficient and pliable, so that whatever they decide or say gets implemented on ground very quickly. Similarly, other lobbies have their own version of what civil service reform should look like.

Now, why do public sector employees oppose reforms. Bureaucrats reflect status quo. Any reform that will hurt their interests is definitely not something they would welcome. Change is always painful. Whenever as part of a change you hurt the interests of a particular lobby, it is not going to embrace it.

But there is also another side to the argument. One-sided reforms, only driven from the top, also run the risk of making the civil service more pliable. For example, more accountability without adequate compensation can lead to deterioration in the quality of civil servants that you get. So any reform to improve civil service should be a holistic package, which brings in perspective from all quarters so that while civil servants get good compensation, there should also be enhanced accountability. And while civil servants should not be left at the discretion of politicians, they should also not be given safe havens where they do not respond or listen to the politicians. I think that at the end, it is about achieving a fine balance.

After the 18th amendment devolved power to provinces, some of the major subjects have shifted from the center to the provinces. Still, the transition isn't completed in the true sense. What do you think are the causes, and how has the service delivery been affected?

With the 18th Amendment, provinces got more responsibility and also got more funds. Some of the provinces developed new organizational structures to be able to spend those budgets, but you're absolutely right in that it hasn't happened in the true sense. In fact, the debate right now is to reverse the 18th Amendment because the federation finds itself in a fix where it does not have enough money, but it has significant expenditures that it cannot meet.

I think we, as a country, need to find a sustainable solution for that. Provinces should be, and are, responsible for service delivery, and I think the idea to devolve powers to the provinces is that the decision-making should happen close to the service delivery. In principle, it's a good move. Provinces should be accountable for service delivery, and they should be the ones making those decisions. For example, as part of the newly announced power reforms, DISCOs are supposed to be transferred to provinces. Provinces are the right tier to manage them and reduce line losses and thefts, and I think all of that would bring accountability close to home, and in the longer run, should lead to good service delivery outcomes.

The performance of autonomous bodies is declining; what is your opinion on inducting professionals/technocrats rather than generalists may improve the performance? What is the right way to bring in the right people?

It should not be the debate of generalists versus technocrats. If you look at all the multinational corporations, you do find people with general management and leadership experience leading those firms. Some of them come from HR function, some from marketing functions and some of them come from technical functions. I think it's about having the right leadership experience.

However, I also feel that the recruitment in autonomous bodies and state-owned enterprises should primarily be open to both public and private sectors, with the aim to have the best person for the job. Right now, the problem we face is that even if we open up recruitment to the private sector, not enough people from the private sector are interested, and even if they come in, they fall victim to a very complex political economy of these organizations where they fail to hire and fire people, where they cannot bring the changes they want to bring, and hence they become part of a larger ecosystem which is not poised to change. I think that's what keeps even the best of the best from performing well in these organizations.

If we really are serious in changing and turning around these state-owned enterprises around, not only do we need to bring the right talent from wherever we can get the best of it, whether it's the public or private sector, but we should also give them full autonomy to manage these organizations and should make them accountable for the results. We cannot just recruit them, not give them autonomy, or

hold them accountable, or vice versa – I think all of that must be part of the overall equation.

Do you think the current CSS examination system and salary structure has failed to attract capable and highly talented people?

I don't think so. If you look at the civil service, it does attract the right quality of people. I think the salaries are certainly low, and they could have discouraged people to apply, but in a country like Pakistan, where CSS is seen as a tool for sure social mobility, people still get attracted. I think what happens is that once you get the right people, civil service offers perverse incentive for the people who stay, because people who do not want to be corrupt, who don't want to seek rents or accept bribes, find it difficult to manage their expenses within the meagre salaries. They then either exit from the civil service or opt for positions which may be less impactful but come with more perks. For example, some of them go on deputation to donor agencies, others find well-paying project jobs, and they do not end up at the critical positions, which in most cases are left for those, who have found other means to support their expenses. So my opinion is that a low salary package is more consequential for talent retention than for talent induction in the case of Pakistan.

HAQUE SURVEY

Nadeem Haque @nadeemhaque · Dec 22
Should the government Publish the following on public servants be available on website of establishment division? 1 Who gets what house type value address 2 Cars with numbers make etc 3 other amenities servants bills etc 4. Board memberships with pays 5. Plots when, where,value?

Yes	90.8%
No	9.2%