

SOCIAL
SCIENCE
AND
POLICY
BULLETIN

Spring 2010

School of Humanities,
Social Sciences and Law
Lahore University of Management Sciences



Social Science and Policy Bulletin
VOLUME 1 No. 4
(Spring 2010)
ISSN 2073-6789

Editorial Board

Parveen Akhtar
Anjum Alvi
Syed Turab Hussain
Muhammad Farooq Naseer
Nadia Mukhtar Sayed
Hammad Siddiqi

Editorial Assistant

Sahar Amjad

The opinions and views expressed here belong to the individual authors and do not necessarily reflect the views of the editors. Some rights reserved.

The *Social Science and Policy Bulletin* is published quarterly by the School of Humanities, Social Sciences and Law at LUMS. It provides a forum for debate on the economic and socio-political issues pertaining to the formulation and conduct of public policy as well as its impact. The Bulletin aims to disseminate, to a wider audience, high quality research and policy-oriented work being done by social scientists. The editors of the Bulletin welcome short essays, either analytical or quantitative, that are relevant as well as intellectually stimulating.

In this Issue

Editors' Note	1
Education Debate in Pakistan: Barking up the Wrong Tree? <i>Irfan Muzaffar and Faisal Bari</i>	2
The Political Representation of Muslims in the UK: A Qualitative Study <i>Parveen Akhtar</i>	7
Internal Security and South Asian Economies <i>Ijaz Nabi</i>	14
Research Notes	19
Revealing Facts	26

Editors' Note

As argued by Galbraith in his book “The Affluent Society”, there has always been a fundamental tension, in the realm of ideas, between truth and acceptability. What is true often does not correspond to what is considered acceptable. This is especially true for social sciences where proving something beyond a shadow of doubt is rarely an option. Consequently, the test of provability is replaced by the test of “audience applause” or acceptability. Moreover, every sub-discipline has its own selected audience, so the constraint of “audience applause” really becomes a severe one. The constraint does not allow a sufficiently rich language to emerge; so many interesting questions remain unexplored. As conventional wisdom is nothing more than the elaboration of the acceptable, often it impedes progress till the march of events overthrows it.

The *Social Science and Policy Bulletin* has been envisioned to primarily relax that constraint. By targeting a diverse audience from various disciplines, it is our hope that the constraint of “audience applause” is sufficiently relaxed to allow for new frameworks that explore pertinent questions. Perhaps, the best way to relax the constraint of “audience applause” is to broaden and diversify the composition of the audience. Of course, we realize that totally eliminating the constraint is neither desirable nor possible. Hence, our journal seeks “audience applause”, but our audience is broader. The journal targets academics with interdisciplinary interests and policy makers.

The articles in this issue clearly reflect this aim. The first article in this issue, by Irfan Muzaffar and Faisal Bari, is aimed at reformulating the education debate in Pakistan. The authors apply the notions of “exit” and “voice” as developed in Hirschman’s classic book to the education policy debate in Pakistan. This organizational perspective immediately makes it clear that the exercise of the “exit” option by the clients of the public school system strengthens the status quo as it weakens the “voice” option. The authors argue that the education debate should not be a debate between the relative merits of public and private schools as education is both a public and a private good. The second article by Parveen Akhtar argues that political representation and ideological representation are two different things. The author argues that, in the UK, political representation of Muslims does not automatically imply their ideological representation. As evidence, the author points out that the Muslim political representatives in the UK are often accused of selling out by the very people they are supposed to represent. The third article by Ijaz Nabi highlights the economic impact of violence in South Asia. The author argues that the rise in terrorism, and the insecurity that it engenders, is not only correlated with a decline in manufactured exports and FDI but also with an increase in remittances. The author points out that the rise in remittances and donor funds, in the case of Pakistan, may worsen the “Dutch disease” problem by making imports more and manufactured exports less attractive.

Education Debate in Pakistan: Barking up the Wrong Tree?

By Irfan Muzaffar and Faisal Bari



In this brief paper, we remind our readers of the three basic, and by now rather well-known, characteristics of the current educational landscape of Pakistan: the increase in growth of private sector schools, the concomitant decline in quality of public sector schools, and the abysmal learning gains by students in both. We then use this reminder to argue that the situation is ripe for a divisive and ultimately counterproductive educational sectarianism, with opinion polarized in favor of and against a *laissez-faire* policy toward private education. As a result, several recent and well-meaning comparative studies of Pakistani private and public schools, such as that of Andrabi, Das, and Khwaja (2008), are in danger of being interpreted along ideological lines by opposite camps on the private versus public school wars. Assuming education to be both a public and private good, we regard such interpretations to be counterproductive from a policy perspective. Given the low levels of academic achievement recorded for both sectors irrespective of marginal superiority of private schools, both sectors need support for improvement. Furthermore, we use Hirschman's typology of voice, exit, and loyalty as a starting point to argue that the challenge for improving public sector schools is much harder. The point of the article is that a private versus public debate can blind us to the consequences of leaving the public sector to wither in the absence of enough influence (or

voice in terms of Hirschman's typology) needed for its improvement.

Beginning with the denationalization of state-run schools in 1979 and sustained by three decades of *laissez-faire* policy toward them, private schools have experienced phenomenal growth in Pakistan. Segmented and layered in ways that map the distribution of socioeconomic status in our society, they range from schools charging very high fees (over PKR 10,000 per month) to those with low fees (PKR 100-300 per month). According to some estimates, one out of every three school-going children in Pakistan is enrolled in a private sector school. A large, thriving, and diverse private sector is now, in essence, an integral element of the education system in Pakistan. Of particular interest to the observers of this growth are Low Fees Private (LFP) schools. The LFP schools are portrayed as a dynamic education market place with several commercially-run private sector schools competing to enroll children of parents belonging to low-income households and disadvantaged groups. While the reasons behind parental choice are still being investigated, the evidence that parents prefer the LFP schools over public schools is thus far incontrovertible (Srivastava, 2007).

The evidence so far suggests that private schools are concentrated more in urban areas, in certain provinces (Punjab, urban NWFP and urban Sindh), and in certain markets (where the supply of local female teachers is higher and where parents show the capacity and willingness to pay the minimum level of fees needed to keep the LFPs in business). Even the LFP schools tend to screen out children from very poor backgrounds, suggesting the realization of market failures anticipated by some early observers of the late 1980s privatization drive in the education sector of Pakistan (Jimenez and Tan, 1987). As such, then,

the public sector remains the largest education service provider for Pakistani children and one that is unlikely to be replaced by the private sector schools.

We do not have to belabor the point that the public sector education system has failed to deliver a decent education, a perception that is defied only by a handful of good public schools (CQE, 2007). This perception is further strengthened by the recent comparative studies of student achievement in public and LFP schools in the province of Punjab (Andrabi et al., 2007a, 2007b). These studies demonstrate that *ceteris paribus* the LFP schools outperform their public counterparts. Such findings are not limited to Pakistan and have been reported for LFPs in many other developing countries including India (Tooley and Dixon, 2003), several countries in Africa (Tooley, Dixon, and Amuah, 2007; Tooley, Dixon, and Olaniyan, 2005), and in Latin America (Naradowski and Andrada, 2001). However, we are more concerned here about the consequences of the *response* to these studies for educational debates in Pakistan.

Scholars concerned with the political economy of education have responded in ways that have rekindled the age-old debates that accompanied the development of the modern state and economy in the West. The expansion of education in western societies was necessitated by the emergence of democratic politics together with an expanding industrial economy. The rationale for universal education was threefold: survival, preservation, and reproduction of the society. For some, only state-run schools could do justice to this rationale. Then, as now, no one disagreed with the need for universal basic education. Rather, the debates raged over whether it was to be delivered through parental fees. Eventually, the 19th century political economy in the then nascent democracies decided in favor of providing 'free' universal education, while also preserving the option of private schools to accommodate the dearly held value of individuals' right to choose. Western societies arrived at an

equilibrium that preserved not only public and private forms of education but also the tension between them. Then the debates were between economists such as Adam Smith and John Stuart Mill, with the former a proponent of parental right to choose from market-based educational alternatives and the latter an advocate of state-based provision. The ghosts of Smith and Mill now haunt the current debates over provision of universal basic education in developing countries (Brighouse, 1998, 2004; Labaree, 1997; Tooley, 2003). We believe this longstanding educational sectarianism is not productive from a policy perspective. It does not help us to take both public and private sector schools as given elements of our educational landscape. Instead, it keeps us from developing the policy alternatives we need to reform both sectors. We wish to direct the attention of our readers away from a comparative perspective to one that may help us refocus the policy debate on improving the learning achievements in both public and private sector schools. To that end, we employ Hirschman's typology of voice, exit and loyalty as a starting point.

In his classic book *Exit, Voice and Loyalty*, Hirschman (1970) reported that organizations which were unable to meet the needs of their clients elicited either a *political* or an *economic* response from them. He termed the political and economic responses as the use of voice and exit respectively.¹ Responding with voice implied the use of political influence to arrest the decline of the affected organization—true for most public sector organizations as exit of clients does not create any incentives for their improvement. Responding with exit involved making an economic choice of ceasing to be the client of the declining firm—true for most private sector organizations with the possible exception of monopolies. Arguably, public and private schools fall neatly into these categories as responsive to voice and exit respectively (Labaree, 2000). As we all know, exit of students from public schools is unlikely to change their public endowments, so exit per se does not constitute

an incentive to improve. This is one reason that public-private comparisons are unwieldy from the viewpoint of policy. They are unlikely to help rejuvenate the public schools. In the case of a private school competing with other private and public schools in the vicinity, exit can, however, play an important disciplining role. And even a real and possible *threat* of exit could be an effective tool for instilling discipline. Private schools, thus, are responsive to exit and can improve if faced with the prospect of flight of their clientele. The improvement in the case of the latter can be regulated usefully by the provision of accurate information about their performance to consumers of their educational services.² At a minimum, curriculum and assessment standards in conjunction with regular appraisals that are aligned with such standards may help generate a regulatory regime that involves the participation of citizen groups and consumers along with researchers. Routine reviews of learning achievements may need to be designed and used in ways that provide constructive feedback to both public and private sectors without feeding into a public versus private debate.

But in the case of public schools, information alone is not sufficient for their regulation and reform. The situation is a lot more complex. Teachers, organized into unions and departments at the provincial level have their own interests, while bureaucracies working through educational departments have theirs. Teacher recruitment and termination, promotion, firing and reward structures, as well as bureaucratic compensation and even resource allocations, are not likely to be influenced by client exit. The potential for parent intervention in this system is severely restricted as there is no clearly identified residual claimant and no accountability of other constituents through either market-based discipline or the political process. Hirschman (1970) tells us that public schools need political influence to improve. However, the exit from public schools, particularly in the case of Pakistan, has also implied elimination of voice, leaving

behind the nexus of self-sustaining educational establishment alluded to above. With nearly all children of rich and influential parents attending private schools—and we can say that with some confidence in the case of Pakistan even without hard data—political economy has already been configured in ways that severely limit a potent political response in the face of declining standards of the public school system. What public system can improve in the absence of voice? Here, then, we are faced with a classic dilemma: we can neither eliminate public schools as there is just sufficient pressure to keep them going, nor can we find a simple technical solution to improve them, for they can only be reformed through a combination of both political and technical means. One solution, and a simplistic one at that, could be to force the elite to send their children to public schools. But we know well that this is bound to fail, not least because it goes against the tenets of individuals' right to choose.

We now return to our original premise to reframe our objection to the public versus private debate. Education is both a public and a private good (Labaree, 1997). As a public good, it must serve the larger interests of social cohesion and inculcation of desirable social values in the populace, while as a private good it must help meet the needs of individual consumers. Irrespective of who provides the education, it must serve both goals well. Therefore, focusing the educational debate on private vs. public obfuscates the real issues. Moreover, given the limits of the private sector and possible market failures, the public sector will continue to be the only source of formal education for the children of the poor, especially in more rural and less developed areas. Any serious debate in this matter requires an intensive and meaningful engagement with public schools.³ While private schools respond to clients' exit, a better-informed clientele can help keep them on their toes.

It is in this context, we believe, that our resource and analytic energies need to focus on exploring

innovative ways of reinserting the political voice to make public schools responsive to change and reform. If history is any guide, we have seen that technical reforms—teacher training, curriculum reforms, provision of physical facilities and qualified teachers, etc.—have not succeeded in raising learning achievement. As the LEAPS survey report put it, “enrollment and learning are two completely different processes.”

The crux of our brief proposal is this: we should *avoid falling into the trap of ideological positioning for or against public or private schools* that is raging elsewhere in the world. Both sectors are too large to be pitched against each other and both are here to stay. While making vital information regarding school quality and child learning achievements available to parents could help in improving the private sector market, the same cannot guarantee improvement in public schools. Exit, too, has no influence on public schools. Yet, we cannot give up on public schools lest we wish to see the society collapse under the weight of resulting inequities. Given the nature of public sector education however, this can only be done if we strengthen the exercise of the voice option by clients in public sector schools. With the exit option frequently exercised by those who can afford it, finding alternative ways of strengthening voice or compensating for it is not going to be easy. But this is where the educational debate needs to happen and where we need a lot more analytic work, experimentation and innovation.

Irfan Muzaffar is an educational researcher who currently works for Open Society Institute and Campaign for Quality Education (CQE) in Pakistan. He can be reached at imuzaffar@gmail.com

Faisal Bari is a Senior Advisor, Pakistan at the Open Society Institute and Associate Professor of Economics at LUMS (currently on leave). He can be reached at fbari@sorosny.org

References and further reading

Andrabi, T., Das, J., & Khwaja, A. (2008). A dime a day: The possibilities and limits of private schooling in Pakistan. *Comparative Education Review*, 52(3), 329-355.

Andrabi, T., Das, J., Khwaja, A., Vishwanath, T., & Zajonc, T. (2007a). *The Learning and Educational Achievement in Punjab Schools (LEAPS) Report*. Washington, DC: The World Bank. Also Oxford University Press, Pakistan (forthcoming).

Andrabi, T., Das, J., Khwaja, A., Vishwanath, T., & Zajonc, T. (2007b). *Learning and Educational Achievements in Punjab Schools (LEAPS): Insights to inform the education policy debate*. Washington, DC: The World Bank.

Brighouse, H. (1998). Why should states fund schools? *British Journal of Educational Studies*, 46(2), 138-152.

Brighouse, H. (2004). What's Wrong With Privatising Schools? *Journal of Philosophy of Education*, 38(4), 617-631.

Campaign for Quality Education. (2007). *Education in Pakistan: What Works & Why*. Retrieved from: http://www.soros.org/initiatives/esp/articles_publications/publications/pakistan_20070918

Hirschman, A. (1970). *Exit, voice, and loyalty: Responses to decline in firms, organizations, and states*. Harvard University Press.

Jimenez, E., & Tan, J. (1987). Decentralised and private education: the case of Pakistan. *Comparative Education*, 23(2), 173-190.

Labaree, D. (1997). Public goods, private goods: The American struggle over educational goals. *American Educational Research Journal*, 34(1), 39.

Labaree, D. (2000). No exit: Public education as an inescapably public good. *Reconstructing the common good in education: Coping with intractable American dilemmas*, 110-129.

Naradowski, M., & Andrada, M. (2001). The privatization of education in Argentina. *Journal of Education Policy*, 16(6), 585-595.

Naseer, M., Patnam, M., & Raza, R. (2009). Transforming public schools: Impact of the CRI program on child learning in Pakistan. *Economics of Education Review* (forthcoming).

Srivastava, P. (2007). Neither voice nor loyalty: School choice and the low-fee private sector in India. *Occasional Paper*, 134.

Tooley, J. (2003). Why Harry Brighouse is nearly right about the privatisation of education. *Journal of Philosophy of Education*, 37(3), 427-447.

Tooley, J., & Dixon, P. (2003). *Private schools for the poor: A case study from India*: CfBt.

Tooley, J., Dixon, P., & Amuah, I. (2007). Private and Public Schooling in Ghana: A Census and Comparative Survey. *International Review of Education/Internationale Zeitschrift für Erziehungswissenschaft/Revue internationale l'éducation*, 53(4), 389-415.

Tooley, J., Dixon, P., & Olaniyan, O. (2005). Private and public schooling in low-income areas of Lagos State, Nigeria: A census and comparative survey. *International Journal of Educational Research*, 43(3), 125-146.

Notes

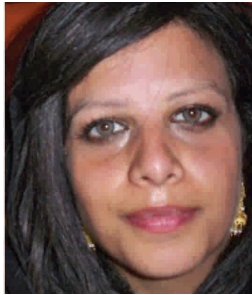
¹We have intentionally avoided a discussion of *loyalty* as we do not regard it to be as applicable to public and private schools as *voice* and *exit*.

²The role of government as an information provider is also proposed by the LEAPS reports. See on p. vii in Andrabi, T., Das, J., Khwaja, A., Vishwanath, T., & Zajonc, T. (2007). Learning and Educational Achievements in Punjab Schools (LEAPS): Insights to inform the education policy debate. *World Bank, Washington, DC*.

³Rigorous evaluations have already shown that some interventions improve learning significantly even in public schools. See, for example, Naseer, M., Patnam, M., & Raza, R. (2009). Transforming public schools: Impact of the CRI program on child learning in Pakistan. *Economics of Education Review* (forthcoming).

The Political Representation of Muslims in the UK: A Qualitative Study

By Parveen Akhtar



Traditionally, the strength and health of a democratic society has been measured by levels of political involvement and especially electoral turnout. In multi-ethnic societies, participation within the mainstream political structures is taken as evidence of political integration (Anwar, 1990), and often seen as a hallmark of support for democratic politics (Layton-Henry, 1992). It can also be construed as a powerful symbol of political belonging and as such it is both an indicator of, and a factor in, the incorporation of immigrants into the host society (Garbaye, 2005). The participation of ethnic minorities within the mainstream political process has been much less common than other forms of political involvement. Minorities have more willingly engaged in the wider political arena, for example, with local community organisations as against the formal arena of politics. This has been a concern for the national executive resulting in the pursuit of strategies to try to encourage mainstream political participation. Increasing the political representation of minorities in the democratic structure is regarded as one such strategy.

In this paper I focus on the representation of Muslims in the British political system. I argue that simple articulations of increasing political representation of minorities in the political process as a solution to their political disengagement — though welcome for symbolic reasons, the 'politics of presence' — may not necessarily translate into ideological representation, the 'politics of ideas'. Furthermore, it is important not to conflate the

demographic representation of minority communities with their ideological stance since this often reifies simplified conceptions of group interests — a deeply problematic position, not least because 'the group' is viewed as homogeneous and its interests are presumed to be uniform.

Context

It has been argued that the successful integration of ethnic minorities into the political mainstream "requires their 'effective' representation and involvement and not 'tokenism' as has happened so far" (Anwar, 1990). Indeed, it is only when they feel themselves to be an equal part of the decision-making process that they will feel that "they are accepted as full citizens of this country, rather than a 'problem' and one which is 'deplored'." In discussing how this integration can be achieved, Anwar suggests that the "political parties need to open their door to ethnic minorities and welcome them as members by removing all the obstacles", and that, at the same time, minorities need to "feel free to join the political parties and take initiatives without any fear of rejection or prejudice" (Anwar, 1990).

Even though they have the legal right to vote, it is estimated that less than half of the eligible ethnic minorities in the UK participated in the 2001 General Election. They seem to be following a more pronounced version of the general decline in political engagement. So, although the figure for voter turnout among the majority population in 2001 was abysmally low at 59 percent, the estimated figure for turnout amongst ethnic minorities was worse, at 47 percent. A study by the Electoral Commission in 2002 suggested that one explanation for political abstinence amongst minority communities was representation: lack of Black and minority ethnic (BME) representation within the political elite was a barrier to participation. Nearly half of those questioned said that better representation of Black people within politics would be the most important factor in encouraging them to vote (Electoral

Commission, 2002b). Similarly, two-thirds of Muslim respondents in Anwar's research felt that Muslims lacked a sufficient voice in the political process (Anwar, 2005). Some have argued that minority communities are politically disengaged because the 'equitable, representative decision-making institutions' are not multicultural (Electoral Commission, 2005). This is a view shared by Marsh et al. who argue:

racialised political discourses, mono-ethnic political and public institutions and ethnic segregation shaped young people's perceptions of political and public institutions (2007).

Even when utilising a limited conception of representative democracy, electoral engagement is a minimum prerequisite without which state authority is called into question. With particular regard to the participation of ethnic minorities, there are concerns that the 'racism in British society and the impact of racial discrimination upon the ethnic minorities' could lead to 'apathy, alienation...rebellion' (Layton-Henry, 1990) and could even lead 'future generations are...less inclined to believe in the value of such participation' (Johnson, 1990). Indeed, some have pointed out that political disengagement can itself be a form of social exclusion (Electoral Commission, 2005).

Initiatives to counter the trend of low participation in mainstream politics amongst minority communities are wide-ranging. The report *Voter Engagement among Black and Minority Ethnic Communities* (Purdam et al., 2002) recommended various policy responses and possible initiatives for increasing engagement among BME communities. Amongst these were measures to make registration and voting easier, encourage political parties and others to review BME representation within UK politics, and ensure that public-awareness campaigns reflect the diversity of BME communities and their consumption of culture and media. Initiatives to involve more ethnic minorities in politics include, for example, Operation Black Vote (OBV).¹ Operation Black Vote is a non-party political campaign and, in March 2006,

Operation Black Vote and the Electoral Commission launched an MP-shadowing scheme which allowed 21 people from BME communities to shadow high-profile MPs. The aim was to 'demystify' the role of politicians, to encourage those from BME groups to vote and potentially stand for public office and ultimately to 'promote participation...and make clear that politics is accessible to all' (Electoral Commission, news release 22 March 2006). Whilst such initiatives may make minorities more visible in the arenas of power, it is important to note that a more ethnically diverse House of Commons would not necessarily reflect greater political representation for ethnic minority interests. As Crewe (1983) noted long ago:

Whether coloured councillors or MPs could act - or would wish to act - as ethnic spokesmen is far from certain...no doubt the first Black MPs would be treated willy-nilly as minority spokesmen (1983).

In other words, it could be that ethnic minorities are *numerically* well represented in the House of Commons, but not *ideologically* well represented. This raises the question of the ambiguous concept of representation, which is sometimes taken to mean that ethnic minority councillors are there to represent their own ethnic community. The notion of 'under-representation' of ethnic minorities draws on this assumption (Garbaye, 2005). This is deeply problematic not least because it implies that minority politicians cannot represent the majority opinion and its logical conclusion appears to be that majority politicians cannot represent minority communities.

Political Representation: the concept *Definitions of Representation*

For Hilary Pitkin (1972), whose work on the concept of political representation is an insightful and important contribution to the debate, the concept of representation implies a paradox: 'being present yet not present'. It is often equated with democracy though Pitkin problematises

what she sees as a 'thoughtless equation' arguing that the two ideas have in fact conflicting origins. Democracy coming from Ancient Greeks has its roots in struggles from below. Representation on the other hand is a more recent concept, dating from the late medieval period and was a duty imposed by the monarch. Pitkin contends that the two concepts became linked only recently, during the English civil war and the eighteenth century democratic revolutions. Whilst in contemporary politics representation and democracy are harmoniously paired together, this belies a more contentious history. The UK is a model of representative democracy which has emerged over time. Scholars in the field of philosophy and politics have constructed a number of typologies of representation; the work of Anne Philips (1996) provides a useful distinction between a 'politics of presence' (which denotes representation of the citizenry) and a 'politics of ideas' (denoting individuals' views and beliefs). That across the world women make up such small proportions of the legislature, Philips argues, suggests that we need both types of representation. Taking a critical realist standpoint, she argues that unobservable structures, namely patriarchy, constrain the ability of women to take part in this level of politics. Consequently this de-legitimises the validity of the decisions taken by these legislatures; there is a limit to their representativeness since the balance of representation suggests differing interests, leading to the assumption that the interests of some are not adequately addressed. In an article entitled '*Should blacks represent blacks and women represent women?*' Jane Mansbridge (1999) argues an emphatic 'yes'. Her point is essentially that demographic make up of parliament could significantly impact upon group interests within representative systems. Indeed, a study by Lovenduski and Norris examined the differences between male and female politicians in terms of their attitudes and values and argued that whilst there were no major differences between the sexes on issues such as the economy, Europe and moral traditionalism but on issues traditionally seen as women's issues - such as affirmative action and gender equality - male and female politicians differed significantly within each party (Lovenduski and Norris 2004). If demography does

influence group interests within a representative system such as in the UK, how representative of their group are minority leaders?

My concern in this paper is empirically limited to dealing with how political representation of Muslims is conceptualised by British Muslims: themselves. In the 2001 UK census, a question on religious affiliation was included for the first time. It revealed that there are approximately 1.6 million Muslims in the UK comprising 3 percent of the total population. Birmingham, the city in which I conducted my research, has the highest count of Muslims at 140,000 and Muslims are the youngest faith community. How British Muslims conceptualise, or indeed how any numerically significant minority group conceptualise their representation in the political system is an important question for the operation of politics in a representative democracy. In researching this paper I utilised ethnographic research methods including participant observation and 15 in-depth interviews conducted in Birmingham between 2005 and 2007.

Political Representation: how do Muslims view their political representatives?

Symbolism

It is often assumed that greater community representation within the political structures would be beneficial. One of the reasons often cited for this, Crewe suggests, is that "their election would probably raise the status of the ethnic minorities in the eyes of the country - and themselves" (1983). Symbolically, this would be immensely important. This was a view shared by some British Muslims I interviewed. One of my respondents, working in local politics told me:

I think one thing that will help that [community integration] is obviously to have more Muslims... the key thing is how many Asians or how many Muslims do we have in cabinet or in government are encouraged...you know if we have more it's always a good thing - you know a cabinet which will reflect the public the population that's always a good thing.³

Here the politics of presence is seen as a positive force helping community integration. Such enthusiasm for more Muslim representation must be set alongside a key finding from my research: when Muslims are in positions such as in local councils they are heavily criticized from within the Muslim community. They are accused of selling out and of becoming 'Uncle Toms'; being in office for reasons of personal power and prestige, rather than for the good of the community. This suggests a deep mistrust of community representation in the mainstream political system, as this extended quote from my interviews highlights:

Unfortunately that is what I have seen, for example, Khalid Mahmood MP...giving the wrong, the total wrong vibe and he wasn't the leader that you would have expected at that time [Iraq War 2003]... sometimes, when people get to certain levels, you can sense what's coming from them it's not their views, it's views that have been pushed upon them to the public and it's their race and their religion which has been used as a means to justify.⁴

Locally, many young Pakistanis use the case of Khalid Mahmood to support the argument that Muslim politicians are used instrumentally by their political parties. Mahmood, a Labour MP for the Birmingham constituency of Perry Bar, was first elected to office in 2001. The case of Mahmood makes it clear that the generalised statements about minority representation as serving the interests of minority communities are problematic. At a local level, many Muslims I spoke to in Birmingham did not think that Mahmood, a local man, truly represented them. While the media often describe him as representing Muslims in the political system, many of my respondents reflected the comments of this young Pakistani male: 'he's a Muslim, but he's definitely not on our side'.⁵

At the local level then, Mahmood actually received neither support, nor sympathy, from the many of the individuals I interviewed. Instead, there was very vocal

criticism of him:

He appeals to Labour Party principles, rather than to his community and his religion. I think someone should ask Khalid Mahmood whether he's a Muslim first, Pakistani first, MP first, or maybe Labour MP first... That's the sad thing, that we've got leaders like him, and I don't think he's a leader in any shape or form.⁶

Mahmood's case focuses on the key question in all debates on minority representation. As one young Muslim questioned, do community representatives risk becoming:

Uncle Toms — Malcolm X — you've got to hear his speeches about house slaves and field slaves - he put it far better than I could ever put it, he said whenever the slave master was ill the house slaves would always say 'our master's ill' or 'our fields' — you know, the crops aren't growing, but the field slave would always say 'the master' or 'the fields'...you know and it is their government, you know, it is Khalid Mahmood's government — he's gonna turn around and say our government is in trouble, whereas most people, most working class Muslims say 'the government'.⁷

Being seen as part of the system delegitimizes community representatives' claim of being 'one of the people'. Some Muslims have great admiration for the Jewish community because they appear to 'have their house in order', whilst the Muslims do not. As one interviewee commented: 'We lack leadership and vision...we should take example from the Jews'.⁸ George Galloway MP — the controversial Member of Parliament, expelled from the Labour Party in 2003 who subsequently went on to co-found Respect, the party set up on an anti-Iraq War platform — has on the other hand made a deep impression on many young Muslims. His politics goes against the grain; it is confrontational and he is seen to stand up for the oppressed:

George Galloway is an old bloke, yeah, with a moustache, but loads of young people identify with him because he's radical and he, you know, he speaks out, yeah, Tony Benn's another one, he's a real old bloke, but you speak to any young person and they say, I love the guy, absolutely fantastic bloke because he stands up and fights you know, I think when people fight back, no matter how old you are, young people think yeah, I want a piece of that.⁹

Indeed, George Galloway was held in high esteem by many Muslims to whom I spoke because he was seen as the only one to challenge the status quo with regards to Iraq and other issues seen to be 'Muslims issues'. Rather than being thought of as an opportunist (an image prevalent in popular discourse), he is seen as a man of great principle as the following quote demonstrates:

I think, you know, on a personal level he is a man of principle, he could have toed the line, he could have shut his mouth, yeah, he could have jumped on the going train like Khalid Mahmood and all the rest of the — he could have made a few little sound waves about the Iraq War then he could have kept his mouth shut, so he could have looked left, could have kept his credentials, could have stayed for the labour party, but he chose to put his head above the parapet, he was expelled by the labour party, he was gonna lose absolutely everything and he lost everything at a point and you know he fought back and he won, but it wasn't a guaranteed thing that he was gonna win the election — in fact, Oona King was favourite to win and they [the Labour Party] sent their whole machinery there to support her, you know so it was in the balance right to the end, I don't think he's an opportunist I think he is a man of principle, he put everything on the line, how many labour MPs or any MPs would put everything on the line — would lose absolutely everything on a principle? I don't think I know any.¹⁰

There is a polarisation in the way leadership is

conceptualised by British Muslims, entertaining two very different styles of leaders. On the one hand there is Khalid Mahmood and, on the other, George Galloway. One represents a hands-on, radical form of leadership which appeals to many young Muslims whereas the other is seen as 'political', with all the negative connotations attached to that term (Hay, 2007).

Experiences of Muslims Involved in Mainstream Politics

Speaking to local Muslim politicians, it became clear that they felt under particular scrutiny from within the Muslim community. Local activists with a Muslim background felt that they were judged by a different standard from within their own communities, as one Muslim councillor in Birmingham clearly expressed: 'You go to a white area and they don't know who their local councillor is; here, everybody knows, same in all these Asian areas'.¹¹

The idea that 'he's one of our own' means that expectations from within the British Muslim community of Muslim MPs run along the following lines: 'he is already familiar with the issues and, as such, should simply get to the business of representing Pakistani Muslim interests.' These interests are, of course, seen as homogeneous. This is interesting, highlighting the almost entirely malleable nature of self-identification, whereby, at any given moment in time, an individual will express different aspects of her/his cultural identity.

As an example, when discussing the representation of Muslims in the media, British Muslim criticised the lack of any sense of heterogeneity in the community. However, in putting forward their opinions about the performance of Muslim MPs representing Muslim interests, they speak as though the interests of all Muslims in the UK were the same.

The ethnic and religious identities of Muslim politicians are important for many Muslim constituents. They feel that they will have their interests as Muslims better represented by Muslims. However, as Purdam (2000)

and Klausen (2005) found, many of the South Asian Muslims who become involved in local politics are in fact secular Muslims, a finding confirmed by my own research. As an actively engaged man in his 30s put it:

I don't, I must admit, I don't often go to the mosques myself, I don't read 5 times *namaaz*, so I don't know what happens in mosques, and I don't know how things are done in mosques.¹²

Indeed, the demographic make-up of those involved in civic and political engagement within the Muslim community largely mirrors that of the wider British political spectrum as dominated by economically well-off middle-aged men. This highlights the need to go beyond valuing simple correlates between minority populations and their numerical representation amongst the political elite since invariably group interests are not uniform. The politics of ideas cannot be read off from the politics of presence.

In conclusion, the concern over the lack of political involvement in ethnic minority communities has led to a number of remedial programmes, including targeted campaigns and resources from central government. Increasing the representativeness of the political elite is viewed as one way to get more minorities to become politically engaged. Drawing on empirical research on the Muslim community in Birmingham, I argue that political representation is a complex and multi-faceted phenomenon and a demographically representative democratic chamber does not necessarily correspond to ideological representation of minorities. Indeed, my research shows that when Muslims are in positions of political influence, they are heavily criticised from within their community. They are accused of selling out and of being there for reasons of personal power and prestige rather than for the good of the community. In this sense, there is a deep mistrust of community representation (Werbener, 1991). Minorities may often expect that once a member of their community has made it into the system, they will be able to put forward the interests of the group without constraint (Fitzgerald,

1990). Focusing exclusively on numerical representation as a means of giving voice to minority communities reifies simplistic notions of group homogeneity and masks the vast spectrum of ideas, values and beliefs which make up any group of people.

The author is Assistant Professor of Political Science at LUMS. She can be reached at parveen.akhtar@lums.edu.pk

References and further reading

Anwar, M. (1990), 'Ethnic Minorities and the Electoral Process: some Recent Developments', in Goulbourne, H. (ed.) *Black Politics in Britain*, Aldershot: Avebury.

Anwar, M. (2005), 'Muslims in Britain: Issues, Policies and Practice', in Abbas, T. (ed.) *Muslim Britain: Communities Under Pressure*, London: Zed Books.

Crewe, I. (1983), 'Representations and Ethnic Minorities in Britain', in Glazer, N., Young, K. & Schelling, C. (eds.) *Ethnic Pluralism and Public Policy: Achieving Equality in the United States and Britain*, Lexington: Lexington Books.

Electoral Commission (2002b), 'Campaign to Increase Electoral Registration Amongst Black and Minority Ethnic Communities'. Available: <http://www.electoralcommission.org.uk/mediacentre/newsreleasecampaigns.cfm/news/63>. Date accessed: 15 January 2007.

Electoral Commission (2005), 'Social Exclusion and Political Engagement'. Available: http://www.electoralcommission.org.uk/files/dms/Socexclfinalrept_19491-14052__E__N__S__W__.pdf. Date accessed: 15 January 2007.

Electoral Commission (2006a), 'Operation Black Vote and Electoral Commission Launch MP Shadowing Scheme'. Electoral Commission, 21 February 2006, Available:

<http://www.electoralcommission.org.uk/mediacentre/newsreleasecampaigns.cfm/news/527>. Date accessed: 20 January 2007.

Electoral Commission (2006b), 'Ethnic Minorities Targeted in West Midlands Voter Registration Campaign'. Electoral Commission, 22 March 2006, Available: <http://www.electoralcommission.org.uk/mediacentre/newsreleasecampaigns.cfm/news/509>. Date accessed: 20 January 2007.

Fitzgerald, M. (1990), 'The Emergence of Black Councilors and MPs in Britain: Some Underlying Questions', in Goulbourne, H. (ed.) *Black Politics in Britain*, Aldershot: Avebury.

Garbaye, R. (2005), *Getting into Local Power: the Politics of Ethnic Minorities in British and French cities*, Oxford, Blackwell.

Hay, C. (2007), *Why We Hate Politics*, Cambridge: Polity.

Johnson, R. D. (1990), 'Some Aspects of Black Electoral Politics and Representation in the West Midlands', in Goulbourne, H. (ed.) *Black Politics in Britain*, Aldershot: Avebury.

Klausen, J. (2005), *Islamic Challenge: Politics and Religion in Western Europe*, Oxford: Oxford University Press.

Layton-Henry, Z. (1990), 'Black Electoral Participation: an Analysis of Recent Trends', in Goulbourne, H. (ed.) *Black Politics in Britain*, Aldershot: Avebury.

Lovenduski, J. and Norris, P. (2003), 'Westminster Women: the politics of presence'. *Political Studies*, 51(1), 84-102.

Mansbridge, Jane. (1999), 'Should Blacks Represent Blacks and Women Represent Women? A Contingent "Yes"'. *Journal of Politics* 61(3), 628-657.

Marsh, D., O'toole, T. & Jones, S. (2007), *Young People and Politics in the UK: Apathy or Alienation?*, Basingstoke: Palgrave Macmillan.

Phillips, A. (1996), 'Dealing with difference: a politics of ideas, or a politics of presence?' in Benhabib, Seyla, (ed.) *Democracy and difference: contesting the boundaries of the political*, Princeton: Princeton University Press.

Pitkin, H.F. (1972), *The Concept of Representation*. Berkeley: University of California Press.

Purdam, K. (2000), 'The Political Identities of Muslim Local Councilors in Britain'. *Local Government Studies*, 26, 47-64.

Purdam, K., Fieldhouse, E., Kalra, V. & Russell, A. (2002), 'Voter Engagement Amongst Ethnic Minority Communities in the UK'. Available at: http://www.electoralcommission.org.uk/files/dms/Ethnicfinalreport_11586-6190__E__N__S__W__.pdf. Date accessed: 23 March 2007.

Werbener, P. (1990), *Migration Process: Capital, Gifts and Offerings Among British Pakistanis*, Oxford: Berg.

Werbener, P. (1991), 'Black and Ethnic Leaderships in Britain: a Theoretical Overview', in Werbener, P. & Anwar, M. (eds.) *Black and Ethnic Leaderships in Britain: the Cultural Dimensions of Political Action*, London: Routledge.

Notes

¹Operation Black Vote (OBV) began in July 1996 as a collaboration between two organisations, Charter 88 (campaigns for democratic reform) and the 1990 Trust, the only national Black generic policy research and networking organisation.

²Taken here to refer to those individuals who identify themselves by this category.

³A, Male, local politics

⁴A, Male, local politics

⁵S, Male, local politics

⁶N, Female, community worker

⁷S, Male, local politics

⁸AM, Male, political journalist

⁹S, Male, local politics

¹⁰S, Male, local politics

¹¹AK, Male, local politics

¹²A, Male, local politics

Internal Security and South Asian Economies¹

By Ijaz Nabi



South Asia has seen a significant increase in internal security problems in the last couple of decades. Till the middle of the 1990s (left panel, Figure 1), even though overall violence in the World was on the rise, South Asia was relatively less violence-ridden with the exception of a brief peak in 1989-90. This changed in the mid-90s. Since then, South Asia has experienced a sharp increase in violent incidents.

In more recent years (right panel, Figure 1), the insurgency in Iraq and related violence pushed the world averages above South Asia, but violent incidents in South Asia rose again in 2007-8, largely driven by

Pakistan and Sri Lanka who are/were fighting their respective insurgencies. Measured in terms of incidents per capita, both Pakistan and Sri Lanka have seen much more violence than India and Bangladesh, especially in the latter half of this decade.

Reported incidents of terrorist activity per capita were 0.7 and 0.6 per million in Bangladesh and India respectively in 1998. In 2007, they increased to 0.9 per million in India but doubled to 1.4 per million in Bangladesh. Both Pakistan, with its raging insurgency in the Northwest and Sri Lanka, with escalating civil-war related incidents in the Northeast, saw dramatic increases in terrorist activity. In Pakistan, such violence shot up by a factor of eight in less than a decade (from 0.3 to 2.4 per 100,000 persons in 1997 and 2008 respectively). In Sri Lanka, the increase in the same period was from 0.8 to 1.8 per 100,000. The scale of increase in fatalities was similar. Figure 2 shows the number of terrorist incidents in different countries over the last five years and includes Afghanistan as a reference.

Figure 1: Trends in Terrorism Activities

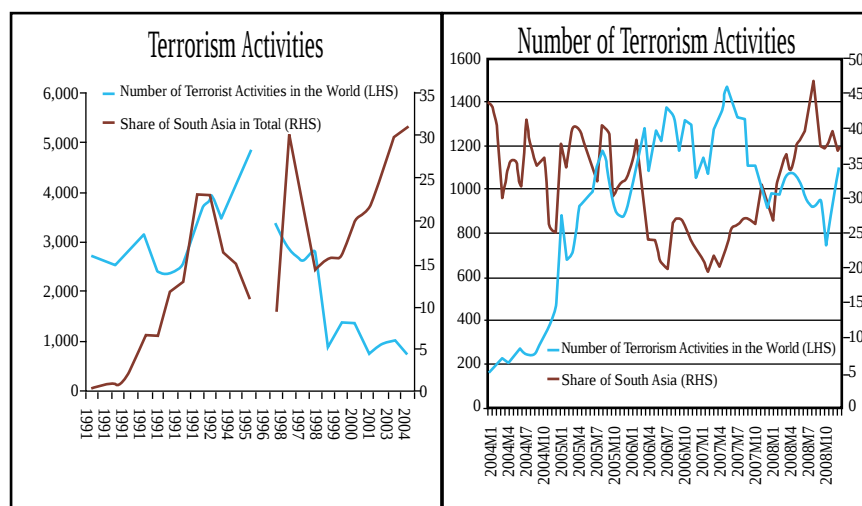
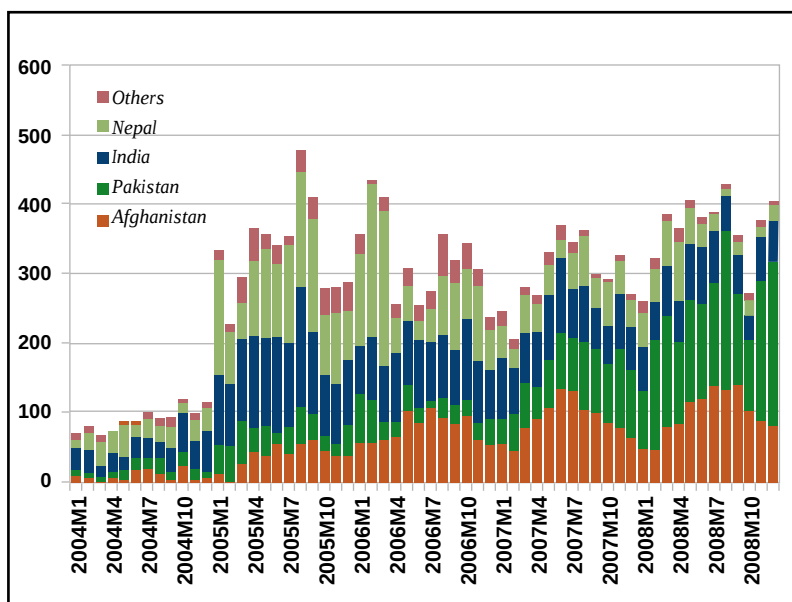


Figure 2: Number of Terrorism Incidents in the Region



The sources of violence in South Asia may be summarized as follows.² India has experienced violence as a result of the separatist movements in the Northeast and Northwest of the country along with Naxalite activity in up to 18 states focused on the issues of land distribution. Communal violence, especially against Muslims in Gujarat and Mumbai, and terrorist activities sponsored by Islamic fundamentalist groups have also played a part (Iyer, 2009). Pakistan has suffered mainly from terrorism-related acts of violence which have been spurred by the insurgency in the Federally Administered Tribal Areas (FATA) and their sympathizers not only in the Northern districts of the NWFP province but also in other parts of the country. Separatist groups in Baluchistan have also contributed to the rising incidence of violence there. In Nepal, the Maoist-led “peoples war” unleashed initially in the Western districts (that later spread to the whole country) is responsible for much of the violence, while in Sri Lanka the armed separatist campaign that began in the 1980s by the Liberation Tigers of Tamil Elam (LTTE) escalated before being brought to an apparent end recently. In Bangladesh, recent terrorist incidents perpetrated by Islamic fundamentalists and separatist groups in the Chittagong hills have caused

violence to rise sharply in a short period of time.

Given this alarming profile of violence, it would be reasonable to expect that economic activity suffered in South Asia.

Causes of violent conflict

The relationship between systemic violence and economic activity has been examined in several countries. Within South Asia, it is estimated that regions that are lagging in economic development experience more than three times the number of terrorist incidents per capita compared to leading regions, resulting in almost twice as many fatalities as in the leading regions. This difference in violent incidents between lagging and leading regions holds not only across countries (i.e. Nepal and Afghanistan are lagging countries as a whole) but also within countries (the lagging regions of Pakistan, India, Sri Lanka and Bangladesh experience more violence than the respective leading regions).

It may be argued that social factors such as widespread poverty, high incidence of land disputes stemming from

ill-defined property rights and spatial concentration of socially disadvantaged groups (scheduled castes etc.) would be important contributing factors to violence. However, disaggregated district level evidence from Nepal and India provides a mixed picture. While districts with high incidence of poverty do experience higher violence (which is consistent with the findings reported in several studies that root violence in poverty (for example, Collier and Hoeffler, 2004; Fearon and Laitin, 2003), interestingly enough land disputes and social disadvantages of caste are not correlated with higher incidence of violence.

Among other causes, the external environment also appears to matter in the incidence of violence. For instance, the escalation in violent activity from 1998 to 2007, especially in Afghanistan and the Pashtun belt of Pakistan (Northwest region) can be ascribed to the raging conflict in Afghanistan and other global events. Pakistan has undoubtedly borne the brunt of the Pashtun insurgency after the NATO's invasion of Afghanistan. In addition, the 2002 US-led war on Iraq and its perception in Afghanistan and Pakistan may have further fueled resentment against the US. This is especially true in Pakistan where certain sections of society see the government and armed forces as allied with the US against local interests.

Impact of terrorism on economic activity

The Colombian experience with generalized violence and deterioration in law and order due to drug-trafficking has been recently analyzed to show that there was a structural downturn in economic growth starting in 1979 when drug trade and the associated violence began to increase sharply. This led to decreases in total factor productivity, with economic growth reduced by as much as 2 percentage points of GDP per annum (Cardenas and Rozo, 2008).

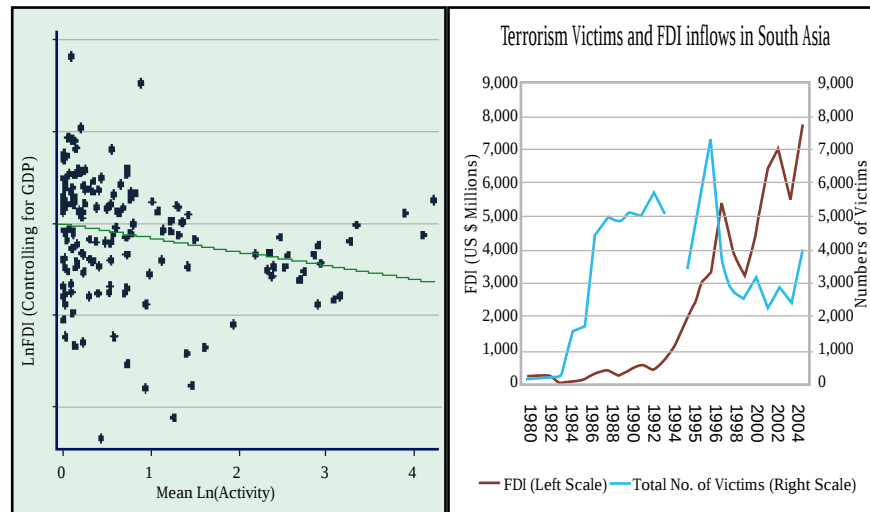
Mexico has also experienced a climb in drug-related violence in recent years. Indeed, it has been ranked close to Pakistan as the country most likely to fail because

of growing violence. The impact of this intensification of violence on the Mexican economy appears not to be significant. Amongst the South Asian economies, the Sri Lankan economy has long been exposed to violent activity because of the war on LTTE. Several studies have been conducted to estimate the impact on various aspects of economic activity. As estimated by the Central Bank of Sri Lanka, the overall negative economic impact of violence is around 2 percentage points of GDP per annum (similar to the Colombian experience).

For Pakistan, the cost of the war on terror has been estimated in some detail.³ The direct costs include those of soaring expenditure on defense, policing and private security along with the costs associated with loss of lives or injuries and damaged/destroyed property or infrastructure. The indirect costs consist of costs to local economies in terms of a slow-down in GDP growth (especially in NWFP and FATA), the cost of internally displaced persons and of higher uncertainty (which affects private investment, stock market capitalization, travel, tourism and insurance). The direct and indirect costs of terrorism in 2007-8 (since 2002-3) have been estimated at PKR 150 billion and PKR 230 billion respectively. The total cost of terrorism in 2007-8 is, therefore, estimated at PKR 380 billion or USD 4.7 billion (Institute of Public Policy, 2009).

Terrorism's impact on South Asian economies can also be analyzed by examining the trends in foreign direct investment and export performances. Terrorist activity affects risk perception negatively and raises uncertainty causing foreign investors to shy away (the direct cost estimates for Pakistan reported above factor this in explicitly). Figure 3 shows a declining trend in foreign direct investment as terrorist activity rises. In addition, export performance is also negatively correlated with heightened terrorism. In Pakistan, for example, buyer representatives in the textiles sector do not travel to the country to place orders and/or to supervise the quality of their orders, which shows up in poor export performance.

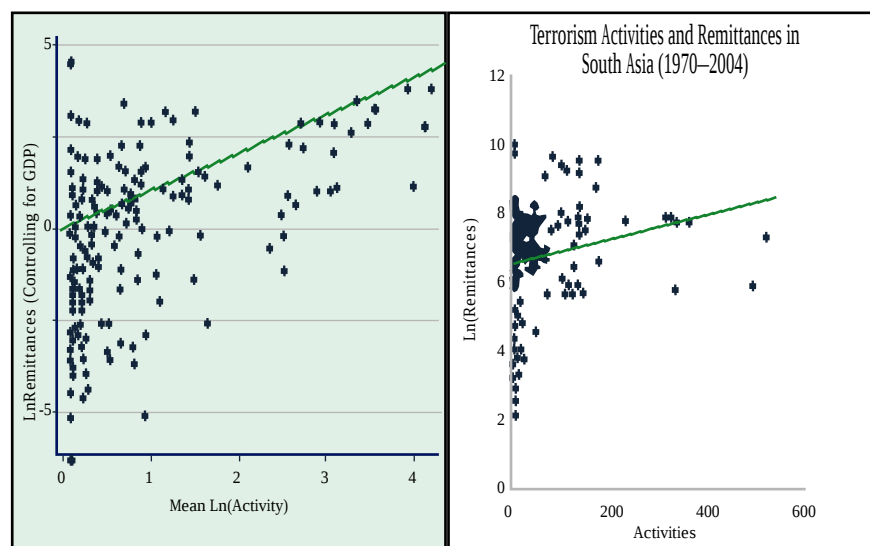
Figure 3: Terrorism Activity and FDI flows



One form of money inflow that actually increases with rising terrorist activity is remittances (Figure 4). This is because violent incidents reduce economic activity in the country, thereby curtailing income generating possibilities. This lowers household income that, in turn, may trigger higher savings remitted back to the family from family members working abroad. In Pakistan, for example, remittances also peaked during heightened

terrorist activity because there was a clamp down on informal remittance channels that were feared to be potential sources of funding for terrorists. Furthermore, remittances from the US increased sharply because Pakistani migrants in the US, facing uncertainty there following the September 11 attacks, have started to remit more of their savings to secure themselves in Pakistan in case their futures in the US are threatened.

Figure 4: Terrorism Activity and Remittances



In conclusion, the rise in terrorism, and the insecurity that it engenders, is correlated not only with a decline in manufactured exports and FDI but also with an increase in remittances. This has serious implications for the economy. It has been argued that remittances (like oil) are an important source of the “Dutch disease” that makes imports attractive and renders manufactured exports less competitive. Furthermore, at least in Pakistan, the counter-terrorism strategy has resulted in a substantial increase in concessionary donor funds (from partners in the fight against terrorism). Thus, in the age of terrorist-related insecurity, the substantial increase in foreign funds (private remittances from overseas Pakistanis and concessionary funds from donor countries) further exacerbates the “Dutch disease” problem. This makes investment in manufacturing for the international markets less attractive and poses a serious challenge for sustaining growth and employment generation.

The author is Professor of Economics and Dean, School of Humanities, Social Sciences and Law at LUMS. He can be reached at ijaz.nabi@lums.edu.pk

References and further reading

Cardenas, Maurocio and Sandra Rozo (2008). Does Crime Lower Growth? Evidence from Colombia. *Commission on Growth and Development Working Paper No. 30*. Washington, DC: The World Bank.

Collier, Paul and Anke Hoeffler (2004). Greed and grievance in civil war. *Oxford Economic Papers*, 56, 563-595.

Fearon, James and David Laitin (2003). Ethnicity, insurgency and civil war. *American Political Science Review*, 97, 75-90.

Institute of Public Policy (2009). State of the Economy: Emerging from the Crisis. *Second Annual Report*, Beaconhouse National University, Lahore.

Iyer, Lakshmi (2009). The Bloody Millennium: Internal Conflict in South Asia. Working paper No. 09-086, Harvard Business School.

Nabi, Ijaz (2010). Economic Growth and Structural Change in South Asia: Miracle or Mirage. Washington, DC: The World Bank (forthcoming).

Notes

¹This article is based on “Economic Growth and Structural Change in South Asia: Miracle or Mirage”, a forthcoming World Bank/LUMS monograph.

²The following list is based largely on Iyer (2009) but with author's supplementary comments.

³Figures are based on the Second Annual Report of the Institute of Public Policy, Beaconhouse National University, Lahore.

Research Notes

Several faculty members at the School of Humanities, Social Sciences and Law (SHSSL) at LUMS are actively involved in research in the fields of Economics, Political Science, Sociology/Anthropology and Law. The research notes collected below thematically organize their latest work and highlight its policy relevance.

Macroeconomics, Trade and Economic Growth

Syed Zahid Ali has been working on exchange rate, taxes, and interest rate policies. Using non-stochastic models in continuous time, he checks the proposition that if the system is stable then currency devaluation cannot both contract employment and worsen the balance of payments of the country. Other models by Zahid Ali examine how the supply-side effects of the exchange rate and taxes interact to complicate the effects of currency devaluation, using first stochastic models in continuous time and later in discrete time. He has also worked (with Sajid Anwar) on testing the productivity bias hypothesis using data from the latest version of Penn World tables for the three South Asian economies of India, Pakistan and Sri Lanka. Currently, his work involves models that incorporate forward-looking variables, backed by micro foundations, using which he is attempting to analyze issues such as the correct exchange rate and interest rate policies for less developed countries.

Antonio Marasco has conducted a study (co-authored with Ehsan Choudhri and Farhan Hameed) which uses a dynamic general equilibrium model to explore the macroeconomic and the welfare effects of a large increase in FDI, such as that experienced recently by a number of emerging economies. A second project focuses on the effects of FDI on host country's welfare in terms of gains from trade when firms are characterized by heterogeneity in their productivities. He showed that firms tend to order themselves in terms of increasing

productivity so least productive firms engage in domestic markets whereas medium productive firms export and most productive firms engage in FDI. Empirically, Antonio has tested the link between FDI and growth. In one article, he has tested the relationship in the presence of economic integration, while in another he studies the role played by technology. Separately, he has also been interested in researching the relationship between income inequality and growth via technological progress.

Anjum Nasim's research interests include macroeconomic policy, international trade and public finance. His recent research, co-authored with Sajal Lahiri at Southern Illinois University, specifically examines the potential for the reform of sales tax and tariffs in Pakistan. The research looks at whether tariff revenue should be substituted by consumption tax revenue and at whether tariffs on intermediate and final goods should be altered. Analyzing welfare effects, the research concludes that replacing tariffs on intermediate goods with increased consumption tax would be welfare reducing. Also, optimal tax and tariff calculations indicate that Effective Rates of Protection in Pakistan can be lowered by decreasing tariffs on final goods and raising them on intermediate goods. Another recent paper by Anjum Nasim and Sajal Lahiri develops a trade-theoretic model to calculate the optimal level of rebate provided by the Government of Pakistan; it concludes that as the Government becomes less revenue constrained, national welfare would be boosted by increasing the rebates given to the exporting sector.

Turab Hussain's research interests have ranged from migration theory and policy, poverty and rural development to trade and development. His research on migration employs the extended family framework instead of the standard Harris-Todaro model, whereby the family rather than the individual is treated as the relevant decision making unit for migration. The policy implications of his research indicate that developmental policy may lead to counter-productive results; urban employment subsidies may increase the pull factors of migration, hence leading to greater unemployment in

the long run. Similarly, rural subsidies or lump sum transfers to rural households may, counter-intuitively, make migration more attractive by reducing the costs of migration. In another paper, Turab explores how the rate of migration may not be positively related to the degree of networks present at the destination; using an extended family framework, it is shown that a greater number of previous migrants may crowd out opportunities for new ones, hence reducing migration incentives.

Ijaz Nabi's latest research focuses on economic growth, income distribution and poverty reduction. Between 1990 and 2007, South Asia, led by India, saw rapid economic growth and impressive poverty reduction. His on-going research assesses the quality of that growth in view of the fact that it is driven in all countries, with varying degree, by remittances and rapid increase in consumption. The impact on the economic structure of South Asia is being examined in order to assess whether there is a shift of labor towards higher productivity, higher wage employment that would sustain growth and improved living standards over a longer period of time. The principal findings indicate that growth in South Asia is driven by the services sector, which in most countries comprises largely non-traded and have relatively low labor productivity. Ijaz Nabi's research further points out that ongoing global financial crisis and a sharp reduction in the price of oil have impacted the economies (the US and the oil rich middle-east) where remittances to South Asia originate; this could have far reaching consequences for South Asia and constitutes a major vulnerability that needs to be better understood and managed. Ijaz is currently advising the government; he is a member of the Prime Minister's Economic Advisory Council as well as the Planning Commission's Panel of Economists.

Game Theory and Behavioral Finance

Hanjoon Michael Jung's previous research in this field has looked at the general role of news media as a

means of information transmission. He already showed that in a conflict situation, by using news media, the sender can influence receivers' decision-making process. Currently, he expands his research by finding a general situation in which the sender can successfully manipulate its information through the news media. He extends the game introduced by Crawford and Sobel (1982) and introduces a new concept of "Complete Equilibrium" to deal with the situation in which the receiver has systematically wrong beliefs about the sender's signal. He situates the new concept of "complete equilibrium" in comparison to the concepts of "perfect" and "Nash" equilibria and through his research, develops a system that allows general games to be solved using the Bayesian Inference. He has also worked on modeling hierarchy based on endogenous power system. In this model, powerful players can raise their status to publicly establish their power and wealth. By introducing hierarchy into his model, he has explained how the endogenous power system affects the hierarchy structure.

Hammad Siddiqi's research is in the area of behavioral economics and finance. He has shown that a behavioral bias called the lure of choice aggregates to the market level, hence directly affects prices and allocations. This bias can potentially explain a few puzzles in financial markets including the closed-end mutual fund paradox. His recent research involves the derivation of a new options pricing formula based on the assumption that investors are coarse thinkers. Coarse thinking is the idea that people tend to put situations into categories and then use the same model of inference while evaluating co-categorized situations. The new formula termed the behavioral Black-Scholes formula provides an explanation for the implied volatility skew puzzle in equity index options. His past research revealed that coarse thinking can explain the collusive outcome in a Bertrand competition with increasing marginal costs. Furthermore, he has shown that the two main aspects of coarse thinking, that is, transference and framing, are present in an experimental options market. On the policy side, Hammad's work involves the issue of Hawala, whereby

he explores how interactions between formal banking and informal Hawala greatly diminish the ability of the state bank to effectively run a monetary policy. Also, he has looked at how badla financing creates microstructure rents, concentrating de facto power in the hands of a few powerful brokers and hence stalling the process of reforms in the stock exchanges of Pakistan. According to his suggestion, all institutions in the stock exchanges of Pakistan (governing as well as financing) must be changed simultaneously through the establishment of a new stock exchange called the National Stock Exchange of Pakistan.

Political Economy, Governance and Social Protection

Ali Cheema's research work can be broadly classified into two themes: (a) Descriptive work on poverty, social and income mobility and village and district-level development outcomes; and (b) governance, institutions and political economy. His paper, "Geography of Poverty: Evidence from the Punjab," co-authored with Manasa Patnam and Lylla Khalid is the first paper to provide robust statistical estimates of poverty and development indicators across Punjab's thirty-five districts. Another paper makes use of a unique panel data-set on development outcomes in the district and measures the degree of convergence in development outcomes across villages between 1961 and 1998 and further attempts to explain the considerable divergence found. He has used this work to inform the design of poverty alleviation and social protection strategies that he has worked on as part of the Planning Commission's Panel of Economists and as part of the Chief Minister Punjab's Economic Advisory Council. His work on institutions and political economy analyzes the manner in which state institutions and local village-institutions impact development outcomes. Ali Cheema's paper (with Shandana Mohmand and Asjad Naqvi), "Bringing Government Closer to the People: Who Gains Who Loses?" analyzes the extent to which decentralization at the union-level results in elite capture of public service delivery. Finally, his paper (with

Bilal Siddiqi) "Colonial Village Institutions, Path Dependence and Public Good Provision" estimates the extent to which development outcomes at the village level are affected by initial socio-economic inequality within the social structure of villages.

Miguel Loureiro is one of the founding members of Research and Information Systems for Earthquakes in Pakistan (RISEPAK). Presently, Miguel is a doctoral candidate at the University of Sussex, looking at the impact of the 2005 earthquake on social institutions and value systems in Pakistan-administered Kashmir. In his latest papers, he assesses the resilience of informal social protection mechanisms in Pakistan, and problematises the concept of "community" in rural Pakistan. He has also started revisiting notions of social stratification within South Asian Muslims.

Muhammad Farooq Naseer has worked on various issues of economic development ranging from the economics of education and health, social capital, farm efficiency and political economy. His earlier work attempted to evaluate the impact of government policy on various outcomes of interest. For instance, he examined the impact on learning outcomes of a recent schooling reform, which established that child-friendly classrooms tended to improve student performance in language as well as mathematics. Similarly, he evaluated a community based sanitation program for its effectiveness in improving sanitation practices and lowering disease incidence. In his latest research conducted in collaboration with Ali Cheema, Farooq Naseer has explored the causes and institutional constraints underlying the continuing deprivation of historically landless households. Based on a random sample of households from Sargodha district, they establish that households belonging to the different strata of the rural society have had a very different profile of educational attainment over the last three generations and their initial differences have widened over time. The above poverty analysis has been used to inform public policy by providing input in the formulation of the Tenth

Five-year Plan and also by the Government of Punjab, Planning and Development Department.

Efficiency, Agriculture and the Rural Economy

Abid Burki and Mushtaq Khan together conducted research on milk supply chain networks and the efficiency of smallholder dairy producers in Pakistan. Their paper examines the effect of major depression on the technical efficiency of dairy farms by using data of 800 smallholder commercial dairy producers from rural Punjab. It studies the impact of rural milk supply chain on smallholder efficiency by employing stochastic production frontier and technical inefficiency effects model. Psychological and somatic symptoms were recorded using WHO's Self Reporting Questionnaire (SRQ-20) and an index of depression is constructed by using a random effects binary response model. The results of their research suggest that 12 percent of farmers were suffering from major depression while 31 percent respondents had mild depressive disorders. Major depression was significantly related to decrements in technical efficiency; dairy output of farmers suffering from major depression significantly dropped due to technical inefficiency. The paper also calculates the annual loss to Pakistan's dairy sector due to depression. Dr. Burki has also carried out research regarding Pakistan's banking sector. His recent paper, coauthored with Shabbir Ahmad of the International Islamic University, examines the impact of bank governance changes on bank performance by taking unbalanced panel data of Pakistan from 1991 to 2005. The findings of this paper suggest that, in general, financial reforms improved banking sector performance. The winners from the governance change were the privatized banks and private banks selected for M&A, whose post-governance change efficiency levels have enabled them to exploit new profit making opportunities. In addition to his usual research and teaching activities, Mushtaq Khan is also a member of the working group on 'Institutions for Development' of the Panel of Economists.

Political Science

Mohammad Waseem is part of the team for a joint research project "Religion and Development" sponsored by DFID. As the country coordinator of this project, four research reports have been produced under him, two of which he authored himself: Religion, Governance and Politics in Pakistan, and Dilemmas of Pride and Pain: Sectarian Conflict and Conflict Transformation in Pakistan. He is also working on his new book "Political Conflict in Pakistan" that seeks to explore the genesis and pattern of development of conflict in the state and society of Pakistan, and its multiple forms, including ethnic, religious, federalist and linguistic conflicts. In a recent paper on affirmative action policies and social justice in Pakistan, he concludes that these policies are potentially non-disruptive of the power structure and non-revolutionary in their content as well as direction, and affirmative action is there to stay as a progressive input in a social and political framework that remains wedded to status quo in all other fields of public policy. His latest research also includes a comparative analysis of ombudsman in Asian countries.

Ejaz Akram's area of research offers an interdisciplinary overlap in the fields of Politics, Religion and Philosophy. Most of current research looks at the interface of religion and politics in three arenas: Interfaith and Civilizational dialogue to include Islam-West, Muslim-Christian, and Hindu-Muslim relations; Transnationalism (regionalism) and Globalization; Environmentalism, the study of human ecology and philosophies of nature. The first cluster involves research whose origins lie in histories of different civilizations and their theological systems, which has led to certain type of philosophical and political thinking. This cluster leads to two areas of focus: the politics of Abrahamic religions worldwide, and South Asia, the home of two great religious traditions namely Islam and Hinduism. Ideals of all these civilizations lend plenty of opportunity to shape the realities that can lead to mutual acceptance, coexistence or at least tolerance. The second arena of Ejaz Akram's research deals with politics of the

Muslim world by judging the character of regionalist aspirations and its attendant institutions and how globalization provides opportunity to achieve closer cooperation but also discourages and disrupts such cooperation. Most importantly, the last arena of Ejaz Akram's research looks at developmental modernism and its relationship with secularism that has a causal nexus with global environmental insecurity. All three clusters of research are employed that pull together the normative and the empirical in an effort towards a "green" theory of political peace, mutual co-existence, and sustainability.

Rasul Bakhsh Rais's current research focuses on the relationship between the tribe and the state in Pakistan's Western borderland. According to his research, there is a dialectical relationship between the tribe and the state. Both of them represent an authority structure, institutions, leadership and rules to govern local populations. While the modern notion of national sovereignty and territorial control would require assimilation of the tribe into the larger national community, the tribe and its chieftain would strive to maintain their autonomy, traditions, and political arrangements. The ethos and structural needs of the two to survive, and for the state to expand, come into clash. The research therefore raises the issue of how to go about assimilation or integration of tribal regions without provoking conflict. One of the central questions of Rasul Bakhsh's research is whether the Pakistani state pursued a well-designed, elaborate and consistent policy of effecting social change through modernization process in the western borderlands, or has it relied on the colonial framework of "separation" and indirect control? The focus is how the three international systems-British colonial, Cold War, and American hegemonic have defined and redefined dynamics and interactive process between the tribes and Pakistani state.

Magid Shihade's research interests are modernity and violence, and knowledge production as a form of resistance. His early research focused on communal

violence among Arabs in Israel, and how state's origin, history, and policies have shaped identities of its Arab citizens. The research is linked to larger question of state-society relations, group conflicts, and how modernity has helped to shape them. Shihade's research is knowledge production, especially the work of Ibn Khaldoun, which aims at challenging so many binaries since the age of modernity that has impacted our universities, societies and cultures both in the West and the rest. The work on Ibn Khaldoun is also an attempt to democratize knowledge and knowledge production by challenging the monopoly on knowledge of any culture or geographic region. Shihade's current research is concerned with global conflicts and violence within states, inter-states, and global conflicts. It is an attempt to study the ways in which states, modernity, and the modern global system have shaped these processes. It is also an attempt to address injustices, inequality, and the forms of domination and exclusion that are at work all over the world, and to understand their effects on many places around the world. In part, this project aims at studying the structures of power, and hegemonic forces that lead to undemocratic societies and states.

Sociology and Anthropology

Sadaf Ahmad's previous research has focused on gender based violence and has involved an investigation of people's belief in rape myths, its sources and social consequences, an exploration of sexual harassment in Pakistan, and an assessment of the feasibility of projects instituted by development organizations to work on the issue of gender based violence. Gender and religion has been another area of Sadaf Ahmad's research. Her last research project Transforming Faith: The Story of Al-Huda and Islamic Revivalism Among Urban Pakistani Women was an attempt to understand how its techniques of expansion and pedagogies of persuasion have allowed Al-Huda, an Islamic school for women established in Islamabad in the early 1990s, to turn into a social movement. This work illustrates the manner in which Al-Huda aims to create subjects with a unitary

consciousness by propagating a particular kind of hegemonic religious discourse among them and highlights the multiple reasons urban Pakistani women have for engaging with and internalizing such a discourse. Sadaf Ahmad's current work involves exploring multiple frameworks of gender justice in Pakistan. She is also planning on conducting research on religious minorities in Pakistan, more specifically the Buddhist community, in the future.

Ali Khan's research has revolved around child and forced labour in South Asia. His book with Oxford University Press, *Representing Children*, examines the representations of working children in the media and in the development discourse and how this has influenced the structure of various international projects to eradicate child labour. The book also adopts an ethnographic approach to the question of why children work and thereby reveals the importance of micro level factors in the decision making process of families and children. Ali Khan has also undertaken considerable research on the issue of forced labour in sectors of Pakistan's economy including brick making, carpet weaving and mining. His chapter on "Recruitment and Wage Systems" has recently been published by Lynn Reidel Press. The thrust of his work lies in trying to reveal the complexity and multi-faceted nature of bonded labour relations. He is currently completing a chapter on the history of bonded labour in Pakistan and on media depictions of child labourers in Pakistan. Ali Khan's other ongoing project is as series editor for a six book project for the Oxford University Press on *Anthropology and Sociology in Pakistan* covering the areas of migration, religion, education, bonded labour, gender and urban issues. The book on migration was released last year. The ones on gender, education and religion are due this year.

Livia Holden's research examines the process of social ordering through structured communication, and especially the legal discourse within extra-systemic networks. Her research focuses on state, non-state law,

and mixed sources of law and their implications with human rights and governance. She carries out extensive and longitudinal fieldwork in South Asia, in Southern Italy and in California with a specific stress on collaborative approaches. At present she is extending her fieldwork area to Pakistan regarding forum shopping strategies and legal discourse related with property rights, diaspora and socio-legal expertise, and lawyering practices. Moreover, Livia has investigated matrimonial remedies among Hindus in South Asia and in the context of South Asian migration in the USA and the UK. Her publication included family law, criminal law, lawyers praxis, traditional jurisdiction and custom and focused on the reception of Anglo-Saxon law by the Indian legal system, on the dynamics between state- and non-state law regarding dispute settlement in rural Central India, and on the effects of social engineering policies and political agendas on the practices of Hindu matrimonial remedies. She has also co-authored a variety of collaborative projects striving for accountability vis-à-vis informants. Livia is currently investigating socio-legal expertise in transnational case law within the context of South Asian Diaspora, and the fee regimes within lawyering practices. She is also envisioning collaborative research on property rights among Muslim communities in India and Pakistan. All her research grounds on ethnographic fieldwork.

Anjum Alvi's main area of anthropological research is South Asia, with particular emphasis on the Muslim Punjab. Her publications deal with kinship, exploring this analytical field from different angles, like the structure and ritual of marriage, the concept of the gift, and rites of passage. This work leads her to the discussion of the concept of the person and self in the Muslim Punjab as well as to the comparison of Punjabi patterns of kinship with those of other areas of South Asia, resulting in different publications. Her ongoing research is multidisciplinary, taking regard of theological as well as philosophical thoughts. A central concern is the argument for a place of ethics in Anthropology. Discussing the theoretical perspective of ethics in

anthropology she deals with the concept of freedom and morality particularly with reference to the work of Pope John Paul II and main philosophical perspectives of the 20th century. This multidisciplinary approach also informs her research on the concept of brother-sister relationship in the Muslim Punjab within the context of South Asia as well as her work on the concept of Muslim veiling in the Punjab which she discusses as a value in relation to the global debates on this topic. An article on the concept of the veil is currently under consideration. Finally, she works on transformations of the meanings of exchange relations within South Asia, and she explores the ethical nature of the gift as well as philosophical implications associated with it.

Law and Policy

Asad Farooq is carrying out research that is premised on the contextual approaches to law and law-doing. Much of this work has been tied to ongoing engagements with social movements. During his thesis work, he was engaged with peasant communities struggling for land rights in Malawi, whilst researching on the implications of dominant discourses of governance for the social majorities, and examining languages and forms of resistance to these. It represents a study in both legal imperialism and the decolonizing of law. Similarly he has worked on developing a jurisprudence of 'People's Law' whilst engaged with communities of resistance on land and water rights struggles in Pakistan. The latter has also involved (dis) engagements with inspection processes both at the World Bank and the Asian Development Bank. More recently his work is developing into the examination of 'the indigenous' as a 'new' political subjectivity.

Sikander Shah's area of research relates to Public International Law and is focused on state sovereignty and territoriality, use of force, self-determination, global terrorism, human rights, WTO laws and corporate governance. His most recent work is forthcoming in the *American Journal of International Law* and the *Vermont Law Review*. He is currently a Research Scholar at the

University of Michigan Law School working on public international law issues most relevant to Pakistan. In particular, his work focuses on the legality of the US Drone Attacks on Pakistan under the international law of armed conflict and on determining the impact of the international law of sovereignty and statehood on classical Islam as well as on Islamic revivalist movements.

Osama Siddique has been closely involved in research as well as policy work. His recent research includes a book written about the Presidential power to dissolve assemblies under the Pakistani Constitution and its discontents; articles exploring the use of Blasphemy Law in Pakistan, the State liability and remedies for victims of defective construction in Pakistan as well as on the crisis of legal education in Pakistan and key areas of reform; and various book chapters on the liberation of juvenile prisoners and on legal issues surrounding corporate governance. Osama has also been continuing justice sector policy consultancy work since 2004 as the 'Law & Justice Reform Specialist' for the Asian Development Bank on legal education reform; the main aim of this initiative is to extend financial and technical support to the most promising public and private law colleges in the country in order to bring about improvements in the areas of curricular reform, legal teaching and research. Additional law & policy reform projects involving his participation in advisory capacity have involved work on, inter alia, delay reduction in courts, legal bar reform initiatives, drafting of new laws and legal amendments in the areas of consumer protection laws, ombudsman laws, the civil and the criminal procedure codes, as well as institutional capacity building projects for provision of free legal aid and setting up of judicial training institutes.

Revealing Facts

Education

With less than five years remaining to achieve the goal of universal primary education, Pakistan still has a long way to go. Ranked 100th out of 148 countries with respect to primary completion rates, it seems that education will continue to be yet another of the Millenium Development Goals that eludes Pakistan leading up to 2015.

Table 1: Country-level Education Statistics (2007)

Average years of schooling of adults	3.9	[75th of 100]
Children out of school, primary	6,303,212	[1st of 126]
Duration of compulsory education	5 years	[169th of 171]
Education spending (% of GDP)	1.8%	[127th of 132]
Education spending (% of total government expenditure)	7.8%	[93rd of 96]
Education, primary completion rate	63%	[100th of 148]
Female enrolment share — Primary level	35.9%	[176th of 176]
Female enrolment share — Secondary level	39.5%	[153rd of 170]
Geographical aptitude results	69.7	[99th of 191]
Literacy — Definition: age 15 and over that can read and write		
Female	36%	[103rd of 106]
Male	63%	[173rd of 194]
Total population	49.9%	[186th of 205]
Primary school girls out of school	55%	[16th of 99]

Source: CIA World Factbook 2008

Table 2: Regional Comparisons of Literacy Rates

Literacy Rates		Pakistan	Regional Average*
Adult (15 +)%	MF	49.85	64.2
	M	63.04	74.4
	F	35.98	53.3
Youth (15-24)%	MF	65.5	79.8
	M	75.79	84.4
	F	54.71	74.8

* The region comprises the Maldives, India, Nepal, Bangladesh, Afghanistan, Bhutan, Iran, Sri Lanka and Pakistan.

Source: UNESCO UIS Data | UNESCO Institute for Statistics 2007

Table 3: Regional Comparisons of Enrollment Rates

Primary Enrollment		Pakistan	Regional Average*
GER %	MF	85	108
	M	93	110
	F	76	106
NER %	MF	66	86
	M	73	88
	F	59	84
Secondary Enrollment			
GER %	MF	32	53
	M	37	57
	F	28	50
Tertiary Enrollment			
GER %	MF	5	12
	M	6	14
	F	5	11

* The region comprises the Maldives, India, Nepal, Bangladesh, Afghanistan, Bhutan, Iran, Sri Lanka and Pakistan.

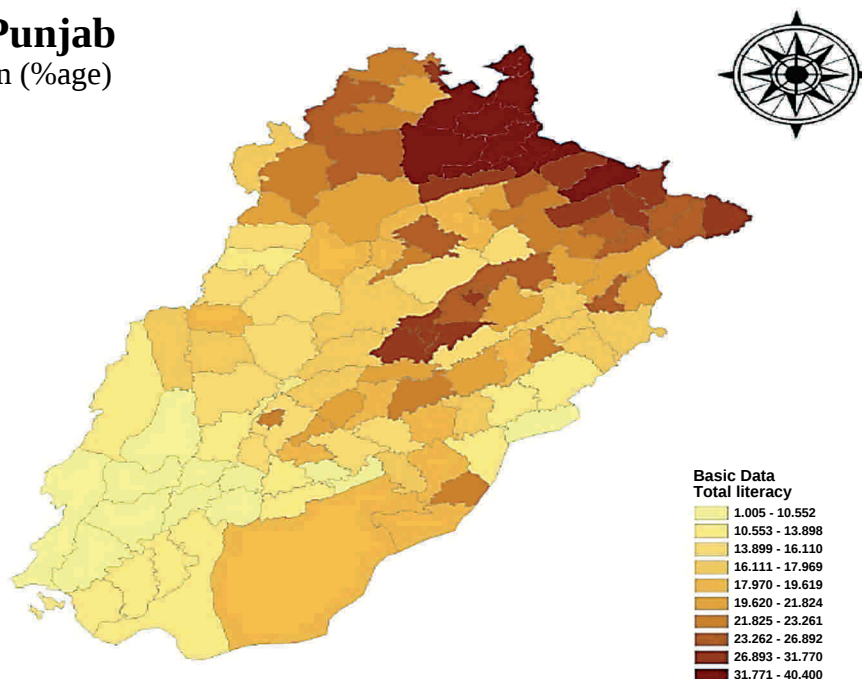
N.B. Percentages of children in school are represented by Gross Enrolment Ratios (GER) and Net Enrolment Rates (NER). GER is the number of pupils enrolled in a given level of education regardless of age expressed as a percentage of the population in the theoretical age group for that level of education. NER is the number of pupils in the theoretical age group who are enrolled expressed as a percentage of the same population.

Source: UNESCO UIS Data | UNESCO Institute for Statistics 2007

While there is little doubt that the state of education in Pakistan is poor compared to other countries in the region, there is considerable variation within the country on some key indicators. Here, using Population Census 1998 and Education Management Information System for Schools 2000, we take a closer look at some indicators such as literacy and average enrollment per school in Punjab, which is one of the richer provinces of the country.

Province of Punjab

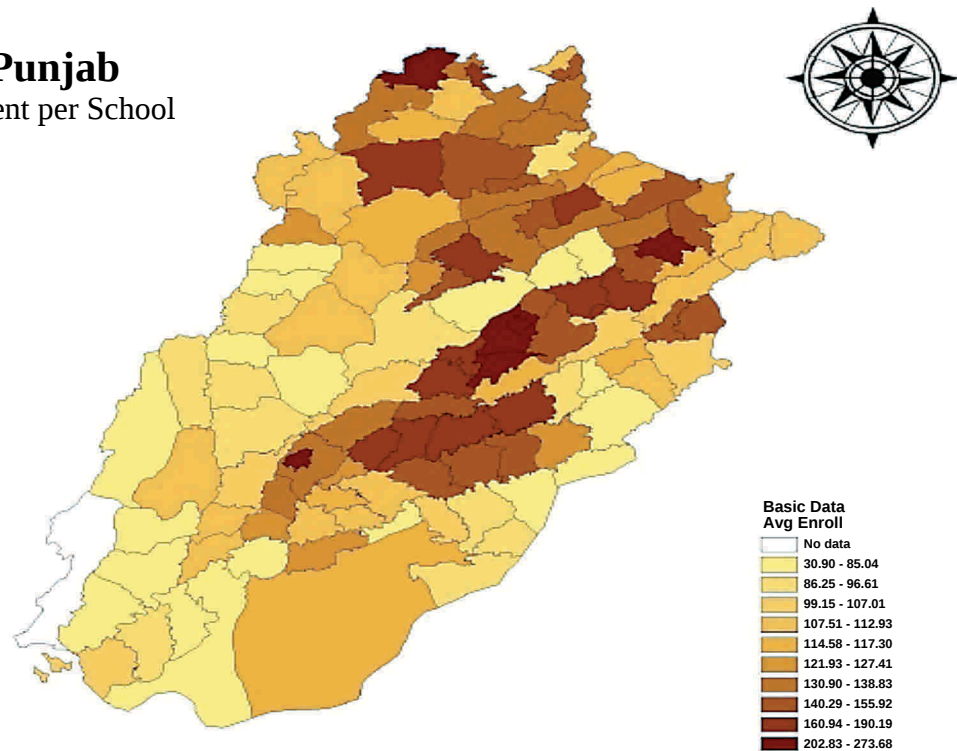
Literate Population (%age)



Source: Naqvi, Ali Asjad (2008)

Province of Punjab

Average Enrollment per School



N.B. Average enrollment per school aggregates enrollments at all three levels.
Source: Naqvi, Ali Asjad (2008)

Guidelines for Authors

All submissions will be handled electronically and should be sent to sspb@lums.edu.pk. Submitted articles, not exceeding 3500 words in length, should preferably be in the form of plain text or as a word editor document. The Editorial board will review all submissions to determine their suitability for publication. Articles should not be simultaneously submitted for publication to another journal or newspaper. If a different version of the article has previously been published, please provide a copy of that version along with the submitted article. All correspondence, including notification of the editorial decision and requests for revision will take place by email. In case the author(s) do not respond in a timely manner, the Editors reserve the right to make final revisions before publication.

SOCIAL
SCIENCE
AND
POLICY
BULLETIN

Social Science and Policy Bulletin
Lahore University of Management Sciences
Opposite Sector 'U', D.H.A.,
Lahore Cantt.54792, Pakistan
Phone: 92-42-35608000
Fax: 92-42-35894990 E-mail: sspb@lums.edu.pk