

Governance and Public Policies

Mock Exam

Attempt any four questions. All questions carry equal marks.

Q. 1: How are problems in society addressed through public policy? How do they get on the policy agenda? Discuss the primary stakeholders and their interest in the process. Provide real life examples as a part of your answer. (20)

Q. 2: (a) Describe various indicators of good governance such as Participation, Rule of law, Transparency, Accountability, Responsiveness and Efficiency. (10)

(b) Explain how new Institutionalism theorists see self-interest, social values, and power structures as determinants of social behaviour. (10)

Q.3: Elaborate the role of Planning Commission for national economic growth and development of social infrastructure through the Public Sector Development Programs (PSDP). (20)

Q. 4: What governance theories are more applicable to developing countries like Pakistan and how those could be applied? (20)

Q. 5: (a) Local government reforms have been designed and implemented across Pakistan during three military regimes in 1959, 1979 and 2001. Present an overview of causes of failure and success (if any) of the aforementioned reforms. (10)

(b) Highlight the key features of Kerala's Decentralization model that was initiated in 1996 by Left Democratic Front (LDF)? (10)

Q. 6: Corruption is a menace to the society and destroys the socio-political framework of society. Is corruption inevitable in public sector? If yes, why so? If no, give measures for crackdown on corrupt practices and ensuring accountability in Pakistan. (20)

Q. 7: Keeping in view the rational choice theory, critically analyse the impediments to free and fair elections in Pakistan. How bounded rationality impacts the electoral outcomes. (20)

Q. 8: Continued rapid growth in population has ranked Pakistan sixth in the world and the third biggest contributor to world population growth. Suggest a policy for population control in Pakistan and its implementation. What can be the unintended consequences?

Answer to Q#3

- (i) Role of Planning Commission for:
- National Economic Growth
 - Development of Social Infrastructure

- (ii) Through Public Sector Development Programs (PSDP)

⇒ Introduction: • Example •

The Planning Commission has a very significant role in the development of National Economic Growth and the Social Infrastructure of Pakistan. The Public Sector Development Program (PSDP) has a proper structure and process by which different projects are carried out in Pakistan. Its best example is the Diamer-Bhasha Dam. The unseen impediments are also present in this sector. The critical analysis is also given which analyzes the projects and environment accordingly.

1) Role in Economic Growth:

- Infrastructure Development
- Transportation Networks:

Invests in the construction and the maintenance of roads, highways, railway, ports, and airports to enhance connectivity.

→ Energy Projects:

Funds energy generation and distribution projects to ensure a stable and sufficient supply of electricity, vital for industrial growth.

• Example •

The Lahore - Islamabad Motorway also known as M-2, is a critical infrastructure project in Pakistan. It connects the cities of Lahore and Islamabad and spans approximately 375 Km

b. Industrial Development

→ Special Economic Zones (SEZs):

Establishes SEZs to attract Foreign investment, boost exports and create job opportunities. e.g. CPEC.

→ Support to SMEs:

Provides financial and technical support to small and medium enterprises (SMEs) to promote entrepreneurship and innovation.

c. Agricultural Development

→ Irrigation and Water Management:

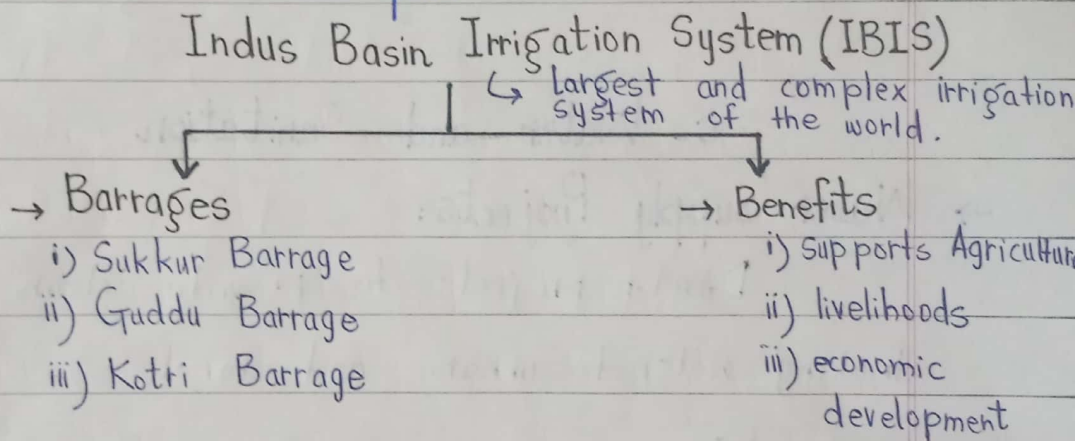
Invests in irrigation infrastructure and

water management projects to increase agricultural productivity and food security.

→ Rural Development:

Implements programs to enhance rural infrastructure, support farmers and reduce rural poverty.

• Example •



2. Role in Infrastructure Development:

a. Education

→ School and College Construction:

Funds the construction and renovation of schools, colleges and universities to improve access to education.

→ Quality Enhancement:

Supports initiative to improve quality of Education through teacher training e.g.

(Mar nahe pyar) " مار ناہیں پیار "

↳ (Do not beat, but love)

b. Healthcare

→ Health Facilities:

Invests in the construction and upgradation of hospitals, e.g. Rural Health Center (R.H.C) etc.

→ Health Programs:

Funds public health programs focused on maternal and child health e.g.

c. Water and Sanitation

→ Water Supply Projects:

Develop projects to provide clean drinking water to urban and rural communities.

→ Sanitation Programs:

Implements sanitation projects to improve public health and reduce waterborne diseases.

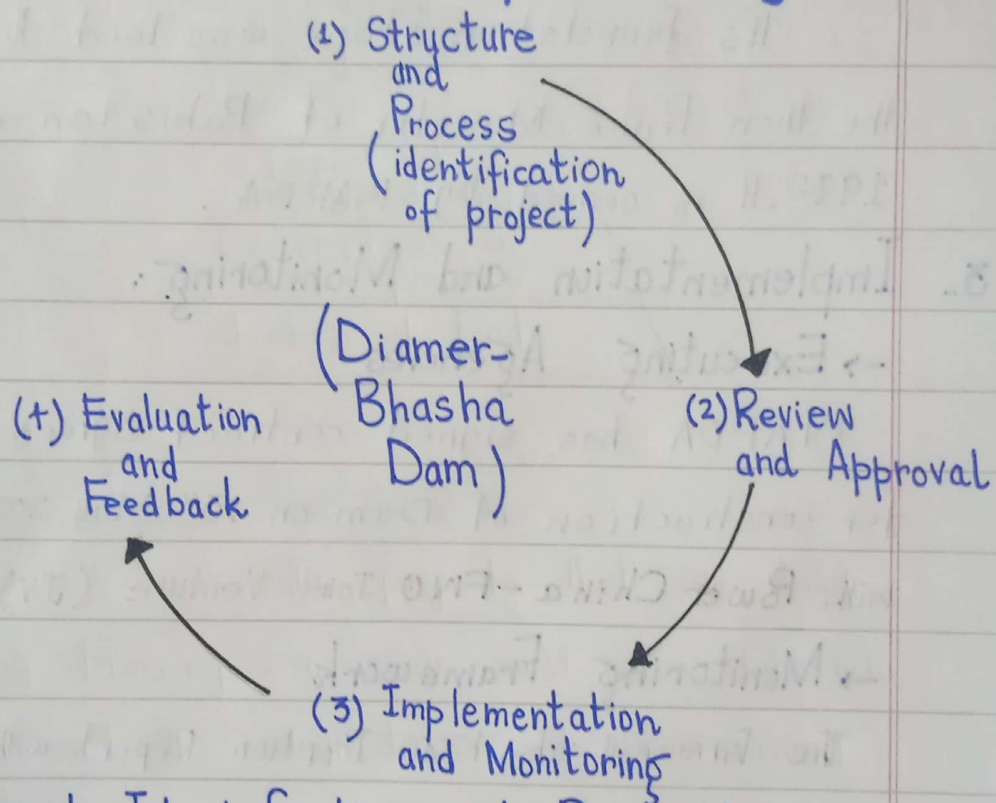
d. Social Protection

→ Welfare Programs:

Supports social protection programs, including cash transfers, food assistance and housing schemes for vulnerable populations.

→ Empowerment Initiatives: Funds programs aimed at empowering women, youth and marginalized communities.

⇒ Public Sector Development Programs (PSDP)



1. Project Identification and Proposal:

→ Ministries and Departments

The construction of Diامر-Bhasha Dam is under the Ministry of Water Resources of Pakistan (MOWR)

→ Stakeholder Consultation

The local governments and town committees of Kohistan ^{KPK} and Diامر District Gilgit-Baltistan are involved.

2. Review and Approval:

→ Technical Review

The 8 million acres feet (MAF) reservoir with 272 meter height will be the largest roller compact concrete (RCC) in the world.

→ Approval

Its foundation stone was laid by the then Prime Minister of Pakistan in 1998. It is owned by WAPDA.

3. Implementation and Monitoring:

→ Executing Agencies

WAPDA has signed contract agreement for construction of Dam on 13th May, 2020 with Power China-FWO Joint Venture (JV).

→ Monitoring Framework

The Firm will submit an Iception Report within One week of the award of contract comprising Monitoring and Evaluation Framework and Methodology.

4. Evaluation and Feedback:

→ Impact Assessment

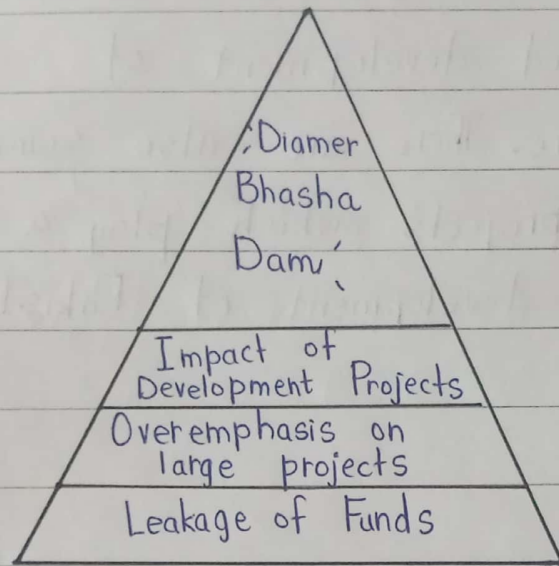
- (i) Storage of an extra 10.5 cubic Km of water used for irrigation and Drinking purposes.
- (ii) Extend life of Tarbela Dam by 35 years.

→ Feedback Mechanisms

The firm will report to Member I & M / DG Monitoring "Project Wing" Ministry of Planning

and Special Initiatives.

⇒ Intangible Impediments:



⇒ Critical Analysis:

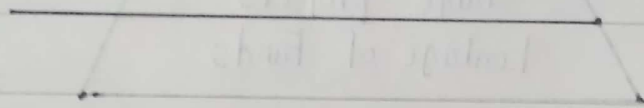
The projects that are held by Planning Commission must also take into account the degradation of environment. As the environment is the key. If there is no environment there would be no project and no development. So the projects should be sustainable.

We learned that economic growth and environmental protection can and should go hand in hand.

(- Christopher Dodd)

⇒ Conclusion:

The Planning Commission of Pakistan has made much progress in the field of economic growth and development of infrastructure. There are also some incoming projects which play a vital role in the development of Pakistan.



Critical Analysis:

The projects that are being planned by the Planning Commission must also take into account the environmental and social aspects. As the environment is being degraded by the projects, the government should take necessary steps to protect the environment. We learned that economic growth and environmental protection are not contradictory. It should be hard to find a balance between them. (Christopher 1991)

Answer to Q# 4

(i) Governance Theories applicable on Countries like Pakistan

(ii) Ways to apply these theories

⇒ Introduction :

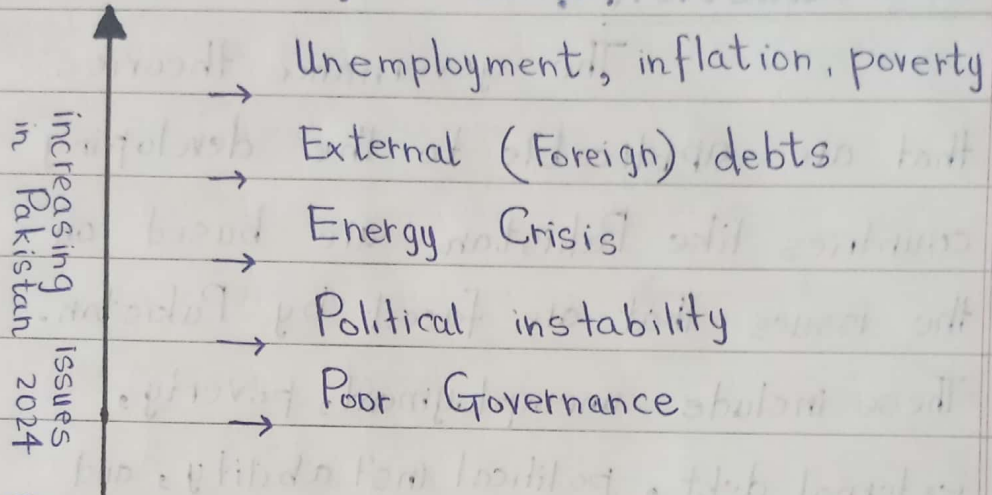
The governance theories that are applicable to the developing countries like Pakistan are based on the issues that are faced by Pakistan. These include unemployment, poverty, external debt, political instability, and poor governance. To solve these issues the theories like neo-liberalism, rational choice theory, institutionalism and regulation theory can be applied with specific strategic road map. There must be different types of reforms introduced in the respective institutions by following the articles of the constitution of Pakistan.

The way we have to measure progress is, "How does the majority of our country respond?"

- Barack Obama
(Former President, USA)

⇒ Major Problems in Pakistan:

As per world economic forum, the major problems of Pakistan are given below:



⇒ Governance Theories that are applicable on Pakistan:

	<u>Problems/ Issues</u>	<u>Governance Theories</u>	<u>Justification/ Reasoning</u>
→	Unemployment	Neo - Liberalism	As per Neo - Liberalism, there should be "laissez-faire" i.e. the free market.
→	Inflation		→ Free-market Economy
→	Poverty		→ Maximization of <u>enterpreneurial</u>

Problems	Governance Theories	Reasoning
		freedom. → Globalization → innovation, technological advancement means more jobs.
→ Foreign debts	Neo-Liberalism	→ decrease in Government subsidies → Fiscal Policy and monetary policy become independent.
→ Energy Crisis	Regulation Theory	→ Globalization → ensuring a sustainable development
→ Political instability	Institutionalism	→ stability is ensured → rules, regulations and formalization is offered.
→ Poor Governance	Rational Choice Theory	→ improved Bureaucracy will be provided. ↓ better governance

⇒ Ways to apply Theories :

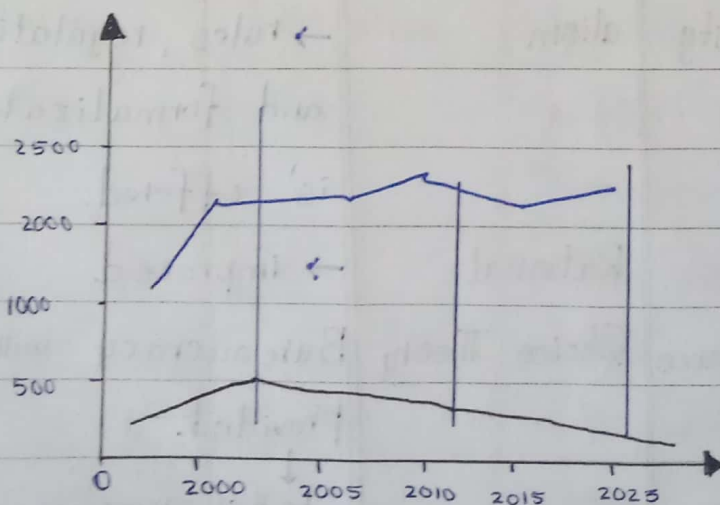
a. Neo-Liberalism:

(i) Labour market Reforms → These reforms should be done in Pakistan to make the labour market more flexible, reducing hiring and firing costs for business.

As, in the year 1972, it was done by the government and Industrial Relations Ordinance, 1972: was introduced.

(ii) Trade → Trade Barriers and import liberalization tariffs should be lessened to promote competition and access to global markets.

Pakistan's Trade as compared to India:

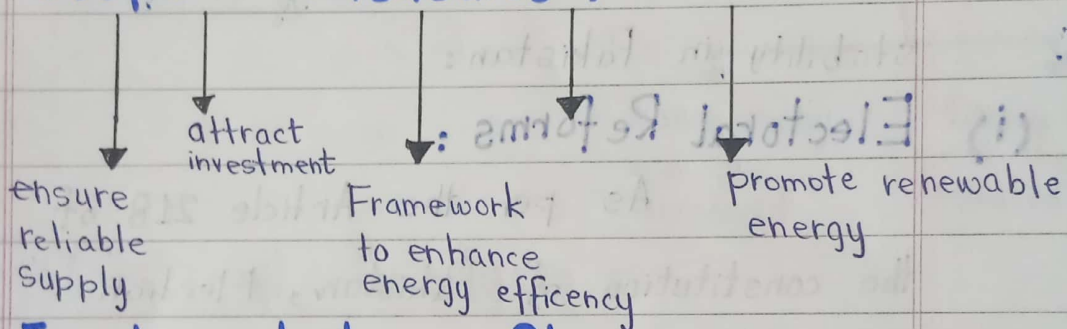


~~~~~ Pakistan  
 ~~~~~ India

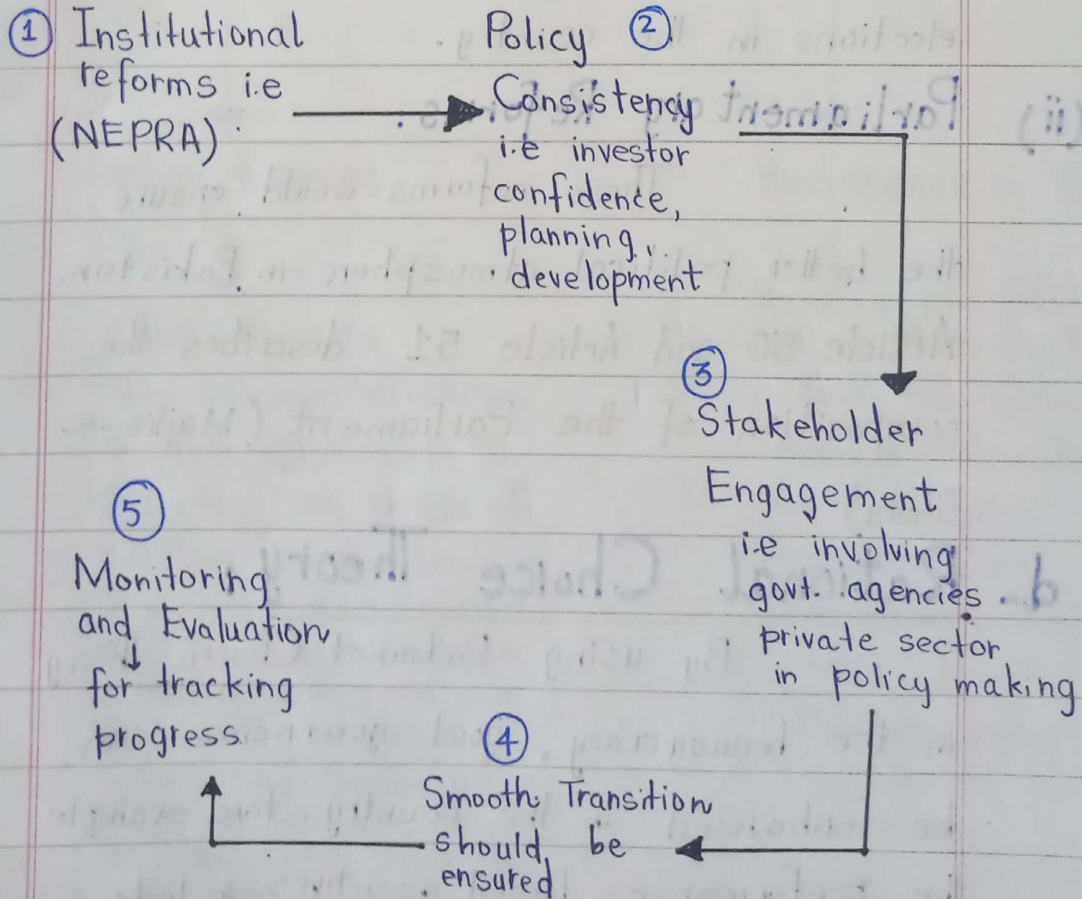
b. Regulation Theory:

Regulation theory focuses on how government regulations can shape and influence economic activities to achieve specific goals for example sustainable development.

→ Steps or Measures :



→ Implementation Strategy :



c. Institutionalism:

To address political instability in Pakistan, applying institutionalism involves strengthening democratic institutions, ensuring the rule of law and fostering the inclusive governance. Following two reforms should be taken to ensure political stability in Pakistan:

(i) Electoral Reforms:

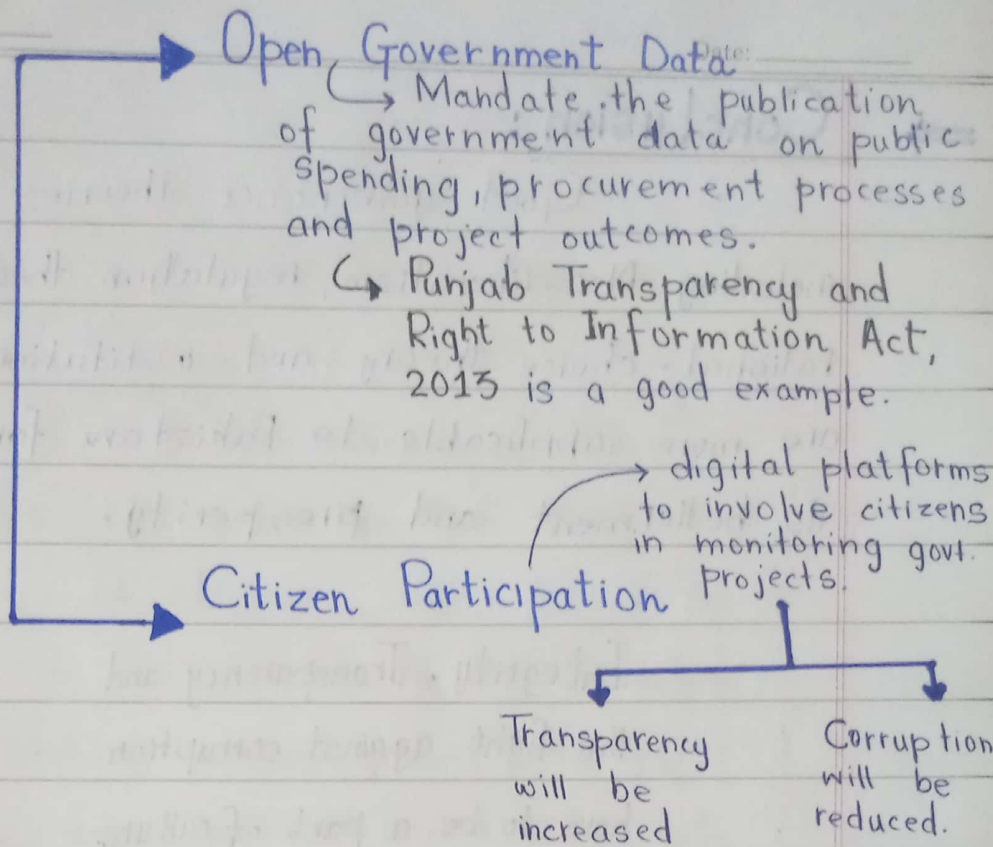
As per the Article 218 of the constitution of Pakistan, Election Commission should conduct free and fair elections in the country.

(ii) Parliamentary Reforms:

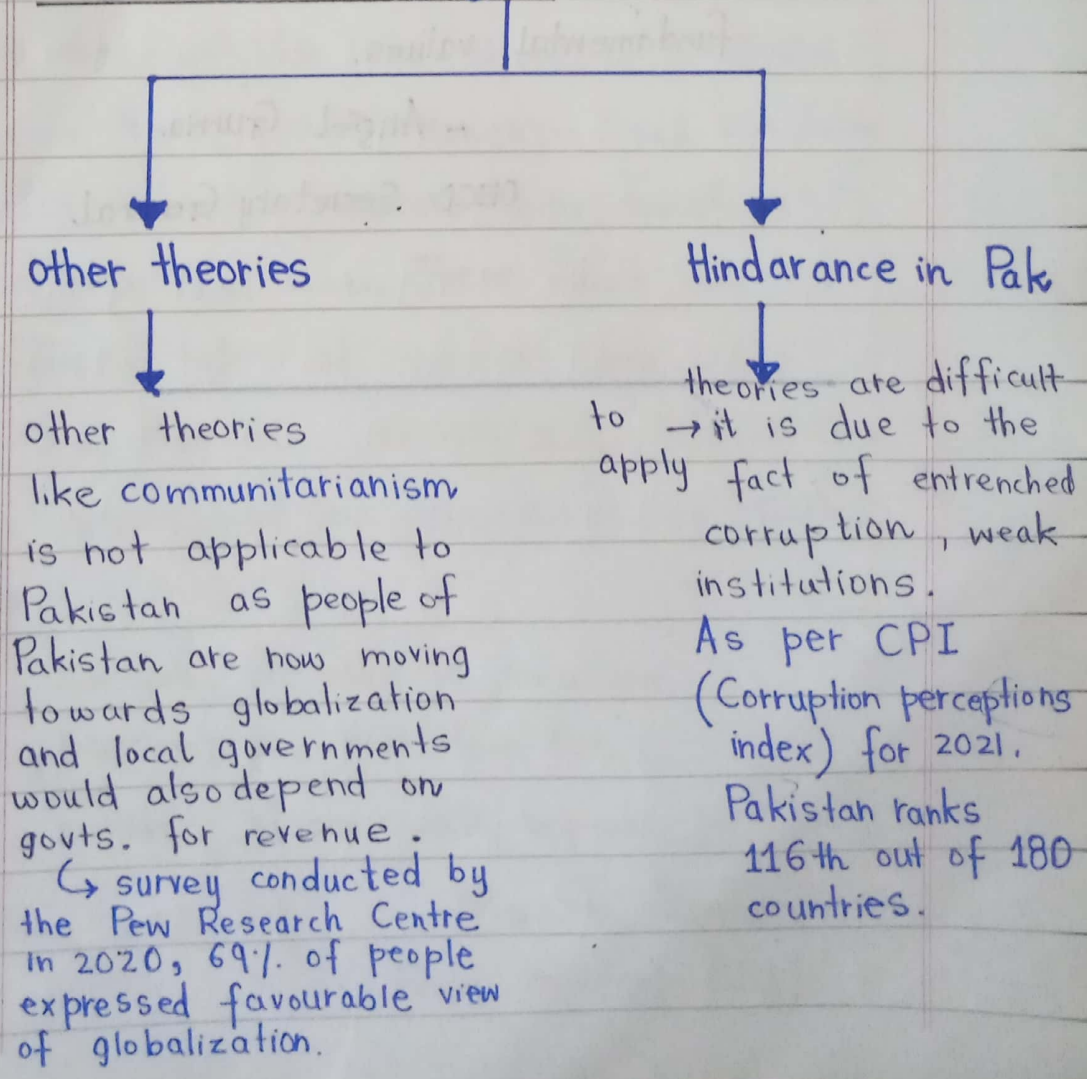
These reforms would ensure the better political atmosphere in Pakistan. Article 50 and Article 51 describes the composition of the Parliament (Majlis-e-Shura)

d. Rational Choice Theory:

By using Rational Choice Theory in the bureaucracy, good governance can be enhanced in the country. For example the performance-based incentives include



⇒ Critical Analysis :



⇒ Conclusion :

Good governance theories including Neo-liberalism, regulation theory, rational-choice theory and institutionalism are more applicable to Pakistan for its betterment and prosperity.

Integrity, Transparency and the fight against corruption have to be a part of culture.

They have to be thought as fundamental values.

- Angel Gurría

OECD Secretary General