From forms to functions: Patterns of uneven state capacity in Pakistan

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From Forms to Functions: Patterns of Uneven State Capacity in Pakistan

Teaser (≤50 words): *Pakistan's state capacity is uneven, not absent. Looking at everyday transactions—IDs, cash transfers, customs clearance—shows where the state works and where it falters. Conversations with officials and academics during my time with the IGC revealed patterns that warrant systematic research.*

A woman in Lahore checks her phone for a Benazir Income Support Programme (BISP) payment alert. The system correctly identifies her as the beneficiary, but the handset belongs to her husband, who sees the message first. Meanwhile, at Karachi port, a trader navigates the Pakistan Single Window (PSW). The portal is slick; the discretion that matters has simply moved from paper to screen. These moments, observed during my summer placement with the IGC in Pakistan, point to a simple idea: capacity is remarkably uneven—often sophisticated and primitive within the same transaction.

What this scoping visit revealed

Over several weeks, I spoke with several bureaucrats, local academics, and policymakers across Punjab. The pattern that emerged was consistent. Pakistan has built impressive infrastructure for identification, payments, and service delivery. The problems emerge at the last mile: the human interfaces, discretionary decisions, and household dynamics that determine whether these systems actually deliver.

This isn't a story of simple state failure. NADRA works. BISP transfers reach millions. The PSW is genuinely digitising trade. But capacity remains uneven across different stages of the same process. A sophisticated digital system might correctly identify beneficiaries but fail when phone ownership doesn't match. A modern customs platform might streamline documentation but preserve discretion in risk assessment.

Observing capacity through transactions

State capacity reveals itself through routine transactions such as checking a balance, clearing goods, registering for benefits, or filing complaints. These mundane moments where citizens encounter the state show where systems function and where they break down. At this transaction level, capacity isn't binary but rather lumpy across different stages of the same workflow.

Two observations guide this analysis. First, capacity is what the state does, not what it owns on paper. Recent research on state effectiveness emphasises that capability grows through solving concrete problems iteratively rather than importing "best practice" forms (Andrews et al., 2017). Second, Pakistan's uneven capacity creates natural experiments. Internal variation across provinces, platforms, and process steps provides research opportunities without requiring cross-country comparison.

Four patterns from fieldwork

When poverty registries disagree

Punjab's Socio-Economic Registry (PSER) and the federal National Socio-Economic Registry (NSER) sometimes classify the same household differently. One says poor, the other doesn't. This isn't just administrative noise; it signals that systems weight information differently.

The federal system uses standardised indicators while provincial systems incorporate local knowledge. These disagreements highlight where each approach has blind spots. This mirrors classic work on centralised proxies versus local knowledge (Alatas et al., 2012), but Pakistan's dual registry system provides an unusual opportunity to study this systematically without presuming which registry is "right."

Research opportunity: What covariates explain registry divergence, and what does this reveal about optimal targeting design?

Digital transfers through shared phones

BISP transfers money to women, but men often control the phones. This dynamic appeared repeatedly during fieldwork. The alert arrives, the husband sees it, he manages the withdrawal. This isn't outright capture, but nor is it empowerment.

This echoes research on intra-household bargaining and digital payments (Field et al., 2021) and **a** growing literature shows that payment and device design affects effective control and outcomes (Muralidharan et al., 2016). Pakistan's scale makes this particularly important since BISP reaches millions of families. The pattern suggests that digital financial inclusion might not automatically translate to female empowerment and small interface choices could matter more than we assume: neutral SMS wording, optional voice messages in local languages, "quiet" balance displays at agents.

Research opportunity: How does phone ownership mediate women's effective control of transfers, and which low-friction design changes improve outcomes?

Digitisation without removing discretion

The Pakistan Single Window is digitising customs, and clearance times are dropping. But risk assessment and physical examinations remain discretionary. The system flags consignments: officers decide whether to inspect. Experience still guides suspicious shipment identification.

This isn't necessarily problematic since experienced officers might spot patterns algorithms miss. But it suggests digitisation relocates rather than eliminates discretion. Evidence from ports and bureaucratic settings indicates discretion can either help (tacit expertise) or harm (rent-seeking), depending on incentives and monitoring (Rasul & Rogger, 2018). Pakistan's ongoing

digitisation provides variation to study how bureaucratic behaviour changes when discretion moves from paper to digital interfaces.

Research opportunity: When discretion moves to screens, how do information sequencing and time limits affect officer behaviour and clearance variance?

Complaints as diagnostic data

Punjab's Ombudsman offices function reasonably well. Citizens file complaints, offices investigate, departments respond. But each complaint contains information about service delivery failures that isn't being systematically analysed.

The Ombudsman sees patterns (recurring departments, persistent problem types) without aggregating lessons. International evidence treats grievance systems as operating inputs, not just mailboxes (World Bank, 2014). Punjab's functional Ombudsman system offers an opportunity to study how complaint data could diagnose capacity gaps. Publishing fix rates and time-to-resolution for repeat patterns could turn reactive complaint handling into proactive capacity diagnostics.

Research opportunity: *Can simple patterning of Ombudsman data predict where service delivery will fail next—and help target fixes before problems escalate?*

Why these patterns matter

Three themes cut across these observations:

Variation as opportunity. The differences within Pakistan between provinces, between digital and manual systems, and between successful and failing programmes provide credible identification strategies. Registry disagreements offer a window into targeting effectiveness. Phone-sharing patterns reveal household dynamics. Customs digitisation shows how discretion evolves.

Interfaces over infrastructure. Pakistan has built the digital rails, but small details determine whether systems deliver. Who holds phones affects whether women control transfers. What officers see on screens shapes customs decisions. How complaints get routed determines redress. These interface points deserve research attention.

Friction as information. Every breakdown point contains data about system failures. Registry disagreements reveal targeting blind spots. Phone sharing shows household power dynamics. Discretionary delays indicate where monitoring fails. Systematic analysis of these friction points could inform capacity improvements faster than sweeping reforms.

Moving forward: Learning from internal variation

Pakistan's uneven state capacity is typically framed as a problem. For researchers, it's an opportunity. The coexistence of sophisticated systems and basic failures creates natural experiments in governance.

The most valuable insights won't come from comparing Pakistan to international best practices, but from understanding Pakistan's internal variation. Why do certain transactions work while others fail? What distinguishes successful from failing interfaces? How can friction points become learning opportunities?

These questions matter for policy. As Pakistan expands digital systems and social protection, understanding these patterns could improve interface design, not just infrastructure. It's tempting to seek a single index of "capacity," but fieldwork suggests something humbler: a patchwork of routines that either run or stall. Where they run, modest complements like verification systems, grievance redress, and clear hand-offs usually sit alongside the digital infrastructure.

The woman receiving transfers through her husband's phone and the customs officer exercising digital discretion aren't experiencing state failure. They're experiencing uneven capacity. Understanding that unevenness, transaction by transaction, is the first step toward addressing it.

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