

## **Quest for Reconciliation in Balochistan: Policies of the Pakistan People's Party Government, 2008-2013**

Muhammad Hassan\*

### **Abstract**

The paper attempts to critically analyse reconciliatory policy of the PPP-led government towards the nationalist movement in Balochistan. It examines the salient features of that policy as well as reasons why the policy failed in Balochistan. The federal government continued with the ongoing military operation while introducing economic and constitutional measures. A buffet of reforms and incentives was offered in the midst of state violence and reactive, combative nationalism which only added to the mistrust and unrest in the province.

**Keywords:** reconciliatory, Baluchistan, nationalism, rights, policy

### **Introduction**

General elections for national and provincial assemblies took place in 2008 which the nationalists' parties in Balochistan boycotted. The successful boycott meant absence of popular vote and genuine representation in the assembly. Winning fifteen seats out sixty-five in Balochistan assembly, the PPP formed a coalition government in the province with PML-Q and JUI-F. As a gesture of goodwill, President Asif Ali Zardari offered public apology to the Baloch people for the past injustices and neglect (Asghar, 2008). This was followed by an economic package *Aghaz-e-Huqooq Balochistan* (commencement of Balochistan rights) to alleviate the economic and social grievances of Baloch people and to stymie the separatist movement (Government of Pakistan, 2010). The government also launched Seventh National Finance Commission (NFC) Award 2009, which was markedly different from the previous awards in both horizontal and vertical distributions. In horizontal distributions, the share of Balochistan in the divisible pool was increased to 9.09 from 5.13 under the previous awards (Waseem, 2010). Leaning towards generosity the Award delinked resource distribution from population. The passage of the 18<sup>th</sup> constitutional amendment in 2010 promised more autonomy to the provinces abolishing the concurrent list from 1973 Constitution, i.e., subjects on which both the national legislature and the provincial assemblies could legislate (PIDAT, 2012). *The PPP Policy of Reconciliation towards Balochistan*

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\* Senior Research Fellow, National Institute of Historical and Cultural Research (NIHCR), Quaid-i-Azam University Islamabad, Pakistan.

The federal government made an apology to the people of Balochistan for the excesses committed by the successive civil and military governments in the past. It assured the nationalists that concrete measures would be taken for the uplift of the province and redressal of the genuine grievances of its people (The News, 2009). The government realized the criticality of the political situation and constituted a parliamentary committee to suggest ways and means to reconcile the 'freedom fighters' (Dawn, 2009). It also announced an economic package apparently to take the wind out of nationalist sails. The package was received with a pinch of salt in the province. There was no letup in the use of force to crush the insurgents. Repression spawned more violence with renewed clamour for independence. The federal government went on harping the theme of reconciliation to weaken the nationalists. It formulated the *Aghaz-e-Huqooq-e-Balochistan* package, the Seventh National Finance Commission Award, and most importantly the Eighteenth constitutional amendment. These measures were aimed at greater political and economic benefits to the province (Saeed, 2013). Nationalists, whether separatists or moderates, did not respond positively to the reconciliation policy of the government; they read motives and lack of sincerity in the package of reforms. They rejected the reconciliatory policy, calling it a deception and a continuum of Musharraf rule (Sial, 2010). According to the late secretary general of BNP, Habib Jalib Baloch, it was another attempt to deceive the Baloch in the name of reconciliation and under the disguise of parliamentary committees, which could not yield any positive results (Akbar, 2008).

#### *Aghaz-e-Huqooq-e-Balochistan Package*

The PPP government took the initiative of extending an olive branch to the Baloch people to alleviate their age-old grievance and to attenuate the separatist nationalists. It formed a committee to formulate comprehensive proposals with a view to tackle tenacious political and economic problems of the province (Dawn, 2012). The committee proposed a package which it called *Aghaz-e-Huqooq-e-Balochistan* (commencement of Balochistan Rights). It was approved in a joint session of the Parliament on 24 November 2009 (Balochistan Package, 2009). Among other concrete measures, the package proposed to address the lingering problem of extra-judicial killings of the nationalists and political workers confronting the security forces (Waseem, 2010). The package recommended for the abolishment of the concurrent list, rationalization of operations of the Council of Common Interest (CCI), constitutionally mandated body, and the reconstitution of the National Finance Commission (NFC) award (PILDAT, 2009). The package also proposed for the withdrawal of the

Army from the troubled districts of Dera Bugti, Kohlu and Gwadar. Likewise, it proposed to place the Frontier Corps and Coast Guards under the control of provincial government and carrying into effect the recommendations of the committee that was constituted during Musharraf era to address a myriad of issues pertaining to representation of the Baloch people in representative bodies and economy of Balochistan (Javaid, 2010). Furthermore, the committee recommended to pay decades-old arrears of gas royalty to the province, amounting to Rs.120 billion (US\$ 1.14 billion) between 1954 and 1991 that was to be paid in equal installments over a period of 12 years. Apart from this, the committee proposed the transfer of a substantial share for Balochistan in Saindak Gold Project as well as greater employment opportunities for Baloch (Najam, 2009). A fact-finding commission was also proposed to investigate the killing of Akbar Bugti. Similarly, a judicial inquiry was also recommended to probe into the causes of the killings of three Baloch nationalists, Waja Ghulam Mohammad Baloch, Waja Lala Munir, and Sher Muhammad Baloch in 2009, which had only energized the nationalist insurgency (Najam.). The package also recommended for the creation of five thousand jobs in provincial education department. To top it all, the package urged the need of provincial control of natural resources of the province (Waseem, 2010).

President Asif Ali Zardari termed the package a “grand leap forward” aimed at reconciling the disgruntled Baloch leadership at home and abroad (Noor Ul Haq, 2010). Nationalists should respond positively to the government offer, he added, asking them to integrate into national mainstream by accepting the package (Pakistan Observer, 2010). The mainstream national political parties including the PML-N and Awami National Party (ANP) welcomed the package. Although the package was a right step in soothing tensions in the trouble province, doubts were expressed in some quarters about its success. The moderate nationalists such as Mir Hasil Bux Bizenjo, Sardar Akhtar Mengal and Dr. Abdul Hayee remained cautiously optimistic about the possible outcomes of the reform package. The moderate political forces expressed disappointment as the package evidently failed to convince or contain the extremists (Mengal, 2016, Interview by author; Malik, 2016, Interview by author). The regionalist parties supportive of federation and the integrity of Pakistan expressed serious reservations about the central government’s move. The BNP (Mengal) and NP reiterated their demand that the federating units must be treated as promised under the 1940 Lahore Resolution. They rejected the reform package and demanded complete provincial autonomy and indigenization of control on the resources of the province.

The leadership of NP and BNP complained that central government did not consult them. The parties critiqued the package on the grounds that it did not meet the genuine demands of the province. They termed it a mere exercise of mulling over the actual situation in Balochistan designed not to reach to a consensus-based interpretation, understanding and durable solution of the problem (Shah, 2009). The pro-federation leadership feared that the package would only increase disappointment and despondence in the province (Baloch, 2014 Interview by author; Jamal dini, 2014 Interview by author). The package also failed to find favour among the religio-political parties of Balochistan including JUI-F. It held that the real concerns of the Baloch had not been addressed by the reform package (The News, 2009). Even if the PPP government was serious to resolve the Baloch problem through the *Aghaz-e-Haqooq-e-Balochistan*, the conflict between Balochistan and the federation remained unresolved. The nationalists were wary of the fact that the civilian government had little power to take a bold decision, whereas the military establishment was all powerful in crucial policy making relative to Pakistan as well as Balochistan. Their apprehensions were proven later as the package was never implemented in letter and spirit (Gishkori, 2012). The package was only not implemented it was widely seen as another set of broken promises to the people of Balochistan. One natural outcome of this failed attempt was the manifestation of more resolute demands for Baloch rights.

### **The 7<sup>th</sup> National Finance Commission Award 2009**

The National Finance Commission (NFC) award recommends procedures for resource mobilization and distribution under a prescribed systematic formula. NFC is mandatory under the 1973 Constitution to be constituted every five years (Government of Pakistan, 1973). The resource allocation system has been a cause of tension between the central and provincial governments. The main charter of it contains dispensing tax receipts, issuing random allocations such as special grants, and endorsing the borrowing of funds. The basic aim of the awards was to streamline the share of provincial governments from the divisible pool of tax receipts on the basis of population. As the NFC awards by Ayub government in 1961 and 1964, by Zia in 1979 and, 1985 and by General Musharraf in 2000 and 2006 could not develop a consensus among the federating units, it witnessed a deadlock (Jaffery and Sadaqat, 2006). However, the 1974 Award by Bhutto government and the one in 1991 and 1996 by Prime Minister Nawaz Sharif were reflective of consensus. The civil governments increased the share of federal units from 28% to 45% of the federal tax revenue. Among the four provinces, Punjab was awarded

57.88%, Sindh 23.28%, Khyber Pakhtunkhwa (the then NWFP) 13.54%, and Balochistan 5.30% (Mustafa and Khalid n.d). The NFC award in 2006 also failed to develop a consensus among the stakeholders about resource distribution between the Center and the provinces. The stalemate led the President to announce a “just and agreeable-to-all” award. By invoking Article 160 (6) of the 1973 constitution to amend the “distribution of resources and grants-in-aids order 1997”, the President announced a new award in July 2006. Consequently, the provincial share was increased from 41.50% to 46.25% in both divisible pool and grants (Government of Pakistan, 2006).

Table 6: Provinces Percentage of Total Financial Allocations during NFC Awards 1974-2009

NFC Awards	Punjab	Khyber Pakhtunkhwa	Sindh	Balochistan
1974	60.25	13.39	22.50	3.86
1990	57.88	13.54	23.28	5.30
2004	57.36	13.82	23.71	5.11
2009	51.74	14.62	24.55	9.09

Source: (Ali, and Hassan, 2012).

The 2009 NFC award a leap forward from past practice. First, instead of static share of provinces from the divisible pool, the 2009 award for the first time introduced changes with substantial increase for Balochistan and reduced share for the Punjab. The grant started from 41.5% in the initial year and ended up with 46.25% in the remaining years of the award. Second, the Punjab and Sindh provinces were made part of it as recipients of subventions grants which were given to both in the past awards. Third, the award also included one sixth of the net proceeds that would be transferred further down to district governments through provincial administration. The provincial government demand for at least 50% share from the divisible pool was not met. But it nonetheless increased their share from the 37.25% of last two awards. The criterion for horizontal distribution still remained demography. Balochistan’s historical demand to base resource distribution on poverty, inverse population and geography was supported by the Punjab (Ahmad, 2013).

The 7<sup>th</sup> NFC award’s final recommendations were no less stringent. Balochistan and Khyber Pakhtunkhwa again insisted on the inclusion of poverty, backwardness and inverse population density as indicators for revenue distribution. Sindh demanded to include sales tax on services and revenue generation as criteria for horizontal distribution

along with population. Punjab pressed for population as the single criterion-based formula (Government of Pakistan, 2009). On December 2009, the Award was unanimously approved with a number of tangible recommendations for both horizontal and vertical distributions. The chairman of the commission under the federal finance minister developed a consensus among all members and resultantly recommended a reasonable award to the Prime Minister of the country (Mustafa, n.d).

The award introduced some fundamental changes such as fiscal decentralization by enhancing provinces' share in the divisible pool to 56% in the first year, effective from July 1, 2010 and to 57.5% in the remaining four years of the Award. The central government also handed over the sales tax on services under federal excise duties to the provincial governments (Shaikh, n.d). The NFC award changed not only the vertical distribution of resources in favour of the provinces, but it also restructured the horizontal distribution where hitherto sole criterion of population for distributing financial resources among the provinces was replaced with multiple criteria such as inverse population, backwardness and poverty. With that the share of Balochistan, which had hovered around 3%, increased to 9.9% (Ahmed and Baloch, 2014). In each fiscal year, it was settled that every province would get 50% of net proceeds from total royalty on crude oil. Furthermore, Balochistan was to collect Rs. 120 billion (US\$ 1.14 billion) under the head of gas development surcharges. The federal government owed this amount to Balochistan. An agreement was made between federal government and Balochistan whereby the former would pay the agreed amount within a period of twelve years (Government of Pakistan, 2010).

The 7<sup>th</sup> NFC Award created the fiscal space for the provincial government to enhance service delivery in the province. The Balochistan cabinet ministers used this wider fiscal space to fill personal kitties. Nearly, all the members of provincial legislature except Yar Mohammad Rind were ministers. Despite the large cabinet and expenditure thereon, the problem of governance and service delivery was abysmally poor. The cabinet members were involved in corruption and embezzlement of public funds (Grare, 2006). Critics also attributed poor governance and corruption in the province to the CM Aslam Raisani's incompetence and indifference to duty. Infamous for his juvenile pranks and impaired speech, the CM Raisani was too weak as team leader to fight the case of Balochistan. Thus, the province was controlled and run by the security establishment pursuing the same old policies of Musharraf era (Grare.). Given the rampant corruption among the ministers and bureaucracy, the benefits of the Award did not reach the targeted sectors and the general population.

### **The 18th Constitutional Amendment Act 2010**

The 18<sup>th</sup> Amendment Act 2010 is important as it was the main demand of Baloch nationalists to abolish the concurrent list with enhanced power for provinces to legislate. It had been a bone of contention between the center and Balochistan. Some sources of taxation that were previously centralised were now passed on to the provinces (such as duties on property and estate). Nevertheless, the act did not transfer tariffs on electricity, income from main ports, and natural and mineral resources to provinces. Rather, it kept these items under the federal legislative list, part II giving the Senate the power to co-share legislation on these matters with the National Assembly. Prior to the 18<sup>th</sup> Amendment Act, “all lands, minerals and other things of value within the continental shelf... were vested in the federal government” (Adeney, 2002). The provinces were without control over resources generated in their territorial limits. The 18<sup>th</sup> Amendment revised article 172 and provided that “subject to existing commitments and obligations, mineral oil and natural gas within the province or the territorial waters adjacent thereto shall vest jointly and equally in that province and the federal government” (Dawn, 2010). Nonetheless, the transfer of the above stated subjects to part II of the federal legislative list was a major step towards strengthening the federation. It was tantamount to accepting social diversity and economic disparity characteristic of Pakistani society and its regions.

Before this Act, critics had been pointing to efforts that had hindered a fairer distribution of resources between the center and the provinces. According to Mohammad Waseem, there had been constant efforts to destabilize the spirit of federation by centralizing the state to continue the domination of the preponderant Punjab and civil-military bureaucratic elite (Waseem, 2007). Soon after independence, the central government was controlled by the dominant ethno-national groups and autocratic civil-military leaders who disallowed democratic institutions and practices to take roots. The ethnic elite of the Punjab undermined the clear majority of Bengalis through the formation of the so-called One Unit System and the parity formula of representation (Jahan, 1972; Ziring, 2003). Later, even after the split of East Pakistan, the federal government persevered in dismissing the pleas for rights in smaller province.

The 18<sup>th</sup> Amendment benefitted the province to a great extent but failed to give it independent control over mineral and land resources. The ethno-nationalists looked askance at the legislation and continued to press

for maximum provincial autonomy and full control over their resources. The federal government was accused of delaying tactics and fudging figures to deny Balochistan its share from natural resources (Nausherwani, 2014, Interview by author). According to Lashkari Raisani, ex-senator from Balochistan, the future of Pakistan's federalism is dependent on the dominant of Punjab and the political elites of the country and how they manage a diverse society within the federal setup and fulfill demands of the other ethnic groups (Raisani, 2016, Interview by author; Baloch, 2016, Interview by author). Similarly, Jan Jamali, speaker Balochistan Assembly, claimed that the existing federal structure cannot hold together a diverse society because of the fact that even put together the smaller provinces cannot pass any bill in either house of the Parliament without the goodwill of the dominant Punjab (Jamali, 2014, Interview by author).

Thus, if we examine the heterogeneous character of the Pakistani society and federation, it becomes evident that every ethnic group except the dominant-Punjabis priorities regional over national issues. The under-represented ethno-national groups such as Baloch, Sindhi and Mohajir see themselves as marginalized and tend to perceive national interest as a synonym for the interests of the dominant Punjab, personified by its preponderance in state structure and sub-structure including the Army and civil bureaucracy. They have, therefore, made various alliances at several times to counter the dominant ethnic group Mahmood, 2014; Jamil, 2016).

### **Conclusion**

The smoldering struggle for *Azad* (independent) Balochistan has and would continue to worry the federal government unless separatists are brought to the negotiating table for a meaningful dialogue and without any pre-conditions. The use of military force might have short-term gains but only a durable political solution can achieve peace and stability in the province. Indeed, NFC Award and the 18th Amendment were positive initiatives of the PPP government which might have found favour with the nationalists and the Baloch people in general, had the same been offered in a genuine spirit of accommodation, and not through the parallel use of force. The growing sense of alienation, neglect, and deprivation in Balochistan demands confidence building measures together by the military and political leadership of Pakistan. The militaristic approach to the resolution of conflict and insurgency is neither a guarantee to enduring peace nor a service to Pakistan.

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