

Impact of Devolution on Public Service Delivery: An empirical study of District Government Dera Ismail Khan

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Abstract: Despite devolving substantial resources and Powers to local levels to improve public service delivery, anecdotal evidence suggests that service delivery in Pakistan is still far behind from expectations. This paper aims to examine the impacts and consequences of devolution on public service delivery in District Dera Ismail Khan, KPK, Pakistan. We developed and tested a set of empirical measures to identify the real patterns of public service delivery on one hand and to assess the impacts of factors (both demographic and other) on the delivery of public services on the other. The results indicate many reasons for poor service delivery however, limited transparency and poor monitoring system is the most critical. Furthermore, Data show that poverty is causing many problems including unawareness of masses from their interests and duties at the public level thereby giving free hand to the ruling elite in exploiting public resources for self-interest at the cost of public goods.

Keywords: Devolution, local government, Pakistan, public service delivery

INTRODUCTION

Decentralization has been recognized as an important element of governance in both developed and developing societies of the world (Dasgupta and Victoria, 2007; Faguet and Fabio, 2006). Being closer to the people, it is assumed that local authorities can more easily identify people's needs, and thus supply the appropriate form and level of public services (Rondinelli *et al.*, 1989; Oates, 1972). In line with such trends in October 1999, the then Military Chief General Pervez Musharraf by removing the elected government of Nawaz Sharif introduced "seven point agenda to get rid of the institutional crisis

- Confidence building
- Empowering federation
- Investor's confidence building
- Maintenance of law and order with speedy justice
- Overhauling state institutions
- Transferring power to local level through devolution
- The maintenance of "accountability" (Devolution plan, 2000)

The devolution plan was designed to be people-centered, responsibility-based and service-oriented. Mega steps were taken to overhaul the entire political,

administrative and financial structure at local level and provided quite an elaborate mechanism for the improvement of public service delivery.

Several studies have evaluated the impacts of new local government system but most of these studies were of descriptive nature and limited to the analysis of different dimensions of the system itself rather than its real impacts (Asian development report, 2005; Khan, 2004; Alam, 2004; World Bank Report, 2004; Zaman, 2002; Alam, 2002). However, the research at hand is conducted to evaluate the District Government Dera Ismail Khan empirically to pinpoint ground realities about public service delivery. The main objective of this study is to assess the impacts of three explanatory variables (People Participation, Transparency and accountability) and demographics (gender, income, education, class, profession and location) on the response variable (Public service delivery).

LITERATURE REVIEW

Global perspectives: It is well documented that decentralization through transferring powers of resource generation and allocation from central to local government can generate financial efficiency and quality gains in service delivery (World Bank Report, 2004;

Lemmon, 2003; Kwon, 2003). Being closer to the people, it is assumed, that local authorities can more easily identify people's needs, and thus supply the appropriate form and level of public services (Oates, 1972; Rondinelli *et al.*, 1989). However, the practical experiences of decentralized societies around the world show mixed results about the extent of public service delivery at local level. The World Development Report (1994) on infrastructure concluded that the projects under the control and management of local government show distinct improvement in quality and cost effectiveness. Similarly, Azfar *et al.* (1999) find positive correlation between decentralization and quality of public service delivery in the field of health and education in some areas of Philippine.

The evidence from Africa and Asia is very limited about decentralized service delivery, however Francis and James (2003) conducted study in Africa and 'argue that despite decentralization, the performance of African countries such as Uganda, Botswana, Nigeria, Ghana, Kenya and Tanzania has not improved Francis and James (2003)'. Similarly Wunsch and Olowu (2001) also reported failure of local bodies which was mainly due to limited resources, poor planning, and absence of meaningful political process. Prawda (1993) compared decentralized initiatives of four Latin American countries and found no improvement in the quality of education rather decentralization widened the gap between better off and worse off schools. Mahal *et al.* (2000) conducted study in India and found positive relation between decentralization and improved child mortality and school enrolment. Furthermore, Foster and Rosenzweig (2001) evaluated fiscal decentralization in India and found that an increased allocation of resources to road construction provided extra benefits to landless workers while paying negative effects on irrigation facilities and effected the landowners.

National perspectives: It is well documented that Pakistan is lag behind country in public service delivery (World Bank Report, 2004). However devolution offers a new set of institutional arrangements that can produce effective solutions. Section 18 (d); 54 (h); 76 (j) of the (local government ordinance, 2001) holds responsible the Zila, Tehsil and Union administration for service delivery respectively (MOLG, 2005). Furthermore the devolution plan changes the accountability pattern for politicians and policy makers in delivering services (World Bank Report, 2004). Despite considerable emphasize on required institutional arrangements, the available literature on service delivery shows mixed results. Some of the studies, such as those conducted by the World Bank Report (2004), show positive signs of service delivery improvements in the country. For example, in NWFP

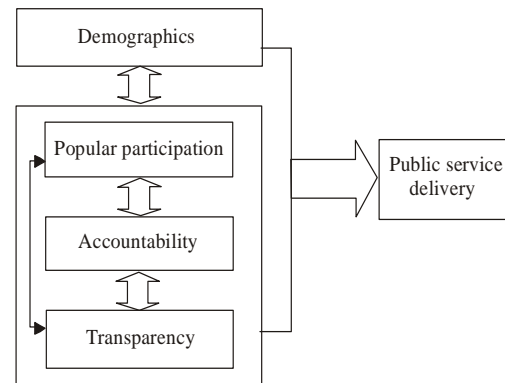


Fig. 1: A conceptual model on public service delivery

(Presently KPK) significant improvement in routine immunization has been recorded. Similarly significant improvement in voting behavior has been reported (Wilder, 1999).

Whereas, other studies conducted by (Asian development report, 2005; Peterson *et al.*, 2006) indicates poor performance of social sector in Pakistan. Similarly, Peterson *et al.* (2006) argues that reorganization in the country caused severe damage to the quality of services. There are hardly any government hospitals in remote areas, and even where the government clinics are available the doctors are not present. Although hospitals are accessible in some areas however women living in mountains and remote areas have little or no access to health units even to family doctors. Furthermore these areas are suffering from adequate water supplies and proper sanitation facilities causing severe damage to their health. The literacy rate in the rural areas is much below than national average. Although in some areas the school buildings are present and teachers are drawing salaries but the villagers complained that the teachers hardly bother to come to schools and teach the children.

It is well recorded that political rift between tehsil and district government, corruption, lack of proper monitoring, non cooperation of bureaucrats, absence of political support, limited capacity, undue interferences of higher tiers, limited popular participation, transparency and elite capture are the major factors while illiteracy and poverty are the main reasons for poor service delivery (Khan, 2006; Zaidi, 2005; Cheema *et al.*, 2005; Alam, 2004; Khan, 2004; Paracha, 2003).

A conceptual model: This study presents a conceptual model of factors affecting public service delivery. As diagrammed in Fig. 1, public service delivery depends to certain degree on the citizen's participation, accountability of both political and bureaucratic heads and

transparency level of the system. Demographics such as gender, income level, social class, education, profession and location also affect the level of participation, transparency and access to public service delivery.

As shown in the theoretical framework, we have taken the following guidelines from this structure: -

- Theory behind the topic to be tested
- The number of relationships between variables
- Possible list of hypotheses to be compared and verified with the existing literature
- Research design of the study

Hypotheses: Following hypotheses have been developed and tested in this study: -

- Participation, accountability & transparency significantly explain variance in public service delivery.
- In contrast to the public representatives and government officials, general public report poor public service delivery.
- Existing disparities and power relations determine level of Public Service Delivery.

RESEARCH METHODOLOGY

Subjects: The study made use of survey method to collect the primary data. The survey was conducted in district Dera Ismail Khan of Khyber Pukhtunkhwa Province, Pakistan. The target population of the study included the registered voters, local representatives and the local government officers (BPS-17 and above) of the District concerned. District Dera Ismail Khan is bounded on the north by the Lakki Marwat and Bannu district, on the south by the district Dera Ghazzi Khan of the Punjab Province, on the east by the Bhakkar and Mainwali districts of the Punjab Province, and on the west by the Tribal Area adjoining Dera Ismail Khan district (Shirani), South Waziristan Agency, Tank district and by the Koh-e-Suliman.

Sample and sampling procedure: A pilot study was conducted to prepare a proposal as well as get the required statistics for applying random sampling procedures in sample selection. The formula for finite population was used to compute the sample-size for each population category. Population was made of 4, 20,002 general public, 656 elected representatives and 450 government servants (BPS-17 and above). The difference between different groups of the population is too big therefore the formula for stratified sampling is not applicable because the smaller groups are then not represented properly. Given this, the formula for selecting a sample from 'finite population' was applied on all the populations individually, which gave the advisable size of

the sample. In social sciences 95% confidence level is usable, which equals 1.96 z-values.

Measures: The dependent variable of the study public service delivery was measured by a series of statements about Social Services like formal education, special education, technical education, general hospital, basic health units, dispensaries, water and sanitation, policing, street lighting and cleanliness, roads construction and maintenance, housing and sanitation and sewerage & drainage system. And Economic Services like zakat and usher, charity, poor relief package, establishment of industries and agricultural projects for generating employment opportunities etc. The data was collected through 5-point Likert scales with responses ranging from "strongly disagree" (1) to "strongly agree" (5).

The respondents were asked several demographic questions, including gender, income level, education, social class, profession and location. Six response categories were used to measure the variable of income, ranging from "less than Rs 1,000" to "Rs 50,000 or more." Two new categories were created for analysis: poor (Rs 15,000 or less), and rich (Rs 16,000 or more). The response categories for education were "illiterate," "literate," "primary," "middle," "high," "inter," "graduate," and "post graduate degree". Three new categories were created for analysis: uneducated (illetterate) educated (intermediate or less) and highly educated (graduate or more). The response category for social class was classified in to elite (landlords, khans, maliks, pir groups, and ulemas) and non-elite (peasants, students, farmers, housewives and layman). The profession of the respondents consists of employees (both public and private), businessmen, shopkeepers, formers, andlords, students and housewives. The response category for location was divided in to urban areas, urban-cum-rural areas and deep rural areas. The database was then created. The database was analyzed using SPSS Version 12. to run t-tests, ANOVAs and multiple regression analyses. All differences are significant at the $p < 0.05$ levels unless otherwise indicated.

RESULTS

Multiple regression analysis was used to test the first hypothesis, the result of which is given in Table 1. The results indicate the R (0.72) while R Square (0.52) of the regression model. The result confirms that 52% of the variance (R-Square) in the public service delivery has been significantly explained by the two independent variables. The calculated coefficient indicates that the highest number in the beta is 0.60 for the transparency and 0.29 for participation, which is significant at the 0.001 level, respectively. The positive Beta weight

Table 1: Multiple regression analysis

Dependent variable	Impendent variable	R	R-square	df	Beta score	Significance	Result
Public service delivery	Participation	0.729	0.532	3	2760.288	0.001	Accepted
	Transparency				0.599	0.001	
Accountability					0.145	0.317	

Table 2: ANOVA applications (to compare mean on public service delivery)

Categorical variable	Groups	N	Mean	SD	df	F-value	Table value	p- value	Results
Category	General public	170	2.33	0.442	2	3332.182	3.00	0.000	Accepted
	Local representatives	110	2.71	0.38					
	Govt. officials	56	2.51	0.22					

Table 3: t-test and ANOVA (to compare means on public service delivery)

Categorical variables	Public service delivery						
	Test applied	df	C.value	Table value	p-value	Impacts	Results
Gender	T-Test	278	3.589	1.960	0.000	Yes	Accepted
Class	T-Test	278	6.005	1.60	0.000	Yes	
Education	ANOVA	2 and 277	2.671	3.00	0.071	No	
Income	ANOVA	3 and 276	14.422	2.60	0.000	Yes	
Location	ANOVA	2 and 277	0.882	3.00	0.415	No	
Profession	ANOVA	4 and 276	2.674	2.37	0.032	Yes	

indicates that for the improvement of public service delivery, more transparent and participative system is indispensable.

Analysis of Variance (ANOVA) was performed to test the second hypothesis and to see the affect of category of respondents on the extent of public service delivery. The category affected the responses. ANOVA, which compared the responses given by general public, local representatives and government officials, indicate that local representatives and government officials give more positive responses than the general public (Table 2). Local representatives and government officials with means of 2.71 and 2.51 respectively have significantly higher scores in response to “public service delivery” than general public with mean of 2.33.

T-test and ANOVA was used to test the third hypothesis, the results of which are given in Table 3. The results support the acceptance of main alternative hypothesis, clearly indicating the impacts of demographics on public service delivery. The impacts of income are highest and far-reaching in accessing the services with 14.422 F-score. The elites capture (t-score = 6.005) is the next dominating factor showing more access to service delivery mechanism.

The impacts of gender and profession are proved with t-scores of 3.589 and F-value 2.674. But surprisingly education and location have no impacts whatsoever, on public service delivery as reflected by their respective 2.671 and 0.882 F-values. Similarly, the impacts of location have not been substantiated

DISCUSSION

It is well documented that the decentralized local government can more easily identify people’s needs, and thus supply the appropriate form and level of public

services (Francis and James, 2003; Oates, 1972; Mahal *et al.*, 2000; Rondinelli *et al.*, 1989), still there are many other studies that reveal negative relationship between decentralized local governments and the public service delivery (Peterson *et al.*, 2006; Foster and Rosenzweig, 2001; Crook and Sverrisson, 2001).

The present study also supports the negative relationship between decentralized local governments and the public service delivery (the mean value for public service delivery is 2.15 at 5point scale (table is not given). No doubt, theoretically, the new system is service oriented and intends to improve the public service delivery but in practice nothing is happening like that as reflected by the mean score (2.15). The district government is working for the provision of education and health facilities at district level, but the provincial government finances all these projects (Peterson *et al.*, 2006). The contributions of district government to this end are not only negligible rather the promotion fund of education is usurped and misused¹. If any thing was initiated, it was based on political affiliation rather than merit oriented.

As for as the provision of clean drinking water, improvement of drainage system and housing and sanitation is concerned, the district government has not realized its targets in full. This can be verified by observing the present condition of water supply lines, drainage system, housing and sanitation even in the urban areas of the district. Similarly, market prices are running out of control of district government as is evident from the prevailing market prices of meat, mutton and spices in the market. However, since government has appointed a price control magistrate who is taking steps to control the prices of basic items through surprise visits and frequent checking of quality and weight of the products and by

filling challans and fixing fines on the spot, the situation is likely to be brought under some control.

The political rift between tehsil and district government, corruption and lack of proper monitoring are the main reasons for poor service delivery. Additionally, the independent variables-transparency and popular participation also have major impacts on the public service delivery; amongst them the transparency has greater impacts (see hypothesis-1). The three groups have different opinion about the state of public service delivery. The councilors and government officials view improvement, while the general public perceives otherwise in the public service delivery (see hypothesis-2).

Furthermore, Income is also affecting, showing that people with high income have more access to public services due to their control over CCBs² (see hypothesis-3). Additionally, the elite capture of public service delivery, as reported by (Bond, 2007; Zaman, 2002; Azfar *et al.*, 1999), is proved by the present study (see hypothesis-3) however, the existence of Public Safety Commission, CCBs and Monitoring committees, are reducing the dominance of elite. The elite are more dominant in the deep rural areas than in urban and urban-cum-rural areas therefore, they are major beneficiaries of public service delivery than the poor people. The impacts of gender and profession are also proved (see hypothesis-3). The gender impact is due to cultural and religious restrictions on women to involve in services delivery patterns. Similarly, the impacts of profession show that businessmen and Ulemas/Pir groups have more access to public services due to their interest and influence.

But surprisingly education and location have no significant impact on public service delivery (see hypothesis-3). It shows that education is becoming least effective because of the fact that it is the political support and not the education, which increases the access to public services. Similarly, the impacts of location have not been substantiated, which may be due to the provision of uniform union council structure both in urban and rural areas.

CONCLUSION AND RECOMMENDATIONS

The new system of local government overhauled the entire machinery to customize it with the new requirements for effective and efficient public service delivery. This study developed and tested a set of empirical measures of the impacts of devolution on public service delivery at the grass roots level. It is concluded that greater the popular participation, level of transparency and lesser the illiteracy and poverty, greater the chances of improved public service delivery.

Public service delivery depends upon the availability of resources and the implementation of the system. As for as the resources are concerned the new system made formula based fiscal transfer to the three levels of local governments and empowered them to generate local funds through local taxes. However, despite all such measures the study found limited public service delivery. Obviously, it is not due to financial constraints but because of poor implementation strategy of the government. The study highlighted many reasons of it however, lack of transparency, limited citizen's participation, poor monitoring, corruption and poverty are the critical. Furthermore, political interference and elite capture are other reasons for poor public service delivery. Given this, it is concluded that there is a gap between theory and practice as reality is far behind the provisions of LGO 2001. If such practices remain continued in similar fashion, survival of the system will be questionable.

Recommendations: It is said that if end is good then all is good. If public service delivery is according to the public's expectations, then many of the systems weaknesses can be accommodated. The reported poor public service delivery is alarming in the sense that it dissatisfies the public in Toto. There are multiple causes to this effect but poor system of monitoring and limited transparency and poverty is identified as the most crucial. To improve the system, following steps are suggested:-

- **Vigilance committees:** Vigilance committees can be manned with honest, educated and dedicated people. These committees will monitor the on-going schemes; check the quantity and quality of material used and in case of any fraud, report to the concerned authorities for necessary action that must follow these recommendations by taking prompt action against the reported maladies.
- **Proper monitoring system:** Monitoring committees are formed in the district but majority of them are non-functional. It is therefore recommended that the monitoring committees be made powerful to have an access to the official records to pinpoint any irregularities in the allocation and utilization of funds. The committee should be powerful to fix damages in case of fraud and embezzlement and thereby recommend actions to the concerned authorities. In case of non-compliance of the concerned authorities the cases should be referred to the ordinary courts and/or to the NAB for further necessary action.
- **Effective internal audit:** The system of internal audit is working, but it is too poor to block corrupt practices. It is therefore recommended that the internal audit system should properly be enforced. The internal auditors can visit the location to validate

the utilization of funds rather than relying only on the verbal/written formalities.

- **Openness:** Open decision-making environment can be promoted. All-important policies/decisions can be made in the presence of people's representatives, journalists and representatives of local NGOs so that they can inform the general public about the proceedings.
- **Proper display and provision of information:** Local governments should display or report public information, such as weekly posting of budgets in local papers and/or on notice board in the local government building. If the decisions about budgets, programs and spending are publicly posted, people will get the opportunity to evaluate the performance of local government. Thus, it is recommended that requested information should be available to public and it must be free of cost.

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End notes:

- 1 Reported by the EDO Education D.I.Khan that the promotion funds of education, which is transferred to district government has been usurped and misused
- 2 Citizens Community Boards