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The Sad Plight of the Pakistani Social Scientist!¹

by

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We are here to celebrate a transition. We are here to emphasize professionalism and the role that professionals can play in organizational and institutional development. We are here to develop a tradition of honoring intellectual leadership and its contribution to the human endeavor. Above all, we are gathered here today to celebrate creativity — the process of idea and knowledge creation — for without creativity society dies. While we celebrate and hunger for creativity, we must also solemnly lament how this noble endeavor of knowledge creation and creativity in which organizations like the PIDE are engaged is stifled in this country!

Transitions are natural

My PIDE friends, Transitions are an important part of life-- nature's way of managing change. All of us acknowledge the old Aristotelian adage that the 'only constant in life is change!' And we must learn to live with change. Generations die, empires dissipate, countries come and go, organizations develop and are phased out yet human progress is relentless.

¹ Without implicating anyone, this passion for the development of social science in Pakistan has been fueled by numerous discussions with my PIDE colleagues and friends such as Danial Aziz, Surjit Bhalla, Akmal Hussain, Shahid Kardar, Suhail Malik, Peter Montiel, Hafiz Shaikh, and too many others that I might not even remember. My thanks to all of them! They keep hope alive.

Transitions play an important role and we must learn to plan and respect them. A parent raises a child to carry on the lantern of the dynasty. A lifetime is spent in planning and managing that transition.

Societies that achieve orderly transitions progress! In fact perhaps an important difference between an advanced society and a society in a poverty trap is that the former are able to make orderly transitions at every level. Most of the big European countries—Germany, France, Britain, Italy—all of them have achieved a successful political leadership transitions in the recent months. Universities change professors and presidents in an orderly manner almost on a monthly basis. There is no acrimony. No one wants to hang on power! There are no power plays for those jobs.

The laws of nature allow for no immortality. Old age leads to death and a transition to the control of resources by youth. This applies to all things human-- our society, our organizations our institutions. As physics will tell us this applies to our universe too for it too is finite even though it may appear to be infinite in relationship to us.

Development and progress require transitions. Some even argue that the American political system achieved a strong foundation when George Washington resigned at the peak of his presidency. They begged him to stay and he could easily have been a life time president. He was clear in his mind that strong democracy demanded change.

Feudalism leads to violent transitions

Indeed strong organizational development demands that orderly transitions happen. This is the hallmark of the modern industrial and information age era. But transitions mean that the contributions of each are remembered.

Creative contributions to all organizations at every level are remembered across transitions.

The hallmark of feudal/rentseeking societies is disorderly transitions and personality dependent organizations and institutions. Internecine wars and intrigues were the manner in which transitions were achieved. We have still not learnt the power of modern institutions while England achieved early continuity of governance that provided stable rule of law and property rights. It is no wonder that Britain conquered the world and us.

Colleagues, we in this country have not learnt. In our country too many institutions and organizations are personality dependent. Indeed it is almost foolish and irrational for organizational bosses to not make their organization personality dependant. Rents depend on your power and closeness to power.

Yet institutions and modern organizations cannot thrive with the centrality of power. And growth cannot be sustained without the development of strong, modern institutions and efficient organizations.

Rents seeking feudal societies do not want new ideas or real professionals

Ladies and gentlemen, my friends at the PIDE, Another important hallmark of a feudal/rentseeking state is that the powerful do not respect professionalism and talent. Hierarchy takes precedence over talent and professionalism. The only ideas that are important are those of the lord....and he speaks volumes of his fantasies and thoughts. Of course he knows it all even without an education....after all, he is the lord.

Ideas are cheap in this society. We have all heard the frequent claims of the privileged that “we know it all...all we need is good implementation.” Of course any one with any new ideas can easily be decried by calling her “too theoretical” or “impractical” or “too advanced” or “unaware of our ground realities.” Please see these arguments for what they are—self serving. They keep the hierarchy alive.

Since knowledge has no value for these people, why should they value talent and professionalism? It is no wonder that degrees, publications, citations, expertise mean so little. A professional is only to show off or to sit at the bottom of the totem pole. All power is with the managers or the CEOs. You can tell by the protocol and their demeanor who is in charge...the generalist bureaucrat is in command with the big office, the perks, and the resources, the poor technocrat is only in a servile position looking the part. Often at meetings the dialog is “doctor sahib this is not practical. Please do not look at the knowledge of the world but at our ground realities.” In short, “I already know the answer and your years of accumulated knowledge are totally useless.” So we continue to give useless subsidies to the rich industrialists who have been heavily subsidized for the last 60 years. Is that an accident?

Social science is cursed by the fact that it does not deliver readily consumable products. Nor is the impact of good social science readily and immediately obvious. While even our uneducated masters enjoy the benefits of a BMW, or a Bang and Oluffsun, the benefits of configuring good property rights or developing social capital or civil society are not immediately obvious. But poor quality social science has also misinformed and reinforced their hierarchical approach to life. Planning and donor

approaches have led to the development of large laundry lists of things that governments should do has converted social science into wish lists. This suits the hierarchy who are placed in the pleasant paternal position of delivering development while also controlling resources.

Akmal Hussain perceptively observes “Power in Pakistan has historically been constituted by accessing public resources for arbitrary transfer to dependants.”² Make no mistake those in power work hard to retain this position of being in control of resources and the delivery of development. This hard work includes defending their turf by decrying any serious professional who might show upon the horizon. Another myth is maintained—social science is easy we can all be economists and social scientists. Everybody –bureaucrats, generals, engineers and most well meaning people—are all economists in a society which seeks to plan too much. As most of us serious economists know, planning is good for a rent seeking society. Rents are easy in a planned regime where subsidies, plots and government largesse are easy to get in the name of development.

It is amazing how easy it is for a powerful person to put down a serious academic and a valuable economic idea and claim to know more. Consider this, would you tell your cardiologist on how to do her business? Would you ask for a Pakistani anatomy? Are there ground realities of Pakistan that make Pakistani cardiology different? Would you even go to a cardiologist that you thought did not have knowledge of a global standard?

Why then should we expect less of our social scientist and our economic and societal prescriptions? Why then can they just decide our economic fate in a

² Dr.Akmal Hussain **Governance, Growth and Inequality** Daily Times Monday, May 08, 2006

meeting with no background research or bringing our best minds to bear on the problem? I was told on my last day at PIDE by one of our senior economic managers: “we do not need research papers, we need implementation and we need decisions and we do that while in a meeting.” How wonderful! How self serving! And we continue to give plots and subsidies and curb the market in favor of the rich!

Are Donors Helping?

Yet it is not total chaos. We do have all manner of policy and large documents with lots of data, much description and many policy descriptions. This industry is spawned by donor funding. These large reports are produced by all manner of consultants including our social scientists, retired bureaucrats and generals and others who can curry favor with donors. Sadly donors do not really make any quality distinctions. In that sense, they distort the market for human capital.

The PIDE in its time has claimed a share of this industry. Are we getting good policy and good research from this process? Is it contributing to the development of capacity in social science thinking and research? I would argue in the negative for 4 reasons.

1. Donor work tends to be driven by lending needs and often by development flavor of the day. It may not even be informed of the latest in economic thinking in academia. Whatever it is, it lacks local flair and ingenuity. Thus we have spent millions of dollars researching WTO and poverty and know nothing of our property rights system or of the costs of rent control or our urban zoning.

2. Donors are in any case beholden to the government and can easily be managed. The alliance of donors and government can lead to perverse outcomes with little serious reform and investment and a lingering debt burden. In any case, without a serious public debate on policy ideas, ownership of the people cannot develop. And we all know that without ownership, no reform can be successfully implemented.
3. Perhaps the biggest harm of this relationship between donors and domestic academic is the intellectual enslavement of a country. Academic risk taking is stifled and thinkers seek the easy way out of parroting the donors. In any case they are kept so busy running from conference to report that they forget to read and think for themselves. Pretty soon there are no domestic debates or agendas.
4. Related to 3 above is the fact that without open discussion and criticism, mistakes happen. Several examples of such mistakes can be given: the Social Action Program, the first Independent Power Purchase Agreement, and the Foreign Currency deposit Program.

Even when we develop new ideas like we did on domestic commerce and cities as the engine of growth, we do not even get a citation from our people. We have no access to the powerful nor are we invited to panels arranged by our leaders. The consultant and the donor have full access continually. Indeed they have been star speakers in the PM's auditorium. The domestic thinker only has a life as a consultant of the donor. She can write articles, develop original research, and present a set of new ideas. Yet she will only be greeted with harsh epithets such as "NATO" (no action, talk only), or "drawing room critics." While donors have all benefit of the doubt and VIP access, our own thinkers are treated with disdain.

With our intellect so beholden, I am despondent at our inability find an Emerson who in 1837 declared intellectual independence by saying “Our day of dependence, our long apprenticeship to the learning of other lands, draws to a close. The millions that around us are rushing into life cannot always be fed on the mere remains of foreign harvests.”³ With these words he unleashed American academia into a creative period and out of its slavish dependence on England. But then Emerson had no donor consultancy to dilute his independence.

The importance of ideas and research

Fellow PIDEians, Most of us serious economists know that economics is not making plans for building infrastructure and more and more government bodies. Not is it the perennial search for debt and funds. Nor is it the endless compilation of sectoral reports that may have lost their meaning. Instead, economics is about understanding human behavior and interaction and how it affects an economy and society. Cooperative interaction can lead to a ‘win-win’ situation while individualistic conflict can lead to a ‘lose-lose’ situation. Economists such as North, as our own Akmal Hussain frequently reminds us have noted the importance of institutions (the rules of the game) and even culture (norms and informal rules) in society in creating the cooperative “win-win” environment.

My PIDE comrades, I have been begging you, cajoling you and intimidating you to hit the newer literature—Acemoglu, Easterly, Warsh, North, Diamond, Lucas, Glaeser, Greif and so on. Thanks to my friend Asad Zaman many of you have even had a course in game theory. You have learnt very clearly that the new economics tells us that mere planning for bricks and

³ R. W. Emerson “The American Scholar”

mortars will not lead to higher growth. Instead this literature tells us that growth is not about building more or having more industry. Instead growth is about knowledge and markets. North and Williamson and the new institutional economics also tells us that markets and human knowledge endeavor requires institutional development such as property rights, economically efficient constitutions that check the power of the executive, an effective independent media, an efficient civil service sensitive to the needs of rule of law and the market and several independent agencies such as the central bank and market regulatory bodies.⁴

To configure society for growth according to the new literature economics has to move beyond sector policies, PSDPs, ADPs, acronyms and metaphors. We need to think beyond ‘brick and mortar.’ A whole new intellectual endeavor has to take place. My Colleagues at the PIDE, you can feel proud we did start that agenda in difficult circumstances and in one year we opened out several new areas of research. Let me recount some.

1. We have learnt that the role of the government is to first provide the magisterial good or the rule of law, law and order, justice and property rights. About 2 millennia ago, Cicero said “Salus populi suprema lex esto. (Let the safety of people be the supreme law.)”⁵ -- A truth that Pakistan seems to have lost. We at the PIDE have re-discovered Cicero and argued that the social contract demands that magisterial good be provided first. Shirking the provision of the magisterial good in order to provide ‘economic development’ leads to the mess of a fragmented, rent-seeking and extremist society.

⁴ North “Understanding Economic Change” and Williamson “Economics of Governance”

⁵ Cicero, The Twelve Tables

2. We developed a critique of our current growth strategy and our MTFD. We learnt that our growth policy continues to be mercantilist putting the government muscle into promoting exports and protecting and subsidizing industry. The missed opportunity is the consumer, domestic commerce and entrepreneurship.
3. We learnt that most civil servants are demoralized by their perception of the pervasive corruption in their ranks.
4. We learnt that critical to the reform of the civil servant is the monetization of their perks and open competition of civil service jobs.
5. We learnt that uninformed urban zoning favors kothis over commerce to seriously slow down our growth. Since commercialization is taxed excessively and further penalized by height restrictions, we can only conclude that it is a sin. The powers that be have no land for offices and shopping malls but plenty for golf courses and polo grounds. Nor do they want apartments for the poor in our cities.
6. We learnt that our property rights system is slowing down the development of land and other factor markets.
7. We have learnt of the need to make the law compatible with economics!
8. We learnt that there is a serious confusion in the minds of the policymaker on the difference between entrepreneurship and rent seeking and more often than not they promote the latter.
9. We learnt that the policy of subsidies to increase exports is not working.
10. We learnt that policy continues to negatively impact on exports.

11. We also developed a leading indicator of economic activity.

These are only some of the areas where we expanded our knowledge. Yes! PIDE, through the development of ideas you have delivered. You have justified your subsidy from the tax payer.

We focused on key issues of the day and we developed research and debate on them. We wrote policy viewpoints, papers, books arranged seminars and conferences.

I am proud to say that *without* donor consulting, through our own efforts we developed a domestic research agenda in keeping with our vision. And we learnt a lot.

Did these issues excite any one? Certainly not the policymaker! They neither read our work nor did they turn up for our conferences. Even when we took our seminars to their offices, they did not show up. Surprisingly, the donors also showed little interest.

The fragmented professionals

My PIDE comrades and fellow thinkers let us not put all the blame on the powerful and bureaucratic. The professional community has for too long been servile and competing in the basest of ways for the favors of the powerful. As pointed out above, those in power neither value professionalism nor ideas. Consequently the competition for their favors is on issues other than professionalism and ideas. The result is that those who rise to the exalted ranks are frequently elected for qualities other than professional merit. Moreover, the so called professionals who rise to be accepted as bureaucrats then seek to cut out the competition. Look for yourself. Every government seems to have room for only one professional.

Our economic managers are so vociferous for the protection of cars at the expense of our consumers while they expose our intellectual industry to unfair competition. They know it all. They are certain. How often have you heard the refrain, ‘we only need implementation? They have not heard of Karl Popper who said “whenever a theory appears to you as the only possible one, take this as a sign that you have neither understood the theory nor the problem which it was intended to solve”⁶

This culture has contaminated the professions creating petty rivalries, backbiting and cultivating skills of servility. In their attempts to curry favor, the economists and indeed other professionals have in at least 3 ways become contaminated.

1. Research in Pakistan has become timid. It follows donors. It does not respond to the key issues of the time such as governance, democracy, institution- building, opportunity, entrepreneurship. It is not question-driven. It is slavish to methodology and data. Observation and the application of knowledge from other parts of the world are not approaches we use. We do not dare to think for our selves. Why for example, has the Pakistani economist not written papers on *qabza*, property rights, eminent domain, regulation, markets and governance? Why do we continue to run regressions on old issues and old questions, and merely copying methodologies?
2. We have lost the art of citation, hypothesis testing, in short, the building of the edifice of knowledge. Because of this Pakistan seems to be barren of ideas. All our knowledge gets lost. How do we develop a knowledge culture without citations? Ideas that are developed

⁶ Karl Popper “Conjectures and Refutations”

locally are never cited. We have forgotten even Mahbub ul Haq! Who remembers the fact that Akmal and Mushahid and my alterego Abdus Samad wrote books on governance in the late eighties and early nineties? Who remembers Dennis Detray and the Rawalpindi survey out of which grew much of our socio economic work? Who remembers our rural credit work that Sarfraz Qureshi and Suhail Malik did many years ago at the PIDE? Who remembers the Macro modeling work of Nawab Naqvi and Ashfaq? Who remembers that PIDE under the leadership of Dr. Kemal did most of the work on effective protection and manufacturing productivity? The conference on managing Pakistan's economy in the nineties edited by Anjum Nasim had several important papers, yet it is not cited? These are just a few things that come quickly to mind. This list is illustrative and not exhaustive. I apologize if I have failed to mention others.

3. Citations require people to understand each other and confront each other's work. A citation culture creates knowledge through the development of citation communities in one direction and polemics in the other. In one case, it confirms developing knowledge, in the other it leads to confrontation of ideas, conjectures and hypotheses. Eventually it is these 'conjectures and refutations' that lead to the knowledge that gives us growth and technology. This process is also known peer review. But in Pakistan, because of the peculiar feudal organization of power, our technocrats and researchers have no polemics and no citation communities. In fact, if you look at any of our columnists and thinkers, they almost clinically avoid quoting each

other or engaging with each other. Their only source of knowledge and information seems to be the donor. How odd but true!

We at the PIDE have taken the first steps to developing a research culture and a serious discourse. Establishing a citation culture in the context of bold conventionally relevant debates will develop a discourse which could eventually lead to societal progress. But that can only happen when researchers have independence and respect.

Unfortunately in our country, researchers are not only treated with disdain but frequently told what to do! Especially economists are continually being told that their job is only to ask for more industrialization and more exports. Why? But this is not even a subject on which we can have an informed debate. Let me emphasize that the point of research is to question everything. Durant says “Inquiry is fatal to certainty!”⁷ But our policy seems to run on certainty not inquiry.

Let us emphatically use as our slogan “There is no limit to what we can and should question in our inquiry.” Admonishments like “this is not practical” and “this is not relevant to Pakistan” should be seen for what they are—knee-jerk reactions to questioning, attempts to control thought.

Academic leadership and inquiry

For its survival, humanity organizes itself. Leaders at every level emerge to achieve this organization into social, political and economic organizations under-girded by institutions. In the modern era no longer is this process unconscious! Most advanced and civilized societies are led by conscious research. This is why Nobel Prize winners and John Bates Clark winners and

⁷ Will Durant “The Story of Philosophy”

Booker Prize winners are held in serious esteem everywhere in the world except Pakistan.⁸ The value of researchers and academics is very clear to all except those in power who always belittle academia and academics.

All research but especially that in social science has been seriously impaired in the country. To me it is not surprising then that the extremist has captured the space. Recall that social science was born of the Enlightenment which is the name that we give to that body of thought that fought for liberty from kings, obscurantist and the inquisitors. Perhaps that should give us a clue as to why today “kings, obscurantist and the inquisitors” seem to lie in the lack of research and fresh thinking. Echoing this thought, Dr Furrukh Saleem said in The News yesterday “The new war is all about the soul of Pakistan--a war between logic and jihad, between a culture of martyrdom and a culture of reasoning.”⁹ He is right- the path to modernity and development is sensible socio-economic discourse!

Social science research is vital today. You at the PIDE can play a vital role in leading the country to enlightenment. It will be a long time before this country gives you any credit or respect for it. It is a thankless task! I am sorry I have no more encouraging words to offer than that. But that has been my experience!

Here the PIDE can make an appreciable difference by creating an academic culture and giving academic achievement and leadership respect through citations and dissemination. PIDE must always reward academic excellence through its recognition.

⁸ Our only Nobel Laureate Abdus Salam sadly remains unsung in our country.

⁹ The news Op/ed 14 July 07

Why we need an Independent and strong PIDE?

I hope my PIDE colleagues will forever share my vision of creating a modern flatter and less personality dependent organization. I had always told you I would not be here long. My job was restructuring, and developing a new vision for the PIDE and setting in motion a thinking and professional PIDE. I think we achieved it. But I wish that we could have had a better transition. As I said before, transitions always happen with violence in feudal/rentseeking societies.

My PIDE comrades, resist the efforts to colonize you. Retain the research character of the PIDE. You have a proud tradition. You are the only place where despite attacks of the bureaucracy, starved of funding the beacon of socio-economic research has been kept alive. I know with what difficulty you have done it. There is an aura of despair around the PIDE building. Yet you continue. I applaud you.

In the last year we developed a daring agenda of research. We developed several new conferences. We stepped out of Islamabad. We developed new means of communications-conferences, round tables, focus groups, and electronic media. We developed new products. We are and should be very proud of them.

We developed a citation culture. We ceased to be hidebound by tradition and dared to question. We began polemics on growth strategy, governance, and cities. Our seminars and forums invited all regardless of their agreement or disagreement with us. In short we laid the foundations of academic economics at the PIDE. It is fitting that it happen here—our premiere economic research institution which has published Harry Johnson, Nur ul Islam, Aziz ur Rahman, Mahbub ul Haq, Nawab Naqvi, Sarfraz Qureshi, A

R Kemal, M. Irfan, Suhail Malik and many others.¹⁰ I am not including several people who are currently at PIDE who compare favorably with their erstwhile colleagues.

I am leaving the day to day leadership of the PIDE as I told you I would. However, like all serious academics, I find that PIDE is my home. It is natural that all thinkers and academics should gravitate toward the PIDE. As in the last thirty years I have always yearned to visit the PIDE, participate in the PSDE conference, in your seminars, and contribute to the PIDE. I will continue to do so.

I hope that the new leadership at the PIDE will not be a retired bureaucrat or an individual who will close the intellectual door that is now wide open. It is up to you to guard the academic tradition of questioning fearlessly, open debate, and honest citation culture and professional integrity. Guard academics jealously and well!

You can do so by initiating and keeping alive a discourse on ideas. Places like the PIDE should own such a discourse and keep it alive!

An independent PIDE is imperative for the development of democracy and the strong institutions required for sustained growth and the elimination of poverty. Fareed Zakaria argues eloquently in his Future of Freedom that professional elites like the PIDE have a serious responsibility of keeping society well informed and enlightened. If the press is the fourth estate, the intellectual is the fifth. Without intellectual independence and excellence, the press and civil society are blinded. A functioning fifth estate is required to strengthen liberty and democracy. For this to happen well, the PIDE

¹⁰ As we planned, remember all these people in your work and even through naming some PIDE rooms and buildings after them.

researcher must be independent and self-willed. So preserve this independence and “dare to question!”

James Madison’s statement on research institutions remains true even today. He said, “Learned institutions ought to be favorite objects with every free people. They throw that light over the public mind which is the best security against crafty and dangerous encroachments on the public liberty.”¹¹ PIDE, you carry a heavy burden. Bear it well! Guard economic thinking through your research and debate. End certainty through your questioning. End the days of mere aristocratic decision-making and bring in the days of informed policymaking.

¹¹ James Madison, personal letter to W.T. Barry, 4 August 1822; engraved on the Madison Memorial.