

Distribution Agreement

In presenting this thesis as a partial fulfillment of the requirements for a degree from Emory University, I hereby grant to Emory University and its agents the non-exclusive license to archive, make accessible, and display my thesis in whole or in part in all forms of media, now or hereafter known, including display on the world wide web. I understand that I may select some access restrictions as part of the online submission of this thesis. I retain all ownership rights to the copyright of the thesis. I also retain the right to use in future works (such as articles or books) all or part of this thesis.

Signature:

Shahmeer Alam Halepota

Date

Ethnic Mobilization and Fiscal Distribution in Pakistan

by

Shahmeer A. Halepota

Dr. Carrie Wickham

Department of Political Science

Dr. Carrie R. Wickham
Adviser

Dr. Jennifer Gandhi
Committee Member

Dr. Robert L. Phillips
Committee Member

April 18, 2011

Date

Ethnic Mobilization and Fiscal Distribution in Pakistan

By

Shahmeer A. Halepota

Dr. Carrie Wickham

An abstract of

A thesis submitted to the Faculty of Emory College of Arts and Sciences

of Emory University in partial fulfillment

of the requirements of the degree of

Bachelor of Arts

Department of Political Science

2011

Abstract

Ethnic Mobilization and Fiscal Distribution in Pakistan

By Shahmeer A. Halepota

Following September 11th, the spotlight has been focused on Pakistan in relation to its efforts in fighting the “War on Terrorism.” Although substantial aid and attention has been paid towards securing the nation’s borders and protecting its nuclear arsenal, another threat towards Pakistan’s stability has been largely ignored: the internal tension between the nation’s various ethnic groups. Since its inception, Pakistan’s minority ethnic groups have felt that they are oppressed and trapped in a system where they receive inequitable treatment from the federal government. More specifically, they argue that the dominant Punjab province has created a hegemony over the nation where it is able to divert resources from the other provinces. Punjabi hegemony, however, is at times challenged depending on the political party in power. I will, therefore, argue that an ethnic group’s ability to effectively mobilize at the provincial and national levels (through representation in the Provincial and National Assemblies) effects the fiscal allocation that it receives from the federal government. Essentially, I will examine the validity of the minority province’s grievances by conducting a case study of the Sindh province and examining whether fluctuations in representation lead to corresponding fluctuations in fiscal allocation.

Ethnic Mobilization and Fiscal Distribution in Pakistan

By

Shahmeer A. Halepota

Dr. Carrie Wickham

A thesis submitted to the Faculty of Emory College of Arts and Sciences
of Emory University in partial fulfillment
of the requirements of the degree of Bachelor of Arts

Department of Political Science

2011

Table of Contents

<u>Section</u>	<u>pg.</u>
Introduction	1-3
A History of Grievances	3-11
<i>Table 1.1: The Military Elite in Pakistan, 1955</i>	6
<i>Table 1.2 Central Secretariat Elite Posts, 1955</i>	7
Comparative Studies	11-14
Hypothesis	14-17
Research Design	17-22
Period One: The Zulifqar Ali Bhutto Administration (1971-1977)	22-26
Period Two: The Zia-ul-Haq Regime (1977-1988)	26-31
<i>Table 2.1 1981 - Ethnic Composition of Sindh (%)</i>	28
Period Three: The Benzair Bhutto Era (1988-1990)	31-34
Conclusion	34-42
<i>Table 3.1 – Summary of Results</i>	34
Works Cited	41-43

Introduction:

With many scholars agreeing that Pakistan will be a crucial territory in the “War on Terror” for the foreseeable future, the internal stability of the nation is an issue of critical importance. Fears of Pakistan’s nuclear stockpile falling into the hands of terrorists have caused the United States and its allies to concentrate on defeating the Taliban and securing the nation’s border with Afghanistan. Although the United States has poured billions of dollars into Pakistan’s military and governmental coffers, this financial aid is useless in solving a more central problem that has plagued the nation since partition. Unfortunately, the United State’s present focus “ignores a broader and more fundamental issue that cuts across the struggle between Islamist and secular forces: whether the multi-ethnic Pakistan federation, torn by growing tensions between a dominant Punjabi majority and increasingly disaffected Baluch, Sindhi and Pashtun ethnic minorities can survive” (Harrison 2009). Although minority ethnic groups have voiced their concerns of ongoing political and economic marginalization, the United States and broader international community continue to only focus on the “War on Terrorism” while disregarding the tensions between the various ethnic groups. This single-minded focus has facilitated the exacerbation of ethnic conflicts in the nation to a point where they can no longer be ignored, as the territorial integrity of Pakistan continues to be threatened through various groups advocating for secession (Harrison 2009). These ethnic tensions are, to a large degree, fueled by perceptions of economic inequity, with provinces populated by non-Punjabi ethnic groups arguing that they do not receive an adequate allocation from the center for the amount of fiscal and natural resources that they generate for the federal

government (Feroz 1998). Additionally, the resources that are produced for the center are routinely diverted to the historically dominant Punjab province:

One glaring example of Punjabi economic exploitation is that Baluchistan does not get a fair share of the benefits of its own gas deposits. Although gas obtained from Baluchistan accounts for 30 percent of Pakistan's total gas production, Baluchistan consumes only 17 percent of its own output, while the remaining 83 percent goes to the rest of the country, primarily to the Punjab. The central government charges a much lower price for Baluchistan gas than for gas produced in other provinces and pays lower royalties. Sui gas is extracted under the direct control of the Pakistan armed forces and interfering with access to the gas has repeatedly been a goal of Baluch insurgents (Harrison 2009).

What factors explain this inequity in fiscal allocation? I will argue that an indigenous ethnic group's ability to institutionally mobilize (namely through ethnically based political parties) at the provincial and national levels (measured in terms of representation in the legislature and executive) affects the funding that a province receives. More specifically, I will focus my analysis on a case study of the Sindh province and analyze three distinct time periods when there were differing combinations of representation at the national and provincial levels, in order to examine whether there are also corresponding changes in fiscal allocation from the federal government. This mechanism of greater representation leading to greater fiscal allocation is particularly important because it underscores the cyclical nature of Pakistani politics, which makes any progress made by minority groups in a certain administration inherently vulnerable during subsequent military coups or rule by governments more sympathetic to Punjabi interests. This

vulnerability, in turn, ensures that the grievances of the minority provinces are never adequately addressed and leads to greater instability in the nation itself (including in its ability to guard its nuclear stockpile). In order to change this dangerous cycle, I will argue that an alternation of the political structure of the Pakistani state is necessary.

A History of Grievances:

The Pakistani federal government consists of four provinces (Sindh, Baluchistan, Punjab, and N.W.F.P.) which each existed as an independent territorial unit prior to the creation of the nation. These separate territorial units were distinct in both ethnic and linguistic terms, with certain regions initially resisting partition: “The neglect of Sindh by the Bombay Presidency led to Sindh’s demand for an autonomous province ... The demand to separate Sindh from the Bombay Presidency was a local, administrative issue at the beginning of the century and one in which both Hindus and Muslims participated ... Ever since the British captured Punjab, suggestions were made about absorbing Sindh in the Punjab province. It was admitted even by the British officials that Sindh was a self-contained, territorial unit that did not stand to gain much from the Bombay government” (Kothari 2004). This consensus quickly changed, however, with the rise of the Hindu Nationalist Movement and Muslim League which created divisions in the two communities along religious lines: “However, the subject of separation assumed a different complexion once Hindu and Muslims were represented by Hindu Mahasbha and the Muslim League. Sindh seemed like a foundation on which to build the edifice of a Muslim nation, while Hindu Sindhis feared that they would be reduced to a religious minority in a separate Sindh” (Kothari 2004). Eventually, the Sindhi Assembly voted thirty-three to twenty to join

Pakistan, and like many areas in the subcontinent, was divided on the basis of religion (Mushtaq 2009). This religious division, however, led to an unstable creation:

Before the secession of East Pakistan in 1971, the ethnic ratios represented ... one of R.A. Schermerhorn's four types of ethnic intergroup configuration, with Punjabis a 'dominant elite' at 28 percent, Bengalis as 'mass subjects' at 54 percent, and Sindhis (5 percent) and Pathans (3 percent) as true 'minorities' in his sense of groups lacking both power and numbers. This situation and the anomaly of a country split into two distant halves came about from the terms of the partition of British India in 1947 under which Muslim majority areas were grouped together as a new country of Pakistan with the smaller section in area having the larger population. Both ethnic configurations, pre-1971 and post-1971, are commonly perceived as inherently 'oppressive' and unstable in a multiethnic society (Wright, Jr. 1991).

Essentially, the nation was a grouping together of dissimilar people based on a common religion (Samad 1995). Following the 1947 partition of British India, these various ethnic groups began quarrelling over control of the resources of the newly established nation, with one group, in particular, overshadowing the rest. After "resisting Punjabi incursions into their ancestral homelands for centuries, the Baluch, Sindhis, and Pashtuns found themselves trapped in a political structure dominated by a Punjabi majority that controlled both the armed forces and key institutions" (Harrison 2009). This scenario was unique because the Punjabis did not constitute a numerical majority; rather, their domination was a function of their overwhelming political representation. For example, in 1951, although they only amounted to one-fourth of Pakistan's total population, Punjabis occupied 80 percent of the posts in the army, and 55 percent of jobs in the federal

administration (Jafferlot 2002). This domination can, in turn, be traced back to conditions during British colonialism. Before partition, Punjabis were a major component of the Muslim *salariat* (class of urban professionals) who agitated for an independent state (Weiss 1986). Much to the dismay of other ethnic minority groups, they retained this powerful role following the formation of Pakistan. The “Muslim *salariat* of the Punjab was the largest both in terms of its absolute size and in terms of its larger percentage share of the total Punjabi *Salariat* (32 percent) ... Since independence, it has been the Punjab *salariat* that, by virtue of its much greater size and development, occupies a dominant position in the society of the state ... The underprivileged ethnic *salariat* groups, not surprisingly, resented Punjabi domination in Pakistan and demanded fair shares for themselves” (Weiss 1986). Punjabi control was not, however, monolithic.

The Punjabis often had to compete for power with Muhajirs. Pakistan’s early history, therefore, can be characterized by the domination of “two communities, the Punjabis, who were over-represented in the army and in the administration, and the Mohajirs, who were also over-represented in the bureaucracy and controlled the political decision centers” (Jafferlot 2002). However, beginning in 1958 along with the rise in power of General Ayub Khan, the Punjabis gradually overwhelmed the Muhajirs through successive military coups. These coups were not directed at any particular community; rather, they were justified as necessary to preserve the territorial integrity of the fledgling nation-state (Malik et. al 2009). This phenomenon ultimately led to the decrease of Muhajir influence; as the power of the Punjabi-dominated military grew, the authority of other institutions and ethnic groups decreased in comparison (Wright, Jr. 1991). Although they were no longer able to directly compete with Punjabis, Muhajirs still retained a substantial

role in the workings of the country. Essentially, the nation “has been appropriated by Punjabis who dominate the ruling bureaucracy and the military that has effectively been in power in Pakistan since its inception; in partnership ... until the mid-seventies with Muhajirs who were relatively well represented in the Punjabi dominated state apparatus” (Alavi 1989). Muhajir representation during Pakistan’s early years is especially significant when one compares it to the representation of other ethnic groups such as Sindhis. In “1968, Muhajirs held 11 of the top 48 (23%) senior positions (ranks above brigadier) in Pakistan’s military. By contrast, Sindhis were woefully underrepresented in the elite groups. Although they were nearly twice as many Sindhis as Muhajirs in the early 1970s, they constituted only 2.7% of gazetted employees, 4.3% of the Secretariat, and 3.6% of the executives in public enterprise. In 1968, there were no Sindhi generals in the military” (Kennedy 1991). These discrepancies can be explained by pre-partition conditions where Muhajirs, similar to Punjabis, were better represented than other ethnic groups in the urban professional class which pushed for independence (Weiss 1986). As previously mentioned, Muhajir influence began to dwindle, however, through successive Punjabi-led military coups. After reducing Muhajir influence and cementing their control over the West, Punjabis set their sights on the East.

Table 1.1: The Military Elite in Pakistan, 1955

	East Bengal	West Pakistan
Lt. -General	0	3
Major-General	0	20
Brigadier	1	34
Colonel	1	49
Lt.-Colonel	2	198
Major	10	590
Navy Officers	7	593

Source: Ian Talbot, *Pakistan: A Modern History*, pg. 162

Table 1.2 Central Secretariat Elite Posts, 1955

	East Bengal	West Pakistan
Secretary	0	19
Joint Secretary	3	38
Deputy Secretary	10	123
Under Secretary	38	510

Source: Ian Talbot, *Pakistan: A Modern History*, pg. 162

The next phase of the consolidation of Punjabi hegemony in the Pakistani state occurred when the Punjabi-dominated military allocated control over the predominantly Bengali East Pakistan. Under the auspices of maintaining territorial integrity, the military cemented an almost neocolonial relationship over the East:

With the emergence of the West Pakistani (more accurately, Punjabi) military as the paramount political force, and with the acceleration of capitalist development, the onslaught against Bengali culture and simultaneous attempts at 'Islamization,' and 'Pakistanization' also intensified. Former President Ayub Khan remarked several times that the Bengalis should be free from the 'evil influence' of the Hindu culture ... The colonial relationship between East and West Pakistan overshadowed the class struggle and united virtually all classes of Bengali society against West Pakistani domination (Ahmed 1998).

Although East Pakistan constituted the majority of Pakistan's overall population, Punjabis remained the majority in the bureaucracy and military. This overwhelming representation in the key institutions of power allowed East Pakistan's resources to be continually exploited for the benefit of Punjab and West Pakistan. The hegemony of the Punjab province "triggered a process of draining East Pakistan's resources for the industrial development of West Pakistan ... Thus, in the context of Pakistan's given social

structure, economic progress amounted to strengthening West Pakistan's power structure and further perpetuating the exploitation of East Pakistan" (Ahmed 1998). East Pakistan, therefore, petitioned for a one-man, one-vote resolution in the National Assembly. Punjabi delegates in the assembly, however, quickly rejected this resolution claiming that the East should not be in a position to dominate the West simply because it outnumbered the West (Jafferlot 2002). Additionally, the Punjabi delegates feared that such a scheme would lead to a loss of their control over the central government. The "Punjabi members of the assembly, however, rejected the formula. They feared that unless West Pakistan was made into a unitary structure, Bengal, in alliance with Sind and the Frontier, would dominate the central government" (Samad 1995). In order to retain their dominance, Punjabi politicians in the National Assembly pushed for a one-unit scheme where East Pakistan would be regarded as a single administrative unit and the provinces in West Pakistan would form a separate but equal administrative unit. Essentially, "the Punjabis had forced the other minority provinces of West Pakistan into an alliance that enabled them to counter the claims of East Pakistan," and the "little support for unification ... quickly evaporated when it became clear that One Unit had become a vehicle for Punjabi domination" (Jafferlot 2002, Samad 1995). The conflict between the East and the West ultimately erupted into full-scale war in 1970, resulting in East Pakistan's secession.

The creation of Bangladesh essentially triggered a shift in the power struggle of Pakistan from one predominantly focused on the relations between two non-contiguous territories to a hegemony where a single province (Punjab) dominated virtually all apparatuses of the federal government: "Pakistani political conflict would appear to lend itself to a center-periphery interpretation because of the domination of one province, the

Punjab, both numerically (55 percent of the population) and militarily over the smaller provincial ethnic groups: Sindhis (21 percent), Pathans (13 percent), and Baluchis (4 percent)” (Wright, Jr. 1991). However, this situation is not unalterable. During certain time periods in Pakistan’s history, other provinces have been able to challenge this dynamic. This phenomenon is most readily seen in Sindh, as it is the only other province to have an ethnically-based political party gain sufficient representation in the National Assembly.

Essentially, since East Pakistan’s succession, whether the grievances of the minority provinces have been neglected or addressed has largely been a question determined by the electoral success of various parties formed on the basis of ethnicity. Since 1970, competing “nationalisms (Sindhi, Punjabi, and muhajir) have largely come to define the Pakistani political arena ... Such ethnonational considerations have come to dominate electoral outcomes in the state” (Malik et al. 2009). For example, during the regime of Zulifqar Ali Bhutto (1971-1977), Sindhis saw various policies enacted that aided the indigenous population including: land reforms which helped end non-Sindhi ownership of agricultural land and the nationalization of heavy industry, which was perceived as a direct challenge to Punjabi interests (Malik et al. 2009). During the subsequent Zia-ul-Haq administration, however, Sindhis were subjected to a dictator who was “at best oblivious to the grievances of Sindhis, at worse conspiring to further strengthen Punjabis at the expense of Sindhis” (Malik et al. 2009). Although their grievances have been addressed to varying degrees depending on the party in power, Sindhis continue to feel a sense of exploitation:

More than one-half of Pakistan’s industry is located in Sindh, but Sindhis have practically no participation in it—whether as owners/managers or as workers. The lucrative commercial, transportation, construction, and service sectors, which

comprise 55 percent of Pakistan's gross domestic product, are also located largely in Sindh. But Sindhis do not have even a marginal share in this sector. In government service, educational institutions and other white-collar jobs, the Sindhis are represented far below their population proportion, whether it be on an all-Pakistan basis or within Sindh itself (Ahmed 1998).

This phenomenon is also visible in the exploitation of the Indus River. All barrages, canals, and dams "that have been built in the upper reaches of the Indus since Partition have either been located in the Punjab or have been designed to benefit agricultural production there. Sind's share of the Indus water has been drastically reduced since partition, causing widespread economic devastation" (Harrison 2009). This inequality in state investment is not, however, the only example of the government's unequal treatment. Perhaps the most blatant example of this exploitation is the current tax system that is based on population rather than wealth (Anderson 2010). Essentially, the federal government raises taxes and distributes allocations using a formula that only considers the population of each province. Such a formula not only ignores the relative wealth discrepancies between provinces but also disregards the amount of revenue each province produces for the center. Consequently, the tax formula has led to vast inequalities in terms of federal fiscal allocation: "55 percent of the pooled tax revenues go to the central government and 45 percent to the provinces. Out of their 45 percent, the Punjab gets 23 percent, while Sind gets nine percent, the NWFP six percent and Baluchistan two percent (Harrison 2009)." Since it is based purely on population, the current tax system disproportionately favors Punjab, ignores the minority provinces' contribution of revenue from natural resources, and fuels the larger ethnic conflict. This "grossly inequitable

treatment of the minority provinces in the exploitation of their natural resources is the principal driver of ethnic tensions (Harrison 2009).” As previously discussed, this unequal treatment fluctuates based on the level of an ethnic group’s political representation.

Therefore, both the modern day and historical manifestations of Punjabi dominance (and inequitable federal redistribution) can best be analyzed when juxtaposed with the political mobilization of minority ethnic groups.

Comparative Studies:

Political scientists have long debated the optimal fiscal relationship between the federal government and its various subnational units. In his seminal work, “Fiscal Federalism,” Dr. Wallace Oates argues that a federal system provides the best mechanism to solve the stabilization, distribution, and allocation problems inherent in any economic arrangement as it combines the benefits of a centralized form of government with those of a decentralized structure: “A central government can best resolve the stabilization and distribution problems, but in the absence of what I have called local governments, serious welfare losses from uniformity in the consumption of public goods and technical waste in their production are quite likely. What is clearly desirable is a form of government that combines the advantages of these two polar forms and avoids the most serious shortcomings of each; a federal organization of government meets this need (Oates 1972). Unlike a purely centralized system where financial resources are concentrated with the central government or a purely decentralized system where such authority is in the hands of some type of subnational unit (such as a state or a province), a system of fiscal federalism works to distribute such authority between both levels of government. Following Wallace’s lead, the majority of the fiscal federalism literature base has focused

on the preferability of a federal structure over other forms of economic government as well as the proper role between the state and its lower units (Musgrave 1969). Recently, however, scholars have begun to highlight the disadvantage of fiscal decentralization, including discrepancies in terms of the distribution of resources (Ter-Minassian 1997, Rodrik 2003). For example, recent studies point to the emergence of asymmetric federalism in some cases: “Countries with a federal form of governance do not necessarily treat second orders of government in a uniform manner. They often offer flexibility in accommodating the special needs or demands of constituent units or impose a federal will in certain jurisdictions. This may take the form of treating some members as less equal than others” (Shah 2007). This phenomenon of unequal fiscal policy where certain provinces, regions, or ethnic groups are disadvantaged by federal revenue allocations is visible throughout the world from the Philippines and Indonesia to Bosnia and Russia (Bird and Ebel 2007).

In Russia, for example, provinces differ remarkably in terms of their environments and composition of natural resources, which has resulted in the growth and economic success of certain regions over others. In order to fix this discrepancy, Russia has adopted a process of fiscal equilization:

The existing assignment of revenue sources across levels of government creates vertical imbalance in the budget system of the Russian Federation, and this imbalance keeps growing over time. The gap between the richest and the poorest regions exceeds 280-fold in terms of per capita taxes collected. The upper revenue group comprises oil- and gas-producing regions, and the lowest revenue groups includes the republics of Northern Caucasus, whose fiscal capacities are affected by

ethnic and/or religious strife, the predominance of the shadow economy, and a rapidly growing population ... To reduce the fiscal gap, the federal government allocates general-purpose (fiscal equalization) and other transfer to subnational governments” (Shah 2008)

This attempt to repair fiscal inequity has not, however, been as sincere as it may appear on its surface. In fact, there have been claims that transfers from the central government are determined based on partisan politics: “[T]o what extent [do] intergovernmental transfers correspond to the ‘ideal pattern’ – equalization of the abilities of the regions to provide public goods – and to what extent, if any at all, [do] they reflect the influence of federal-regional political discourse (asymmetrical federalism)? The main finding is that actual net transfers since 1994, although quite close to the ‘ideal patterns,’ depended also on the results of the parliamentary ... and presidential ... elections and on the relations of the regions with the federal centre” (Popov 2004). The mechanism described above (of parliamentary and national electoral success leading to increased allocations from the center) is not limited to Russia. In fact, I believe a similar pattern is also visible in Pakistan. Therefore, my paper will contribute to existing political science research by refocusing the present analyses on Pakistan. Currently, Pakistan is often treated as a unitary structure in regards to its importance in the “War on Terrorism.” I will seek to show that Pakistan should instead be regarded as an amalgamation of four distinct ethnic groups who vie for control over resources in a system of asymmetric fiscal federalism. One of these groups, the Punjabis, has been able to use its dominant position to establish policies that favors its province over others. This situation has, however, varied at certain times in response to levels of ethnic mobilization. More specifically, the most

effective means by which non-dominant ethnic groups have been able to challenge Punjabi hegemony is through representation at the regional and national levels.

Hypothesis:

I believe that a key factor determining variation in the Pakistani federal government's fiscal allocation is ethnic mobilization (representation of a particular ethnic group both on the provincial and national level). As discussed above, the Punjab province is clearly better able to divert resources from the federal government than any other province in the federation. Various factors have been discussed to help analyze this domination including the Punjabis' overrepresentation in the military and their status as the majority population. However, I believe neither of these variables provides a comprehensive explanation of the phenomenon. For example, although Punjabi control over the military apparatus helps explain why the ethnic group was able to control Pakistan's resources and exploit the minority ethnic groups as well as East Pakistan during the nation's early years, it fails to explain the continuation of this domination. More specifically, it fails to explain the Punjabis' privileged access to federal revenues during successive military regimes headed by non-Punjabis such as Pervez Musharaff. In other words, there must be another variable which explains why Punjabis have been able to continue their domination even though non-Punjabis have entered and risen in the ranks of the military. Additionally, although the fact that Punjabis constitute a majority of the nation's population may help to explain why Punjab receives the largest share of the nation's resources, this variable cannot be used to explain Punjab's privileged access to resources when Punjabis did not constitute the majority (such as during the nation's early years when the population of East Pakistan outnumbered that of West Pakistan).

Furthermore, population size fails to explain why certain administrations were more sympathetic to minority grievances than others, as the populations did not drastically change between subsequent administrations but federal policies did (such as between the Bhutto and Zia regimes).

Therefore, there clearly must be some variable independent of both population size and representation in the military that helps explain this disparity. I believe this gap is filled by a variable that consists of the capacity of ethnic groups to mobilize in defense of their interests. Essentially, I hypothesize that a province whose main indigenous ethnic group is better able to mobilize along ethnic lines will receive more fiscal allocation from the federal government than a province whose major indigenous ethnic group is less capable of mobilizing along the same lines. This distinction between a province as an actor and its indigenous ethnic group as an actor is a critical component for my study. Although a province might have distinct ethnic groups within it, my hypothesis is that it is the strength of the main indigenous ethnic group of each province (Sindhis, Punjabis, Baluchis) that determines how much federal allocation the province as a whole (Sindh, Punjab, Baluchistan) receives. For example, Punjab is better able to redirect resources, because Punjabis (the major indigenous ethnic group in the province) are better represented at both the provincial and national levels than Sindhis. Sindh, on the other hand, lacks these characteristics and, therefore, is exploited:

In contrast to the Baluch and the Pashtuns, some Sindhis did support the Moslem League, and Sind was incorporated into Pakistan peacefully. But Sindhi discontent soon erupted not only in response to Punjabi domination of the new Pakistan central government, as such, but also because Punjabi rule was buttressed in Sind by

an alliance with leaders of the Urdu-speaking Muslim immigrants from India, known as Muhajirs, who gravitated to Karachi and other Sindhi urban centers and soon challenged Sindhi control of local institutions. To neutralize Sindhi power, successive central governments have encouraged Pashtun and Punjabi migration to Karachi, and the Sindhis have responded by forging a political alliance with Baluchi settlers in the province (Harrison 2009).

Fundamentally, although its population size and representation in the military help explain Punjab's domination of the federal government's allocation of resources, both variables are only applicable in selective cases and during particular time periods. It is the indigenous ethnic group's ability to organize politically at the provincial and national levels that provides a better explanation of the province's overall influence. Conversely, although its minority population and lack of representation in the military hurt Sindh, the province's influence on the federal government is most stymied by Sindhi political group's inability to mobilize on the provincial and national levels. This inability is largely a result of the workings of political parties such as the MQM, who promote anti-assimilation policies and view their role in the province as antithetical to that of the native Sindhis (Haq 1995). As levels of representation in the national and provincial level fluctuate, allocations from the federal government do as well.

An additional consideration for this study is that representation at the provincial level essentially acts as a prerequisite for more equitable funding. More specifically, even if an ethnic group is well represented in the federal government, this representation is meaningless unless there is also representation at the regional level. For example, if parties representing Muhajir interests dominated the Sindh Provincial Assembly and lobbied and

implemented Muhajir-friendly policies, it would be irrelevant whether the National Assembly had a Sindhi majority. The opposite, however, is not true. Even if they had no representation in the National Assembly, Sindhi parties would still have the potential to lobby for Sindhi-friendly policies and have some effect (albeit a small one) on federal redistribution if they controlled their own provincial assembly. Therefore, for a minority ethnic group in Pakistan, strong representation at the provincial level is a necessary condition for increased federal allocation; this condition can subsequently be augmented by a favorable central government. Consequently, I would expect to see the fairest allocation between provinces when there is strong regional and national representation, the most inequitable distribution when there is weak representation at both the federal and local level, and little to no change in allocation when there is weak representation in the regional assembly but strong representation in the National Assembly. I will test my hypothesis by analyzing three distinct time periods in Sindhi history when the aforementioned characteristics were present.

Research Design:

The independent variable for my analysis will be an ethnic group's level of mobilization as measured by representation both at the provincial and national levels. Although Muhajirs consider themselves to be an ethnic group, this paper will focus on the indigenous minorities of Pakistan, as they are tied to a specific province and lobby on behalf of its interests. Muhajirs, on the other hand, are spread throughout the nation and do not universally identify themselves with any particular province (Haq 1995). In terms of the distinction between the national and provincial level, I will mainly concentrate on differences in terms of the authority expressed by the major legislative body at each level.

For example, the National Assembly controls issues such as the assignment and allocation of jobs in the federal bureaucracy, while the Sindh Provincial Assembly has the power to control socio-cultural issues such as the official language of a province. I will analyze political representation at both levels by examining fluctuations in the number of seats held by ethnically based political parties. A fundamental assumption in my analysis is that these ethnically based parties will advocate for and implement policies that are in the best interest of the ethnicity that they represent. For example, my thesis operates on the assumption that the PPP (Pakistan People's Party), which was formed by Zulifqar Ali Bhutto and is associated with advancing Sindhi rights, will both lobby on behalf of Sindhis and attempt to thwart Punjabi hegemony. Although this assumption is by no means absolute, as there are certain pieces of legislation that the PPP has supported which can be construed as pro-Punjabi or anti-Sindhi, by and large, the party is known for its pro-Sindhi record, while groups such as the MQM (Muttahida Quami Movement) and PML (Pakistan Muslim League) are often recognized for their support of Muhajir and Punjabi interests. An analogous situation would be making the assumption that Democrats will advance socially liberal policies while Republicans will advance socially conservative policies, despite the existence of instances where individual congressmen cross party lines or certain issues carrying a bipartisan consensus. In tracking representation at the provincial level, I will analyze changes in the number of seats held by the PPP and opposing parties in the Provincial Assembly. For evidence regarding representation at the national level, I will examine both the number of seats held in the National Assembly as well as whether the head of state (fluctuates between President and Prime Minister as various constitutions adopted at different times give more power to one over the other) is a member of that

particular ethnic group. Although the head of state does not have to be a member of a particular ethnic group to be sympathetic to its interests, I would expect a head of state that comes from a particular province to better represent the needs of that province. An analogous situation would be the Electoral College. Whatever may be the ideology of a candidate, he is expected to win his home state in the general election because of the ties he has to that state and its residents' assumption that the candidate will best represent their interests.

The dependent variable for my analysis will be the amount of fiscal allocation received by a province from the federal government. Although there are various ways to calculate fiscal inequality (such as comparing the amount of natural gas produced by Sindh for the federal government versus other provinces), most measures would only allow for the comparative calculation of a single resource, which would be misleading, as certain regions are more naturally blessed than others. Although the tax formula previously mentioned would provide a more comprehensive calculation (as it indicates the percentage of total allocations given to every province), it is a relatively new creation and was only established by the National Finance Commission in 1997 (Harrison 2009). Therefore, it is not applicable for this study as all the time periods being examined (ranging from 1970-1990) predate its creation. In order to adequately measure fiscal equity, I will need a measure that not only encompasses total production for the center versus allocations received but is also available for the time periods being examined. Consequently, my unit of analysis will be the total revenues that a province produces from the federal government compared to how much fiscal allocation it receives from the center as provided by the Pakistani Ministry of Finance, Planning & Economic Affairs in its annual statistical

yearbooks. Fluctuations in this variable will be examined on an annual basis for the three time periods in question when there were differing levels of representation. If my hypothesis is correct, I would expect to see the fairest federal allocations when there is strong representation at both the federal and local level and the most inequitable allocations when there is weak representation at both levels. Rather than examining three separate time periods for each province, I have limited my analysis to a case study of a single province.

I will proceed with a case study of Sindh as it best showcases variations in provincial and national representation. Data regarding the N.W.F.P. would be insufficient as the province is ruled by autonomous tribes on a local level, rather than by a single dominant ethnic group. Furthermore, no individual from the N.W.F.P. has risen to the position of head of state. A case study of Baluchistan would also be difficult as the province has never shown a great deal of representation at the national level and has also never produced a President or Prime Minister. Although an examination of either Baluchistan or the N.W.F.P would not allow for the type of comparative study needed to examine fluctuations in representation and allocation, both provinces still fit within the framework described above as it is their inability to achieve representation at the national level which has led to them receiving inequitable fiscal allocation since the nation's inception. More specifically, a party gains representation at the national level in a fairly straightforward manner: by winning seats in the National Assembly. Baluchistan and the N.W.F.P. have been unable to gain such representation as they do not have an ethnic party, such as the PPP or PML, that is able to gain popularity outside of Baluchistan or the N.W.F.P. (Talbot 2009). Finally, although the Punjab province has clearly demonstrated both of the necessary characteristics, my

hypothesis deals with the effects of Punjabi domination on the minority provinces.

Therefore, a case study of the province would essentially constitute comparing Punjabi hegemony to Punjabi hegemony. Unlike the provinces previously mentioned, a case study of Sindh would constitute a strong test for my hypothesis as Sindhi political parties have had periods of strong representation at both the provincial and national levels, and individuals from the province have become both President and Prime Minister. Thus, an analysis of Sindh will allow for the most reliable results, as there exists changes in the levels of provincial and national representation for the province that can be analyzed alongside fluctuations in fiscal allocation.

The first time period that I will examine is the Zulifqar Ali Bhutto administration (1971-1977) when there was strong representation at both the provincial and national level. After the 1970-71 Provincial and National Elections, the PPP (party which is associated with Sindhi interests) held a plurality of seats in the Sindh Provincial Assembly as well as a majority of the seats that represented West Pakistan in the National Assembly. Additionally, Zulifqar Ali Bhutto (a Sindhi) was President. In terms of the second time period, I will analyze the administration of General Zia-ul-Haq's (1977-1988) when the PPP had weak representation at both the national and regional levels. Furthermore, the head of state was a non-Sindhi. The third time period that I will analyze is the Benazir Bhutto Administration (1988-1990), when there was weak representation at the local level (as the PPP had lost a number of seats in the Sindh Provincial Assembly), but strong representation at the national level (the PPP won a plurality of seats in the National Assembly and Ms. Bhutto, a Sindhi, was the head of state). I would expect to see

corresponding changes in my fiscal allocation variable between and during the aforementioned time periods.

Period One: The Zulifqar Ali Bhutto Administration (1971-1977)

The era of Zulifqar Ali Bhutto represented the apex of a powerful Sindhi response to Punjabi domination. During the 1970-71 National Assembly Elections, the PPP won 58% (81 out of 138) of the seats available to West Pakistan in the National Assembly (Talbot 2009). Additionally, the PPP won a plurality of the seats in the Sindh National Assembly (Talbot 2009). Therefore, overall, this period can be characterized as strong representation for Sindhis at the provincial level (with the PPP being the dominant party in the Sindh National Assembly) as well as the national level (the PPP constituted a plurality in the National Assembly and the head of state was also a Sindhi). This representation proved to be very helpful in addressing Sindhi needs and challenging traditional forms of domination. Essentially, the “political landscape of Sindh underwent profound transformation subsequent to the secession of East Pakistan (Bangladesh) in 1971. Freed from the more salient issue of Bengali underrepresentation, the demands of the Sindhis came to the fore. Their champion was the newly elected Prime Minister Zulifqar Ali Bhutto, a native Sindhi. Bhutto’s government ... adopted several policies conducive to serving the interests of his Sindhi constituents,” and “Bhutto’s ‘access to power made the national integration of Sindhis easier in the 1970s’” (Kennedy 1991, Mushtaq 2009). Through their strong representation at the provincial level combined with support from the central government, Sindhis were able to pass several pieces of legislation that helped secure control over their own province.

With the blessing of the federal government, Sindhis were able to contest muhajir interests within Sindh itself. The Sindh Provincial Assembly began such efforts by passing the Teaching, Promotion, and Use of Sindhi Language Bill. The legislation essentially constituted the “fulfillment of a campaign pledge made by the Pakistan People’s Party (PPP) to restore Sindhi as the official language of the province. In the fall of 1972, the PPP-dominated Sindh Provincial Assembly voted to make Sindhi the sole official language” (Kennedy 1991). This powerful legislation was followed by efforts to reform the federal bureaucracy:

Tensions ... between the Sindhis and mohajirs were heightened by ... the national government’s introduction in 1973 of a new quota system for federal employments ... Its most controversial element was to split Sindh’s overall provincial quota of 19 percent 60:40 between rural and urban areas ... Given the rural-urban split between Sindhi and mohajir populations this meant that the highly-educated urban mohajir community had reserved for itself just 7.6 per cent of the total quota of federal jobs. This was in addition to the 10 percent reserved for national competition, but was well below both the proportions of the total population residing in urban Sindh and the mohajirs’ previous representation ... The resentment caused by this ‘discrimination’ in favor of rural Sindhis was intensified by the extension of the application of the quota to educational institutions (Talbot 2009).

The reorganization of the federal bureaucracy to provide greater representation for Sindhis was clearly a victory for the indigenous population; a victory which was ultimately augmented by the actions of the provincial assembly: “Shortly after introduction of the revised quota, the Sindh Provincial Assembly passed an ordinance establishing stringent

residency requirements for consideration as a 'rural Sindhi.' The federal quota, which originally had application only to posts in the federal secretariat, was soon applied to federal posts in 'attached departments,' provincial governments, educational institutions, and the public sector" (Kennedy 1991). Through their control of the provincial assembly and support from the federal government, Sindhis were able to dramatically change the landscape in Sindh. Their success was not, however, limited to the education and cultural institutions within the province. With representatives controlling the upper echelons of government, Sindhis were also able to challenge Punjabi control over the key institutions of power.

One of Bhutto's primary goals in office was to curb the power of the unelected institutions, which had retained considerable authority since the birth of the nation. Bhutto began by focusing his attention on the military. During his first four months in office, Bhutto dismissed a significant number of leading officials in the army including twenty-nine senior officers (Talbot 2009). Aside from these preliminary personnel changes, Bhutto took on several longer term initiatives as well: "In addition to taking full political advantage of the military's post-Bangladesh disarray and unpopularity, Bhutto instituted a number of measures to reduce its longer-term influence. They included the restructuring of the military high command in order to disperse power, and the reduction of the tenure of the Chiefs of Staff to three years. The most controversial reform was the creation of the Federal Security Force ... This was a well-equipped task force under the control of the federal government which was designed to assist the police in the maintenance of law and order" (Talbot 2009). These efforts were combined with attempts at decreasing the influence of the bureaucracy.

Similar to his efforts aimed at fixing the military, Bhutto initially sought to purge the bureaucracy by replacing individuals who were associated with the traditional ruling elite: “On assuming power, Bhutto dismissed leading civil servants associated with the military era, which he dubbed as one of *naukarashahi* (rule by civil servants) and jailed Ayub’s former right-hand man, Altaf Guahar” (Talbot 2009). These purges were subsequently followed by the creation of new posts and efforts to restructure the employment scheme for jobs in the bureaucracy (Talbot 2009). This move was particularly beneficial for Sindhis: “The significance of the rapid expansion in application of the quota [system] was heightened when Bhutto, as part of his economic policy, nationalized much of Pakistan’s private sector between 1972-1976, making recruitment to the new public enterprises subject to terms of the federal quota. The nationalizations were also directed against some of Pakistan’s largest industrial houses, disproportionately owned and managed by Karachi-based Muhajirs” (Kennedy 1991). Aside from the policy changes mentioned above, greater Sindhi representation at the provincial and national level ultimately led to greater federal fiscal allocation to Sindh itself.

Throughout the Bhutto administration, Sindh received substantial allocations from the Pakistani federal government. For example, between 1970 and 1974, one sees a drastic rise in the allocations provided to the province by the central government. Although Sindh only marginally raised the amount of revenues it collected in these years for the center (from 370.5 million rupees in 1970-71 to 525.3 million by 1973-1974; a total increase of 154.8 million rupees), the allocations that it received from the federal government more than quadrupled during the same time period from 49 million rupees in 1970-71 to 352.2 million rupees in 1973-74 (Government of Pakistan: Ministry of Finance, Planning &

Economic Affairs 1975). This number is especially striking when one compares it to allocations provided to Punjab. Between 1970-71 and 1973-74, Punjab doubled the amount of revenue it generated for the federal government from 505.1 million rupees to around 1.1 billion rupees. Although its allocations also drastically rose from 158.8 million rupees to 916.2 million rupees, Punjab had to generate more than double the amount of revenue for the center, while Sindh only had to increase its revenue production by 42% to receive a similar increase in allocation (Government of Pakistan: Ministry of Finance, Planning & Economic Affairs 1975). This parity (and in some instances advantage) for Sindh was also visible in other socio-economic indicators. During the Bhutto administration, the number of hospitals in Punjab actually dropped from 238 to 232, while the number in Sindh increased from 93 to 129 (Government of Pakistan: Ministry of Finance, Planning & Economic Affairs 1979). Both provinces also received similar amounts in loans by the federal government for the construction of homes (Government of Pakistan: Ministry of Finance, Planning & Economic Affairs 1979). The various successes enjoyed by Sindh during this time period were, however, short lived.

Period Two: The Zia-ul-Haq Regime (1977-1988)

If the Zulifqar Ali Bhutto administration represented the climax of Sindhi mobilization, the era of Zia-ul-Haq represented its antithesis. During the general's military rule, Sindhis (along with every other minority group) had virtually no representation at both the provincial and national level (as Zia ruled in an authoritarian fashion by suspending the legislature). Furthermore, the head of state was a member and strong proponent of the Punjabi-dominated military. Even after General Zia restored civilian rule and called for national and provincial elections, he made sure that the army remained the

primary institution of power: “The coup of 5 July 1977 ushered in the longest period of military rule in Pakistan’s history ... Pakistan during the period 1977-88 was ... authoritarian in political structure ... Zia ... bent both the politicians and the bureaucrats to his will. He retained much greater authority than his predecessor when he made the transition from military to civilian rule. The Army retained the pillar of his regime” (Talbot 2009). Unfortunately, this period saw many rollbacks in terms of progress made by Sindhis during the era of Zulifqar Ali Bhutto.

Although Sindhis had never reached the level of representation that they desired in the military even during the previous administration, Bhutto had made significant attempts at personnel change and curbing the power and influence of the institution. Such efforts were eradicated during the subsequent Zia regime: “Sindhi bitterness, muted while one of their own led Pakistan, reemerged after General Zia-ul-Haq’s Punjabi-led martial law regime took power from Bhutto in 1977 and executed him two years later. Sindhis, like Bengalis, had not been considered a ‘martial race’ by the British and were not recruited into the Indian army. Consequently, they have made up a disproportionately small percentage of the powerful Pakistan army ... The army charges that Sindhis are too devoted to their villages and homes to go out of the province” (Wright, Jr. 1991). Sindhi discontent ultimately culminated in the Movement to Restore Democracy (MRD) campaign, which led to widespread protests against Zia’s draconian rule. The general’s response to the movement was harsh: “Massive repression was required to crush the MRD agitations ... The Sindh Governor was forced to admit that in the opening three weeks of the struggle, 1,999 people had been arrested, 189 killed and 126 injured ... [T]he agitation in Sindh was not just an affair of the urban middle class and workers ... The rural population was [also]

heavily involved (Talbot 2009). General Zia was able to suppress the movement by diverting attention from his ruthless internal oppression to his defense of the nation against outside agitators: “Some attributed the general’s longevity to the Soviet invasion of Afghanistan and the sustained rivalry with India. They argued that the army dared not challenge Zia in the face of a two-front threat posed by the nation’s major antagonists. Fragmentation of the army could only play into the hands of the country’s mortal enemies who were assumed to be poised to reap advantages from the first sign of division within the armed forces” (Ziring 1988). When he was no longer able to justify his authoritarian regime under the auspices of the defense of the nation, Zia finally called for national and provincial elections in 1985.

Although the Movement to Restore Democracy (which was headed by the PPP) called for a boycott of the 1985 elections, they were ineffective in mobilizing their constituents, which ultimately led to a landslide victory for the traditional elite: “The feudal elite, tribal chiefs, and the religious influentials, most of whom had landowning backgrounds, emerged triumphant in the polls in the rural areas. In the urban areas, the candidates with a strong financial background won the seats. These included, inter alia, the commercial and industrial elite” (Rizvi 1986). This drastic change from a representative and supportive federal government to an unrepresentative and antagonistic center was also mirrored at the provincial level.

Table 2.1 1981 - Ethnic Composition of Sindh (%)

	Total	Urban	Rural
Sindhi	55.7	20.0	81.5
Muhajir	24.1	54.4	2.2
Punjabi	10.6	14.0	8.2
Pathan	3.6	7.9	0.5
Baloch	6.0	3.7	7.6

Source: Charles H. Kennedy, *The Politics of Ethnicity in Sindh*, pg. 940

The Zia-ul-Haq administration represented a substantial decrease in Sindhi mobilization within Sindh itself. In fact, the period is significant because of the galvanization and advent of a successful political party that advanced Muhajir interests, the MQM:

The sudden and dramatic rise of the Muhajir Quami Movement (MQM) in Pakistan's Sindh Province in the mid-1980's is an important ... example of very successful ethnic mobilization. In April 1985 the death of a college student hit by a minibus led to rioting by students against transporters in Karachi ... Within two days, widespread clashes erupted ... the conflict intensified over the next two years, and a group of young Muhajir students led by Altaf Hussain formed MQM, claiming that the Urdu-Speaking Muhajirs constitute the fifth nationality ... in Pakistan and ought to be granted constitutional recognition as such. In 1988, the MQM won a landslide electoral victory in municipal elections in Hyderabad and Karachi ... By 1991, the MQM had established a virtual monopoly over representation of the Urdu-speaking community in urban Sindh. Its massive popularity fundamentally transformed the political identity of the Urdu-speaking community and led to a generational change in the leadership of Muhajirs (Haq 1995).

Therefore, even during military coups, representation at the regional and national level is important for two reasons. First, although the legislature is often suspended, such coups still fit within the hypothesis previously discussed, as they constitute the lowest level of representation, namely no representation. Such periods are beneficial for the purpose of testing the hypothesis, as one would expect the lowest levels of fiscal allocation during them. Second, these periods are also important for the purposes of mobilization. Pakistan's

history can essentially be characterized as one that facilitates between military and civilian rule. Since there always exists a potential that democracy will be restored, groups must still mobilize while a coup is in place, as they otherwise risk losing considerable ground in the next provincial or national elections. An excellent example of this phenomenon occurred during the Zia regime as the PPP was ineffective at mobilizing the population to boycott the 1985 elections which led to the party losing significant standing in Sindh. The MQM, on the other hand, gained substantial representation in the province because it was able to effectively mobilize. Aside from losing representation at the federal and provincial level, Sindhis also suffered from inequitable fiscal distributions from the federal government during the Zia administration.

Overall, the Zia regime can be characterized as a time period of Sindhi alienation: “However, Sindh could not be reconciled. The province missed out on the prosperity brought by both government-sponsored development programmes and the export of labor to the Gulf. Army rule increased the traditional hostility towards Punjabi domination. The sense of alienation was completed by Zia’s hanging of Paksitan’s first Sindhi Prime Minister” (Talbot 2009). More specifically, during the Zia regime, Sindh more than doubled its tax revenue from 1.9 billion rupees to 4.5 billion rupees. Although the grants it received from the federal government also increased from 585.8 billion rupees in 1979 to 4.5 billion rupees in 1987, this was nowhere near the rate of other provinces: “The advent of the military government in 1979 reduced the influence of Sindhi politicians and administrators in federal decisionmaking. Making matters worse, grants to Sindh were reduced quite sharply in the early 1980s—from 18.8 percent of total provincial current revenues in 1979-1981 to 11.5 percent in 1981-1983, a larger drop of the share than in any other province.”

(Government of Pakistan: Ministry of Finance, Planning & Economic Affairs 1979, Roeder and Rothchild 2005). Punjab, on the other hand, similarly more than doubled its tax revenues during this time period from 4.4 billion rupees to 10.3 billion rupees. The province, however, received a dramatically larger increase in aid from the federal government from 733 million rupees in 1979 to 11.9 billion rupees in 1987 (Government of Pakistan: Ministry of Finance, Planning & Economic Affairs 1979). Following the death of Zia, the PPP sought to rectify this disparity.

Period Three: The Benazir Bhutto Era (1988-1990)

If the Zulifqar Ali Bhutto and Zia-ul-Haq administrations represented extremes in Sindhi mobilization, the incumbency of Benazir Bhutto can be classified as a middle ground where efforts at addressing Sindhi grievances were advanced but eventually thwarted. Overall, Ms. Bhutto's administration can be characterized as one of relatively strong representation at the national level (the PPP won a plurality of seats in the National Assembly, and the head of state was a Sindhi) and relatively weak representation at the regional level (as discussed in the previous section, the MQM had been able to effectively mobilize and challenge the PPP in the Sindh National Assembly) (Talbot 2009). In fact, recognizing their dwindling influence in Sindh, the PPP actually formed a coalition with the MQM that was formalized in December 1988 by the so-called Karachi Declaration. This coalition, however, quickly evaporated after Bhutto began implementing policies that favored Sindhis:

The MQM-PPP accord proved short-lived, victim of the unwillingness or inability of Benazir and the PPP to fulfill their part of the bargain. Indeed upon assuming office, the PPP instituted policies that were interpreted by the Muhajir leadership as pro-

Sindhi and/or anti-Muhajir. In January, 1989, for instance, Prime Minister Bhutto established a federal Placement Bureau staffed by those personally loyal to her and the PPP ... At least three-fourths of the hundreds of candidates selected by the Bureau were Sindhis, virtually all members of the PPP. Benazir's government also victimized several prominent senior Muhajir civil servants by making them Officers on Special Duty (OSD), thus consigning them to inactivity with no official duties while keeping them on the payroll. On the other hand, she appointed Sindhis to many prominent positions within the government, some of whom were known for their pro-Sindhi and anti-Muhajir views (Kennedy 1991).

Ms. Bhutto's actions alienated the MQM to a point where they left the coalition and joined the leading opposition party (IJI). The MQM's actions, in turn, angered the PPP and led to a series of ethnic battles between Muhajirs and Sindhis within Sindh: "Given such 'provocations,' the MQM decided in October 1999 to abrogate the MQM-PPP accord by withstanding from the coalition and supporting the ... attempt to unseat Benazir through a no-confidence motion ... Understandably, PPP loyalists interpreted the MQM's action as a betrayal of trust, and relations between Sindhis and Muhajirs deteriorated rapidly. Unfortunately, the protagonists in the ensuing struggle were both well organized and well armed (Kennedy 1991). Tensions between the MQM and PPP soon escalated and reached a climax during the *Pucca Qila* incident which occurred in May 1990: "The *Pucca Qila* area in the centre of Hyderabad is a *mohajir* locality, and on the day of the massacre a Sindhi police party entered it to recover suspected illegal arms. It opened fire, allegedly killing over forty people and wounding many more. While the police version of events explains the firing as retaliation to sniping, the MQM maintains that it was indiscriminate" (Talbot 2009). The

incident ultimately triggered a series of violence which eventually led to the end of the Bhutto government: “Whatever the truth of the matter, the event and wave of violence which followed ... was cited ... as part of ... [the] justification for the dismissal of the Bhutto Government” (Talbot 2009). Fundamentally, Bhutto’s attempts at advancing Sindhi interests eventually failed as they angered the MQM, led to the dismissal of her government, and resulted in the defeat of the PPP in the following election: “Prime Minister Bhutto’s inability or unwillingness to stem communal violence in Sindh was undoubtedly a major contributory factor in President Ghulam Ishaq Khan’s decision to dismiss her government in August 1990 and call for elections in October ... Despite considerable campaign violence in [the] Sindh Province, national elections were held [O]verall, the election proved a disaster for the PPP” (Kennedy 1991). Bhutto’s successor, the Punjabi Nawaz Sharif, was able to secure his role as the head of state, because he was better able to mobilize support in his home province.

As the head of the opposition party (IJI) during the era of Benazir Bhutto, Nawaz Sharif had always led the campaign against the PPP. A critical aspect of his program had been his personal efforts at positioning the party as the champion of Punjabi rights: “The image of the IJI as a protector of Punjabi interests increasingly emerged in its party propaganda” (Talbot 2009). As the Benazir Bhutto administration demonstrates, representation at the regional level serves as an essential prerequisite to the success of a particular ethnic group. Although Sindhis had strong representation at the national level and sought to implement Sindhi-friendly policies, their efforts were ultimately thwarted because the PPP was unable to control events within Sindh itself. which led to the victory of a party (IJI) who was better able to ethnically mobilize in its home province (Punjab). The

ultimate failure of the Benazir Bhutto era is also visible in the fiscal allocations that Sindh received. Between 1988 and 1990, the revenue generated by Sindh increased from 6.7 billion rupees to 9.3 billion rupees. Federal distribution, however, dramatically decreased during the same period from 7.4 billion rupees at the beginning of Bhutto's term to 520.2 million rupees after her government had been dismissed (Government of Pakistan: Ministry of Finance, Planning & Economic Affairs 1992). Although the Bhutto administration was a failure in terms of addressing Sindhi grievances, the PPP has become more successful at mobilization in recent years.

Conclusion:

Table 3.1 Summary of Results

Administration	National Level Representation	Provincial Level Representation	Fiscal Allocation
Zulifqar Bhutto	Strong	Strong	Equitable
Zia-ul-Haq	Weak	Weak	Inequitable
Benazir Bhutto	Strong	Weak	Inequitable

Although the fluctuations articulated above seem to confirm my general hypothesis, I believe that future studies could expand and strengthen my work by using data on a per capita basis and comparing it between provinces. I believe such an analysis would help determine whether revenues are actually reaching those who are alienated (and working to diffuse ethnic tensions) rather than simply being concentrated in the hands of a corrupt bureaucracy at the provincial level. Additionally, future studies could also better operationalize the fiscal allocation variable by clearly defining what inequitable allocation in terms of provincial allocation entails. Such studies could investigate the mechanisms which leads to federal government allocation and how parties at the provincial level can thwart or block such allocations. Overall, I believe that my hypothesis seemed to correctly

characterize the phenomenon being investigated. During the Zulifqar Ali Bhutto Administration, with increased levels of representation at the national and provincial levels, Sindh received greater allocations from the federal government; allocations which were on par with, and sometimes exceeded, that of Punjab. Aside from being tangibly proven in the overall revenue the province generated for the federal government versus the amount of allocation that it received, this favorable treatment was also visible through the various policies enacted at the provincial and national levels that challenged Muhajir and Punjabi interests. The subsequent Zia-ul-Haq regime validated the second prong of my hypothesis, namely that with lower levels of representation in the national and provincial assemblies, a province would receive inequitable levels of allocation from the federal government. The government's preference for Punjab during this time period was visible both in its fiscal distributions as well as its brutal repression of ethnic minorities (particularly those in Sindh calling for a restoration of democracy). Although the Benazir Bhutto Administration confirmed the need and importance of regional representation in ensuring equitable allocations and challenging the power of non-indigenous groups, I believe it also highlighted an inadequacy in my original hypothesis. Lack of representation at the provincial level does not necessarily translate into an inability to challenge Punjabi domination, as Ms. Bhutto was still able to appoint various Sindhis to traditionally Punjabi posts. Weak representation at the provincial level does, however, ultimately limit the longevity of such endeavors. In other words, for long-term success, a minority ethnic group must have strong representation at the regional level. This phenomenon is also visible in Pakistani politics today.

Although ethnic tensions continue to this day in Pakistan, the prospects for an answer to the minority provinces' grievances have become more hopeful. Currently, the PPP constitutes a plurality in the National Assembly and controls a majority of the seats in the Sindh Provincial Assembly (Election Commission of Pakistan 2008). Additionally, the head of state, President Asif Zardari, is a Sindhi. As history has proven, however, whatever advances the Zardari Administration may produce can be easily rolled back by the next administration. In a larger sense, as long as the cyclical nature of Pakistani politics continues (and administrations favorable to minority ethnic groups are replaced by unfavorable administrations), Punjabi hegemony will continue. Therefore, a successful redress of the grievances expressed by the minority provinces would require a change in the Pakistani political system. In order to secure the current successes of the government and quell instability in the nation, I believe there are two alternative solutions available: the first would be a parity scheme, while the other would entail greater provincial authority. I would expect the United States and larger international community to play a role in either effort.

The first solution would essentially entail a parity scheme where each province received a certain proportion of the revenues they raise for the federal government. Although I believe this solution would do the most to quell ethnic tensions (as the minority provinces would feel that they are being treated equally and at the same caliber as Punjab), I believe that such a solution would take some time to implement as it would require successive federal governments favorable to minority grievances (in other words, years of successful ethnic mobilization and the dwindling of Punjabi confidence that they will be able to regain required levels of representation at the national level) convincing Punjab to

cede a substantial amount of fiscal aid from the center in return for essentially nothing. I believe a second, and more realistic, solution would be to push for greater provincial autonomy. Such a scheme would allow each province to raise taxes as they see fit and define pieces of key national legislation (such as the classification of rural and urban citizens which occurred during the quota system under Zulifqar Ali Bhutto). I believe such a system would be acceptable to both the minority provinces as well as Punjab. For the minority provinces, the proposal would essentially entail greater sovereignty and moving the reigns of power from the center, which is historically associated with Punjabi interests. For Punjab, such a scheme would give them greater decision-making power over important pieces of federal legislation when they do not have appropriate national level representation. Calls for greater provincial autonomy are not new. They have never gained momentum, however, because of the strength of centrist parties such as the PPP: “While PPP dominated rural Sindh, Sindh’s nationalist parties remained unable to challenge its (PPP) support. These parties ‘never attracted the support of more than 5 or 6 percent of the electorate nor have they ever won any directly elected National Assembly seats.’ Nevertheless, ‘the PPP always espoused the cause of Sindhi nationalism at the provincial level’” (Mushtaq 2009). As momentum for such a solution is weak at both the national and provincial levels, I believe that a key ingredient to the success of such a proposal would be the support of the United States and broader international community.

The United States and international community’s focus on fighting terrorism has actually allowed the Pakistani Federal Government to prosecute ethnic minority groups behind the veil of defeating extremism. Although various human rights groups have

brought this problem to the United State's attention, our government has simply dismissed such claims:

Visiting Pakistan in January, 2006, former Undersecretary of State Nicholas Burns rejected pleas by the Human Rights Commission of Pakistan for U.S. intervention to stop the egregious human rights violations then being committed in Baluchistan by the military regime of former President Pervez Musharaff. Pointing to U.S. complicity in these violations, the Commission condemned the use of U.S.-supplied aircraft in bombing and staffing attacks on civilian targets and the 'enforced disappearances' of at least 1,000 Baluch and Sindhis. The Commission cited an exhaustive investigation by Amnesty International showing that "the Pakistan government has used the rhetoric of fighting 'terrorism' to attack its internal critics and to justify large-scale 'enforced disappearances' in which activists pushing for greater regional and ethnic rights and greater access to provincial resources' in Baluchistan and Sind were branded as terrorists and "arbitrarily detained, denied access to lawyers, families and courts and held in undeclared places of detention run by Pakistan's intelligence agencies, with the government concealing their fate or whereabouts" (Harrison 2009).

The United States' actions in Sindh and Baluchistan, however, are not unique. As is evident in Egypt, Saudi Arabia, and throughout the Middle East, the United States often disregards the human rights abuses of nations as long as they support American interests in the region. This is a dangerous trend. If resources and aid distributed for the "War on Terrorism" are at times diverted to suppress internal opposition, the United States policies are actually creating more enemies than they defeat. Therefore, supporting greater

provincial authority in Pakistan would benefit the United States in two ways. First, it would prevent the misuse and waste of important military resources that could actually be used for their original purpose in fighting terrorism. Second, it would stop insurgents in such provinces from credibly claiming that the central government's repressive efforts are supported by the United States and would ultimately close an avenue by which terrorists recruit others to fight against the West. Supporting provincial autonomy would also decrease ethnic tensions, as minority ethnic groups would feel that they have greater sovereignty over their own resources. This dwindling of ethnic conflict would, in turn, promote stability within the nation, allowing Pakistan to better secure its nuclear arsenal against extremist elements.

Opponents of my proposal would retort that the United States' support for greater provincial autonomy in Pakistan would lead to major domestic and international backlash, as the United States is often criticized for meddling the internal affairs of other nations. I believe that this concern can easily be addressed. Support for greater provincial authority will not require any military endeavors; rather, the proposal would require a restructuring of the aid that the United States provides to Pakistan. In the future, the United States should qualify its fiscal support by making aid contingent on earnest efforts by the central government to push for greater provincial authority. If the central government fails to accomplish this task, the United States should simply halt its fiscal support and urge other nations to do so as well. Given the deplorable state of Pakistan's economy, I believe that this diplomatic and financial pressure will be enough to influence Islamabad into shifting its policy. The United States support for greater provincial autonomy should not, however, waiver between successive administrations, as such a cycle would revert back to the

original problem of certain regimes using resources to defeat perceived internal threats rather than actual global ones. Furthermore, the United States' efforts cannot be unilateral. The broader international community must also play a part in this process by refusing aid to Pakistan if the support is going to be transformed into a means to crush dissent and bolster an authoritarian or dictatorial regime. Additionally, international humanitarians organizations must keep documenting such abuses and pressure governments to change their policies if they exist. For the sake of both regional and global security, the grievances of Pakistan's minority ethnic groups must be addressed.

Works Cited

- Ahmed, Feroz. 1998. *Ethnicity and Politics in Pakistan*. New York: Oxford.
- Alavi, Hamza. 1989. "Nationhood and the Nationalities in Pakistan." *Economics and Political Weekly* 24 (7): 1527-1534.
- Bird, Richard and Robert Ebel. 2007. *Fiscal Fragmentation in Decentralized Countries*. Northampton: Edward Elgar.
- Election Commission of Pakistan. 2008. "General Elections 2008: Results." <http://www2.ecp.gov.pk/vsite/mis/gmis.htm> (April 8, 2011).
- Government of Pakistan: Ministry of Finance, Planning & Economic Affairs. 1975. *Pakistan Statistical Yearbook 1974*. Karachi: Statistics Division.
- Government of Pakistan: Ministry of Finance, Planning & Economic Affairs. 1979. *Pakistan Statistical Yearbook 1977-78*. Karachi: Statistics Division.
- Government of Pakistan: Ministry of Finance, Planning & Economic Affairs. 1992. *Pakistan Statistical Yearbook 1991*. Karachi: Statistics Division.
- Harrison, Selig. 2009. *Pakistan: The State of the Union*. Washington D.C.: Center for International Policy.
- Haq, Farhat. 1995. "Rise of the MQM in Pakistan: Politics of Ethnic Mobilization." *Asian Survey* 35 (11): 990-1004.
- Jafferlot, Christophe. 2002. *Pakistan: Nationalism without a Nation?* London: Zed Books Ltd.
- Kennedy, Charles H. 1991. "The Politics of Ethnicity in Sindh." *Asian Survey* 32 (10): 938-955.

- Kothari, Rita. 2004. "Sindhis: Hardening of Identities after Partition." *Economic and Political Weekly* 39(35): 3885-3888.
- Malik, et al. 2009. *Government and Politics in South Asia*. Boulder: Westview.
- Musgrave, R. 1969. "Theories of Fiscal Federalism." *Public Finance* 24 (4): 521-32.
- Mushtaq, Muhammad. 2009. "Managing Ethnic Diversity and Federalism in Pakistan" *European Journal of Scientific Research* 33(2): 279-294.
- Oates, Wallace. 1972. *Fiscal Federalism*. New York: Harcourt.
- Rizvi, Hasan-Askari. 1986. "The Civilianization of Military Rule in Pakistan." *Asian Survey* 26 (10): 1067-1081.
- Rodrik, Dani. 2003. *In Search of Prosperity: Analytic Narratives on Economic Growth*. Princeton: Princeton University Press
- Roeder, Philip G. and Donald Rothchild. 2005. *Sustainable Peace: Power and Democracy after Civil Wars*. Ithaca: Cornell University Press.
- Samad, Yunus. 1995. *A Nation in Turmoil: Nationalism and Ethnicity in Pakistan, 1937-1958*. London: Sage Publications.
- Shah, Anwar. 2007. *The Practice of Fiscal Federalism: Comparative Perspectives*. London: Montreal & Kingston
- Talbot, Ian. 2009. *Pakistan: A Modern History*. New York: Palgrave Macmillan
- Ter-Minassian, Teresa. 1997. *Fiscal Federalism in Theory and Practice*. Washington: International Monetary Fund.
- Weiss, Anita. 1986. *Islamic Reassertion in Pakistan: The Application of Islamic Laws in a Modern State*. New York: Syracuse University Press.
- Wright, Jr., Theodore. 1991. "Center-Periphery Relations and Ethnic Conflict in

Pakistan: Sindhis, Muhajirs, and Punjabis." *Comparative Politics* 23 (3): 299-312.

Ziring, Lawrence. 1988. "Public Policy Dilemmas and Pakistan's Nationality Problem: The Legacy of Zia-Ul-Haq." *Asian Survey* 28(8): 795-812.