



# PROJECT on Middle East Democracy

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## “Evaluating the State of Democracy in Pakistan”

United States Institute of Peace

September 22, 2010

The United States Institute of Peace held a panel discussion Wednesday titled "Evaluating the State of Democracy in Pakistan". The event was moderated by **Moed Yusuf**, South Asia adviser and manager of the Pakistan program at USIP. The panel members were **Mohammad Waseem**, currently a visiting fellow at the Brookings Institution and professor of political science at Lahore University, **Shahid Javed Burki**, a former Senior Economist at the World Bank and current Senior Fellow at the Woodrow Wilson Center, and **Sheila Fruman**, Senior Country Director for Pakistan at the National Democratic Institute from 2006-2010.

**Yusuf** began the event by noting that the initial hope generated by the removal of **Pervez Musharraf** has largely faded, only to be replaced with **concerns about the possible return to military rule**. He gave each member of the panel an initial question to begin the discussion.

The moderator's question for **Waseem** dealt with the situation in Pakistan since the civilian government took over in 2008, and whether democracy has succeeded or failed in that time. Waseem began his response by stating that **Pakistanis live in an "imposed military state."** He said that looking at the structure of Pakistan's government after the military stepped aside revealed a “carved up,” weakened establishment. **The aim of the military during their time in power was to undermine the authority of the parliament**, which the generals do not believe in. Waseem called this the "constitutional inheritance" of the civilian government in 2008. **He identified two centers of power in Pakistani governance; those who are elected, such as members of parliament, and those who are not elected, the military, the bureaucracy, and the judiciary.** Political parties are weak in Pakistan and the middle classes do not have confidence in elections, although Waseem did say that they believe in the "norm" of democracy. He called the government a "hostage" because of its lack of real authority. The situation has only been exacerbated by the military's reticence to truly confront the Taliban, causing the government to have to live with de facto independent regions in its midst. Waseem ended his comments by calling the media "the opposition".

**Fruman** was tasked with answering the question of how the current situation in Pakistan has affected that country's international relations, particularly with the US. She began by agreeing with Waseem that Pakistan remains, fundamentally, a military state. She applauded the Obama Administration's efforts to support Pakistani democracy, both rhetorically and concretely. However, the nature of a government where **the locus of control is uncertain** troubled Fruman. She pointed out that the Kerry-Lugar bill was opposed by the military primarily because it funneled funds to the civilian government, and not exclusively to the military. When the Pakistani president attempted to produce a package of democratic reforms for the Federally Administered Tribal Regions (FATA) last August, the military blocked his efforts, claiming that they would interfere with their operation in the region. Fruman made

the point that **the military budget is not publicly known and it is not tabled for debate in the parliament.** She went on to say that the military actively promotes itself as an entity independent of the government. She noted that 60% of Pakistanis consider the US an enemy, and pointed to support for Musharraf as the main culprit. **She ended by imploring the US and other countries to not fall into the cynical trap of supporting the military for short term gains, but to support long term democratic growth by helping build up the civilian government of Pakistan.**

**Burki** was asked by the moderator to discuss the effect that civilian performance would have on the prospects for democracy in Pakistan. He answered by saying that **the only credible solution was to let Pakistani institutions develop.** He drew on his training as an economist to explain why Pakistan has performed better, economically, under military rule than under civilian control. He cited several numbers including the per capita GDP growth under Zia al-Haq and Musharraf, with both periods having growth of 4-6%, while the periods under civilian rule saw significantly less growth, or as was the case last year, negative growth. This fact has led some in Pakistan to believe that the military is more effective at governance, but Burki rejected that conclusion. Instead, he argued that these were times of huge international involvement, i.e. Cold War and the War on Terrorism, and that international funding essentially buoyed the Pakistani economy. The effect this has had, according to Burki, is that **Pakistan accepts corruption and inefficiencies believing that someone will bail them out, as has happened several times in the past.** He went on to describe Pakistan as a "Soft State", unable to make hard choices or unwilling to facilitate the debate necessary to solve their problems. He suggested several remedies to the current problem. First, wean Pakistan off of international largess. He pointed out that only 9% of Pakistan's revenues come from taxes. He insisted that people must understand that they need to pay for the state. Second, confront the problem of centralization. The government must be present and accountable at the provincial level and not just Islamabad.

The moderator then asked a yes or no question. Will the current government be able to maintain power until the next elections in 2013? Waseem said yes, if they manage to avoid a military coup. Fruman also said yes. Burki said no, for the simple fact that both the president and the prime minister are corrupt, and the people know that.

The floor was then opened to questions. The first questioner reminded the panel that the US had supported both military and civilian governments in Pakistan and asked what had changed in the US and internationally that would make support for a civilian government more likely?

Fruman answered by reiterating her earlier point about the Kerry-Lugar bill funding the civilian government and not the military, and saying that the rhetoric of the Obama Administration was sufficiently encouraging to elevate expectations. She also said that the civilian government in Pakistan is committed, unlike the military, to fighting the War on Terror, but the ambiguous nature of who controls policy remains worrying.

The next questioner asked if Pakistan, which Burki claimed was dependent on foreign aid, could ever truly be independent. Also, considering the rampant corruption in the country and the distrust felt by the people towards the elites, could the panel identify any tangible indicators that Pakistan would recover?

Burki answered by reiterating the 9% of revenue fact and added that almost no one pays taxes at all, even billionaires. Only the salaried classes pay, because they cannot avoid it. He joked that if he talked about the subject in Pakistan, the audience would simply say "why should we pay" when they know no

one else does. He concluded by saying that it was not "rocket science," it just required "**critical will and personal sacrifices**". Fruman added that while corruption is everywhere, the cure was the rule of law. She suggested that once a few people had been jailed for tax evasion, attitudes would change. Waseem reminded the audience that there was a political dimension to charges of fraud in Pakistan due to the military's use of such charges to unseat civilian governments in the past.

The next question dealt with the recent floods, wondering if the disaster would become an impetus for people to challenge the government or the large landowners and how the panelists envisioned a system of taxation taking form.

Burki began by addressing the second part of the question. He explained to the audience that in 1973 agriculture had been made exempt from taxation in order to secure the large land holders vote for the constitution passed that year. Now, he continued, virtually all high earners in urban areas have a "farm house" where they "farm" in order to avoid taxes. His solution was for there to be a Pakistani version of the IRS; an organization that not only ensures compliance through action, but also through the fear of action. **Fruman spoke on the floods, saying that the military has intentionally undermined the civilian government's response by launching a PR campaign to show how effective the military has been in comparison.**

Burki joined this discussion by noting that rains such as the ones that caused the floods are not at all unheard of in Pakistan. He recalled when he was a student that there was a storm of similar severity, but the flooding was not as devastating. **Environmental degradation is the main culprit** according to Burki. He listed several factors at play, beginning with the "Timber Mafias," groups that make deals with corrupt government officials that allow them to clear cut mountainside forests. When torrential rains fall on these bare mountainsides, flash flooding is almost certain. Second, a lack of planning on the part of the government has allowed villages to be built right up to the banks of the Indus River, a practice forbidden under British colonial rule. This development damages the water shed, causing flooding to be more severe. Finally, Burki pointed to the destruction of the mangrove swamps at the mouth of the Indus River. They have become so degraded, he said, the Arabian Sea now flows into the Indus for miles upstream, destroying even more watershed. **All of these issues, Burki said, can be laid at the feet of a corrupt and ineffective government.**

The last questioner asked about the role of civil society in Pakistan and what forms of assistance from the US were most effective.

Waseem began by saying that **education and experience in the outside world were the most effective forms of aid**. He said that laptops given to teachers help expose students to the world, and that funding exchange programs for young people from Pakistan were critical. He also emphasized the need to bridge the gap between donors and the recipients in order to cut out corrupt middle men. As for civil society, Waseem said that Pakistan is still a "traditional" society and that the media was the most active part of civil society. Fruman said that there is room for civil society to play a larger role, using the Lawyers Movement as an example from the recent past. Burki was given the final word, which he used to tell the audience that Pakistani-Americans contribute four billion dollars a year in remittances to Pakistan, making them an important part of civil society, but that the US and others shouldn't bypass the Pakistani government completely in favor of civil society groups.