

## **Sanctity of data**

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The most ill-advised appointment by the Caretaker government with respect to the economy has been to transfer Tariq Mehmood Pasha as Secretary Ministry of Statistics effective 1 July 2018 - a man known for his loyalty to Ishaq Dar who had conferred on him the important position of Chairman Federal Board of Revenue (FBR).

Pakistan Muslim League-N's five-year tenure has been marked by a sustained challenge to data released by the Pakistan Bureau of Statistics (PBS) by independent economists who presented rationalized alternate data from multiple government and credible industry sources. As key macro-economic indicators came under ever increasing stress during the five years peaking in May 2018, the last month of the party's tenure, divergence between PBS and more credible data reached its historical zenith.

Who can be ultimately held accountable for the flawed PBS data? The PBS was under the administrative control of the Ministry of Finance till July 2017 with Ishaq Dar, the period when he was a functional finance minister, reportedly routinely dictating the growth rate of key macroeconomic variables. This directive was carried out without an attempt to rationalize data prompting a challenge easily substantiated by rationalizing data.

Shahid Khaqan Abbasi as prime minister created a Ministry of Statistics with a full minister. This decision was more reflective of the PML-N's perceived political compulsion to accommodate all those electables/turncoats whose support traditionally is contingent on the 'perceived' source of real political power (a need felt after Nawaz Sharif was disqualified by the apex court on 28 July 2017) rather than an attempt to separate PBS from the Ministry of Finance with the salutary objective of ending the almost routine pressure/influence exerted by ministers of finance to present doctored data that reflect well on their performance. Shahid Khaqan Abbasi appointed 31 federal ministers during his 10-month tenure in office, 19 ministers of state, 5 advisors (with Miftah Ismail upgraded to a full federal minister to enable him to present the budget 2018-19 in parliament while Sartaj Aziz was awarded the status of a federal minister when he was appointed as Deputy Chairman Planning Commission) and 5 special assistants. Quite a handful paid for by the taxpayers with little or no output at the end of their tenure.

The portfolio of Ministry of Statistics was given to Kamran Michael by Abbasi on 4 August 2017 while during the Sharif administration he had held the portfolio of Ports and Shipping (8 June 2013 to 21 May 2016) and Minister for Human Rights (21 May 2016 to 28 July 2017). For the ten months he headed the Ministry of Statistics he defended the credibility of the data released by the PBS only once - in August, when he categorically rejected the reservations of Pakistan People's Party (PPP) and Muttaheda Qaumi Movement (MQM) with respect to the provisional results of the sixth population and housing census 2017 and recommended that they take up their reservations at the appropriate forum which he identified as parliament and/or the Council of Common Interests (CCI). The matter was raised by the PPP at the CCI and the decision to audit 1 percent of the census results with areas of audit to be selected at random was taken. MQM-Pakistan not represented at the CCI raised its reservations publicly prompting the Abbasi-led administration to agree to 5 percent audit of the provisional results within three months. Nine months later after the end of PML-N's tenure and one month of the caretakers there has been no progress in this regard.

Michael was reported three more times during the ten months he held the portfolio of statistics - once when he rejected claims that he had been involved in sale of church property in Murree through his Secretary; second to praise Pakistani youth as immensely talented while speaking at a prize distribution 'Jashan-e-Azadi Hockey (Floodlit) Mela' at the Johar Town Hockey Stadium; and third to condemn the Quetta bomb blast. It would therefore be safe to assume that Kamran Michael engaged little in the running of the Ministry and made no demands with respect to tabulating credible as opposed to unrealistic data from PBS staff; therefore for all intents and purposes control of PBS remained with the de

facto Minister of Finance leading to a further widening of the differential between published data and realistic data. The argument that the PML-N disabled itself from taking informed timely decisions by manipulating data was clearly not the priority of its two finance ministers - Ishaq Dar and Miftah Ismail and their priority was to show data that reflected well on their policy decisions.

The general perception is that the PML-N in general and Ishaq Dar in particular focused on appointing loyalists rather than making merit based appointments at the helm of any institution/entity which is cited as the major reason for a marked rise in Pakistan's poor performance on the governance index during the past five years. In contrast the PPP led government (2008-13) was not too pushed about a finance minister, in 2008 Zardari readily agreed to appoint Dar as the finance minister till the coalition dissolved, and later appointed two technocrats and loyalist Saleem Mandviwalla on 25 January 2013 - less than two months before the end of the party's tenure in office.

Pakistani finance ministers - and Dar and Ismail have certainly not been exceptions to the rule - notoriously develop a level of arrogance that is not matched by either their qualifications or relevant experience or, in cases of technocrats where these two critical elements are present, a backbone able to resist their political masters, a recent example being Hafeez Sheikh.

Could the caretaker government as per its mandate have taken measures to strengthen the PBS? As per the Elections Bill 2017, a caretaker shall not "make promotions or major appointments of public officials but may make acting or short term appointments in public interest; transfer or shuffle public officials unless it is considered expedient and under intimation to the Commission," and shall "restrict itself to activities that are of routine, non controversial, urgent and in public interest and reversible by the future government elected after elections." In other words, the Caretakers cannot make the necessary changes in PBS staffing which would have to be left to the next elected government. But given the range and extent of problems facing the economy, which has been acknowledged by the Caretakers, and the scale of data manipulation by the Dar appointees, which has not been publicly acknowledged by the Caretakers at least, it is baffling why Pasha was given the Statistics portfolio. This appointment may well be tantamount to the Caretaker government disabling itself from taking informed decisions.

The Caretakers would be long remembered if they can highlight the politicization of PBS by appointing a qualified statistician to show the divergence between politically-motivated data of the Dar/Ismail years and actual data through a white paper. This, one would hope, may be the first step towards granting complete autonomy to the PBS.

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