

Designs of institutions

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The reforms will remain cosmetic as those in power have no interest in changing things.

In a country where thirty percent plus people live in poverty, there is no provision of decent healthcare, safe drinking water is not available for all and there are a host of other problems related to provision of basic facilities, institutions like the Bait-ul Maal and Zakat are not inundated with applications and are not complaining all the time about shortage of funds. Bait-ul Maal has a programme, which helps those poor people who need relatively expensive medical treatment. The entire programme is under Rs 300 million odd. Interestingly Bait-ul Maal administration claims that the programme is not under-funded in any way.

This, is surprising, to say the least about it. Use any calculus you want, if 30 percent of the population in the country is poor, and if more than 30 percent of the children are malnourished, how can a Rs 200 or 300 million programme be sufficient for the country? Why is the demand so low, and why is there not a run on such facilities?

The way the Bait-ul Maal programme works is as follows. If a public sector hospital says you need an operation and you need Bait-ul Maal help for that, you need to fill out some forms that you need to get from designated offices, these forms need to be filled by a bona fide doctor of the hospital and there is some verification involved in the process too. The submitted application then goes to the Bait-ul Maal doctor, and till last year there was only one doctor that Bait-ul Maal had for this programme and he used to have his office in Islamabad, who would whet it and approve it or not.

If approved, the approved money would be released to the hospital in question, and only then you can get your operation. A number of doctors have told me that the process is too complicated, the formalities too many and the wait just too long to be of any use to most patients. And given the low literacy rates in the country, the low expectations of people, and the lack of willingness of people to pursue things beyond a certain degree, it is no surprise that the programme has little demand and the department can proudly claim that it is neither under-funded nor does it have any trouble meeting the demand.

One could conclude, from the above, that the institution is poorly designed. But this would be wrong. This would only be the case if one assumed that the purpose of the institution was to cater to the health needs of the poor and destitute. But this is not what the institution is for. The institution has been designed to give the government the comfort to declare that it is doing something for the people, and to help those who have some connections in the government and bureaucracy. If the government can take care of the more voluble, more troublesome of the poor this way, and if it has an institution that it can tout around and get some publicity out of, that serves it well for its 'poverty-alleviation' rhetoric. Amend the objective and you can immediately see how the institutional design fits in perfectly with the objective and how well the design in fact works.

Bait-ul Maal's health programme was being used as an example. The purpose is not to bash Bait-ul Maal in any way. It is no different than how we

have designed a lot of other institutions as well. Look at how the police force is organised in Pakistan and what its functions are. In Islamabad if the Prime Minister or the President have to go some 5-6 miles to another place and back, an estimated 400-600 policemen are needed to make the route secure.

Every car of every station in Islamabad is on duty en route as every chowk has to have a car stationed there. Are the police for the protection of the people of Islamabad or for the protection of VVIPs only? If you assumed the former, you would criticise the police for not protecting the citizens and for doing a poor job of it, but if you assumed the latter, you would commend them for the good work they are doing. And of course it is the latter that they are there for. Hence, we can see how well organised and designed they are for the work that they need to do. The issue is simple.

Pakistan has not had a working democracy for long enough or for any length of time. Nobody, least of all the politicians, expects a parliament or government, even when there is one, to complete its full term and to be answerable to people in the form of facing an election. Hence no one in the system has any incentive to look after the interests of the people at large.

What they have to ensure, for personal or political survival, is that they should please the interest groups that matter. These tend to be the bureaucracy/military/feudal/industrialist network and the few small groups that are connected to this network. So institutions maximise benefits to these groups and redistribute in favour of these groups. If you happen to be in one of the groups directly, or have access to people in these groups, you get the protection and patronage of state institutions but if you are not so connected, you are out in the cold and on your own.

Suppose you had a plot of land somewhere on which another person claimed his ownership and also took possession, what can you do? You go to the police to file a complaint. If the other person is from the network or is connected and you are not, more than likely the police are not going to listen to you. You can go to the judicial system, but if the other guy is clever, has help from the police, the local administration or even the judiciary, you can at best look for a long battle in the courts. Essentially you have no possibility of really getting the land back quickly. If the other party is strong enough they can even threaten you with other consequences and you will be even more inclined to 'take it' rather than fight it out.

When a poor person goes to a public hospital

how can he/she get decent service? Why should the staff bother about him? If they maltreat him, misdiagnose something, do not give proper care, do not provide medicines and so on, what will happen? Nothing. The person, since she is not connected, cannot go to any institution that will speak on her behalf. Can this happen to a person from the elite connected to the government? Incentive structures of those who work in these institutions reveal the purpose of these institutions better than the rhetoric of the government. It is not to provide curative health to all; it is to provide curative care to those who matter most. And the treatment you get will reflect your relationship in the hierarchy of the society.

What is true of individuals, in terms of the treatment that they get, is also true of institutions: top personnel of the armed forces gets better healthcare than a comparable civil government employee and the ordinary citizen comes last. This reflects the hierarchy in our society. Some years ago when a meeting and one civil government provincial department was complaining that they did not have any computers in their department and could not computerise and streamline their work. An army Major attending the meeting had very generously offered to donate some computers since he had 50 odd computers lying in the store-room.

Think about the system, is it not clearly very well designed to favour the more connected, the powerful and the rich? Is it not well designed to benefit those who are the insiders as opposed to those who stand outside? If one thinks from this perspective it also becomes clear why the motivation to reform institutions, which every government promises, is so weak.

Why should I change a game when the outcome so clearly favours me? All I should be doing is making the right noises and making sure that people think a lot is happening, but ensuring that nothing changes. Self-interested individuals, many say that that is the only kind of human that exists, will not be interested in making changes that hurt their interests. Why should the ruling elite change our existing institutions then?

The police reform thus cannot work; neither can some of the other 'reforms'. They will remain cosmetic, as those who are in power have no interest in changing things. But this does put us in a bit of a quandary. If we are in such a situation, should one just lose hope? If there is an equilibrium, which has a built-in tendency to reinforce itself, it is of very hard to perturb it enough to change the equilibrium itself.

To take the Newtonian analogy, a body in a state of rest will continue to be so. To make it move you need a force large enough to jolt it out of its equilibrium and inertia. What can that force be in Pakistan? Some have argued that as literacy spreads and more people become aware of the predicament they face, they will force a re-negotiation of the elites and change the balance of power. Others say it will be through the internal contradiction of the system and the fights between the elite groups that will force a change. Some of them will eventually appeal to the larger masses for support and when that happens, the balance of power will shift. This is the future and it remains open. But the aim of above argument was more to understand the present. This framework, one hopes, should shed light on our current situation.

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