From Blunderland to Plunderland and Back
Pakistan under Nawaz Sharif, 1997-1999

By

Najam Sethi
A good beginning, but ....

Mr. Nawaz Sharif has kicked off with a bit of a bang. The measures that he announced in his first address to the nation are all commendable. Many are reiterations of good decisions taken by the caretaker government earlier, like quashing all sorts of VIP facilities and discretionary powers of public officials and slashing wasteful governmental expenditures. Others are praiseworthy, bold initiatives, like the rational decision to restore Sunday as a public holiday. The ban on lavish wedding receptions is also most welcome. Such occasions had begun to alienate the poor from the rich and deepen class contradictions.

Mr. Sharif has also made a stirring appeal to Pakistanis everywhere to bail their country out of the debt trap. Resident Pakistanis are reported to be ready to help the cause. And the government is optimistic that expatriates will respond in a similar manner.

A word of caution, however, may be in order. Three types of deposits are solicited — flat donations, no-interest deposits and interest bearing deposits. If much of the money which flows into Mr. Sharif's debt-relief fund turns out to be a financial transfer from one domestic interest-bearing rupee or dollar bank account in the country to another such interest-bearing account in the name of the government, there will be little net gain to the forex reserves of the country. In the event, the scheme will fail to deliver any dividends.

The real task is to increase our forex reserves on the basis of interest-free deposits from Pakistanis abroad. If this Pakistani community responds passionately to Mr. Sharif's plea, the government will get some breathing space in which to pay off its short-term debt and start addressing the macro-economic structural problems of the economy. If it doesn't, Mr. Sharif will have to order belt-tightening all round.

Will Pakistanis abroad respond in a big way to Mian Nawaz Sharif's urgings to help their country? Or will they adopt a wait-and-see attitude and respond only after a demonstrable effort by Mr. Sharif to fashion viable medium-term macro-economic policies which inspire long-term confidence?

It may also be argued that a reasonably satisfactory response is predicated upon a demonstration of political maturity on the part of the prime minister. Does his selection of cabinet colleagues inspire confidence in his ability to deliver? Will honest professionals be hired to man the Planning Commission, Privatisation Commission and various banks and development finance institutions? Does Mr Sharif have the foresight to retain good relations with President Farooq Leghari and General Jehangir Karamat? Do his actions promise good government and political stability? There is, finally, the question of good relations with donors like the IMF and World Bank which lend international credibility to Pakistan.
Mr Sharif is, of course, well within his rights to reject the IMF’s prescriptions, in particular its insistence upon reducing the fiscal deficit from 6% to 4% by next June. But when he abandons the IMF’s recipe for good health, he should be aware of the enormous risks attendant upon his course of action.

Mr Sharif’s strategy for economy recovery is based upon supply-side economics. He wants to give liberal tax breaks to the business community so that they are spurred to invest profits into export-led growth. He would like to pour public money into infrastructure projects so that employment opportunities are opened up and industrial productivity is enhanced. In order to carry out such expenditures, he needs to retain a fiscal deficit of at least 5% or more.

The IMF’s recipe is based on demand-supply economics. It wants to slash government expenditures, increase tax revenues and cut government borrowing. A lower fiscal deficit target is expected to rein in inflation, lower interest rates and encourage industry to pull up its socks and become internationally competitive.

Mr Sharif’s strategy, in theory at least, is as workable as the IMF’s. Its advantage is that it imposes less hardship on ordinary people than that of the IMF. But the disadvantage is that there is no fallback position in the event of failure. If Mr Sharif says good-bye to the IMF now, he cannot expect it to come to his rescue later. Economic failure will also result in a total loss of international credibility and foreign investment will stay away for a long time to come.

In the absence of extended support from the IMF, Mr Sharif needs a couple of billion dollars immediately in order to make debt payments and beef up reserves. If Pakistanis abroad balk at helping him out, he is doomed to default — the trade gap this year looms at about US$ 4 billion while reserves are down to only one months’ import bill. This could have devastating consequences.

Perhaps a second-best solution may be preferred. While Mr Sharif makes a dogged attempt to attract low or no-interest forex deposits, he should keep the IMF on board by broadly remaining within the parameters of its agenda. By June, when the budget is due, the picture should be clearer. If he has the money to shore up reserves, he could push ahead with his package of reforms. If he doesn’t, he must press ahead with the IMF package.

(TFT Mar 07-13, 1997 Vol-IX No.1 — Editorial)

May God have mercy on Benazir

When Benazir Bhutto returned to Pakistan in 1986, she swept away everyone like a conquering heroine who promised a new millenium. Ten years later, she is reviled everywhere she goes. Her family is in shreds, her party has been all but wiped out and the country she led twice as prime minister is haemorrhaging badly. Her story is a litany of blunders and lost opportunities. Can she rise from the dust like a phoenix and win back her fame and glory?
When Benazir lost power in 1990, many people were ready to give her the benefit of doubt. She was alienated from local culture and inexperienced in government. The establishment had conspired against her and given no respite. And Asif Zardari was threatening to become a millstone around her neck.

In 1990, the establishment rigged the elections and began a systematic campaign to persecute her. When she demonstrated exemplary courage and perseverance in the face of adversity, the peoples' traditional sympathies were aroused and they swung back behind her. The stage was set for her revival after Nawaz Sharif inexplicably embarked upon a suicidal political course in 1993.

During her days in opposition, Benazir was sometimes wont to reflecting, albeit in private, upon the mistakes of her government from 1988-90. She seemed to have exorcised the ghost of her father (which had antagonised half of Pakistan) and come into her own. She seemed to be aware of the pitfalls of sycophancy. In particular, she seemed to have realised the damage caused to her party and to herself by Mr Zardari's grubby, philandering ways. It was therefore widely expected that, given a second chance, she would disprove the claim that history repeats itself, first as tragedy and then as farce.

Unfortunately, this perception has turned out to be sorely misguided. Ms Bhutto's second term was a colossal disaster. She had everything going for her but she closed her eyes to reality and began to live in a world of autocratic fantasy. She hand-picked the President and Chief Justice. Then she did everything possible to alienate them irrevocably. She unleashed Asif Zardari with a vengeance and became a witting partner in crime and corruption. She wrecked her family by savaging a brother and enfeebling a mother. When she was dismissed, the economy had almost bled to death.

One might have thought that Benazir Bhutto has had ample time and opportunity to mull over her fate. But no, everything suggests that she has learnt nothing at all from her misfortune. During the run-up to the elections, she thought fit to attack President Farooq Leghari when she should have concentrated her energy on chipping away at Nawaz Sharif. As if this was not stupid enough, she continued to attack the Supreme Court even as she prayed before it for a judgment in her favour. All this was personal pique, not power politics.

Now she has nominated at least three people to the Senate who don't deserve to be there. Asif Zardari is, by all accounts, the bane of her personal and political life. He has twice been largely responsible for her downfall. She knows that he has cheated on her, not once but several times. Yet she clings to him with a desperation which is hard to understand for an independent and worldly-wise woman like her. Munawar Suharwardi was her rough and ready security bodyguard. He was first "rewarded" and made an advisor to the Sindh government. Now he has been inexplicably elevated to the Senate. A brother of Tas Jumani, the notorious Zardari crony who fronted for him in several highly dubious deals, has also been rewarded for "services rendered". Not one competent and honest loyalist from the party has merited a pat on the back from the leaderene. Indeed, it is as if she is fiercely determined to compound her tragedy of errors by insulting our intelligence yet again.
The Peoples Party voter is disillusioned, possibly even disgusted with Benazir Bhutto. He has demonstrated his feelings — by sulking at home and refusing to vote for her. But because he has not, by and large, voted for anyone else, all may not yet be lost. Can she hope, one day, to reclaim his dormant vote?

Much, of course, depends on how Nawaz Sharif fares. If he is able to deliver on even half his promises, he may last beyond his minimum term of five years. But if he fails, the road to Islamabad will be open to contenders again. Will Benazir Bhutto, then, be able to win the race for power for the third time in her career?

It is a Herculean task. But, given the vagaries of Pakistani politics, and the fact that voters can forgive and forget, it is not impossible that an opportunity may present itself in the distant future. In the event, what face will Benazir Bhutto present in the court of the people?

A haughty princess in the consort of a tacky playboy? Or a wise and humane leader in tune with the heartbeat of the nation? May God have mercy on Benazir Bhutto and show her the true path to salvation.

(TFT Mar 14-20, 1997 Vol-IX No.2 — Editorial)

Get on with it, Mr Sharif

On November 5, 1996, Nawaz Sharif realised that he would be PM on February 3rd, 1997. Four months ago, he also knew that the government's kitty was empty and the economy needed urgent surgery. Mr Sharif was suitably briefed by President Farooq Leghari, Mr Shahid Javed Burki and the IMF's representative, Mr Abbas Mirakhor. Yet, six weeks after assuming office, Mr Sharif is still whistling in the dark. What, in God's name, is he up to?

Let us face facts. The PM's Debt-Relief Fund has failed to excite the patriotism of the richie-rich. His finance minister admits that a mere US$ 100 million has found its way into the Fund against a target of US$ 2 billion. Worse, only US$ 10 million is in the form of donations, the rest being an expensive addition to our medium-term debt. Now four PML do-gooders have flown off to foreign lands to exhort expatriate Pakistanis to do their bit for the motherland and we are left with a depressing sense of deja vu, a throwback to the billions of dollars of MOUs brought into Pakistan by Benazir Bhutto.

Mr Sharif is toing and froing all over the place, suspending, transferring, hiring and firing all types of officials. This is all very well, except that, perhaps, it might have been better left to some minion or the other. It certainly won't take Mr Sharif too far. Private companies in trouble are not revamped by chief executives in this manner, let alone a prime minister administering thus to a huge and bankrupt country of 137 million people. Come on, Mr Sharif, stop clucking about like a runaway, headless chicken and get on with the job.
The stock market is a good barometer of the confusion and nervousness in business circles about the new government’s modus operandi. It went up when Mr Sharif became PM. Now, unable to fathom the import of his daily blustering, it is down again. One bad word from the IMF tomorrow and all hell could break loose. Is this any way for a businessman-prime minister with a huge mandate to kick-start an ailing economy?

Mr Sharif’s avowed plan to revive growth is based on "Laffer curve" economics. This theory postulates that tax cuts can lead to higher government revenues (and, therefore, higher public expenditures) by inducing faster economic growth, without adversely affecting the fiscal deficit. The number of tax payers — and therefore the amount of revenue — is supposed to go up, partly because tax rates become less punitive, making tax evasion less attractive. Whatever the IMF thinks of this strategy, we have no problems with it in principle, provided, of course, that Mr Sharif gets cracking and lays down the new signposts to economic recovery quickly. But consider what he has done so far.

Mr Sharif has upped government servants’ salaries by Rs 300 per month, adding about Rs 7 billion to government expenditures. He has also sanctioned Rs 800 million for the Lahore-Islamabad Motorway and another Rs 800 million has been usurped by his talented younger brother to build a new Motorway from Lahore to Faisalabad. But nothing at all has been done to raise revenues which are abysmally short of targets as usual. In fact, Mr Sharif is adamant that there will be no enhancement in the rates of electricity, oil or gas, despite the knowledge that WAPDA, KESC, Sui Northern, Sui Southern and OGDC are bankrupt and about to default on their international covenants. With privatisation being a medium-term prospect, how on earth does Mr Sharif hope to manage in the here and now?

There is only one way out. Mr Nawaz Sharif should stop playing at gimmicks and knuckle down to an early 15-month budget at the end of this month. He should slash all tax rates by about 15-20 per cent so that businessmen and the salaried classes have solid incentives to work hard, increase productivity and reinvest savings. He must widen the tax net to make income taxes commensurate with tax evaders’ electricity and telephone bills. He should increase utility rates so that the exchequer is not bled to death by hidden subsidies. And, if he is serious about accountability, he should amend the laws to curtail the writ jurisdictions of the courts so that patently corrupt people are not bailed out in a jiffy.

Mr Nawaz Sharif means well. That much is clear. But he is wont to behaving these days like a benevolent Mughul Emperor who wants to be everywhere at the same time so that people are impressed by the energy he expends in trying to "solve" their everyday problems. If this attitude had manifested itself in a run-up to a general election, we might have excused its obvious self-serving objective. But newly elected prime ministers with reformist mandates are not expected to behave in this fashion. They are expected to confront hard-boiled issues and take difficult institutional decisions for the collective good of the country. The sooner Mr Sharif understands this and sits down to do some overdue homework, the better.

(TFT Mar 21-27, 1997 Vol-IX No.3 — Editorial)
Whither accountability?

Accountability was the key word in 1996. The press demanded it incessantly. Imran Khan thundered about it; Qazi Hussain Ahmad led militant rallies in support of it; Benazir Bhutto and Nawaz Sharif hastily assembled laws to deal with it; and the caretaker government was condemned because of a lack of it. Yet there is not one convincing word about it in 1997. What has happened to accountability?

The caretaker government began conscientiously enough. It drafted the Ehtesaab Ordinance, appointed a competent and non-controversial retired judge as Ehtesaab Commissioner, set up Accountability Cells in all federal and provincial ministries to investigate corruption, and quickly sent about a dozen cases to the Ehtesaab Commissioner for prosecution. Then the accountability exercise ran into trouble.

In some cases, the accused were granted pre-arrest bail. Others were arrested but bailed out within 24 hours. A few were allowed by the courts to rest in VIP rooms in hospitals and one notorious character was actually permitted to leave the country for "medical treatment" abroad. A couple of people went "underground" or pulled powerful strings to evade arrest. When accountability didn't seem like achieving the desired results or impact, the investigating officers read the writing on the wall and began to drag their feet. In the final analysis, the policy of accountability of politicians was sacrificed at the alter of the general elections. The caretakers feared that if the leaders of the PML and PPP were targeted, both parties might boycott the polls. And since that was thought undesirable, accountability was put into cold-storage. What is the current position?

The files show sufficient evidence of corruption or willful abuse of authority to convict almost everyone who's anyone in government and opposition today. Some of the evidence is with the Ehtesaab Commissioner. The rest can easily be made available if the new government demonstrates the will to pursue this agenda seriously. But will it?

Shortly after assuming office, the new government quashed certain proceedings in the High Court against Mr Nawaz Sharif. Soon thereafter, a number of senior CBR officials were suspended for carrying out investigations into the Ittefaq Group's financial dealings on the orders of the Bhutto government. It also natural to presume that the new Interior Minister, who was in the eye of the Co-op storm in 1991, is not likely to show much enthusiasm for accountability.

Nonetheless, we understand that the new government has opened an "Ehtesaab cell" in the prime minister's secretariat. This is headed by a trusted friend-Senator of the prime minister. He is assisted by a retired army General. If newspaper reports are to be believed, the "cell" is working overtime to compile "a hit-list of 1000 bureaucrats" (phew!) who are alleged to be corrupt or who have abetted previous governments in various acts of corruption. Coupled with the prime minister's directives to set up "local ehtesaab committees" and the law advisor's
intention to amend the constitution in order to remove obstacles in the path of the prosecutors, this looks like a stern agenda for accountability.

Of course, there can be no quarrel with those who wish to strike against corruption wherever it is to be found. But a word of caution may be in order. When accountability is whimsical or fails to strike across the political board, it tends to degenerate into a witch-hunt. Indeed, if the proponents of accountability appear to be interested only in targeting the bureaucracy or in arresting politicians from the opposition parties while allowing a wide berth to corrupt politicians from their own ruling party, the whole process can become highly questionable.

Unfortunately, the prime minister and the Punjab chief minister appear victims of misplaced concreteness. Both do-gooders are spending a great deal of time dishing out "instant accountability" to petty officials. This is worrying because it is patently unlawful. The PTV cameras in tow also suggest that cheap publicity, rather than any serious attempt to come to grips with the problem, seems uppermost in their minds. The judiciary has, understandably enough, reacted to this fanciful policy by bailing out the unfortunate recipients of such high-handedness.

No, this is no way for any government to carry out accountability. For obvious reasons, no one seems to be particularly concerned with targeting members and supporters of the PML. And if the sights are only to be focussed on the PPP, the prime minister should get ready to face charges of victimisation. How, then, are we to pursue the imperative of accountability?

The Supreme Court must step in suo moto and clear the decks. The courts in Italy, India and elsewhere are doing it courageously and efficiently. And there is no reason why the same approach cannot be taken here.

This is the moment for Justice Sajjad Ali Shah, the chief justice of Pakistan, to re-establish the peoples' faith and trust in the judiciary and make it truly independent. For too long, the judges have been witting hand-maidens to a corrupt executive. Now is the time for them to stand up and look truly heroic.

(TFT Mar 28-03 Apr, 1997 Vol-IX No.4 — Editorial)

Same old equation?

A fresh start in Indo-Pak relations is mooted. The initiative comes from Pakistani prime minister Nawaz Sharif. It is reciprocated by Indian prime minister Dev Gouda and backed by the United States. Given that both neighbours remain hostage to unyielding and bitter perceptions, can we expect anything significant to come of the talks? Past experience may serve to illustrate the roadblocks ahead.

In 1989, Benazir Bhutto and Rajiv Gandhi tried to break the deadlock. An agreement was hammered out in Islamabad on demilitarisation of Siachin. However, with general elections due, Mr Gandhi succumbed to the pressure of the hawks in South Block and reneged on his word soon thereafter.
Then, in 1990, a full scale civil disobedience movement erupted against New Delhi in Kashmir. India accused Pakistan of fueling the revolt. Pakistan denied the charge but insisted upon its legitimate right to assist the Kashmiris "morally, politically and diplomatically". As the Kashmiri struggle acquired the proportions of a full-fledged guerilla war for "azaadi", both countries appeared to edge towards a confrontation. Alarmed, the United States despatched Robert Gates to cool down tempers on both sides. Washington also proposed a series of "confidence-building" measures to reduce chances of accidental conflict in the region. "Second-track" diplomacy involving unofficial "talks" and "contacts" between Indian and Pakistani academics, journalists, retired officials and senior citizens took off during this time.

It has been a long, hard grind since. Much blood has also been shed in Kashmir where the people are totally alienated from India. Their war against New Delhi continues, despite the installation of Farooq Abdullah's puppet regime in the valley. In January 1994, India and Pakistan tried to talk things over once again. But the dialogue failed to yield results because neither side was willing to concede an inch. New Delhi insisted that Kashmir was an integral part of India over which there could be no discussion. Pakistan responded by arguing that without opening up the core issue of Kashmir for negotiation, there could be no dialogue on any other problem. Will this stalemate be broken now?

There are several good reasons why it should be broken. Trade, for instance, is one. Both sides are formally committed to reducing trade barriers under formal WTO and SAARC agreements. Both countries stand to benefit from trade considerably. An estimated US$ 1 billion in smuggled goods flows between them annually. Legalising trade would yield revenues to both governments. Cheap imports from India would ease the burden of many Pakistani consumers. Exports of surplus electric power to India would shore up Pakistan's trade balance. An overland oil pipeline from Iran to Pakistan and India would be equally beneficial. And so on.

A demilitarisation of Siachin would also be timely. India spends about US$ 500 million annually on the upkeep of its war machine in the glacier. Pakistan's yearly budgetary allocation for Siachin is proportionate to this amount, about US$ 100 million. Neither side can afford such wasteful expenditures indefinitely. Will reason and economic compulsion come to prevail and lead to a thaw in relations?

India has made one unilateral concession on the eve of the talks. It has allowed freer Visa facilities to a host of Pakistani groups who wish to visit India. But Mr I K Gugral, the Indian foreign minister, has already jeopardised the talks by insisting that Kashmir is not negotiable. This has prompted a stiff response from the troika in Pakistan. President Leghari and Mr Sharif have strongly reiterated the old Pakistani position that unless there is a meaningful dialogue on the core issue of Kashmir, Islamabad is not interested in moving ahead on other fronts. The army chief, General Jehangir Karamat, has also poured cold water on the prospect of any quick settlement in Siachin. Is this a case of one step forward, two steps backwards?

Mr Gugral now says that we should not expect much from these talks. Will the Indians try and persuade the Pakistanis to talk about everything except Kashmir? Will the Pakistanis insist on talking only about Kashmir and nothing else? Will there will be an amiable deadlock, followed by a change of venue to the SAARC
conference next month when Mr Sharif and Mr Gouda are scheduled to meet for "one-on-one" talks?

The positions of both countries are truly rigid. But there is a big difference. India's position on Kashmir is illegal and indefensible. The strategy of talking about the other issues first and putting Kashmir into cold storage suits India. If Mr Sharif were to agree to this policy, he might be accused of demoralising the Kashmiris and undermining their long and heroic struggle for "azaadi". In the event, a political uproar could destabilise the new Sharif regime.

No, New Delhi must, at least, formally and irrevocably concede the fact that Kashmir is an outstanding "territorial dispute" between India and Pakistan rather than an integral, non-negotiable part of India. The two countries should then agree to consider some give and take on the issue, including proposals involving the Kashmiris as a third party to the dispute. Progress on trade, Siachin, arms limitation and other such issues could, in the meanwhile, be allowed to gather momentum in the background.

*(TFT Apr 04-10, 1997 Vol-IX No.5 — Editorial)*

**In Nawaz Sharif we repose our trust**

In one week prime minister Nawaz Sharif has exploded two bombshells. The 'Sartaj Doctrine' now holds full sway. And the President of Pakistan has been stripped of his 8th amendment powers. Both developments could have far-reaching, 'make-or-break' consequences.

The economic package is based on significant social, economic and political assumptions. (1) Radical income and sales tax breaks for the salaried, trade and industrial classes should persuade these classes to (a) voluntarily enter the tax net. (b) voluntarily pay a greater amount in tax than before. (c) voluntarily document all their transactions. (2) A radical lowering of import levies should persuade the trading and industrial classes to reduce the prices of the products they sell instead of increasing their profit margins. (3) The substantial decrease in indirect import-duty revenues should be more than offset by an increase in direct income and sales tax revenues. (4) The substantial increase in the import bill should be more than offset by an increase in export receipts so that the trade gap constantly remains within the limits prescribed by the level of reserves and the threat of default does not rear its ugly head. (5) All the measures should yield targeted dividends in the short term so that (a) the fiscal deficit remains constantly in check and no resort to heavy bank borrowing or large-scale printing of money is necessary (b) the record should speak for itself so that the IMF quickly comes on board with a couple of billion dollars in Extended Structural Adjustment Programme support. (6) The immediate crisis in the balance of payments on account of heavy domestic and foreign debt payments in the next 90 days should be averted by a rapid and sufficient inflow of funds from resident and expatriate Pakistanis into the prime minister's debt-relief fund.
If these assumptions turn out to be misplaced, the 'Sartaj Doctrine' could fall flat on its face and provoke an economic and political crisis of irrevocable proportions. This is what might happen: (1) The fiscal deficit would shoot up to over 8 per cent, fuel inflation, squeeze industrial credit and expansion, and hurt exports. (2) The balance of payments would go awry, provoke a situation of sudden-death default and scare away international donors and investors for good. (3) Social unrest would lead to political instability and jeopardise the new regime's chances of long-term survival.

The 'Sartaj Doctrine', it may be noted, does not inspire too much confidence in the stock market. Nor is there anything in it for the worker on the street or the peasant in his village. It is based on a narrow and highly volatile set of assumptions regarding anticipated behavioural changes in the urban and rural propertied classes. It seems to be motivated by other than purely economic considerations. An unsettling, high-risk element is built into the strategy.

The removal of the 8th amendment powers of the President has, fortunately, evoked no such serious misgivings. In fact, the 13th amendment to the constitution which repeals the 8th amendment was unanimously adopted by both houses of Parliament and accorded a sweeping welcome by editorials across the country. However, some arguments in favour of the repeal appear to be misguided or self-serving. Consider.

The fact that the 8th amendment is a product of a military dictator has been adduced in favour of the repeal under a "democratic" dispensation. But this logic is weak. Notwithstanding his current populism, Mr Nawaz Sharif is also, lest we forget, a product of the same dictator. We don't proffer this fact against his legitimacy as a popular prime minister today because Mr Sharif is now a leader in his own right, irrespective of his background or political origins. The 8th amendment, too, should be judged on the basis of its intrinsic merits or demerits, rather than simply as a legacy of a dictator.

It is also argued that the 8th amendment was a source of unwanted, even unmitigated, ousters of four civilian governments. But, surely, it is a moot point whether at least two such governments deserved to complete their term. Mohammad Khan Junejo ran a good, clean ship and behaved in a decent, democratic and responsible manner. His dismissal was totally unjustified. Likewise Benazir Bhutto's government from 1988 to 1990. It wasn't terribly inspiring but it didn't deserve a summary dismissal. Ms Bhutto was the victim of an 8th amendment conspiracy manufactured by Nawaz Sharif, Ghulam Mustafa Jatoi, Ghulam Ishaq Khan, General Hameed Gul and General Aslam Beg. But the other two dismissals — in 1993 and 1996 — need to be seen in an altogether different light. Mr Sharif became prime minister in 1990 on the basis of a hugely rigged election. His government lacked legitimacy. Soon thereafter, power went to his head and he began to behave in a fascistic manner. The press was attacked. Corruption and inefficiency acquired notorious proportions. The roots of terrorism in Karachi were laid during this time. Pakistan was about to be declared a terrorist state by the United States. Economic bankruptcy stared us in the face. And so on. Mr Sharif's ouster was thoroughly justified. Much the same can be said about Benazir Bhutto's second regime. When President Leghari booted her government
out on 5th November, 1996, everyone heaved a sigh of relief and acclaimed his action.

It is also sometimes said that the 8th amendment was a seriously destabilising factor in Pakistan's quest for democratic stability. This, too, is only partly true. Yes, it was the cause of democratic instability from 1988 to 1990 when it led to two unjustified dismissals. But it was, surely, the effect of democratic instability from 1993 to 1996 when Nawaz Sharif and Benazir Bhutto, in turns, wittingly brought the country to the brink of constitutional, political and economic anarchy. Indeed, if it hadn't been for the buffer of the 8th amendment, we might have had to reckon with martial law in 1988, 1990 and 1993.

Some of the more cruel ironies of history have also been missed or deliberately ignored in the current euphoria over the dismantling of this "notorious" piece of law. Leading democratic lights of today like Mr Nawaz Sharif, the prime minister; Mr Waseem Sajjad, the Senate chairman; Mr Elahi Bux Soomro, the Speaker; and countless other so-called "children of Zia ul Haq" were, until not so long ago, the finest and most articulate defenders of the 8th amendment. Indeed, Mr Sharif openly willed President Ishaq Khan in 1990 and President Farooq Leghari in 1996 to use the 8th amendment to dismiss Benazir Bhutto's government. Ms Bhutto, too, didn't have second thoughts when the boot was on the other foot in 1993. A quick glance at the editorials, columns and newsreports of 1990, 1993 and 1996 would also suggest that important sections of the press and the Bar were no less guilty of opportunism than the politicians. Indeed, an overview of the four judicial decisions following the four ousters of governments at the hands of the 8th amendment would indicate that the superior judiciary had to make some terribly creative legal innovations to arrive at politically "acceptable" judicial decisions at variance with one another. Similarly, Mr Khalid Anwar has earned the dubious distinction of being the only lawyer in Pakistan to have successfully attacked, defended and then attacked the 8th amendment in the short span of just three years!

We must, finally, note the greatest irony of all. The three executioners of the 8th amendment have not escaped its fallout either. General Zia didn't live to enjoy the fruits of his labour. Ghulam Ishaq Khan tried to use the 8th amendment once too often and was packed off to Bannu for his troubles. And Farooq Leghari — who began by advocating its repeal and ended up by enjoying the vast powers that it bestowed upon him — dealt it a death blow by knocking out Benazir Bhutto and consciously enabling Nawaz Sharif to come to absolute power. All that remains of Mr Leghari's pious intentions and unconventional political wisdom is the corpse of his still-born CDNS "baby" which Mr Sharif has promised to abort without further ado.

If we consider the opportunisms and ironies involved in the advocacy of and opposition to the 8th amendment in the last decade, we might fairly come to the following conclusion: When it was brought into the constitution, General Zia's intention was to keep the reins of dictatorial power firmly in his hands. Ghulam Ishaq Khan's philosophy was much the same in 1990. However, he showed a marked reluctance to use it in 1993. Similarly, Farooq Leghari went to great lengths to avoid a situation in which he would be compelled to use it. On both occasions, in 1993 and 1996, it was used only to scuttle arrogant, unaccountable,
irresponsible and hugely corrupt parliaments, governments and prime ministers bent on creating anarchy under the garb of democracy. If the last two prime ministers had delivered good government as promised, there would have been no need for the Presidents to recourse to the 8th amendment. Nor would there have been any need for the 8th amendment to justify itself as a buffer between the civilians and the military.

The controversial 8th amendment has now vanished without a whimper from either the President or the army. This was bound to happen, irrespective of who won the elections. The intentions of both Ms Bhutto and Mr Sharif were clear enough, even to those uninitiated in the art of power politics. In fact, a bitterly estranged Ms Bhutto had gone so far as to declare before the elections that if Mr Sharif became prime minister, she would support him in his efforts to get rid of it. Mr Sharif may also justifiably claim that his huge mandate will brook no interference from a President who had, of late, begun to enjoy throwing his weight about.

If President Farooq Leghari's delusions have been shattered within the blinking of an eye, it is imperative that the new prime minister should not now begin to labour under any of his own making. Mr Nawaz Sharif is a more powerful prime minister of Pakistan today than the prime minister of Britain and the President of the United States are in their own countries. There are no checks and balances at all upon Mr Sharif. He now has the power to do unlimited good or unleash unmitigated evil. He has erased the 8th amendment from our constitution. Will he be successful in erasing it from our memory?

We have come full circle to 1973 when Zulfikar Ali Bhutto epitomised the aspirations of the masses and went on to become a most powerful and autocratic prime minister. Mr Bhutto, of course, succumbed to the corruptions of absolute power and paid a terrible price for betraying his mandate. We trust Mr Sharif will imbibe the lessons of history and prove to be a benevolent, compassionate and able leader of a truly democratic Pakistan.

(TFT Apr 11-17, 1997 Vol-IX No.6 — Editorial)

Alienation of the state

Hayar Bayar Marri, a son of Nawab Khair Bux Marri, sits in the provincial assembly of Balochistan despite refusing to take the prescribed oath pledging "loyalty to Pakistan". Nawab Akbar Bugti and Sardar Attaullah Mengal have rejected the NFC award signed during Mr Meraj Khalid's caretaker government. They have forced the ouster of Gen Imranullah Khan as Governor of Balochistan and are demanding that a hand-picked nominee be appointed in his place. They are insisting that the federal government should immediately withdraw the Frontier Corps and the Coast Guards from the province. And they are threatening to sabotage any attempt by
Islamabad to hold a census in the province or to collect WAPDA dues from defaulters.

The NWFP government also refuses to accept the NFC award. It refuses to allow the Kalabagh Dam to be built. It wants to change the name of the province to Pakhtunkhwa. It is demanding billions in "royalties" from a bankrupt federal government. Some weeks ago, it forced Islamabad to remove the ban on the interprovincial movement of wheat so that ANP-PML stalwarts with a monopoly of flour mills in NWFP and insider knowledge of Nawaz Sharif’s proposed "agricultural package" could make a financial killing by "exporting" subsidised wheat to Afghanistan or hoarding it in anticipation of the price rise.

The MQM, which has already commandeered the choicest posts in the provincial cabinet, has a similar list of "demands". It wants all the criminal cases lodged against its terrorists withdrawn. It wants Rs 40 crores in "compensation" for the "victims" of the "Clean-up operation" of last year. It is giving one ultimatum after another to Islamabad. Now the Sindh government has also got into the act and refused to accept the NFC award.

All these demands are, of course, vouched in the language of "provincial autonomy". Some of them seem reasonable enough. Unfortunately, however, a few evoke uncomfortable memories of Sheikh Mujib ur Rehman’s "six-points". All of them emanate from persons or groups who have expressed some sort of "separatist" or "anti-Pakistan" sentiments in the past.

Is all this a harmless manifestation of the "din of democracy" following the repeal of the "notorious" 8th amendment? Are all these demands genuinely based on the principles of provincial autonomy as enshrined in the constitution? Are all the "leaders" making these demands paragons of virtue who are dying to serve their people?

Pakistan has degenerated into a state without protected and secure international borders. Wanted men can hire speedboats and launches when they want to flee to Dubai. Smuggling along the coast of Balochistan and via the Rann of Kutch is flourishing. The border with Iran and Afghanistan is flush with guns and oil and multi-million jeeps for the "Nawabs" and "Sardars" of Balochistan. The NWFP is a haven of narcotics trafficking, gun running and smuggling. At least US$ 1 billion worth of goods are smuggled via the long border with India. Banks and steel mills and municipal corporations in Karachi are choking with unwanted MQM employees hired at gun-point. And so on.

Will the advent of "undiluted democracy" and "provincial autonomy" expand such "problems" manifold and further erode the national and economic security of the state? Is the "democratic" political leadership of Pakistan up to facing this challenge fairly and squarely?

We have grave doubts. Four former chief ministers — Abdullah Shah, Zulfikar Magsi, Manzoor Wattoo and Arif Nakai — face serious charges of corruption. Yet no one has clapped a hand on them. The reputation of the current chief minister of Sindh, Liaquat Jatoi, clings to him like the plague. Established cases of corruption against all the top-dogs of the ruling parties are being withdrawn. Nawab Akbar
Bugti is one of the most notorious warlords of the country. Sardar Mengal's cabinet is chockablock with smugglers, gun-runners, drug traffickers and separatists. The MQM leadership has bled Karachi dry and is itching to have another go.

Unfortunately, prime minister Nawaz Sharif's approach to such issues betrays worrying contradictions and flaws. Mr Sharif has stripped the Presidency of all the moral and political powers of federal unity and security. Yet he has lamely succumbed to the blackmailing tactics of dubious political partners in the provinces. Are we then fated to witness a resurgence of urban anarchy in Karachi, warlordism in Balochistan, ethnicity and Talibanism in Pakhtunkhwa and militant sectarianism and unmitigated corruption all over the country?

The state seems frighteningly hollow. Its writ does not extend far enough for comfort. The country faces a national security threat on the periphery. The power problems of the "democratic" 1970s and "dictatorial" 1980s seem to be merging together in the late 1990s. If Mr Sharif ignores these incipient threats to the state or gives in to them, his "undiluted" federal democracy will degenerate into provincial anarchy. But if he deals with them unfairly and harshly, he will provoke a provincial backlash against federal autocracy.

Islamabad therefore needs to fashion a firm and fair policy in the periphery. Anything less or more than that could lead to an abuse or alienation of the security organs of the state. That is unacceptable. Forewarned is forearmed.

(TFT Apr 18-24, 1997 Vol-IX No.7 — Editorial)

Mian Sahib is great!

The story goes that one day last year Mian Nawaz Sharif assembled some PML legal eagles to suggest a package of constitutional and legal "reforms" for implementation when he next became prime minister. When someone asked Mian Sahib for his thoughts on the subject, he shrugged his shoulders and remarked: "I don't care what sort of system you devise. I only want a clear run for at least ten years so that I can get everything done".

Mian Sahib is a simple man with a simple philosophy: if you want to make an omelette, you have to break an egg. No ifs and buts about it. Orders are given to be obeyed. Things must get done, and to hell with rules and regulations, forms and procedures. If the law behaves like an ass, give it a good kick up its backside.

This philosophy is all too evident today because Mian Sahib has the "mandate" to practise it. Those who don't like it can lump it. The Presidency, which once loomed larger than life, has been chopped to size. The overbearing IMF has been told to go fly a kite. The mighty bureaucracy is being kicked about like a football. The powerful army has been stunned into silence. The shrieking opposition has been brushed aside. Even PML MNAs have been ordered to button up or else. And it is only a matter of time before the dreaded judiciary and the anarchist press are
rapped by the prime minister and ordered to fall in line. The best part of this is that all the secretly disgruntled and frightened people are hypocritically tripping over themselves to welcome Mian Sahib's "bold" and "imaginative" initiatives.

But if Mian Sahib is a simple man, it is fatal to mistake him for a simpleton. In fact, all his actions prove that he is unusually crafty where his self-interest is concerned. For example, when he met President Leghari for the first time in the Presidency in September 1996, Mian Sahib was as meek as a mouse. He readily agreed that the prime minister's advice to the President on the appointment of judges was not binding. Later, he was lavish in praising the President for using his 8th amendment powers to get rid of Ms Bhutto. Indeed, when one hapless journalist asked Mian Sahib why he hadn't listed the repeal of the 8th amendment in the new PML manifesto, he was visibly annoyed. "Why are you so bothered about it?", he asked. Subsequently, when everyone was loudly disclaiming the CDNS, Mian Sahib thought personal discretion the better part of valour even as he nudged his minions to accord it a sham welcome. He did much the same thing to the IMF. When Ms Bhutto was screaming conspiracy against the Fund, Mian Sahib issued a strong statement backing President Leghari's assurances that the next government would stay on track with the IMF programme.

Since his electoral victory, Mian Sahib has become definitely foxy. He was, of course, quick to thank President Leghari for paving his way to the PM's house. But he was quicker still to ask the President whether there was, per chance, some small gesture of goodwill (like a Senate seat for a troublesome cousin, or a Governorship for an ambitious friend) that he, as prime minister, might have the honour to make for the President's kindness towards him. When the President made the fatal error of nodding, Mian Sahib wasted no time in doing the needful even as he winked at his minions to kick up a storm over the President's "overbearing behaviour" in giving "dictation" to a heavily mandated prime minister. The stage was now set for his coup de grace. Generous to the last, Mian Sahib is said to have offered Mr Leghari a second term as President of Pakistan while he was hastily stripping the Emperor of all his new clothes.

It is said that Mr Shahid Hamid's turn is next. This, despite the fact that Mian Sahib owes Mr Hamid for valuable services rendered before and during the caretaker period. So a bit of creative disinformation in the press, followed by extremely insulting disorder in the bar-room, has now become necessary in order to relieve Mr Hamid of his onerous duties as Governor of Punjab. Mr Hamid could therefore wake up one fine morning to find Mian Sahib at his doorsteps, humbly requesting whether Mr Hamid might be "gracious" enough to make way for Mian Azhar some time in the near future?

It is now rumoured that Mian Sahib was greatly displeased when a couple of bureaucrats arrested on his orders were freed on the orders of the Chief Justice of Pakistan. Tsk. Tsk. This is simply not on. Is it time for Mr Khalid Anwar to get busy again so that the writ of the prime minister is not undermined by the writ of the courts?

Mian Nawaz Sharif wants a clear run for at least ten years so that he can get everything done. Surely, that is not asking for too much, is it?
Some interesting facts have come to light. They raise disquieting questions of probity in government and parliament.

We are informed that the Ittefaq Group has taken a couple of public sector banks to court, demanding Rs 500 crores (Rs 5 billion) in damages for losses suffered by the Group during Benazir Bhutto's regime. The argument advanced by the Ittefaq Group relies on the same concept of "engineered default" which the PML(N) advocated so successfully before the caretaker government when it tried to outlaw "bank loan defaulters" from contesting the elections.

The outcome of this case is a foregone conclusion. The public sector banks cannot resist pressure from a business house owned by the PM's family. Eventually, there will be a "settlement" whereby the Ittefaq Group is richer, and the public sector poorer, by at least Rs 2 billion or so. More significantly, a potentially far-reaching precedent will have been set for other "defaulting" stalwarts of the PML(N) to follow in order to transform their public debts into personal assets overnight.

A newsreport lends credence to this view. The Lahore High Court has allowed Habib Bank Ltd to withdraw its petition for recovery of an outstanding loan against Hamza Board Mills, belonging to the Ittefaq Group, because both the parties have reached a "compromise" out of court. The bank has been persuaded to compromise now, despite having earlier received a favourable decree from the Banking Council and the High Court ordering Hamza Board Mills to pay Rs 19.7 million in "stuck-up" arrears. This amount will now be "rescheduled". How many other such defaulting loans will be "rescheduled" in such amiable circumstances and what precedents will be set remains to be seen.

We now learn that Kashmir Sugar Mills, a company owned by members of the Ittefaq family, has placed an order for a sugar plant on Hudabiya Engineering Company (HEC), which belongs to the same family. HEC, which has never manufactured a sugar plant, has "managed" a credit facility in excess of Rs 100 crores for this project so that Ittefaq Foundry, a member of the same family, can manufacture one for it. This, despite the fact that (a) a sugar mill costs only half as much as the new loan for the project (b) the State Bank of Pakistan has ordered that no credits may be advanced for setting up a new sugar mill because there is a large excess capacity in the country already. To compound matters, Bashir Sugar Mills, another member of the Ittefaq Group, is rumoured to be asking the banks for a hefty loan to buy another sugar plant from Ittefaq Foundry.

It is, of course, perfectly understandable why the legal cases against the banks and the new sugar projects make eminent business sense to the Ittefaq family. But a question of public morality or probity is involved here. Didn't Mr Nawaz Sharif say not so long ago that if he became prime minister again, he would not allow any member of his family to exploit his position in government to extract business
favours, loans or concessions? Hasn't Mr Sharif committed himself to "conflict of interest" legislation? If Mr Sharif and his family members do not set standards of probity, how can they expect lesser mortals (taxpayers) to do the same?

We are also intrigued by the unexpected and totally unwarranted hostility of some PML(N) members of Parliament towards Mian Mohammad Mansha, the new chief executive of Muslim Commercial Bank. The MCB, as everyone knows, is in the throes of a massive pruning, restructuring and reorganisation effort launched by Mr Mansha, who owns a substantial chunk of the bank. He suffered a long exile because he refused to accommodate Mr Asif Zardari and his cronies. When he returned, Mr Mansha found that MCB was up to its neck in "bad loans" advanced during the last three years, forcing him to write off about Rs 150 crores in bank defaults. Like a good business executive, he is now refusing to advance fresh loans to "bad parties" irrespective of their political clout. He has also rightly decided to defang the blackmailing unions who have undermined the bank's efficiency. If all this is as it should be, why is the ruling party, which proclaims the virtues of privatisation and professionalism far and wide, out to defame him? Why should some MNAs lend their voices to those vested interests who object to Mr Mansha's presidentship of the bank when the autonomous State Bank of Pakistan has authorised him to remain in this position for a year? By so doing, what message is Mr Sharif's government hoping to convey to all those foreign and domestic businessmen who head his various Task Forces or who want to help him restructure, deregulate and privatisate the economy and get it moving again?

We have been told more than once that Mr Sharif means business this time. Good. But if the definition of business is to be construed in terms of the original sin, Mr Sharif's avowed intentions and flaunted sincerity will amount to nought. There is, if truth be told, much that remains rotten in the state of Pakistan.

(TFT May 02-08, 1997 Vol-IX No.9 — Editorial)

Accountability is here to say

Prime Minister Nawaz Sharif deserves high praise for relieving Admiral Mansoorul Haq of his duties. The Navy Chief embroiled his Service in unbecoming controversy, gave it a bad name and undermined its morale. He was a Zardari flunkey who should've been sacked by the caretaker government in the first days of its administration. When he wasn't, people were quick to denounce President Farooq Leghari as "an indecisive leader" and caretaker PM Meraj Khalid as "an ineffectual man:. In the eyes of the public, the episode's lowest depth was plumbed some months ago when Mr. Leghari and Mr. Khalid shrugged off public sensibilities and sat down at high table to dine with Mr. Haq in the company of Mr. Ahmad Sadiq — a 'guest' who was on the caretaker government's 'wanted list' — on the occasion of his off-spring's wedding. The prime minister must now consolidate on the public
goodwill generated by this decision and appoint a non-controversial, honest, professional seaman to the top job in the Navy.

The sacking of a Service Chief at the hands of a democratically elected civilian government is not unprecedented — Mr Z.A. Bhutto, it may be re-called, ousted two Service Chiefs simultaneously during the early months of his regime. What is unprecedented, however, is the fact that the Navy Chief was sacked for the right reasons — Mr Bhutto's sackings were for purely unwarranted political contingencies. If we have therefore, finally, come to the point that we cannot condone corruption in anyone in any civilian government, we can condone it even less in the armed forces where it cripples the morale of the soldier and corrodes national security.

The matter of corruption in the highest echelons of the armed forces is now a matter of public debate. The PAF, once the apple of our eye, is at its lowest ebb. The Service was first rocked by allegations of wrongdoing regarding the proposed Mirage 2000-5 deal. Then came Shaheen Foundation's Pay-TV partnership with Mr Javed Pasha (another Zardari crony), a highly objectionable decision. Now the Service has been laid low by an international drug-scandal of such grim proportions that it is simply unbelievable. What now?

Some people are demanding that the Air Chief, Mr Abbas Khattak, should be chopped straight away. Their arguments is that his judgement is flawed, his reputation is tacky and he lacks the qualities of leadership that once made the PAF a true "defender of Pakistan". These are disturbing charges. But there are meaningful extenuating circumstances which lead to the conclusion that the PAF should be allowed to cleanse itself in internal, institutional ways rather than by a sacking of its Chief.

In the absence of any evidence of financial corruption by Mr. Khattak, it is not fair to ask him to take the rap for those officers indicted for drug-smuggling recently. Soldiers go astray routinely in all armies of the world, but Service Chiefs are rarely, if ever, expected to sacrifice themselves for the indiscretions of a handful of men under their command. At any rate, with the Navy already shipwrecked, do we now want to ground the Air Force as well? What adverse effect might this have on the morale of the Armed Forces as a whole? Indeed, do we want to undermine the morale of the army, the leading element under-pinning national security, at a time when its leadership has finally come to rest in the hands of a top professional like General Jehangir Karamat?

A recent analogy past might serve to illustrate the point we are making. President Leghari, as everyone knows, was under considerable pressure to disqualify both Nawaz Sharif and Benazir Bhutto from contesting the election on account of their corruption. Indeed, he could have done so on the basis of existing evidence against the two. But he did not exercise this option because it would have destroyed the two leading political parties of the country, stripped the process of elections of all legitimacy and derailed the very process of democracy that we are all applauding today. The same logic which was applied to the political parties and political leaders during the caretaker administration should therefore be applied by
the new government to resolve the predicament of the armed forces. Spring cleaning is necessary but wholesale sackings are not justified.

That said, Air Chief Marshal Khattak would be advised to take stock of the PAF’s declining morale, order a quick court martial of the officers involved in drug-smuggling and band down stiff, exemplary sentences.

At the end of the day, therefore, only one fact remains undeniable. The Armed Forces are now not, nor can they ever hope to be, a sacred cow. As elsewhere, corruption favouritism and indiscipline have definitely seeped into their rank and file and eroded their efficiency. We are all in the same filthy hamam. Therefore the same cleansing laws should apply to everyone. The exercise of accountability must henceforth be extended ruthlessly across the board. If 22-grade Secretaries like Ahmed Sadik, Aslam Qureshi and Salman Farooqi can be investigated, why not Admiral Mansoor ul Haq, General Aslam Beg and Gen (retd) Zahid Ali Akbar Khan?

Accountability is here to stay. Thank God for that.

(SFT May 09-15, 1997 Vol-IX No.10 — Editorial)

**Say Bismillah, Mian Sahib, and get on with it**

Sectarian violence has degenerated into plain terrorism. No state or government can condone it, least of all when it undermines the rule of law in a democracy. It must be ruthlessly crushed whenever and wherever it raises its ugly head. If this is self-evident, why have successive governments failed so miserably to root it out?

Bad, opportunist politicians are partly responsible. Governments, especially weak or unstable ones, tend to stick to the status quo. Their philosophy on sectarianism is: "It's a horns' nest, don't touch it". This emboldens the sectarian militants to run amuck and kill at will. Blackmail and threats have thus become ominous parts of their character and vocabulary. Judges, in particular, appear to be especially vulnerable to this pressure — they are sometimes loathe to hand down tough decisions against sectarian militants.

Another reason relates to the state's absurd, even bizarre attitude towards anything which parades as "Islamic". If you grow a flowing beard, don a prayer cap and tie your shalwar so that it falls above your ankles, you may be deemed to have acquired the halo of "Islamic" respectability. Add "Haji" to your name, if you are so fortunate, and you can often get away with blue murder.

There are other important reasons. The sectarian fanatics are armed to the teeth and they are ready to die for their misplaced "cause". They are trained and funded by outside powers fighting a proxy war on Pakistani soil. Many are, or have been, patronised by certain agencies of the Pakistani state because of their readiness to fight for the "jehad" in Kashmir or Afghanistan. Almost all run
"madrassas" which benefit from state largesse of one sort or another, despite the fact that many such "madrassas" are now breeding grounds for terrorist violence.

We have mollycoddled such anti-state, anti-democracy elements for too long. It’s time we put down this terrorism with an iron hand. It undermines peace and stability. It erodes the credibility of the organs of the state. And it makes a mockery of the law and the constitution we have sworn to uphold. How should the government go about it?

First, ban all weapons from society. Cancel all gun licenses. Order people to surrender their weapons. And put everyone into prison if he is guilty of disobeying this law. How can any state aspiring to 21st century modernity condone weapons in the hands of its citizenry? For how long must we allow the Darra Bazaars and Tribal Sardars of the NWFP and Balochistan to blackmail and dictate terms to the rest of the country? If the disorderly Taliban can disarm the tribals of Afghanistan during a bloody civil war, why can't a better organised and stronger state apparatus do the same in Pakistan if the will is there?

Second, set some new, urgent standards of civil behaviour. Treat sectarianism as a "crime" instead of "appealing" to it or trying to appease it. Crack down on all dubious madrassas. Imprison all those maulvis and religious ideologues who preach violence or want to drive opposing sects into paradise at the point of a bayonet. Lock-up all printing presses churning out sectarian pamphlets and posters. Tell Iran and Saudi Arabia to stay clear. And charge all such sectarianists before special, anti-Sectarian benches of the High Courts empowered to dish out stiff sentences.

Third, don't allow anyone to mix politics with base religiosity. Islam is, as everyone says, not just a beautiful religion of peace — it is a complete code of life which preaches, above all, the brotherhood of man, irrespective of caste or creed (as the Quaid i Azam never tired of emphasising).

Can the government of the day adopt this far-reaching but crucial agenda?

We believe it can, indeed it must. If the 13th amendment can be scrapped in the blinking of an eye despite strong, historically entrenched vested interests, if the high and mighty can be held accountable for their sins, if the economic philosophy of the powerful IMF can be stood on its head (rightly or wrongly), why can't the government deliver us from the sectarian murderers and bigots who have laid civil society low?

The experience of putting down terrorism in Karachi might be instructive. First, the government must gird up its loins and demonstrate the will and nerves to tackle this menace once and for all. No more pussy-footing. No more compromises. No more backtracking. No more empty rhetoric. No more velvet gloves. No more "protective" custodies. Second, the power of the sectarianists must be met with the full power of the state. The police must be backed by para-military forces in strength. Third, the CID, Special Branch and IB must join hands to ensure the success of Operation-Clean-Up. Fourth, sectarian criminals must be promptly hauled up before special courts and given summary, exemplary sentences.

This is a moment of reckoning. Conditions are ripe for a sustained onslaught against sectarianism. Mr Nawaz Sharif has the public’s mandate. All opposition
political parties are united behind him on this issue. Say Bismillah, Mian Sahib, and get on with it.

(TFT May 16-22, 1997 Vol-IX No.11 — Editorial)

Watch out, Senator

Senator Saifur Rehman’s accountability cell aims to satiate the public's hunger for ehtesaab. This is most welcome. Senator Rahman is backed by the law advisor, Mr Khalid Anwar, and beefed up by a keen group of police officers, lawyers and bureaucrats who are doing much of the investigative groundwork.

There are, however, a number of pitfalls ahead. If the youthful Senator doesn’t watch out for them, the whole process of accountability could become highly controversial. In the event, it might derailed the Senator and discredit the Nawaz Sharif government.

1. The hands of all people associated with the Ehtesaab process should be completely clean. Nothing undermines the legitimacy of Ehtesaab as controversy over the bonafides of the people leading it. Senator Saifur Rahman, in particular, should be very careful. He is bound to make more enemies than friends at the end of the day. While his friends will never tire of nit-picking his modus operandi, his enemies may be expected to feed the press all sorts of disparaging stories about him. He must therefore disassociate himself from all business and financial dealings while in government. He must firmly orders members of his family to stay clear of all potential government contracts and foreign dealings. And he must consistently and firmly reject all sifarshis, especially from among the Muslim League and its alliance partners, who are lining up outside his door. One slip and he will go down like a ton of bricks, taking Ehtesaab with him.

2. Even though the Ehtesaab Ordinance has been amended to cover public servants of Grade 18 and above, it would be a mistake for the Senator to cast his net too far and dissipate the limited resources at its command. Far better to concentrate on the notorious crocodiles, establish foolproof cases against them and get quick convictions than to be tempted into the labyrinth of petty, everyday corruptions.

3. Accountability should be even-handed, equitable and just. If the top bureaucracy is being targetted, why isn’t the Senator aiming his sights at the top politicians who were in cahoots with them? And if a number of PPP politicians are fated to be casualties, why isn’t he going for those from the PML, MQM and ANP who plundered the country from 1990 to 1993?

4. The political passion for quick accountability should not clash with the judiciary’s quest for greater independence and freedom from the executive. Indeed, if the writ jurisdiction of the courts to grant bail to the accused is sought to be curtailed in the interests of ehtesaab, it should be done only after taking the
judiciary into full confidence. It would be tragic if the executive and the judiciary were to clash over this issue.

5. The hands of the Chief Ehtesaab Commissioner need to be considerably strengthened. Justice M Mirza desperately needs more funds. He also needs to hire experts from the private sector to assist him in the difficult task of investigating and prosecuting white-collar crime — lawyers, auditors, accountants, investigators and prosecutors. In short, the status of the CEC should be upgraded and made independent of government as soon as possible.

6. The FIA's problems also require a sympathetic hearing. Thanks to political misuse by politicians in the past, the organisation is rife with corruption. DG-FIA Khawar Zaman should therefore be given a clean chit to dust out the organisation and root out bad elements. No political pressure should be brought upon him to victimise some people and let others off the hook.

7. The services of international forensic accountants should be hired to track down illegal bank balances and assets held abroad by Pakistanis. The caretaker government, which initiated this project, has left behind a comprehensive brief on this subject. The contract should be signed promptly — after all, an estimated US$20 billion is at stake.

8. The ECL should formally be made public. Only those people should be put on it against whom concrete investigations, which can be defended in a court of law, are in progress. Everybody else should be taken off it. Every new addition to it should be made public, along with solid reasons for doing so. The ECL should therefore be a lean and mean list. It should be a confidence-building measure pointing to the transparency of the Ehtesaab process rather than a dubious act of harassment or victimisation.

9. Ehtesaab should be viewed as an on-going process rather than a quick-fix gimmick. Cases should be prepared meticulously and defended vigourously. Because the existing prosecution machinery of the state is weak, criminal and corporate lawyers of repute should be hired at private sector salaries to prosecute the corrupt.

10. The Ehtesaab Ordinance should be made into an act of Parliament immediately.

Admittedly, this is a tall order. But it is exactly what the public wants and the country needs. The caretakers were discredited because they didn't come up to expectations. If the PML government is also revealed to lack the will to pursue this agenda cleanly and transparently, it may expect to meet the same fate.

*(TFT May 16-22, 1997 Vol-IX No.11 — Article)*

**CM Shahbaz and IGP Burki acted in undue haste**
The recent suspension of Saleem Vahidy, DIG Traffic, and Saifullah Malik, ASP, from duty by IGP Punjab Jehanzeb Burki on the orders of Chief Minister Shahbaz Sharif, is a travesty of justice which must not go unremarked. Both police officers have an unblemished record of integrity, professionalism and courage rate in the annals of police history. Mr Vahidy, it is reported, is so upset with the whole episode that he is thinking of submitting his resignation from the police. If he is not persuaded to the contrary, we will lose one of the finest police officers in the country.

Mr Vahidy was suspended on the basis of a report submitted by SSP Zulfikar Cheema alleging that Mr Vahidy, along with Mr Malik, had walked into the Tibbi police station in Lahore and ordered the thanedar to release a young man who had been hauled up for alleged “drunken behaviour”. The two senior officers, it is alleged, transgressed the limits of their authority by interfering with the duties of the Tibbi thana. What is the real story, how does it reflect on the workings of the police department and what light does it shed on the judgment of the CM and IGP?

A police party barged into a private gathering one night and hauled up a few youngsters. When one of them protested, he was whisked away to a police “doctor” who quickly “verified” that he appeared to be drunk. This was done by asking him to blow on the piece of paper (breath analyser test?) on which the “doctor” was writing his report. No blood or urine samples were taken or analysed. Indeed, the doctor’s report admits that the youngster’s appearance was not dishevelled; nor was his behaviour aggressive or hostile as might be expected of someone who was “drunk”. The good “doctor” nonetheless decided that the fellow was inebriated. A couple of phone calls requesting the thanedar not to be so bloody-minded only served to stiffen his resolve not to let the youngster go home. After Mr Vahidy’s intervention, SSP Cheema dug his heels in and reported the matter to DIG Tariq Parvez. Mr Parvez went up to the IGP who complained to Chief Minister Shahbaz Sharif who thought fit to suspend both Mr Vahidy and Mr Malik and “return” their services to the federal government. The federal government quickly “approved” the suspension and asked the provincial government to conduct an enquiry against the two officers. That is where the matter rests.

I do not personally know SSP Cheema. I gather, however, that he is a fairly competent officer, even though he may be inclined to be a bit bullish. But I do know DIG Tariq Parvez, having worked closely with him, Mr Vahidy and Mr Malik during the kidnapping ordeal of my cousin Shahid Sethi in 1995. I believe that Mr Parvez is a hard-working, clean and upright man. I have also had the pleasure of briefly associating with the IGP, Mr Jehanzeb Burki, when he was Additional DG FIA and I was Adviser to the Prime Minister on Accountability during the caretaker administration of Malik Meraj Khalid. Mr Burki is also a fine person. That said, I must confess that I do not share their judgment to protest the “action”, and seek the suspension, of two of the finest police officers in the country. Indeed, I think their decision is a classic example of misplaced concreteness in undue haste.

Mr Saleem Vahidy is every law-abiding citizen’s role-model police officers. He is intelligent, quick-witted, compassionate and honest. He is the bane of every gangster and kidnapper in Hyderabad, Karachi and Lahore. Mr Jameel Yusuf, who heads the
respected Citizens-Police Liaison Committee in Karachi, sings Mr Vahidy’s praise endlessly and for the right reasons. So do countless others who have seen Mr Vahidy in action. Much the same may be said of young Saifullah Malik, the ASP who bears the scars of an encounter with a gang of kidnappers and who has always demonstrated the highest courage in the line of duty.

I would therefore like to ask SSP Cheema, DIG Parvez, IGP Burki and CM Sharif some sincere questions: Do you all really believe that Mr Vahidy’s “action” warrants such a stiff, unprecedented penalty? Do you really think that by acting in this manner, you can make us believe that the police force under your command has atoned for all its sins of omission and commission? How is it that you have the time and inclination to take action against two superb police officers when much of the police force under your command remains riddled with corruption and criminality, when the province is soaked in sectarian blood, when law and order have gone to the dogs?

Without seeking Mr Vahidy’s approval (because he would have refused it), I raised this issue with CM Shahbaz Sharif recently. He said he was compelled to order the suspension of both officers because he had “no choice” in the matter. If he hadn’t done so, he argued, his determination and authority to cleanse the police would have been eroded.

I beg to disagree. The credibility of CM Sharif, IGP Burki, DIG Parvez and SSP Cheema is eroded by criminals and murderers who go free daily and not by reliable, professional officers like Saleem Vahidy and Saifullah Malik. Their credibility is undermined by a lack of accountability of crony politicians who pull strings to disable the police. Their credibility is demolished by the wave of crime and sectarian warfare which has engulfed the province. Their credibility is suspended every time a policeman accosts a couple in a park and demands to examine their nikah nama. How many officers, I should like to ask them, have they suspended for gross dereliction of duties, for corruption, for outright criminality? Indeed, out of the 20,000 policemen recruited by Mian Nawaz Sharif during his tenure as chief minister in the 1980s without due regard for rules and regulations, how many have been dismissed by this self-righteous administration?

No, Mr Shahbaz Sharif’s arguments do not wash. We are strengthened in this belief by the fact that the CM tried to make political capital out of the charges against Mr Vahidy. Addressing a public rally the day after the Vahidy incident, the CM boasted that he had "suspended a DIG for bailing out a drunkard".

The suspension of DIG Saleem Vahidy and ASP Saifullah Malik is, quite clearly, a travesty of justice and fair play. Hundreds of such minor incidents take place everyday; most involve police officers and are resolved by a quick phone call or two. Many more will doubtless occur. Will the CM and IGP take the same stringent action then as they have taken in Mr Vahidy’s case? And what if they don’t?

The CM and IGP must therefore show the wisdom, courage and foresight to reconsider a patently hasty and unfair decision. The decline of the Punjab police should not be escapegoated at the altar of two fine officers who sought to undo a wrong by a subordinate.
Up the garden path

Despite assurances by the amiable Sartaj Aziz and the Planning Commission whiz-kid Hafiz Pasha, the ranks of the doom and gloom brigade are swelling by the day. When both gentlemen swear that all will be hunky-dory in two years time, people wonder whether their heads will still be above water when they float into the promised land. Are they being unduly pessimistic?

The figures certainly look very bad. By next month, the fiscal deficit will probably shoot up to 8% of GDP. Inflation is trotting at above 20% per year and threatening to gallop into the sunset. Interest rates are prohibitive at 22%. The trade gap is forecast at above US$ 4.5 billion because exports are below target by about US$ 3 billion. And GDP growth in 1996-97 may only be 3%. All this, despite the fact that there are no floods or bad crops to which our economic decline could be attributed.

Worse, the government's credibility is plunging by the day. We were told that the Debt-Relief fund would yield at least US$ 1 billion. In fact, it has brought in less than 25% of the amount targeted — and most of that is at rates of interest much above LIBOR. We were told that the government had launched a jehad against loans. In fact, it has borrowed at least Rs 30 billion from domestic sources and about US$ 500 million from external sources in the last three months — and now the President and PM are about to embark upon trips to the UAE, Saudi Arabia and Brunei to try and borrow more money. We were told that import duties had been reduced across the board by about 20%. Now a number of SROs have been issued to reverse many earlier orders. We were told that agricultural income tax would be effectively levied in all the provinces. Now we hear that powerful landlords across the country are refusing to pay up while PML parliamentarians are unanimously demanding concessionary loans without interest. We were told that bank loan defaulters would be forced to cough up or else. But a good law to this effect has still to see the light of day. We were told that patriotic businessmen would voluntarily pay more taxes this year. Now we hear that business is in such a bad way that it cannot possibly fill the coffers. We were told that WAPDA would be compelled to reduce its line losses and power tariffs would not be raised until the budget. In fact, WAPDA has failed to reduce theft and leakages even as it has surreptitiously increased rates by 2% every month. In addition, gas rates have been raised by 10% and KESC rates are up by 16%. Prices of atta, ghee, etc., have also gone up despite repeated assurances to the contrary.

Let us face facts. Mr Sharif's supply-side economics cannot provide answers to the short-term threat of external default facing the country. If we are lucky, external borrowings from friendly Muslim countries may just suffice to pay off debt payments scheduled in the next three months or so. What happens then?
Mr Aziz is confident that the IMF will come on board with ESAP and bail out Pakistan in September. But he is not telling us what political and economic price the IMF may exact for its balance of payments support.

We'll lay it out for you. The IMF is likely to set a number of tough conditionalities. It will want to see evidence that the government is serious about reducing the fiscal deficit to 5 per cent by 1998. This means that the budgetary allocation for defense will have to be cut in real terms next month. It means that the Annual Development Plan will have to be reduced substantially. It means that the State Bank will not be allowed to borrow or print money liberally. It means that state corporations will have to lay off hundreds of thousands of employees. It means that power rates will have to rise drastically. It means, above all, that businessmen and traders and agriculturists and loan defaulters will have to be compelled to pay their dues.

This means that Mr Sharif will, in due course, be forced to undertake much the same sort of reform programme which he blithely refused three months ago. The only difference is that the price he will have to pay for undertaking it in September will be much more exacting than the price he would have had to pay six months ago when things were not so bad.

Mr Sharif has made one fundamental error. He has frittered away the political and economic leverage conferred upon his government by his huge mandate. Instead of telling the people the truth of the economy which he inherited and asking them to tighten their belts at the very outset, he has led them up the garden path and is now afraid of coming clean. Our fear is that if he refuses to come to grips with reality quickly, he might take us down with him.

(TFT May 30-05 Jun, 1997 Vol-IX No.13 — Editorial)

Chotay Mian's dilemma

When Mian Shahbaz Sharif was nominated as the Chief Minister of the Punjab, two opinions were generally expressed. Some people said it was, quite simply, an unacceptable case of nepotism. Others felt that Mian Shahbaz had earned his political spurs in opposition and deserved the job. We were, however, inclined to reserve comment, partly because we weren't too excited by the prospect of Mr Pervez Elahi becoming Chief Minister when he was already facing a case of alleged corruption in the Ehtesaab Commission. How has Mian Shahbaz Sharif fared?

Mian Shahbaz is reported to be a workaholic whose day begins at 7 in the morning and ends after midnight. No significant corruption scandal has thus far attached to his administration, though God knows how easy it is to succumb to temptation. Indeed, most of the postings and transfers that he has ordered in the provincial bureaucracy have been transparent and merited. We are also told that he is, by and large, disinclined to listen to the unreasonable "requests" of many PML-
MPAs who are constantly knocking at his door. Certainly, his quick and resourceful response to the police outrage at Shantinagar has earned him some points in our book. The fact that he is always available to answer questions by the press is a bonus, especially because he does not make tall claims and is seldom shy of admitting his administration's continuing difficulties and weaknesses. His off-the-record comments, admissions and solicitations suggest a man who is keen to prove his bonafides and deliver.

That said, it must be reiterated that Mian Shabaz's biggest challenge remains law and order. It is very bad. The sectarian menace, in particular, has laid Punjab low. To be fair, however, this is a problem which the new CM has inherited. It is also no fault of his that the intelligence agencies and police are generally ill-equipped to handle such a task. But this excuse will wear thin in time to come. If Mian Shahbaz is unable to provide peace to Punjab, if he fails to reform the police, if he is unwilling to crack the whip and eliminate criminals, his credibility will plunge in no uncertain way.

An equally pressing issue, one which has already dented the CM's reputation, relates to the shortage and high price of atta in the province. The federal government, as everyone knows, is entirely responsible for this crisis. It had no business removing the ban on the interprovincial movement of wheat imposed last year. What is, however, inexplicable is why Mian Shabaz did not vigourously oppose this decision by Islamabad when he was in full possession of all the facts assembled by the caretaker government of Governor Tariq Rahim which successfully resisted much the same sort of pressure last December. More significantly, the atta crisis is likely to persist and Mian Shahbaz will remain under pressure for months to come. The domestic wheat crop has been hurt by the recent rains. Speculators and smugglers continue to hoard the crop. Favourite flour mill owners are constantly pushing and shoving to jump the quota queue. And transportation facilities are inadequate to cope with the 3 million tonnes of wheat imports scheduled in the next few months. If Punjab is sacrificed at the alter of other provincial governments for political reasons or is persuaded to part with its share of imported wheat for the sake of the Taliban in Afghanistan, the people of the province will not forgive the CM for their palpable miseries.

Much the same may be said of an impending sugar crisis. As everyone knows, sugar mill owners and speculators are feverishly hoarding the commodity in order to make a killing later. Since the Sharif family is said to have large provincial interests in sugar, a crisis in the availability or price of sugar will damage Mian Shabaz's reputation directly. Forewarned is forearmed. The CM simply cannot afford to confront such accusations in the months to come.

The next provincial budget will also prove difficult to negotiate. The provincial kitty is empty and Mian Shahbaz is under pressure to raise revenues. He knows he can do so only by taxing the big landlords, the trading community and the rentiers who are loathe to pay their dues. The problem is that these sections of society underpin his support base in the province. Worse, the younger brother is likely to end up becoming the fall-guy in the Punjab for the elder brother's inability to balance his books in Islamabad. If industrial unrest breaks out, it will be in the
populous cities of the Punjab and not in the clinical asylum of Islamabad. What will Mian Shahbaz do then?

One last point. Mian Shahbaz Sharif was raised to always respect, and defer to, the opinion of his father and elder brother. This is a virtue in traditional circumstances. But it can become a drag in politics, especially when the views of an astute member of the family are not given due weight. It is time therefore that Chotay Mian Sahib stood up and was heard in defence of his political and provincial rights?

*(TFT Jun 06-12, 1997 Vol-IX No.14 — Editorial)*

**Accountability or Victimisation?**

Mr Hakim Ali Zardari was Chairman of the Public Accounts Committee of the National Assembly when he made a fiery speech in 1989 which is worth recalling today. Accused of corruption by Mr Ghulam Mustafa Jatoi (the then leader of the Combined Opposition Parties), Mr Zardari hit back with some facts and figures of corruption in the ancien régime. "Rs 42.5 billion in loans to 263 IJI stalwarts was written-off", he thundered, "while Rs 92.21 billion was borrowed from public sector banks by 12 industrial groups (of which the House of Ittefaq was the most prominent) against insufficient securities or collateral". Mr Zardari went on to list umpteen cases in which hundreds of thousands of acres of agricultural land and tens of hundreds of urban plots were distributed in the 1980s at throwaway prices to political favourites of General Zia ul Haq. He also accused Dr Mehbub-ul-Haq, who had served as Gen Zia’s finance minister, of changing the import policy of the country to suit the business interests of the Ittefaq Group. "All these people will be held accountable one day", Mr Zardari promised.

The bitter ironies in the situation should not be missed. Accountability has indeed taken its toll — but of the PPP rather than of the PML, of the Zardaris and their cronies rather than of the Sharifs and their flunkeys. And it has done so with no small thanks to Mr Farooq Leghari, the man elevated to the presidency by the PPP. Mr Leghari, in turn, has had to face accountability (loss of presidential power and prestige) at the hands of the very political party he helped bring to office last February. But there is more to accountability than this.

Last year, Benazir Bhutto and Nawaz Sharif floated their own versions of accountability in the National Assembly. Ms Bhutto's proposed bill was a brazen attempt to concentrate more power in her hands by undermining the judiciary, presidency and opposition. It was rejected by the PML. Mr Sharif's proposal was more credible. But it was spurned by the PPP. Then Mr Leghari's caretaker regime stepped into the breach. Its accountability ordinance was approved, albeit reluctantly, by both Ms Bhutto and Mr Sharif. However, this ordinance's credibility was seriously impaired when the caretakers were unable or unwilling to implement it quickly or even-handedly.
Now Mr Sharif has enacted an accountability bill tailored to his satisfaction. It bears no resemblance either to his own proposals a year ago or to the ordinance of the caretaker regime. Indeed, the bill itself is unaccountable because the ruling party has rammed it through Parliament without debate.

The caretakers' accountability ordinance was supposed to kick off from January 1986 and not earlier because the 8th amendment to the constitution had indemnified all actions of General Zia's military regime. Therefore, after the 8th amendment was torpedoed by Mr Sharif it was logical to expect that his new bill would encompass the corruptions of the Zia period. But that is not to be. In fact, one of the 25 amendments to the caretakers' accountability ordinance effected by Mr Sharif indemnifies all miscreants before 1990 because Mr Sharif and his party stalwarts do not want to be held accountable for the felonies highlighted by Mr Hakim Ali Zardari in 1989.

Mr Sharif has usurped the President's power to appoint the Chief Ehtesab Commissioner (CEC). Henceforth, the CEC will play second fiddle to the Ehtesab Cell headed by Mr Sharif's sidekick, Senator Saifur Rahman, who will decide who is to be investigated or prosecuted and who is to be let off. No other agency or body will be allowed to pursue any case of alleged corruption or misuse of power without orders from the omnipotent Senator. The new law is soft on loan defaulters or those who had loans written-off — a list of over 42,000 such defaulters compiled by the State Bank of Pakistan during the caretaker regime reads like a Who's Who of the PML and business/landlord community allied to Mr Sharif. There will also be local "accountability committees" headed by hand-chosen men from the PML. Is accountability doomed?

The CEC is actively pursuing 65 cases of alleged corruption. In addition, Senator Saif is armed with a hit list of about two dozen more. All pertain to members of the PPP or bureaucrats and businessmen sympathetic or allied to it at one time or another. Not one case relates to a big-wig in the PML or its allied parties. Is this accountability or victimisation?

Some weeks ago, we warned Mr Sharif not to play fast and loose with the peoples agenda for accountability. Now the prime minister seems bent upon doing just that. Indeed, his cynicism and political ambitions are writ large over the new Bill, much as they were on Ms Bhutto's proposed draft last year.

Mr Sharif must not be allowed to thwart the will of the people. Will the Supreme Court heed our cry for truth and justice?

We shall not cease from exploration
And the end of all our exploring
Will be to arrive where we started
And know the place for the first time.
Sliding into anarchy

According to reliable reports, relations between the MQM and the PML are worsening by the day. Karachi is also, once again, sliding into anarchy — every day a few people are murdered in cold blood by terrorists, car thefts are becoming common and gang warfare is on the rise. If, as a consequence, the Sindh administration loses control of the city, we could end up facing a frightening situation as in the past.

The MQM says it wants to be rehabilitated into the politics of the province. No one can dispute its right to make this demand — it has won a majority of the urban seats in Sindh and deserves a fair share of government. But some of its demands are unacceptable to the PML.

The MQM wants the government to withdraw cases of alleged terrorism against hundreds of its activists and release them from prison. The PML wrings its hands in anguish and says that the law must take its course because it knows that many of the charges are probably correct. In any case, it argues, the MQM must unequivocally demonstrate its willingness to play by the rules of democracy and abandon the path of terrorism before any leniency can be shown by Islamabad. Terrorism is, after all, a crime against the state rather than the government.

The MQM is also demanding Rs 6 billion as "compensation" for families "affected by Operation Clean-Up" from 1992-96. For a cash-strapped government, this is not a trifling amount. Yes, some compensation may be justified. But it would be absurd to reward those who took up arms against the state and laid Karachi low for four long years.

The MQM is also demanding a commission of enquiry into allegations of extra-judicial killings by state organs during the Bhutto regime. This has put the PML in an awkward position. If it fulfills this demand, it risks antagonising those state organs which remain on stand-by to crush terrorism should it rear its ugly head again. If it doesn’t, it lays itself open to the charge of condoning double-standards — one for the terrorists of the MQM (who remain in prison) and another for the terrorists of the state (who remain at large). This is not on. The PML should therefore set up a commission (as in the Murtaza Bhutto case) to establish the truth of what really happened during those bloody years of armed conflict and recommend a proper course of action against all forms of terrorism.

There are many other MQM demands which the PML is either unable or unwilling to concede in the larger, long term interests of the province. Among these are (1) disbandment of the Lyari Development Authority (2) repatriation of Biharis (3) an end to rural-urban quotas (4) withdrawal of the Rangers from Karachi. But the one issue which continues to dog the coalition government in Sindh is that of power and how to share its spoils.
The MQM has not got a Mohajir Governor of its choice. That was to be expected, given the MQM’s reputation for misusing power during its heyday in government from 1990 to 1992. But the MQM was consulted, and nodded approval, before Lt Gen (retd) Moinuddin Haider was slotted into the job. The MQM has also got the pick of the provincial ministries — finance, local government, education, housing, labour and industry. What, then, is the fuss all about?

These ministries have been shorn of all the real sources of patronage and power, complains the MQM. This is true. The PML has cleverly removed the departments of public health, engineering, rural development, social security, commerce, mineral development and environment protection from the ambit of the ministries with the MQM. All these departments were once jewels in the crown of certain ministries. Now the PML has run away with them. The PML’s appointment of hand-picked bureaucrats to key positions in the administration is another sore point with the MQM. So where do we go from here?

The signposts are not encouraging. Law and order is fast evaporating under the strains of the alliance. The MQM and Haqiqis are tangled in an orgy of bloodshed. Certain PML and MQM leaders are openly at each other’s throats. And the organs of the state are readying for action all over again. If the MQM walks out of the coalition government, Islamabad may have no choice but to impose central rule on the province. Would that be so bad?

Not necessarily. The MQM seems unwilling to work amicably with any other party in the province. First it was the PPP and now it is the PML. The problem is that an ethnically divided province cannot be left exclusively in the hands of one of the parties to the ethnic divide until both learn to live and let live. Sindh needs good governance, peace and stability more than any province in the country because it has been ravaged and ransacked for so many years. It is time it had a politically neutral administration which can focus on providing just that for some length of time.

(TFT Jun 20-26, 1997 Vol-IX No.16 — Editorial)

It might work if...

The federal budget is unprecedently “business friendly”. One could not have expected anything less from a “businessman” prime minister. Nor is there anything, in principal, wrong with dispensing a good shot in the arm to industry. In fact, with the economy’s growth rate down to 3 per cent and exports in the doldrums, some radical initiatives were desperately required to pull us out of the woods. But is this particularly strategy going to work?

Mr Sartaj Aziz is the first to admit that his budget is “bold and risky”, in other words, a “gamble”. This is hardly reassuring, come as it does from someone who
should know the broad consequences of his economic policies on the basis of his wide experience and learning.

The government has targeted a 5 per cent fiscal deficit amounting to Rs 145b approximately — domestic bank borrowings of Rs 55b, non-bank borrowings of Rs 60b and net external borrowings of Rs 30b (total external borrowings less external debt payments). This is the net addition to our debt burden. This, from a government which has pledged time and again to redeem our national honour by reducing our debt and becoming self-reliant. If, instead of such large borrowings, Mr Aziz had chosen to slash the development expenditure for a year, the heavens would not have fallen and he might have made the exercise less controversial or risky. He might then also have had the leverage to put more money into direct poverty alleviation programmes in the areas of population control, education and health — elements which are conspicuously missing in the budgetary equations.

On the revenue side, however, the government’s calculations appear realistic enough. By end-May 1997, net tax revenues were Rs 244.35b. By end-June 1997, these will rise to Rs 288.2b. Going by past experience of a surge in receipts in June, this is fair enough. Therefore the government is budgeting for a rise of about Rs 44b in additional revenues next year (which is less than that budgeted last year). Of this, about Rs 38b will accrue from autonomous growth of the economy and Rs 6b will come as a result of the liberal tax reforms. This too is reasonable, provided, of course, that GDP growth is 6 per cent as targeted. But if growth is much below target, the gamble will not pay off and Mr Aziz will be up the creek without a paddle.

That said, it should be recognised that Mr Nawaz Sharif has desperately tried to save the day by a number of stratagems. He has increased the defence budget by only Rs 3b or so — this is a “saving” of about Rs 10b over normal yearly increases. He has “saved” at least Rs 6b in food subsidies by allowing the prices of certain commodities to rise in the open market. He has “saved” about Rs 5b in the government’s normal administrative expenses. The State Bank of Pakistan’s profits will yield another “saving” of Rs 15b. And, finally, Mr Sharif’s government will benefit by about Rs 10b in “savings” from the caretaker government’s NFC award — under the old award formula, Islamabad would have had to dish our Rs 146b; under the caretaker’s award, the government will now hand out only Rs 134b. All this amounts to a “saving” of about Rs 49b. If the expenditure pattern of previous years had been followed, this amount would have had to be met either from increased bank borrowings, which would have made the deficit higher, or new taxes, which would have burdened the public.

Mr Aziz has done well to persuade the IMF to accept a deficit target of 5 per cent instead of 4 per cent. He is now reassuring us that the IMF’s ESAF loans will rescue us from our balance of payments problems later in the year. There is no reason to doubt this at the moment. The IMF is happy at the liberalisation of the tax and tariff regime. If the government demonstrates its ability to stick to its restricted borrowing and spending targets and the economy responds to the new incentives given to businessmen, Mr Aziz will be laughing all the way to Washington.
A word about the Punjab budget is also in order. Unlike the other three provincial budgets, it has some "innovations" which are laudatory — like the Rs 1.5b agricultural tax on landlords and the "luxury" taxes on big, new houses and big, new cars, etc. But if Mr Shahbaz Sharif could weather the storm kicked up by the landlords, why was he so reluctant to impose some additional one-time taxes on the urban, super rich?

There is, finally, the question of an impending GST on retail trade in the big cities. Of course, traders are opposed to this because the tax administration is notoriously corrupt. The government should not go ahead with this idea until it can demonstrate its ability to set up an efficient and transparent tax collection machinery.

The Sharif brothers have done much for their class. If they had done something more concrete for the cause of the very poor, their achievements would have merited unqualified praise.

(TFT Jun 27-03 Jul, 1997 Vol-IX No.17 — Editorial)

Fair-play, Mr Sharif

Mian Nawaz Sharif’s 'relief' package for loan defaulters has provoked bitter comment from Benazir Bhutto. Ms Bhutto is outraged that loan defaulters of over 7 years (which include the Sharif family, scores of PML stalwarts and the super-rich with hefty bank accounts abroad) should have been "rewarded" for financial misdemeanour by being asked to pay only 5 per cent of the interest that has accrued on their loans.

This criticism seems fair. The Sharif package condones the worst defaulters and penalises the trivial ones — the longer the period of default, the bigger the concessionary write-off. This is a remarkable travesty of justice. That is why the caretaker government spurned this approach when it sought to address the problem of loan defaults through an ordinance whose provisions were even-handed (it went back to 1985) but tough: failure to cough up within a stipulated time would have led to the recovery of dues as arrears of land revenues. The ordinance (now expired) gave government the right to confiscate the property of defaulters and auction it for purposes of clearing the default.

In Mr Sharif's defence, however, it must be acknowledged that his package is consistent with his general "supply-side", class-based philosophy in which far-reaching incentives have been offered to the business and trading classes to increase production, stimulate growth and revive the economy. The government's package is based on certain assessments of the ground situation: (a) many of those who defaulted on their loans did so because the projects for which the loans were taken became unprofitable and had to be closed down; (b) past experience has shown that the process of law is so cumbersome, convoluted and time-consuming that no new law would have succeeded in resolving the problem of default in a hurry (c) both private
and public sector banks are ready to make out-of-court settlements quickly because they believe that "some money in the hand now is better than more money in the bush much later". Indeed, the banks even appear ready to lower interest rates by a couple of points immediately if billions of rupees of the principal amount is returned quickly. Is this strategy going to work?

Many businessmen say this is a one-off "bonanza" which they intend to seize with pleasure. Senior bankers confirm that the package has stimulated considerable interest among the defaulters who are lining up to pay back the principal amount plus the small penalty. If it works, it is thought that the banks will be richer by about Rs 20-30 billion or so in the next six months. If it doesn't, the government can always dig out the caretakers' ordinance and put the squeeze on the defaulters.

There is, however, one aspect of Mr Sharif's policies which merits criticism. This refers to the Ehtesab Cell's cases against those who used the power of their public office to dish out or receive plots of land from the government at throw away prices during Ms Bhutto's tenure as prime minister from 1993-1996. Is this prosecution or persecution? Consider the facts.

Mr Moeen Qureshi's interim government in 1993 took a dim view of government patronage. It passed laws to stop this discretionary abuse of authority. However, Ms Bhutto allowed these laws to lapse and reverted to the practise of granting valuable plots of land to friends and cronies in 1995. Mr Manzoor Wattoo, Mr Arif Nakai and Mr Abdullah Shah did much the same during their tenures as chief ministers of their respective provinces. Therefore when the caretakers came along in 1996, they decided to take a different approach. An ordinance (Recovery of Illegal Gains) was duly passed which empowered the government to recover the "illegal gains" (in the case of plots, the difference between the allotment price and the market price at that time) made by various people at the behest of public officials through loan write-offs, cheap plots, etc, from 1985 onwards as arrears of land revenue. This was a practicable, desirable and non-discriminatory law. It was based on the same approach (recover the financial loss to the public exchequer quickly) which Mr Sharif has now taken in reference to bank loan defaulters. However, that ordinance too has fallen by the wayside, without, it may be mentioned, as much as a murmur from the "watch-dog" press.

In the meanwhile, the Ehtesab Cell has conveniently launched criminal proceedings against a handful of persons in high office during 1995-96 for dishing out or receiving valuable plots of land at cheap rates. The period before 1990 when Mr Sharif, as chief minister of the Punjab, indulged in similar patronage on an unprecedented scale has been ignored because it is outside the pale of the new Ehtesab Law. This is victimisation. Worse, the persecution is based on the evidence of persons who are being paraded before PTV and coerced to become government approvers.

Mr Nawaz Sharif discredits his government and undermines its legitimacy by such naked double-standards. One day, as surely as night follows day, he will be out of office. If he wants to be treated fairly then, he must set a precedence for fair-play today.
Breakthrough in Indo-Pak Relations?

Much has been made of the recent talks in Islamabad between the foreign secretaries of India and Pakistan. Prime Minister Nawaz Sharif says that the inclusion of Kashmir in the agenda for future negotiations between India and Pakistan is a "major achievement" of his government. Some commentators agree with Mr Sharif that the joint communique is a "significant breakthrough" on Kashmir for his government. A few are delighted that Pakistan has made definite progress "without compromising" its well-known positions. What is the truth?

Two crucial points should be noted about the wording of the joint communique. The foreign secretaries have agreed: (1) "to address all outstanding issues of concern to both sides including... Jammu and Kashmir". (1) "to set up a mechanism, including working groups at appropriate levels, to address all these issues in an integrated manner". The key phrase in (1) is "issues of concern". The Pakistanis would have dearly loved to substitute this for "disputes of concern". Both the Indians have got away with "issues". This allows them, at a later stage, if necessary, to take the position that Pakistan's alleged abetment of the guerilla war in Srinagar is an "issue of concern" to New Delhi "because Kashmir is an integral part of India" — a position that all Indian leaders, including Prime Minister I K Gujral, have consistently taken domestically.

The second point refers to future discussion of all these "issues in an integrated manner". The Indians would have dearly loved to discuss each "issue" separately on its own merits to that progress could have been made on the least contentious "issues" quickly (like Siachin, Sir Creek, Trade, Visa restrictions, etc) while the more difficult "issue" of Kashmir could have been put into cold-storage pending sufficient confidence-building measures. The Pakistanis have therefore done well to insist on an "integrated" approach to all the "issues" bedeviling relations between the two countries. If there is no progress on Kashmir, Islamabad can always begin to drag its feet on the other "issues" by insisting that India is not following an "integrated" approach.

Both sides therefore appear to have stuck to their old positions. The Indians have not admitted that Kashmir is a "dispute" while the Pakistanis will not discuss the other issues unless Kashmir figures prominently in the negotiations. Where is the breakthrough?

If there is a "breakthrough", it is mainly for Western diplomatic strategy in South Asia. The foreign secretary-level talks between India and Pakistan were modelled on the format made popular by America’s 'Camp David' peace expertise in the track-two diplomacy in South Asia funded by the Ford Foundation and some German peace NGOs. The fundamental strategy of the talks is to indefinitely extend the scope of bilateral discussions and thus create an environment for bilateral
settlement over the long haul. That is also the European experience of CBMs in conflict-resolution.

That said, we may note some conclusions from the strategy adopted by both sides in Islamabad.

*This may be the first time that the governments of both countries have abandoned their traditional style of stating maximalist positions in anticipation of an early deadlock and taken up the format used in track-two diplomacy — namely, making "baskets" out of "issues", prioritising them on the basis of the prejudices of the two sides and predating their discussions over an indefinite time-frame. The 'basket' which includes economic relations is featured last in the list of issues, which allays the Pakistani fear that the Kashmir issue might be obfuscated through talks on bilateral trade.

*The Gujral doctrine can be observed in Secretary Salman Haider's 'concession' on Kashmir, namely, that India is prepared to discuss Kashmir unconditionally. Over the last seven years, since track-two diplomacy started, Mr Gujral's friends in the Institute of Policy Research in New Delhi have been criticising Indian governments for brickwalling any discussion on Kashmir.

*Both governments are under pressure domestically and have expressed views on Kashmir that are irreconcilable. Mr Gujral is presiding over a weak United Front government and can be toppled if he deviates from the position expressed by his own party stalwarts: that far from yielding Occupied Kashmir to plebiscite under UN resolutions, India should demand the return of Azad Kashmir and Gilgit from Pakistan under the accession agreement between the Maharaja of Kashmir and Prime Minister Nehru.

*Mian Nawaz Sharif leads a strong government in Pakistan and has been able to withstand pressure from the 'jehad’ in Kashmir. He has continued to repose confidence in Mr Gujral despite reassessment by the Pakistani media after the Male thaw. But he has had to carefully limit his formulation of policy to the traditional demand of plebiscite without the possibility of a third option. Fortunately, however, he has retained enough ambiguity to make bilateral discussions possible.

*Confidence-building measures (CBMs) have failed between India and Pakistan and proven useless since the Brasstacks exercise alarmed the world. But the biggest CBM are the talks themselves. This time they are formatted in such a way that "deadlocks" are not expected to appear in the medium-future, as in January 1994.

*In the interim period, the two prime ministers are expected to keep the friendly environment intact and may even nibble at the periphery of the Kashmir crisis by scaling down hostilities. Mian Nawaz Sharif’s call that both India and Pakistan should withdraw troops from Kashmir has leaned on the ambiguity available in the UN resolution calling for this withdrawal. This could shroud an undertaking that ‘jehad’ may be scaled down in return for significant army withdrawals from the valley by India.

*The reason why economic relations have been put in the last basket is the postponement of the SAARC free-trade area from 2002 to 2105. Pakistan has
gradually increased its items under trade with India and has recently offered to sell 3000 mw of electricity to India which will balance bilateral trade. But because India cannot force Pakistan to open trade and award MFN status to India, Indian trading circles have told Mr Gujral to offer “concessions” to Pakistan on trade instead of forcing the hand of Mian Nawaz Sharif under the WTO fiat.

(TFT Jul 04-10, 1997 Vol-IX No.18 — Editorial)

Watch it, Mr Sharif

Aimal Kansi, alleged to be an international terrorist, was recently whisked away to the United States without being produced before a magistrate or given a chance to defend himself in a court of law in Pakistan. Yet Article 10(2) of the constitution on fundamental rights is crystal clear. "Every person who is arrested or detained in custody shall be produced before a magistrate within a period of twenty four hours of such arrest". Why, then, did the government abrogate Mr Kansi's rights?

It is said that if due process had been followed, Mr Kansi might have avoided extradition to the US. At the least, it is thought, he might have circumvented the purposes of justice by delaying matters in court. Does this argument wash?

No, it doesn't. Ends do not justify means. There are also precedents when wanted men in Pakistan were successfully extradited to the US without breaking the law in this country. In 1989, interior minister Chaudhry Aitzaz Ahsan extradited 14 notorious drug barons to the US after according each person due process of legal defense. Why couldn't this government have followed the same sovereign and self-respecting route? Is Mr Nawaz Sharif inclined to misuse his enormous powers?

Mr Sharif says that he intends to use his powers to reform government and deregulate the state in the interests of strengthening democracy, humanising civil society and reviving economic prosperity. No one can take issue with such noble objectives. But we must ask whether his ends and words match his means and deeds? Or are both based on purely mundane motives?

Mr Sharif has bulldozed an accountability act through parliament which bears no resemblance either to a proposed bill mooted by his party in 1996 or to the Ehtesab Ordinance promulgated by the caretaker regime in November 1996. The new act undermines the whole notion of bipartisan accountability by giving corruption and abuse of authority before 1990 a wide berth. It undermines the Chief Ehtesab Commissioner and erodes the spirit of neutrality and independence vital to any process of accountability. the Ehtesab Cell, in particular, has now put paid to any notion of fair play and even-handedness by only targeting associates and members of the Benazir Bhutto government — in fact, not a single member of the ruling Muslim League or any of its affiliated parties has been hauled up even for questioning. It must therefore be acknowledged that Mr Sharif's motives are highly dubious, his deeds openly provocative.
Mr Sharif’s economic package and budget smack of the same sort of mindset. There is much in these policy initiatives to warm the cockles of any businessman’s heart — like the liberal income tax breaks and the defaulter’s bonanza unveiled by the State Bank of Pakistan. But there is nothing for the poor and low-income classes — not a farthing by way of any insurance against the ravages of inflation, ill-health, illiteracy and abject poverty. Mr Sharif has supported his class interests in no uncertain manner and left it at that. If his economic strategy works, he will exacerbate income inequalities, sharpen class contradictions, increase unemployment and provoke unrest. If it doesn’t, the whole country will go down the tube. The mandate of all the people of Pakistan has clearly been used to favour only a fraction of the people.

Mr Sharif’s recent legislation against floor crossing is also highly dubious even if its objectives are amply justified. If the aim of the amendment was to promote political stability, it should have been sufficient to disqualify members of parliament for voting against the government in a vote of no-confidence or undermining its interests when money matters were at stake in parliament. But attempts to stifle any form of conscientious dissent, which the new amendment purports to do quite effectively, can only be interpreted in one way — Mr Sharif wants to wield absolute power over all that he surveys. And he doesn’t want to be held accountable for his actions. This is no way to make democracy work.

Mr Sharif can use his power to serve many good causes. He can prosecute all the crooks in this country irrespective of their personal, party or class affiliations. He can use his mandate to ban sectarian parties and eliminate gangsters and terrorists from our midst. He can use his enormous clout to build the Kalabagh Dam and save future generations of Pakistanis from famine and starvation. He can get rid of feudalism from this country by initiating radical land reforms. He can force tax evaders and foreign account holders abroad to cough up their ill-gotten gains. He can clean up the police department and the bureaucracy. And so on. Yet we see no manifestation of any will or ability on the part of the prime minister to put this power to proper, legitimate and popular use.

If Mr Sharif is seeking to impose a civilian martial law on Pakistan, he should think again. Lee Kwan Yew succeeded because he was personally irreproachable. Zulfiqar Ali Bhutto failed because he wasn’t. When leaders ignore the lessons of history, the past has a nasty habit of catching up with them.

(TFT Jul 11-17, 1997 Vol-IX No.19 — Editorial)

Costs of adventurism

Nawaz Sharif has always said that, as a democrat, he doesn’t believe in the “politics of revenge”. Yet his government seems bent upon demolishing whatever little opposition remains in the country. Certainly, many PPP big shots, including Ms Bhutto’s husband Asif Zardari, have become fair game for Senator Saif ur Rahman’s Ehtesab Cell. Indeed, Mr Rahman’s cold-blooded efficiency is evident
every week on PTV when someone or the other is taken to the cleaners and stretched out to dry before the public. Is there a flip side to the coin?

Benazir Bhutto was decidedly "soft" on Mr Sharif before the elections, her wrath being reserved exclusively for President Farooq Leghari. After she contested and lost, she wished Mr Sharif a full second term in office, adding that she was not interested in seeking a third term for herself. She then went on to extend full support to Mr Sharif when he sought a repeal of the 8th amendment. Has relentless persecution at the hands of the Sharif regime provoked her to suddenly change tack? Or has she been prompted by some other, more ominous, considerations?

Last week, Ms Bhutto astounded everyone by demanding a national government inclusive of the army and intelligence agencies. A few days ago, she lashed out at the Sharifs by revealing that Nawaz Sharif and Shahbaz Sharif have large financial interests in three companies abroad. Ms Bhutto is now seeking the disqualification of both the Sharifs as members of parliament for concealing their assets from the Election Commission.

Mr Sharif has, of course, denied the charges. But how does that change the ground realities? Ms Bhutto did the same when Surreygate was unearthed by Mr Sharif. Nor does it follow that because no proof has been, or will be, forthcoming for either set of allegations, they are equally hollow. Ms Bhutto has also challenged the accountability law which appears to condone Mr Sharif's corruption before 1990 while ensuring that she is convicted for hers since 1993.

In the meanwhile, the Supreme Court is quietly perusing a case in which it is alleged that the ISI, acting under orders from General Aslam Beg, dished out large sums of money received from banker Yunus Habib to a number of IJI wallahs, including Mr Sharif, in 1990 in order to ensure that Ms Bhutto would not be returned to power. Has anyone worked out the legal and political consequences in the event a verdict of guilty is returned by the Supreme Court? Where is all this business of the pot and the kettle calling each other black taking us?

Now there is speculation that President Farooq Leghari could be on Mr Sharif's hit list. It is whispered in the corridors of power that Senator Rehman has extracted certain confessions from "Mehrangate" bankers Yunus Habib and Hameed Asghar Kidwai with the objective of pressurising Mr Leghari to resign or, if that doesn't work, impeaching him. What is going on? What possible purpose could Mr Sharif hope to serve by getting rid of Mr Leghari?

To begin with, Mr Sharif owes a debt of gratitude to President Leghari for ousting Ms Bhutto, resisting pressure to postpone the elections and bending over backwards to ensure Mr Sharif's participation in the polls. Then, as Mr Sharif has admitted, Mr Leghari was "most gracious" in supporting the exit of the 8th amendment unreservedly. Finally, it must be acknowledged that, far from rocking the boat, the President has never shied away from lending a helping hand to Mr Sharif whenever the prime minister has so desired — as, for example, in personally negotiating loans of US$ 200 million and US$ 300 million from China and the UAE respectively to bail out the government from its financial difficulties. If, despite all this, Mr Sharif still sees some purpose in removing a benefactor who is left with largely ceremonial powers, we are justified in wondering what that purpose might conceivably be. Could it, perhaps,
be some sort of a deep rooted suspicion or fear of the remaining members of the old "troika"? Having cleverly manipulated Ms Bhutto's marginalisation, could Mr Leghari's removal be part of a larger objective in that direction? Whatever the truth, conspiracy theorists are doing roaring business again. Rumours are rife that Punjab Governor Shahid Hamid, who played a major role in paving the way for Mr Sharif's return to power during his tenure as "de facto prime minister" in the caretaker regime, may be shunted to an ambassadorial post in the near future.

We hope, of course, that this is no more than rumour-mongering of the worst kind. The last thing that we want is yet another bout of political uncertainty. Everyone is banking upon Mr Sharif to govern this country well and steer it to prosperity and stability. Issues like terrorism in Karachi and militant sectarianism in Punjab, in particular, cry out for urgent repair. The prime minister must therefore not be misguided into political victimisation or adventurism. The costs of persisting with either or both tracks could turn out to be prohibitively high.

*(TFT Jul 18-24, 1997 Vol-IX No.20 — Editorial)*

**Mafiadom**

Some days ago, two young men walked into the Karachi office of architect Naved Husain, pumped bullets into him and left him for dead. Naved, thank God, has survived. But how many others like him will be so lucky?

Naved's "crime" is that he is a member of Shehree — an NGO of decent, law abiding citizens who are braving the mafia which has ravaged the urban landscape of Karachi. A week earlier, the head of the KESC was assassinated by the mafia which has plunged the city into darkness. Several senior police and administration officials, including their children, and hundreds of policemen, have been gunned down by the MQM mafias in Karachi and by Sunni mafias in Punjab. And so it unravels.

The ground for the ethnic mafias was prepared by General Zia ul Haq when he sought to block the PPP's return to power, especially in Sindh, in the early 1980s. As the Afghan war gathered momentum, and arms were freely brought into Pakistan by the Afghans, the nexus between the Afghan war and the MQM was duly fixed up. MQM terrorists also set up base in the NWFP because the province was an easy pipeline for all kinds of weapons and explosives systems.

The sectarian mafias also owe their rise to General Zia. The Shias, it may be recalled, clashed with General Zia when the dictator tried to impose Zakat on the community. General Zia hit back by making a significant concession to the anti-Shia, Sunni mujahideen of the NWFP when he gave them the green light to eliminate the Shias of Parachinar (Mohmand Agency) so that Shia territory could be used for better penetration into Afghanistan. The Shias of Pakistan, it may be recalled, were not actively involved in the Afghan 'jehad', mainly because the Shias
of Afghanistan had decided to keep out of it. Nor, indeed, have Shia formations been involved in the Kashmir 'jehad.'

General Zia's attempt to impose a Sunni state in Pakistan and in Afghanistan eventually pitted him against Imam Khomeini. The Iranians were therefore compelled to denounce General Zia by stoking the growth of Shia militias. This, in turn, provoked the Sunni Saudis to aggressively deal themselves into the game. After the Soviet withdrawal, the mujahideen government in exile in Peshawar and its ISI 'handlers' were bribed by Riyadh to keep the Iran-based Shia formations out of the power-equation in Afghanistan.

The origins of the police mafias of today can be traced to the property-grabbing or 'kabza' mafias in Punjab and elsewhere during the 1988-90 rift between Benazir Bhutto's federal government and Nawaz Sharif's Punjab government. The chief minister's relatives were involved in grabbing property on a large scale. Therefore the Punjab government fought with the federal government in an attempt to retain police officers who were ready to do its bidding. When, eventually, the chief minister was compelled to surrender a number of federal police officers to Islamabad, he immediately waived the rules to induct hundreds of officers of his own choice into the Punjab police. The ASIs inducted into the police during this time were, by and large, individuals of dubious reputation. Meanwhile, the federal officers who remained loyal to the chief minister began to accumulate power and form mafias of their own in order to enrich themselves and their benefactors in parliament. This kind of thing also happened during the reign of Jam Sadiq in Sindh where the war against the PPP devolved a lot of power into the hands of police officers who were used by the likes of Irfanullah Marwat, a son-in-law of President Ghulam Ishaq Khan, to create criminal bases of their own.

If Karachi's criminal mafias grew up under the umbrella of the MQM and the 'jehad' in Afghanistan, the militias fighting the Kashmir war grew up under the aegis of the old ISI. All these groups have now developed their own criminal gangs to rob and kill in order to maintain themselves. The police and the ISI have therefore sometimes ended up working at cross-purposes. When the police wants to denounce the dacoities committed in Pakistan by the various mujahideen groups jehading in Kashmir, it has to contend with an ISI which is committed to saving them from being apprehended. The 'superior' morality of the 'jehad' against India has thereby overcome the civic morality which wants to outlaw criminal behaviour. The jehadi militias indulging in crime are armed with an ideology that considers democracy to be an alien system and regards Pakistan as a state which has reneged on its commitment to Islam.

Most criminals belonging to the militias avow that they have no sense of guilt. Defiance of the writ of the state on such a large scale, coupled with the proliferation of arms, has bred a new common criminal who commits violent crime and believes in killing during the crime so that no witnesses are left.

The "ideological" state has gone bankrupt. The "democratic" system has degenerated into Mafiadom. And common citizens of this country are paying for these failures with their blood. Where will all this end? Who will cast the first stone?

(TFT Jul 18-24, 1997 Vol-IX No.20 — Article)
Special Investigative Report
Cancellation of Keti Bunder Project

"Someone" out to make a financial killing of Rs 1 billion

"Someone" in power stands to make a financial killing of up to Rs 1 billion if a scandalous proposal by the Water & Power Ministry to cancel the 1320 MW power project in Keti Bunder in Sindh is approved by the cabinet of prime minister Nawaz Sharif.

The proposal to cancel the project, in the form of a summary signed by the Water and Power secretary, Ashfaq Mahmood, was submitted to the ECC on 22nd May. It was followed by an unexpected statement in parliament by the then Water and Power Minister, Chaudhry Nisar Ali Khan, saying that the project was flawed and would be cancelled. The summary was approved by the ECC on 5th June, 1997.

The summary lists a number of flimsy and contrived reasons why the project should be cancelled. It then suggests that the agreement between the government of Pakistan (GOP) and Consolidated Electric Power Asia (CEPA), the sponsors of the project, should "be terminated through mutual agreement" and the GOP should "offer to return the Performance Guarantee of Rs 285 million and the US$ 5 million for Thar coal study" against the execution of an "Agreement to Terminate and Deed of Release" among "all the parties involved in the CEPA project". It adds that "as regards Thar Coal Development, the GOP may provide adequate funds to the government of Sindh to complete the study already initiated by it".

If the proposal is approved by Mr Sharif, the GOP would have to pay about Rs 500 million to CEPA (the total rupee value of the performance guarantee and the money given by CEPA for a study on Thar coal) for cancelling the contract. The GOP would also have to compensate the government of Sindh by US$ 5 million (Rs 210 million) so that the Thar coal study can go ahead as planned. This would dent the federal exchequer by about Rs 700 million. But this is only the tip of this scandal.

Reliable sources say that "Someone" stands to make a financial killing if the Keti Bunder project is cancelled by the GOP as ordered by the ECC. How is that?

On 31st January 1997, 40 per cent of Mr Gordon Wu's holdings in CEPA were bought over by Southern Electric Co in the US. It was subsequently thought that the Keti Bunder project ($280 MW) was not in CEPA's interest any more. Accordingly, discreet contacts by certain parties on behalf of CEPA were established with the new government of Mr Nawaz Sharif in which it was indicated that CEPA would be willing to forego its bank guarantee of Rs 285 million plus the US$ 5 million earmarked for the Thar coal study in exchange for a termination of the contract. This was not put in writing for one major reason: It was thought that if CEPA reneged on its agreement formally, the GOP might invoke financial penalties...
listed in the Letter of Support other than the bank guarantee of Rs 285 million and US$ 5 million for the coal study (especially those incurred by the Geological Survey of Pakistan which is also conducting a survey of the area).

That is when it occurred to "Someone" that the situation was ripe for a financial killing. Instead of CEPA coughing up Rs 500 million to the GOP for reneging on the contract, why shouldn't the GOP cancel the project on its own and offer to pay Rs 500 million to CEPA? This "Someone" could then approach CEPA to pay him Rs 1 billion (Rs 500 million received from the GOP by CEPA and Rs 500 million that CEPA was willing to pay the GOP) for a "mutually acceptable" termination of the contract.

When the negotiations were complete between vested interests on both sides, the GOP's ministry of Water and Power moved the summary to the ECC on 22nd May and the minister in charge issued a statement in the National Assembly saying that the Keti Bunder project was flawed and would be terminated by the GOP.

CEPA's official position, in the meanwhile, has remained highly ambiguous. Its representatives in Pakistan say that they have not been informed of the GOP's decision. But, curiously enough, they have made no statement in defense of their right and determination to continue with the project.

A scrutiny of the Water and Power secretary's summary shows it to be highly dubious. The summary notes that the Board of Investment (BOI) revised CEPA's schedule on October 20, 1996, as follows:

Issue Invitation to Proposals: November 21st, 1996
Deadline for Receipt of Proposals: January 15th, 1997
Execution of TSA Implementation Agreement and Transmission Services Agreement: March 15th, 1997
TSA Financial Closure: September 30th, 1997

The summary also notes that the ECC under the caretaker government considered a summary on "Review of Status of Private Power Projects" on January 28th, 1997 and "decided, inter alia, that, for transmission line project required for EPA project, a new date for pre-bid meeting be announced as early as possible, finalise the documents and proceed with bidding and following this CEPA may be given day-to-day extension in the date for achievement of Financial Close".

Why is that decision, and all the ones taken earlier, no longer "good" in the eyes of the Water and Power ministry?

The secretary's summary lists the following reasons for cancelling the agreement with CEPA:

1. By the year 2000 when CEPA's project comes on line, the existing surplus power will increase by 1320 MW.

2. The cost of transmission lines of 500 KV from Keti Bunder to Jamshoro and from Jamshoro to the north to be built by the private sector would result in
substantial increase in tariff and make it necessary to revise "certain provisions" in the GOP's transmission policy.

3. The project involves the construction of a 100 km double circuit 132 KV transmission line from Thatta to Keti Bunder to provide power to project site for construction purposes. GOP cannot assure this in view of its "severe resource constraints".

4. Since the power from the CEPA project is to be transported directly on the 500 KV transmission line, it will "not be used locally, hence too much local development is foreseen."

5. The ground breaking ceremony for the project was held on January 30th, 1996. "however, no physical progress has been reported by CEPA".

6. Since the first phase of the CEPA project relies on imported fuel, it is in stark contrast to the new projects" envisaged by the new GOP's new policy.

7. Finally, the secretary is alarmed that the US$ 5 million for the coal study is held in an escrow account operated jointly by CEPA and the Government of Sindh. This, he says, is in violation of the rules because the federal government should have had control over that account.

A more dubious set of reasons could not have been drafted, say sources, who claim that such reasons were rebutted effectively when the project was initially negotiated and signed. Indeed, a meeting at the Presidency in November 1994 reviewed and rejected all objections to the Keti Bunder project. This meeting was presided over by President Farooq Leghari and included 16 high ranking officials. These included the ministers and secretaries of the Water and Power ministry and the Petroleum ministry; the chief minister Sindh; the finance advisor V A Jaffery; the president of the Private Power and Infrastructure Board; the special assistant to the Prime Minister; and (note) Mr Ashfaq Mahmood in his then capacity as secretary, Planning and Development Division.

The minutes of that meeting do not indicate that Mr Mahmood objected to the Keti Bunder project at any stage. Indeed, the minutes record that "the President stressed that this was the last such meeting being convened to discuss the CEPA project, as final decisions on all issues had been taken and all apprehensions and concerns duly addressed."

Two important questions arise:

1. If CEPA has not fulfilled its part of the contract and is constantly asking for revisions in the schedule leading to financial closure, why doesn't the GOP demand that CEPA fulfil its part of the bargain? Failing that, why doesn't the GOP take recourse to the conditionalities of the Letter of Support, revoke the contract and seize the Rs 500 million deposited by CEPA?

2. Why hasn't CEPA made a hue and cry over the proposed cancellation of the contract?

Credible inside sources in Southern Electric, CEPA and the GOP insist that "Someone" is out to make a financial killing of over Rs 1 billion, of which Rs 500 million is at the expense of the GOP and Rs 500 million at the expense of CEPA by
contriving this route to a cancellation of the contract. "This is a case for suo moto investigations by Justice Sajjad Ali Shah", says one insider in Islamabad. "If the GOP wants to cancel the project, there are many clauses in the LOS under which this can be done under penalties to CEPA instead of to the GOP" says another.


**Restructure state and society**

Before he came to power, Mr Nawaz Sharif was only vaguely aware of the tough problems he would face when he became prime minister again. However, four months and dozens of briefings later, he should now have a better grasp of what went wrong under earlier governments, how the mess can be sorted out and who should be entrusted to do what in government.

Unfortunately, however, Mr Sharif's style of governance leaves much to be desired. It remains highly personalised, fanciful or whimsical. Consistency, foresight and planning are not always evident. In fact, there does not seem to be any systematic approach to the "problem" of how to deliver "good governance" in a state, society and economy which become more complex by the day.

Examples abound. The "debt-relief" fund was a fanciful idea which has gone nowhere in particular. The decision to remove the ban on the inter-provincial movement of wheat was capricious and heart-breaking. The recognition of the Taliban government in Afghanistan demonstrated a lack of prudence. The extradition of Aimal Kansi was handled in a clumsy and unbecoming manner. The idea of a quick "detente" with India turned out to be extremely naive. The approach to the problems of terrorism in Karachi remains full of contradictions and vacillations. The personalisation of the Ehtesaab process has damaged a good cause. And so on.

Mr Sharif has failed to set up a team of good managers for effective governance. Look at his cabinet. Barring a couple of "honourable" exceptions, there is no one who inspires much confidence. The honourable exceptions, too, have either bargained away a chunk of their professionalism at the altar of realpolitiks or are too "weak" of character to insist on the proper course of action. If Mr Sharif thinks this "dream team" is going to propel Pakistan into the 21st century, he has another thought coming.

Mr Nawaz Sharif's priorities also seem misplaced. He has buried the 8th amendment, hit the bureaucracy for a six and gagged his parliamentary colleagues. Now he is itching to clip the judiciary. All this for the sake of becoming more powerful. But it is worth asking what he intends to do with so much power. How will it help him cope with the myriad problems which beset this country? Indeed, might it not unnecessarily create certain fears and suspicions in important segments of state and society which are better avoided?
Mr Sharif should concentrate on priorities rather than power. He must revive the economy and provide law and order. More or less power in the hands of the prime minister is hardly the issue here. What is needed is a fail-safe strategy that will yield results and build confidence in Mr Sharif’s ability to lead from the front.

One of the most important ingredients of managerial success is effective leadership. Effective leadership, in turn, presupposes the ability to create and motivate a team of managers which understands what needs to be done and knows how to do it well. It is on this front that Mr Sharif is most lacking. Consider.

How many people in the cabinet are competent enough to understand the limitations of the status quo "summaries" which are routinely dusted off the shelves and put up by their secretaries? How many "professionals" and "technocrats" have been hired to supplant the "generalist" and "politicised" civil servants who lord it over a host of highly complex ministries and increasingly specialised departments? If, for the sake of parliamentary form, Mr Sharif is obliged to slot his party political loyalists into the cabinet, what is stopping him from ordering the recruitment of dozens of qualified young professionals into each of the ministries?

Mr Sharif does himself great disservice by flitting from one issue or place to another and dispersing his energy by "on-the-spot-orders" to do this or that. That is a job for a DC, not a PM. He insults our credulity by bringing back into government all the disagreeable characters who gave his first regime such a bad name and helped bring it down. And he makes a mockery of government by employing his family's personal managers as high-profile aides and assistants.

Mr Sharif must quickly start to restructure state and society. The first step in this direction is to uproot the politics of ethnicity and jehad from society. The second step is to revive a host of important state institutions and autonomous bodies — like the DFIs, the Privatisation Commission, the Corporate Law Authority, Private Power and Infrastructure Board, the Board of Investment, Export Promotion Bureau, WAPDA, PR, OGDC, KESC, PIA, SNGL, SSGL, etc — by replacing the bureaucrats heading them with professionals from the private sector. Finally, a wide ranging reform of the civil and judicial system should lead to a more humane, accountable and competent system of administration and justice. Why is this so difficult?

Mr Sharif started well enough. But he has lost much ground and goodwill since. Indeed, he is now beginning to look like a man besieged. This is not a happy state of affairs. The sooner he takes some meaningful action, the better.

(TFT Aug 01-07, 1997 Vol-IX No.22 — Editorial)

Face facts

An unexpected July rally at the Karachi Stock Exchange has generated some confidence in the economy. Many people who had forecasted more doom and gloom by year’s end now seem hopeful. This is all to the good. A forward-looking,
optimistic mindset, especially among businessmen, is a pre-condition for economic
revival. But some intriguing questions remain.

Benazir Bhutto’s government, it might be recalled, was accused by President
Farooq Leghari and the IMF of poor "demand-management" and gross "financial
indiscipline". The caretakers were thus ordered to follow the IMF’s recipes to the
dot and reduce the fiscal deficit to 4% of GDP. This was to be done by substantially
reducing government borrowings and expenditures and bringing every business and
every item under a rigorous tax regime.

Now Mr Sharif has stood that philosophy on its head, and everyone, from the
President to the IMF, is lauding it beyond belief. Government expenditures and
borrowings this year are put at above last year’s targets. The tax regime has been
considerably softened. And the CBR has been ordered to lay off the business
community. Where we were once told that businessmen could not be relied upon to
pay their dues, we are now informed that their tax contributions will be sufficient to
meet higher targets. Indeed, where the IMF was once insistent that a fiscal deficit of
more than 4% would never be tolerated, we are now assured that the Fund is quite
comfortable with a deficit of 5%. Why has the IMF suddenly thought fit to default on
the economic advice it has given every Pakistani government since 1988? Why, when
it was not even prepared to enter into a paltry "standby arrangement" of a few
hundred million dollars earlier, has the IMF now jumped ahead with promises of an
"extended facility" of over US$ 1.6 billion? There are some other disquieting
developments which should make us wary of dubious signals or quick-fix solutions.

Ms Bhutto’s dismissal was approved by the KSE, as expected. When Mr Sharif
became prime minister, everyone thought the market would go through the roof.
That didn’t happen. We were then told to wait for him to unfold his business-
friendly policies. When these were announced, we glanced at the KSE index, found
it slumbering and consoled ourselves by digging in for the long-promised pre-
budget rally. But the budget came and went and the stock market remained aloof.
Then Mr Sartaj Aziz flexed his plumes, sat down to talk to the IMF and said all
signals were go. But the bulls were still unimpressed. The much-awaited trade
policy in late June also failed to provoke any signs of life at the KSE. Then, in early
July, much before a detailed agreement with the IMF was actually announced by
the government, there was a bolt from the blue, the KSE shot up and has not
calmed down since. In fact, some people are forecasting that the index will soon
break all records. What’s going on?

Brokers admit that funds from Hong Kong, London, USA and the Middle-East
are mainly responsible for the KSE’s current bullishness. They also admit that this
feverish activity is confined largely to a few blue chips which lord it over the stock
exchange. But no one has so far adequately explained why foreigners have
suddenly decided to invade the KSE from all corners of the globe. The situation is
curiouser still when we realise that one of the main beneficiaries of this "rally" is
Hubco, the very company which is known to have serious on-going problems with
WAPDA and is threatened with the prospect of having to re-negotiate its tariff rates
with the government of Pakistan.
Naturally, a host of conspiracy theories abound. One has it that Mr Sharif's "foreign benefactors" have deliberately injected some zing into the KSE in order to restore confidence in a beleaguered government. Others are less outlandish. All, however, are highly speculative. No one seems to know what's going on. That is why experts are now openly describing the market as "reckless" and "shaky".

Why don't we face facts? The fact is that Mr Sharif's economic strategy is full of gaping holes and no one really knows whether or not it will eventually succeed in vitalising the economy. Indeed, it is highly probable that the agreement with the IMF, even after it has been signed in October, will be very difficult to uphold, much like it was during Ms Bhutto's tenure. Why is that?

The fact is that there is no real economic basis for the optimism triggered by the bullishness of the stock market. There is no real basis because a number of substantive decisions — hauling up loan defaulters, downsizing government, reducing subsidies, privatising the bureaucracy, eliminating terrorism, revamping public corporations, etc — still remain to be taken to put the economy on track again. If these are postponed yet again for political reasons, we are doomed to remain in the thicket of gloom for some more time to come.

(TFT Aug 01-07, 1997 Vol-IX No.22 — Article)

Special Investigative Report

WAPDA crisis: Sharif in a fix

WAPDA bankrupt, needs 50% tariff hike or Rs 50 billion subsidy for survival

Expert Committee's Report to PM says leading WAPDA functionaries should be sacked; Authority should be revamped; all WAPDA thermal plants and AEBs should be "privatised" on O&M basis urgently

WAPDA is bankrupt and needs urgent surgery, says a recent brief submitted to prime minister Nawaz Sharif by a government sponsored Expert Committee on Water and Power. In the absence of various urgently required improvements in revenue generation such as elimination of subsidies to FATA, Azad Kashmir and elsewhere, reduction of line losses, collection of new meter deposits, etc, the Report says that the "GOP should be ready to increase the tariff by 50% from 1st August 1997 or [be prepared to] pay a subsidy [to WAPDA] of Rs 50 billion" if it cannot implement a number of policy measures urgently.

Shortly after the current chairman of WAPDA, Mr Khalid Javed, was confirmed in his post by an Ordinance in December 1996, WAPDA pleaded bankruptcy and asked the caretaker government to increase power tariffs by 47% effective January 1st 1997. The caretaker cabinet rejected the demand and ordered WAPDA to cut its line losses by 1 per cent a month (they are as high as 28% currently). When
WAPDA failed to do this, it put up the same demand before Mr Nawaz Sharif in March. Mr Sharif also rejected the demand, partly because he had promised the people of Pakistan that his government wouldn’t increase power tariffs and partly because he also felt that WAPDA needed to do some belt tightening and house cleaning of its own before it could be bailed out financially.

In fact, in a cabinet meeting in April, Mr Sharif specifically ordered WAPDA to abolish the subsidies given to FATA and Azad Kashmir and reduce line losses by at least 1% per month. Mr Sharif also ordered WAPDA to install new meters for all tubewells in the country and replace the existing low flat rate for tubewells by a tariff that was half that for industrial consumers of power.

Three months later, however, WAPDA has expressed its inability to implement Mr Sharif’s orders. Furthermore, it has made a royal cock-up of the prime minister's directive to levy a tariff on agricultural tubewells. Instead of making an effort to install meters to all tubewell connections in the country and charge these at half the industrial rate as ordered by the prime minister, WAPDA is said to have reduced the existing flat rate for tubewells by half, thereby incurring further losses to its kitty!

A confidential Report on WAPDA by the World Bank in June projected WAPDA’s Income statements for 1995-2002 and came to the conclusion that if WAPDA was to be saved from immediate bankruptcy and default on its Covenants with the World Bank, it would need to increase its tariffs by 42.43% in FY 1997-98, 3.44% in FY 1998-99 and 13.12% in FY 1999-2000. Thereafter, the WB Report felt that power rates could come down by 5.41% in FY 2000-2001 and 1.29% in FY 2001-2002. These estimates were based on the assumption that WAPDA’s line losses could be simultaneously brought down from about 28% in FY 1996-97, to 21.25% in FY 1997-98, to 20% in FY 1998-99, to 19.26% in FY 1999-2000, to 18.26% in FY 2000-2001 and to 17.69% in FY 2001-2002.

The government’s expert committee has looked at these figures and come to the conclusion that, given WAPDA’s present corrupt and inefficient institutional structure which prohibits it from reducing its line losses significantly, WAPDA’s administration should be revamped immediately and persons capable of taking and implementing "hard decisions" should be appointed in the organisation.

The expert committee has made a number of observations and recommendations on which prime minister Nawaz Sharif is expected to take a decision soon. The committee observes that:

"1. Wapda’s financial situation has become extremely tenuous and cannot be sustained any further.

"2. In the absence of various improvements such as subsidy elimination, line loss improvements, new meter deposits etc, GOP should be ready to increase the tariff either by 50% from August 1st, 1997, or pay a subsidy of Rs 50 billion.

"3. WAPDA has stopped paying even a single rupee as cost of gas supplies from May 1997.

"4. As discussed in the meeting chaired by Dy Chairman Planning Commission on July 8th, 1997, WAPDA has failed to implement any of the directives given by
Prime Minister in the meeting held on April 15/16th, 1997. The passage of three months without any action should clarify that the current management cannot deliver.

"5. WAPDA needs to double or even triple its expenditure on maintenance if their power production is to be maintained at any reasonable level as compared to their declared capacities. Current level of 45% availability against declared capacity is simply not economical and results in loan shedding, higher usage of fuel per kWh, etc".

The committee then goes on to make the following urgent recommendations:

"A. The GOP should decide on [a policy for] IPPs (Independent Private Power projects) as the drifting situation will be detrimental to the interests of Pakistan and settlement will be more difficult with the passage of time.

"B. The GOP should revamp the WAPDA administration with persons capable of taking hard decisions.

"C. The GOP should clarify the decision making process so that decisions may be implemented.

"D. The GOP should give out all WAPDA thermal generation plants on modified O&M contracts with inbuilt efficiency incentives and investment incentives as WAPDA just does not have the resources to refurbish and maintain its plants.

"E. The GOP should give out AEBs (Area Electricity Boards) on management contracts with similar incentives as in (D) above."

It may be recalled that Benazir Bhutto's government had come to the same sort of conclusions and decided to "privatise" the Lahore and Faisalabad AEBs immediately. Under Ms Bhutto, an MOU was accordingly signed in October 1996 with the Wings Group in the USA to manage both AEBs. However, when TFT immediately exposed serious flaws and inadequacies in the MOU even as it was in the process of being signed with the Wings Group last year during Ms Bhutto's trip to the United States, the then Privatisation Minister Mr Naved Qamar hurriedly made amendments in the MOU and tried to cover his tracks. "If the same sort of non-transparent policy is now followed with favoured or hand-picked contractors, Mr Sharif's government could be rocked by a serious scandal", say TFT sources in Islamabad.

Table 1.

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<thead>
<tr>
<th>Revised FY 1996-97</th>
<th>Projected FY 1997-98</th>
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<tr>
<td>Average Tariffs Rs per kwh</td>
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<td>Tariff Increase</td>
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<td>Revenue Increase due to tariff increase</td>
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<td>As % of previous year's revenue</td>
<td>9.37%</td>
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<td>Losses (now projected)</td>
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Further Tariff increase reqd to meet

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<th>WB covenants</th>
<th>16.9%</th>
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<td>TOTAL</td>
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<tr>
<td>Tariff increase reqd to meet WB covenants</td>
<td>56.24%</td>
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Many Private Power Projects may be axed

All past agreements to be vetted; Hubco, Uch, KAPCO cases could be re-negotiated

The Sharif government is seriously thinking of cancelling or re-negotiating the contracts signed between the Benazir Bhutto government and a number of private power projects. The GOP’s rethink follows the report of a Special Committee set up by prime minister Nawaz Sharif which comes to the conclusion that "the electric power purchase price required to meet the Agreements entered into under the Energy Policy 1994 with IPPs and consequent increases in the tariff for consumers is un-sustainable economically, socially and politically, and in the immediate future can render WAPDA and KESC totally bankrupt”.

The Committee was constituted under instructions from prime minister Nawaz Sharif vide Ministry of Water and Power’s notification No. Sr JS(P)/97 dated April 23rd, 1997. It presented an interim report to the Ministry on May 8th, 1997, and followed this by a briefing to the Water and Power minister on May 30th, 1997. The final, quite voluminous, report was submitted to the prime minister for consideration in late June but a final cabinet decision on the issue is still awaited.

The Report’s findings are summarised below:

"1. The electric power purchase price required to meet the Agreements entered into under the Energy Policy 1994 with IPPs and consequent increases for the tariff to consumers is un-sustainable economically, socially and politically and in the immediate future can render WAPDA and KESC totally bankrupt.

"2. The privatization of Kot Addu is regarded by this Committee as an economic disaster the correction of which must be given the highest priority. Furthermore, the Committee recommends that all other Ministries of GOP involved in all privatizations should note the dangers arising from repetition of such a process whereby the status of the owner (major shareholders) has been reduced to that of an "Oppressed Majority".

"3. Restructuring and rescheduling of IPP Agreements is inevitable although the difficulties which will be encountered must not be under-estimated. IPPs must be brought to the negotiating table — this will not be voluntary on their part. GOP must avail every opportunity for reopening of negotiations; unfortunately, GOP has been voluntarily conceding opportunities even in recent months.

"4. Other Countries have renegotiated commercial agreements with IPPs; Countries include USA and India. The newly elected government in UK has announced impending legislation for retrospective taxation on public utilities which have made excessive profits.

"5. Projects have been identified which can be renegotiated; these are those that are or have been in violation of Contracts and Agreements. Negotiations will be
successful only if GOP asserts its legal rights forcefully and aggressively after advice of highly competent legal and financial expertise.

"6. Negotiations must be carried out skillfully in order to ensure that investors confidence is not unduly disturbed, i.e. it must be clearly established that the Project Company is in the wrong and the renegotiations of the Contract will be fair and equitable to all parties. This can be achieved.

"7. Deferment of approximately 1500 MWs is required over the next 4 years; this is feasible and will reduce the strain on WAPDA and KESC of making unnecessary capacity payments.

"8. The problem of escalating tariff will not be resolved unless GOP takes decisive action on IPPs. KESC/WAPDA must also put their own houses in order to make the negotiations with IPPs credible.

"9. The implementation of a renegotiation policy must be precise and speedy; it must not be enmeshed by bureaucratic procedures and confusion; it must be accompanied by a properly planned and executed international PR campaign.

"10. The situation can neither be rectified nor the policy implemented by the Ministry of Water & Power and its institutions including WAPDA and KESC; these are all parties who have contributed to the current chaos and neither international investors nor the public will have confidence in their abilities to carry out and conclude complex negotiations in a fair manner. The GOP must be prepared to engage international and Pakistani advisors. This will cost money — in our opinion it will be a worthwhile exercise.

"11. The strengthening of the institutional framework; i.e. PPIB, NEPRA and WAPDA must be implemented without delay. The Committee does not understand the reason why these institutions have either been deliberately destroyed or neglected.

"12. The relationship between Uch Power and OGDC gives rise to great concern and the situation OGDC now find themselves in cannot be attributable entirely to alleged corrupt practices but also technical and managerial deficiencies. The unnecessary Capital Costs incurred by OGDC are estimated at $50 million and additional $500 million operating costs over the life of the Project.

"13. Renegotiation of tariff with HUBCO is going to be essential for any meaningful reduction in the overall impact. The basis for the renegotiation is discussed at length in Section 9.3 and Appendix-10 of the Report".
Sharif Vs Shah?

There is speculation that Mr Nawaz Sharif is contemplating another constitutional amendment, this time to clip the wings of the judiciary. The rumour was that Mr Sharif intended to reduce the age of Supreme Court (SC) judges from 65 to 62 years (currently that of High Court judges) and immediately relieve those who exceed this limit. When this led to considerable disquiet in certain quarters, a handout was issued by the law ministry denying any such move. Now we hear that Mr Sharif is thinking of setting a 3-year limit to the tenure of SC judges. If this comes to pass, much the same sort of objective as in the earlier proposal will be achieved. A number of SC judges, including the Chief Justice of Pakistan (CJP), will be expected to pack their bags and go home promptly. What's the problem?

It seems that Mr Sharif is not terribly happy with the idea of living with a SC whose benches are not packed with judges hand-picked by him. He is, in particular, interested in having a CJP of his own choice so that the judiciary does not get up to any "mischief" when the executive starts to throw its weight around.

This line of political thinking is pitted against that grain of judicial philosophy which was agitated so eloquently and forcefully by the SC during Benazir Bhutto's time. We refer, of course, to the famous "judges case" in 1996 when the SC held that (a) judges could not be appointed to the benches without the approval of the CJP (b) that upon the retirement of the CJP, the senior-most serving judge of the SC would be legitimately entitled to the top job.

It might be recalled that when Ms Bhutto was ranting against this decision, Mr Sharif was publicly all for it. Indeed, he seemed to relish the clash between the PM and CJP Justice Sajjad Ali Shah and did everything in his power to exploit it to his advantage. However, now that he is in her shoes, he appears to be dead set against it. This will doubtless lead Ms Bhutto to take up cudgels on behalf of the SC. It might also — and this is where the potential flashpoint lies — stiffen the back of the judiciary and plunge the country into a constitutional crisis or breakdown. How might that happen?

The issue of the executive's powers versus those of the judiciary is definitely hanging fire. Mr Sharif has, on several occasions, expressed his annoyance over the "deficiencies" of the judicial system and vowed to "make it better". He hopes to do this by the following means: (a) exert pressure on the judges to return quick verdicts of guilty in all accountability cases lodged by the PM's Ehtesaab Cell; (b) set up special courts with special laws for summary trials by chosen judges without recourse to lengthy appeals before the superior courts (c) amend the constitution so that the judiciary cannot create hurdles in the path of his political ambitions (d) pack the benches so that the judiciary reverts to its old position as handmaiden to the executive.
Many judges, however, see things in an altogether different perspective. They have struggled long and hard to acquire a modicum of independence. If anything, their successful opposition to the attempted encroachments of Benazir Bhutto in 1995-96 has stiffened their resolve to resist similarly sinister moves by Nawaz Sharif. Justice Shah has reiterated his determination time and again to exercise his "suo moto" powers to hold government accountable while the CJ of the Lahore High Court has not shied away from publicly backing his chief to the hilt. Their answer to Mr Sharif's charges against the judiciary is contained in the recently published Report on the Criminal Justice System by the Pakistan Law Commission which puts much of the blame for the slow pace of justice on the executive and the bar. In fact, the judges are now under so much pressure from Mr Sharif that they may be compelled to mount a challenge to the supremacy of the legislature over the constitution in order to retain their independence.

All this is, of course, hardly reassuring. We saw how Benazir Bhutto's arrogance led her into a path of needless confrontation with the SC, with dire consequences for her political longevity. Are we now fated to bear witness to a similar clash of interests between an ambitious Nawaz Sharif and a beleaguered SC?

Mr Sharif should pause and reconsider. If his concerns are limited to genuine deficiencies in the justice system — and there are many such — there is no reason why he cannot sit down with Justice Shah and hammer out a workable formula which ensures that the objectives of speedy and cheap justice are sufficiently met without unduly compromising the notion of "due process". But if his affliction is with unaccountable power, he must be resolutely told where to get off. Indeed, after the passage of the 13th and 14th amendments, the SC is now our last hope for democratic survival. If Mr Sharif is bent on becoming an irresistible force, the SC must get ready to face him like an immovable object.

(TFT Aug 15-21, 1997 Vol-IX No.24 — Editorial)

State-Nation or Nation-State

Fifty years ago, we inherited a state that was geared to the demands of an authoritarian colonial power. The task of our political leadership was to transform this state apparatus into one suited to the requirements of an independent, sovereign and democratic country. Our failure to do this has plunged the civil services, judiciary and army into a crisis of functional identity.

Fifty years ago, we also thought that religion would be a sufficient basis for nationhood. But the disintegration of Pakistan in 1971 and the rise of ethnic sub-nationalisms and militant sectarianisms had effectively put paid to the idea.

So what we have today is a crumbling state-nation instead of a vibrant nation-state. On the eve of the 21st century, Pakistan appears to be stretched on a historical rack — a leg is trapped in the 8th century while the other desperately
stretches out for a toehold in the 21st; a hand clings to the Middle-East while the other claws at South Asia. the country's heart is overwhelmed by the past even as its mind yearns for the future.

But all is not lost. The collective mood is one of deep reflection and anguished introspection. We have begun, finally, to ask the right questions. Some of these are, to be sure, deeply agonising. If religion was a necessary condition for independence, can it become a sufficient condition for future growth? If a national-security state based on rising defence expenditure was a sine qua non for survival in the early decades, can the same state meet the demands of a new era in which old notions of sovereignty and nationality are losing out to the imperatives of globalisation and economic prosperity? If the principle of "rights" in civil society was proper in the nascent stages of statehood, can the principle of "duties" in civil society be supplanted in the later stages of nationhood? If "electoral democracy" was an ideal to be nourished in the long years of authoritarianism, can present notions of "undiluted democracy" be sustained amidst signs of growing anarchy in society? If Urdu was the defining language of our halting federalism in the last five decades, can English become the "raison d'etre" of our quest for internationalism in the next five decades? And so on. But the end lies in the beginning. And the answers about our future depend on how we tackle questions like these from our past.

Mr Nawaz Sharif has now arrived on the scene, flushed with the belief that he alone can lead us to the promised land. Even if we think that he can't, we can view the situation in two ways. We can mock his shortcomings, distrust his motives, and conspire to remove him from the citadels of power, hoping that someone with greater vision, integrity and ability will rise from somewhere and fill the void. Or can we treat his reincarnation, warts and all, as a small window in a desperate twilight zone in which all must shoulder the responsibility for leap-frogging into a new zone of opportunity? What will it be?

Mr Sharif is a conservative man. He is not culturally alienated from the people. He leads a party which can never forget the impulse for Pakistan. He belongs to the business community of the urban areas which holds the key to the country's future. His personal instincts are reassuring even if his penchant for cronyism is not. His mandate can be channelled for much good even if it trespasses the limits of conventional authority. More to the point, there is no sign of anyone in the wings who can even remotely be entrusted to lead us into the new century.

Mr Sharif is impressed with the success stories of Singapore and Malaysia, so are most Pakistanis. Both countries are multi-lingual, multi-ethnic societies whose leaders have firmly cajoled them out of a divisive and unproductive past and confidently thrust them into the limelight of modernity. Both have a system of "democracy" with which the rest of the democratic world has no serious quarrels. Why can't we emulate their example?

We can do so if we resolve to uproot some of the divisive legacies of our past. This means outlawing and crushing all sectarian and ethnic tendencies and purging the political system. This means reasserting our faith in a universal system of law and justice rather than in allowing a highly contentious, parallel system of Islamic
laws to subvert order. This means elevating English to the status of "lingua-franca" for the middle classes. This means putting more effort and resources into education, health and population planning instead of into new weapon-systems. This means living and trading in peace with our neighbours. This means paying taxes and fulfilling our "duties" to state and society, instead of constantly baying for more and more dubious "rights".

Mr Sharif seems to know the score. But, in the final analysis, much depends on whether we, the ruling classes, can bring ourselves, on our 50th birthday, to shed our vested interests and make Pakistan a true land of the pure.


Hobson's choice?

Despite warnings from the judiciary, Mian Nawaz Sharif has pushed his Anti-Terrorist Act through parliament. Islamabad verily rumbled as the law minister, Mr Khalid Anwar, wrote up its draconian sections. Editorials warning Mian Sahib against setting up kangaroo courts to compensate for the incompetence of the executive have been to no avail. The fat is now in the fire.

The police had complained that the courts were quick to grant bail to felons apprehended at great risk to life and limb. The new law therefore denies bail after arrest and trials will take no more than 21 days from investigation to conviction. Confessions, even those extracted under duress, will suffice for stiff sentences. The special courts will be set up with judges chosen from the community of senior lawyers and sitting or retired judges with clearance, thank God, from the chief justice of the Supreme Court. Appeals will lie with special appellate judges who will finalise the hearing within one week. Will such courts work efficiently and fairly?

Information minister Mushahid Hussain's gaffe on the BBC, that the Act was like India's TADA, hasn't helped the prime minister's cause. TADA, as everyone knows, was used to victimise innocent people and did not succeed in curbing terrorism. The PPP opposition walked out of parliament during the vote; the MQM absented itself from the proceedings while the ANP voted in favour without expressing supportive opinion.

Objections to the special courts are based on past experience. They were earlier dismissed by the Supreme Court after it was discovered that the police and the lawyers were in cahoots with the judges for graft. The other scary element was the police. The Punjab chief minister, Mian Shahbaz Sharif, has accused them publicly of being involved in crime. The criminalisation of the police is directly traced on the spoils system practised by politicians in power. Recruitments at the level of the ASI have largely been 'sifarish-based and none so as blatantly as under Mian Sahib's tenure as chief minister of the Punjab 1988-90.

To be fair to the government, however, the sectarian problem in Pakistan has now snowballed to such a scale that some sort of special dispensation to crush it
could not have been easily avoided. Those who object to the special courts might remember that the alternative would have been to sanction "extra-judicial" killings as in Karachi under the PPP in 1994-96 and "police encounters" as in Punjab under the IJI in 1988-90. In both instances, the people's adherence of such tactics was tempered by the government's "success" in restoring a semblance of "peace". Everyone knows that the system is seriously infected, that it is highly vulnerable to the creed of the sectarian or ethnic killer with his total ability to black-mail the citizenry through life-threats and even assassinations. The judiciary's recommendation that terrorism should be dealt within the normal courts is also faced with a credibility problem. The chief justices admit that the magistracy is thoroughly corrupt and is in need of reform, that procedures in place for the promotion of good and honest judges are not scientifically framed.

It must also be admitted that Mr Sharif tried his best to persuade the chief justice of Pakistan to come up with a better and quicker option than the special courts. Unfortunately, the many meetings between the two of them in the last few weeks did not yield a better result. The chief justice's solution, as laid out in the recent Law Commission Report, are focused on general, long-term requirements of legal reform rather than on urgent, short-term contingencies against the menace of violent terrorism. That may be why the 'troika' in Islamabad was forced to sit down and agree to give the Anti-Terrorist Act a fair trial. The army certainly would not have been too happy if it had been pushed into "law and order" duties under certain constitutional provisions available to the prime minister which would have enveloped Punjab and Sindh in a state of semi-martial law.

The jury is therefore bound to be out for some time to come over the legitimacy and necessity of the special courts. The bad news is that the opposition is ganging up against the government and its intentions are as ignoble as any opposition's have ever been in this country. Mr Sharif's reliance on a corrupt police force does not inspire confidence either. But the good news is that the Sharif brothers have already given evidence of personal involvement in the scrutiny of police action in the Punjab. the critical uproar from the press and human rights groups should also keep the executive on the straight and narrow.

Mr Sharif has embarked upon a politically controversial and technically flawed course. But he might have done worse by letting things be. The proof of the pudding will be in the eating of it. The supreme court must not rush into judgement and strike the new law down before the government has had a fair chance to make it work.


**Qazi aagaya?**

Last week, Qazi Hussain Ahmad, the leader of the Jamaat-i-Islami, was briefly arrested when he set out to hold a political rally in the Khyber Agency in violation of a general ban on political gatherings in the Tribal Areas. But that did not stop the
Jamaat from breaking the law in Landi Kotal and forcing the police to use tear-gas to disperse the Jamaat's Shabab-e-Milli protesters. It may be recalled that the cry of "Qazi's tamasha" which echoed in Landi Kotal and other day was received in much the same way as the cry of "Qazi aagaya" had echoed in Punjab in 1993 just before the elections. Clearly, Qazi Sahib's challenge to the PML government in Landi Kotal seems to be Phase One of the big confrontation he had planned for later this year. Does Qazi Sahib believe that political developments under Mian Nawaz Sharif are coming to a head and the time is ripe to jump in with both guns blazing?

The government, to be sure, has got bogged down badly. It does not seem to have a political policy for the violence in Karachi. Its tactics — giving more powers to a criminalised police force — to put down sectarianism in Punjab are dubious. Mr Sharif has alienated the judiciary by insisting upon the special courts. And injury has been heaped upon insult by Mr Sharif's latest resort to the Constitution to pare down the regular strength of the Supreme Court from 17 to 12 so that he can induct ad hoc judges of his choice and influence the SC's decision-making. All this has only provided more ammunition to the Jamaat's leader.

The "Qazi Aagaya" campaign, aimed at easing his Islamic Front into power in the 1993 elections, hit the ground like a falling kite when Jamaat voters plumped for the PML(N) and divided a number of constituencies to provide a winning margin to the PPP-PML(J) alliance. That forced Qazi Sahib to shift his stance, reject the system and prepare for a more violent strategy. Just before Ms Bhutto was ousted from power last year, he upstaged the PML(N)'s initial movement with a more violent and more direct action in Rawalpindi that produced a number of dead bodies. Then Qazi Sahib tried to woo President Farooq Leghari when the latter was in a confrontation mode with Ms Bhutto and tried to nudge him into action by launching an assault on Islamabad. So convincing was his move that some PML(N) leaders began to worry that Qazi Sahib might upstage Mian Nawaz Sharif and become a more power contender for power.

Qazi Sahib is offering himself as the Islamic alternative to the PPP and PML whose political and economic policies are quite similar and which have blown two chances apiece at running good government in the last decade. He also has a vendetta to settle with Mr Sharif who accused him last year of extracting Rs 100 million from the IJI government in 1992 ostensibly for the Kashmir jehad.

As "Amir" of the Jamaat-i-Islami, Qazi Sahib has "revolutionised" his cadre-based party by leading it away from its scholarly tradition. He has emphasised the political aspect of the founder, Maulana Maududi, and extensively developed the founder's tentative contacts with international Islamic organisations. He is inspired by the Islamic leadership in Algeria, Sudan and Egypt. He was also quick to woo the Islamicists in Turkey when the Rifah Party was in power. In Pakistan the Jamaat has cleverly dovetailed into the popular reaction against the West, the United States and the IMF.

Qazi Sahib thinks that the playing-field of Pakistani politics is potentially tilted in his favour. The PPP, he is convinced, is finished after being discredited while in power and hounded by accountability out of office. The MQM is crippled, hobbled by its rifts and past deeds under a static foreign-based leadership. Imran Khan has
failed to inspire. The other religious parties, especially the JUI and its sectarian offshoots, are targeted by the Anti-Terrorism Act, and the PML government is visibly wilting under the challenge of reviving a collapsed economy and state institutions that no longer function.

Is this Qazi Hussain Ahmad's "Come September" thing? The Jamaat leader is not interested in elections, which means he has to rely on someone calling off the game and handing the state over to him as Pakistan's saviour because Mian Nawaz Sharif can't run it properly. What are his chances?

Among all the powers-that-be in Pakistan, no one is willing to test Qazi Sahib's rather rash perceptions of foreign policy and the national economy. He doesn't even have the advantage of Mr Erbakan's large political base. Indeed, his emphasis on violence as a means of upping the ante flies against the recent lessons imbibed by Islamic parties in Egypt, Sudan and Algeria who are all "going legitimate" after the dismal failure of their violent tactics to gain popular support.

Qazi Sahib can be a spoiler. He can be the gadfly over whom Islamabad may lose some sleep. But violence will not endear him to the people or the organs of the state which he is trying to woo.

(TFT Sep 05-11, 1997 Vol-IX No.27 — Editorial)

Ominous developments

Benazir Bhutto has written a letter to the United Nations complaining of harassment and victimisation, in the garb of "accountability", at the hands of Nawaz Sharif's government. Her complaint draws attention to the special courts under hand-picked judges recently set up by the government in which summary proceedings are prescribed for a host of "crimes". Ms Bhutto fears that the new laws, which deny bail to the accused and which give the police a carte blanche to bung anyone into prison, may be used to curtail hard won democratic freedoms.

Ms Bhutto apart, human rights groups and other concerned citizens have also criticised the new laws along the same lines. Past experience of such draconian measures suggests that they lend themselves to abuse on a large scale, particularly because a highly criminalised police force cannot be expected to use such powers judiciously.

Two questions arise. First, is Ms Bhutto justified in taking a purely domestic issue to the UN and washing our dirty linen before the international community? Second, Mr Khalid Anwar's pious assurances notwithstanding, what are the chances that an increasingly beleaguered government will not clutch at any opportunity to cut down an increasingly aggressive opposition?

In answer to the first question, Ms Bhutto might recall her own attitude not so long ago when the MQM took its grievances to the UN and severely embarrassed the Bhutto government for "extra-judicial killings" and "violation of human rights"
in Karachi. Indeed, Ms Bhutto was so outraged that she accused the MQM of being "unpatriotic" because it had undermined the cause of Kashmir at the UN by equating India's violation of human rights in the valley with the Bhutto's government's modus operandi in Karachi. Now, because the boot is on the other foot, Ms Bhutto has internationalised the violation of her "human rights" in much the same manner as the MQM did when she was in power and the MQM was at the receiving end. Clearly, what is sauce for the goose is sauce for the gander.

The answer to the second question is also blowing in the wind. The opposition and government are not merely trading charges in parliament any more — on one recent occasion, both sides nearly came to blows on the floor of the House. Ms Bhutto is in an aggressive, belligerent mood. It appears she has decided not to miss any opportunity to undermine the government, even if it flies in the face of her party's avowed policies or hurts the national interest. How else can one explain the PPP's support to a coterie of landlords who are agitating against the imposition of the agricultural tax, a tax Ms Bhutto has long advocated even if she did not have the political strength in parliament to push it through when she was in power? How else does one explain her outburst that if she had remained in power she would have announced Pakistan's nuclear ambitions on independence day instead of "capitulating" to India as Nawaz Sharif has supposedly done? How else can one explain her doggedness in whipping up the worst form of ethnic prejudice by focusing on the imagined treatment meted out to a "Sindhi" prime minister as against a "Punjabi" prime minister?

By all accounts, therefore, the fat is in the fire. Neither side is in any mood to give any quarter to the other. This would suggest that Mr Sharif is likely to use all the means at his disposal, including the new laws, to teach Ms Bhutto the sort of lessons she was out to teach him not so long ago.

Mr Sharif has, of course, already disclosed his hand. He will not allow Asif Zardari to be presented in the Senate. He will not allow Ms Bhutto to conduct a side show of her own at the Quai d-e-Azam's mausoleum on independence day. He will not call off the "accountability" trials of PPP stalwarts. In fact, he will not allow Ms Bhutto or Qazi Hussain Ahmad or anyone else to get up to any "mischief".

The stage is therefore set for a nasty political confrontation. The backdrop to this increasing belligerence in Pakistani politics makes the future quite ominous. There is increasing public disenchantment with Mr Sharif's ad-hoc and confused style of managing increasingly complicated problems of state and society. Indeed, it would not be an exaggeration to say that Mr Sharif has, thus far, shown no signs of addressing the issues that might give us some hope for the future. If Mr Sharif shows no sign of being the man of the moment, what of Ms Bhutto, who appears to have learnt nothing from her blundering past?

It is recurring situations such as these that stimulate the growth of third parties or third forces which are inimical to democracy. It is in circumstances such as these that Pakistan's beleaguered citizenry begins to hope for knights on white chargers. Both protagonists would do well to remember what recent surveys show: a significant section of Pakistan's population yearns for stability and prosperity and is beginning to hanker for a form of dictatorship that puts paid to both of them.
Mediation and modality

Shortly after Benazir Bhutto became PM in 1988, there was an Indo-Pak dialogue in Islamabad amidst much fanfare. An agreement on Siachin was hammered out but abandoned when Mr Rajiv Gandhi got cold feet upon returning to N Delhi.

Much the same thing happened after Ms Bhutto's re-election in 1993. An Indo-Pak dialogue was mooted at the Commonwealth Conference in Cyprus and followed by talks in Islamabad. Pakistan was led to believe that the dialogue would incorporate the Kashmir dispute. But nothing of the sort happened.

A third new government in Islamabad has also been persuaded — this time at the Non-Aligned Summit in Male last April — to hold talks with India. Once again, the "atmospherics" were said to be "just right" for a "historic breakthrough". The Indians, Pakistan was assured, were ready to talk about Kashmir. Once again, however, the Indians returned to N Delhi and gave an innovative twist to their interpretation of the agenda: Kashmir would be discussed subsequently, they said, only in so far as the dispute related to Pakistan's "occupation" of Azad Kashmir and the Northern Territories. The two "Punjabi" prime ministers appear to have had as much success as the two "youthful" PMs in 1989.

The second round of "talks about the talks" is scheduled later this month. But there are serious hitches already. The Indians have now retracted on an agreement to discuss Kashmir in a "working group". Also, the Indo-Pak border has, quite inexplicably, hotted up.

What is the meaning of all this? Why is an Indo-Pak dialogue propitious whenever there is a change of government in Pakistan rather than in India? Who has prodded every new government in Islamabad to start talking to India, regardless of the consistently rigid view of every government in N Delhi? What is the purpose of such seemingly welcome initiatives?

Washington insists that it is not a key player in South Asia, that it cannot mediate between the two sides unless invited to do so by both, that it is the exclusive responsibility of Pakistan and India to keep the peace in their neighbourhood. This doesn't wash. Everyone knows that Washington prodded Ms Bhutto to start talking to N Delhi in 1988 and again in 1994. Mr Sharif also received the same advice before he became PM in 1997. On all three occasions it is inconceivable that some sort of assurances were not held out to Islamabad by the Americans about India's willingness to start talking about Kashmir. It is also no secret that various American "think-tanks" have put a lot of money and effort since 1990 into "Track-Two" diplomacy in a bid to break the deadlock in South Asia. What is the American interest in brokering peace in the sub-continent? Has Washington been a neutral broker?
Washington is interested in South Asia because both countries have "nuclear ambitions" which don't square with American non-proliferation objectives. From 1988 to 1995, the Americans tried to browbeat Pakistan into abandoning its nuclear programme unilaterally because they thought they had leverage over Pakistan but not over India. Simultaneously, they began to propagate a series of "confidence building" measures between the two countries in the hope that some reconciliation between them might lay the basis of a longer term non-proliferation strategy in the region. However, neither approach seems to have worked because American efforts are mainly directed at pressurising or persuading Pakistan to give up its position on both Kashmir and nuclear proliferation without a corresponding and equally calibrated attempt to nudge India in the same direction. The current situation is that Washington has accepted the futility of leaning only on Pakistan's nuclear programme without accepting the same logic on the Kashmir dispute.

Of course, Washington cannot possibly admit to seeking, like India, the conversion of the Line of Control into the international border between the two countries. Its stated position remains that "Kashmir is disputed territory". But what are we to make of Washington's consistent reluctance to enable Pakistan to internationalise the Kashmir issue effectively, whether at Geneva or in the United Nations? What are we to make of Washington's aversion to inducing India to make an equitable peace with Pakistan in view of its relentless insistence upon Pakistan to kiss and make up with its neighbour?

No, this Kashmir strategy won't work, just as the one-sided non-proliferation strategy hasn't worked. It won't work as long as Washington continues to handle India with kid gloves and expects Pakistan to make all the "concessions". Kashmir and non-proliferation in the sub-continent are two sides of the same noble objective of peace. But Washington cannot advance that objective without an evenhanded strategy in South Asia.

There is one last point. If it is true that democracies are less likely to make war than dictatorships, it is truer still that democracies are less likely to succumb to Camp-David type accords than authoritarian regimes. Therefore while American support for democracy in Pakistan is welcome, Washington must be careful not to nurture the perception that it seeks to exploit Mr Sharif's "historic mandate" to foist "improved" relations with India upon us.
IMF or no IMF

Mian Nawaz Sharif is confident that, come October, the IMF will rush on board, the stock exchange will go through the roof, credit agencies will trip over themselves to upgrade Pakistan, foreign investment will start to pour in and everything will be hunky-dory. Since nothing could be further from the truth, what has led Mr Sharif to sound so optimistic about the economy's prospects?

It is said in the corridors of the IMF that its Managing Director is personally keen to bail out Mr Sharif's government, at least once, whatever the true merit of Mr Sharif's economic policies at the moment. This, despite stiff opposition from the rank and file of IMF staffers dealing with Pakistan who believe that Mr Sharif's economic policies are doomed to fail. It is further said by the same sources that the MD of the IMF has been nudged into this position by the State Department which is keen, for reasons of its own, to protect Mr Sharif from the buffeting of the economy and help consolidate his political position.

Whatever the truth of this matter, the facts of the economy are as follows:

1. Government revenues in the last two months have been much below past averages and current targets. In July 1996, for example, revenue collection was Rs 27 billion. This year, in July, it was only Rs 15.5 billion. The same sort of figures are reflected for August. Even if September brings improvements, experts predict that the government will still be seriously off target in the first quarter.

2. Industrial production, except in certain textile sectors, has refused to pick up. The engineering, chemical, construction and cement industries, in particular, are slipping further.

3. The "sick" industries either require relief from debt payments or fresh doses of capital. With the State Bank of Pakistan getting tough and private banks reluctant to soil their hands, neither facility is easily available. This means that tens of billions of rupees in "stuck-up" loans will remain "stuck-up" in the foreseeable future.

4. Foreign investors remain shy of plunging into Pakistan. This is partly because of the bad law and order situation, partly because of the political instability triggered by Mr Sharif's needless clash with the judiciary and partly because of the uncertainty brought about by the government's refusal to honour many of the energy sector agreements negotiated by the previous regime. A recent survey of 300 foreign investors published by a Hong Kong based magazine shows that 90 per cent of the respondents would prefer to invest in India rather than in Pakistan. The same conclusions were articulated by a high level Japanese mission which visited Pakistan last May and noted "11 road blocks to direct foreign investment" in the country.

5. The business and trading classes remain opposed to a proposed GST on retail sales, now postponed to January 1998. If the government backs down under
pressure, as it appears to have done on the agricultural tax imposed on farmers, revenue collection will suffer further.

6. The governor of the State Bank of Pakistan has recently said that inflation may be up to 14 per cent, which is significantly higher than the 11 per cent figure touted by Islamabad. This could become a politically troubling issue in time to come, quite apart from hurting exports.

7. Despite the recent speculative rally, there is no basic strength in the stock market. In the past five years, an average of 48 new companies were listed on the stock exchange every year. This year there is none.

8. The government's plan to downsize over 100 departments and ministries and lay off over 100,000 workers has not materialised. This is partly because Islamabad is afraid of the political repercussions of such a large-scale increase in unemployment and partly because it doesn't have sufficient funds to give everybody a golden handshake. However, the longer downsizing is delayed, the more intractable will become the problems of the autonomous public sector corporations which are already on the verge of bankruptcy.

9. Despite the squeeze on funds, Mr Sharif has not given up his penchant for motorways. The revival of the Islamabad-Peshawar motorway will mean an additional burden on the national and NWFP exchequer of about Rs 30 billion.

10. The government's efforts at quick privatisation of several banks and corporations have not even moved beyond the planning stage as yet. Advertisements soliciting financial advisers are on display, which means that no major corporation or bank is likely to be privatised before well into next year.

Mr Sharif clearly needs to take a better grip over the failing economy. If it doesn't show signs of life before long, if revenues don't pick up, if foreign investors remain shy of coming to Pakistan, all the help of the IMF will not suffice to bail out the prime minister from a crisis of unimaginable proportions. The worst part of the emerging scenario is that if he fails he will not only discredit himself, he will expose the business classes (upon whom he is relying) to the wrath of the masses.

(TFT Sep 19-25, 1997, Vol-IX No.29 — Article)

Gang of Four in the dock

Senator Saif-ur-Rahman has called Benazir Bhutto's bluff and put her on the mat. He has revealed, and the Swiss government has confirmed, that the Bhuttos and Zardaris have hefty bank balances in Switzerland. Senator Rahman claims that details of cash, assets and properties held by them in France and the UK will also be provided in due course. He alleges that these monies were illegally stolen from the people of Pakistan and he promises to initiate criminal proceedings against them and bring the loot back to Pakistan.
Ms Bhutto's response to these allegations has been quite pathetic. She is reported as saying, incredibly enough, that she "may or may not have a bank account in Switzerland", as though she has a frail memory and may have overlooked an account or two somewhere or the other. Mr Zardari has, of course, been true to form. He has, rather brazenly, denied stashing away any money at all anywhere in the world. As for Mrs Nusrat Bhutto and Mr Hakim Ali Zardari, they have both chosen to remain silent, for the moment at least, which may be fairly perceived as a sign of guilt.

There is, therefore, no reason to doubt Senator Saif ur Rahman's recent assertions. Indeed, his investigative performance to date suggests that he will, sooner or later, unearth the Gang of Four's hidden treasures in other parts of the world.

The circumstantial evidence of the Gang of Four's ill-gotten wealth has continued to pile up since 1989, prompting the press (in particular TFT) to accuse them, time and again, of being as corrupt as hell. President Farooq Leghari also levelled many corruption charges against Ms Bhutto and Mr Zardari when he booted out the PPP government last year. Unfortunately, however, the caretaker government came in for a lot of flack because it did not "prove" the charges levelled in the president's dismissal order. This prompted Ms Bhutto and her allies to crow that the charges were false and malicious.

But the truth of the matter was quite different. Mr Leghari's caretaker government was in possession of considerable evidence of corruption by the Gang of Four and would have certainly taken the gang to task if it had been interested in staying in power longer than three months. It didn't do so because it feared that Ms Bhutto might react and boycott the elections, thereby compelling the caretakers to postpone the polls and provoking the critics to call the president "Farooq-ul-Haq" for overstaying his 90 day mandate. In other words, accountability was sacrificed at the alter of the general elections rather than abandoned because of any inefficiency in collecting sufficient evidence of corruption against the high and mighty. In the event, Senator Saif ur Rahman went on to inherit the corpus of investigations launched by the caretakers, at home and abroad, fine tune the evidence and carry that assignment of accountability further.

Senator Saif ur Rahman has, however, merely revealed the tip of the iceberg so far. If all the leads in the Interior Ministry, IB, ISI, Defence Ministry, Water and Power Ministry, Commerce Ministry, CDA, CM Secretariat Sindh and PM Secretariat are followed diligently, there should be heaps of evidence of corruption and abuse of authority to follow against Ms Bhutto and Mr Zardari: evidence of stud farms, race horses, sugar mills, urban properties, cash, stocks and shares etc in Pakistan, UAE, UK, France and USA. What comes next?

Whenever the "Princess" and the "Playboy" have been confronted by allegations of corruption, they have shrieked: "This is an unfair media trial [by two-bit hacks]. Prove it in a court of law!". Indeed, on one occasion at least, Mr Zardari was so full of bravado that he offered to pay TFT for an investigation into the charges levelled against him by the paper. This show of "honesty" so impressed
certain journalists that one of them actually went on to write a column in which he claimed that Mr Zardari had "clinched" the argument by being so forthright!

Well, the truth is out and the boot is on the other foot now, and deservedly so. Now is also the time to give the Gang of Four its just deserts by conceding its demand for a fair judicial trial. Senator Saif ur Rahman must therefore waste no more time. He should hire the best criminal lawyers in the country, put together whatever evidence of unexplained wealth is immediately available against each member of the Gang of Four, haul all of them up before a court of accountability, and let them put up their best defence. Will he do this?

Senator Saif ur Rahman has left no stone unturned to try and expose the Bhuttos and Zardaris as the modern day equivalents of the Marcos' and Noreigas of yore. But there may be significant reasons why a serious, full-fledged trial of the Gang of Four might not materialise in the near future. For one, Senator Saif ur Rahman has not been altogether successful in shaking off allegations of wrong doing against himself during Mr Nawaz Sharif's first stint in power. He might, therefore, be worried that if he were to set the standards of prosecution and accountability at this juncture against the leaders of the second biggest party in the country, some one might come along one day and pay him in the same coin. The same would appear to hold true for the prime minister. Mr Sharif's past is murky. The caretaker government is also known to have collected a degree of damning evidence against him too.

There are other reasons. Senator Saif ur Rahman's modus operandi as Chairman of the Ehtesab Cell has elicited much criticism for not being even-handed. A high-profile trial of Ms Bhutto which could lead to her imprisonment for a long time may provoke demands for a suo moto trial of Mr Sharif by the Supreme Court so that he can prove his credentials not only to hold Ms Bhutto accountable but also to remain as prime minister.

Finally, there is the unfortunate experience of the past which suggests that while Ms Bhutto and Mr Sharif have been more than willing to level all sorts of accusations, and provide all manner of "evidence", against each other, they have not so far been willing to take the criminal cases against each other to their logical conclusion. It may be recalled that when Mr Sharif was in power from 1990 to 1993, he put Mr Zardari in prison without at any time seriously trying to prove him guilty. Similarly, Ms Bhutto unleashed Mr Rahman Malik of the FIA against Mr Sharif and family when she was in power from 1993 to 1996 but made no real effort to convict them of corruption.

Whatever the merit of such considerations, it is clear that Senator Saif ur Rahman has raised our expectations sky high. The world is waiting with bated breath for the trial of the Gang of Four to begin in real earnest. It would therefore be most unforgivable if the good Senator were to dash them to the ground all over again. Accountability must begin from someone and somewhere. Let the first stone be cast against the Gang of Four now. And damned be him or her who first cries: Hold Enough!
The worm in the Netherlands
(with apologies to the Dutch)

A joke is doing the rounds these days. A polite version goes something like this:

A nasty little worm resides in the prime ministerial Chair. It has a penchant for sneaking into the nether lands of every new incumbent of the Chair. Once comfortably ensconced in its new home, the rotten bugger tends to twist and turn, causing convulsions in the prime ministerial Corpus. This impels the PM to jump up and down, step on everyone’s toes and lash out in all directions. In due course, the PM ends up making many enemies and is chucked out before his or her term is up. As soon as the PM is ejected, the worm slithers out from his Corpus and creeps back into his old abode in the Chair, there to await his next victim. This explains the seemingly enigmatic behaviour of all prime ministers from 1985 to 1997.

Mr Mohammad Khan Junejo was ejected from the Chair when, quite inexplicably, he stepped on General Zia’s toes and lashed out at the generals responsible for the Ojhri Camp explosion. He was followed by Benazir Bhutto whose behaviour on a number of occasions was equally perplexing. She ousted the Baluchistan government within weeks of assuming power but had to eat humble pie shortly thereafter when the judiciary restored it back to office. Then, for no apparent rhyme or reason, she alienated President Ghulam Ishaq Khan by disputing his elevation of Admiral Iftikhar Sirohey to the CJCSC. She took her case to the Supreme Court but returned to her senses and quickly backed off before more damage could be sustained. Her end seemed nigh when she began to crave another confrontation, this time with the MQM. The massacre of Mohajirs by the police in Hyderabad compelled General Aslam Beg, a mohajir with political ambitions, to nudge the estranged president into booting her out in 1990.

Mr Nawaz Sharif fared no better in 1992. He was suddenly seized with a mysterious urge to strip General Asif Nawaz of his pips. Then, after General Asif passed away, he openly began to lust after President Ishaq’s presidential powers of appointing the new army chief. The crisis passed but not for long. Soon, Mr Sharif was jumping up and down, demanding that the president dismiss Chaudhry Altaf, his governor in the Punjab. The prime minister was kicked out in April 1993 but began to demonstrate the same symptoms of instability upon returning to power a month later. He was ejected from the Chair for good when he couldn’t restrain his impulse to start fingering General Abdul Waheed, the new COAS.

Ms Bhutto was next to succumb to a fit of rage in 1996. When everything seemed to be hunky-dory, she plunged uncontrollably into a fight with a handpicked president and a handpicked chief justice. Not long after, she was duly shown the door.
Mr Sharif is back in the Chair again. For all intents and purposes, he has all the power any PM could conceivably want. Yet his deportment has not been reassuring of late. He is taking pot shots at the chief justice when past history suggests that no good can possibly come of it.

Mr Sharif has, at the last minute, withdrawn his petition challenging the orders of the chief justice to transfer 5 senior judges of the High Courts to the Supreme Court. But his craving for absolute power remains as palpable as ever. In fact, say sources, Mr Sharif is still plotting to throw some more punches at the chief justice. One rumour has it that the government intends to pass legislation reducing the age limit for judges of the Supreme Court so that the chief justice and a few others of his clan can be knocked out.

Somebody should take hold of the prime minister and shake him out of his epileptic fit. The chief justice is sitting on a number of references, each of which could have dire consequences for Mr Sharif if a judgment is received against him. There is Air Marshal (retd) Asghar Khan's allegation that Mr Sharif, among others, was the illegal recipient of large sums of money from the ISI in 1990. There are Mr Aftab Mirani's allegations of abuse of authority by Mr Sharif in his first tenure as prime minister. There is the petition challenging the establishment of the special anti-terrorist courts recently enacted by parliament. And General Naseerullah Babar is readying to spill the beans on the Sharifs. Finally, the chief justice can always open suo moto proceedings against the current regime in a number of hitherto unexplored but murky areas of accountability.

In the final analysis, there is the riot act in the form of Section 190 of the constitution. This says that: "All executive and judicial authorities throughout Pakistan shall act in aid of the Supreme Court". Somebody should drill the meaning of this into the prime minister. If he doesn't heed the message, it can only mean one thing. The wretched worm in the Netherlands may be turning again.

(TFT Oct 03-09, 1997, Vol-IX No.31 — Editorial)

In sickness and in health

Nawaz Sharif's sweeping victory early this year has numbed the opposition into a conspiracy of silence. Last February, Benazir Bhutto, in fact, went so far as to assure Mr Sharif that, far from opposing him for the sake of opposition, she would support his government in all its economic and political initiatives — an option that Mr Sharif had blithely spurned when she was prime minister from 1993 to 1996.

In due course, Ms Bhutto proved as good as her word. She did not exploit the "atta crisis" last April to whip up a storm against Mr Sharif even as his spokesmen were accusing her government of having sown the seeds of that crisis in the Fall of 1996. Subsequently, Ms Bhutto was happy to extend full support to Mr Sharif when he proposed the controversial 14th amendment to the constitution, despite many
misgivings in her party about the amendment. This time, Mr Sharif was pleased to return the favour by ordering Senator Saif ur Rahman to unearth Ms Bhutto's foreign wealth so that she could be disqualified from sitting in parliament. Now Mr Rao Sikander, the PPP Punjab president, has reassured Mr Sharif that the PPP high command still remains opposed to agitating against his government. How are we to explain this behaviour on the part of the PPP leadership?

Of course, it hardly needs pointing out that Ms Bhutto's forces were so depleted after the elections, and so lacking in credibility after Senator Saif ur Rahman's stunning revelations last month, that even if she had wanted to mount an effective opposition to Mr Sharif she would not have found too many takers. Nonetheless, the timing of some of her reactions is puzzling. Why, for instance, did she wait for Senator Saif ur Rahman to start a campaign against her party and family members before instructing Mr Aftab Mirani to counter-attack with allegations of his own against the Sharifs? Why, when General Naseerullah Babar's dossier on Mr Sharif was assembled by Mr Rahman Malik of the FIA over two years ago, did Ms Bhutto wait so long before coming clean about it? The lack of satisfactory answers leads only to one conclusion: Ms Bhutto sat on the "evidence" against the Sharifs and didn't oppose them following the February elections simply because she didn't want Mr Sharif to react by opening up a dam of "evidence" against her. However, now that he has gone ahead and done it anyway, she has tried to hit back in a rather pathetic manner.

Ms Bhutto is not the only opposition leader who has aroused a degree of incredulity. Mr Imran Khan's sound and fury has ended up signifying nothing. Indeed, he has all but disappeared from the local scene. Some months ago, he was busy with his father-in-law's illness and demise. Then it was Princess Di's tragic accident which forced him to take long leave. Now he has been spotted in South Africa doing God knows what. We also hear that he is thinking of moving base from Lahore, the hub of politics, to Islamabad, the city of the deaf and dumb. A couple of clean and energetic supporters have left his party while several known scoundrels are already basking in its shade. Is he doomed to live in fear of Ms Sita White who has made sure that he cannot enter America (and maybe even Britain in due course) without risking exposure?

The third opposition leader is Qazi Hussain Ahmad. Following his estrangement from Mr Sharif a couple of years ago, Qazi Sahib has consistently opposed the PPP and PML. Indeed, he has gone so far as to organise "dharnas" against Ms Bhutto and been imprisoned, albeit ever so briefly, for his troubles against Mr Sharif recently. But his huffing and puffing all these years hasn't brought anybody's house down. He has, however, been so quiet of late that one is left wondering about his next move. Is he fated to have the last word vis a vis both Ms Bhutto and Mr Sharif?

Then there is an assortment of "leaders" like Mr Hamid Nasir Chattha, Mian Manzoor Wattoo and Nawabzada Nasrullah Khan, all of whom have become shadows of their former selves and are out of jobs. Nothing much may be expected of them. They were hangers-on of Ms Bhutto and they were swept away when she was dusted out of the prime minister's house.

If the opposition to Mr Sharif has become non-existent, is here to stay for ever, for better or for worse, through sickness and in health, till death do us part? We
sincerely hope not. Any fledgling democracy like ours needs a strong and lawful political opposition for survival. When this is in short-supply, for one reason or another, expectations of resistance to the whims and fancies of all-powerful rulers tend to get focussed on the organs of the state. Such perceptions are most unfortunate. When the organs of the state clash with the organs of government, the political system breaks down. What follows next does not have to be spelt out. 


Talk talk, fight, fight

Jane’s Defence Weekly reports that a strategic review by India's armed forces last April concluded that India faced no significant military threat from China or Pakistan. The real threat in the next decade, said India’s military commanders, would come from sub-nationalisms, insurgencies and separatisms within India. This threat to internal security, said the Weekly, is now compelling the Indian army to assemble a vast apparatus for "internal peacekeeping", which will eventually make it the "largest counter-insurgency force in the world".

This fact suggests some obvious conclusions. The Indian army has been ordered by New Delhi’s political establishment to get ready for the "long haul" in Kashmir because it has absolutely no intention of ever sitting down to "negotiate" a "settlement" on Kashmir with Islamabad. That is why New Delhi insists that Kashmir has been, is, and will always be, an "integral" part of India over which there can be no discussion. That is why, where Kashmir is concerned, it doesn't matter which prime minister or which government rules in India. The problem, as India never tires of telling the world, is with Pakistan's refusal to abide by the "understanding" reached at Simla in 1973. What was that "understanding"?

Mr Bhutto was desperate to affect the repatriation of over 90,000 Pakistani PoWs held in India after the war of 1971-72. Mrs Gandhi was aware of his weakness and played her cards deftly. She said she would release the PoWs in exchange for a formal Pakistani commitment to give up its claim over Kashmir. When Mr Bhutto explained why he could not conceivably accede to her demand, the talks broke down. Hours before Mr Bhutto's departure, however, the dialogue was revived and the Simla Accord was announced. Mr Bhutto insisted upon Pakistan's position on Kashmir and was accommodated by a clause to the effect that both countries could retain their formal stands on Kashmir. Mrs Gandhi insisted that Kashmir should be taken out of the international context of the UN resolutions and was accommodated by a clause to the effect that all issues between the two countries would be settled bilaterally. Kashmir was then forgotten by Pakistan until the end of 1989 — sixteen years later — when an indigenous, mass uprising erupted in Srinagar against the injustices perpetrated by New Delhi and its puppet regimes in Kashmir compelled Islamabad to revive the issue.
Pakistan and India have each made one fundamental mistake in the 1970s and 1980s which has come back to haunt them in the 1990s. From 1973 to 1989, Islamabad made no significant effort to raise the Kashmir issue at any international fora. That is why it has had difficulty waking up the world in the 1990s to its "historic" UN claim over Kashmir. New Delhi's error lay in alienating the Kashmiris irrevocably — the same Kashmiris who had flatly rejected Pakistani instigations in 1965 — by its ham-handed "centrist" manipulations in the 1980s. That is why the world cannot help but take note of India's genocidal policies in the Valley today. This explains why the world is asking Pakistan to "forget" about the UN resolutions on Kashmir as promised at Simla and asking India to restore maximum, unprecedented autonomy to Kashmir as promised in the Indian constitution.

This international prescription to the "problem" of Kashmir was first articulated by Mr Frank Wisner, Washington's last ambassador to New Delhi, two years ago. Mr Wisner pleaded with Pakistan not to disrupt the election process in Kashmir and pleaded with India to allow free and fair elections to take place in the Valley. Mr Wisner's plan went awry when the Indian army jumped the gun, massacred the residents of Chrar Sharif and provoked the APHC to boycott the elections. New Delhi has now made matters worse by trying to prop up the puppet government of Mr Farooq Abdullah, a foolish policy throwback to the 1980s.

Both Islamabad and New Delhi have now become hostages to their manipulations and insecurities. Since 1990, Pakistan has been gung-ho about its support to the Kashmiris. It has daily fed its people gruesome details of Indian atrocities in the Valley. How can it bring itself to quickly abandon this cause? India is in the same boat. It has committed genocide in Kashmir. It has fed its people lies about the "Pakistani-Islamic menace" in Kashmir. How can it bring itself to trust the Kashmiris with "maximum autonomy" or persuade its people to accept anything that smacks of "capitulation".

Clearly, neither side is in any position to concede an inch to the other without being accused of "total betrayal" by its own people. Indeed, the Indian army's strategy for the future would suggest that it is Pakistan rather than India which is expected to unilaterally take two steps back.

The international community must not accept this logic. It must insist that New Delhi should take the first step back. After all, it is India, not Pakistan, which has brought the issue of Kashmir on the agenda of the subcontinent all over again by a callous application of undemocratic policies in the 1980s and bloody repression in the 1990s.

(TFT October 17-23, 1997 Vol-IX No.33 — Editorial)

Round and round in circles
Since he came to power for the second time, Prime Minister Nawaz Sharif has been engaged in hectic activity doing nothing much. The many challenges he accepted have gone begging.

When he put a number of civil servants on the mat, he should have followed up by taking the good ones into confidence and putting them to work. Instead, he chose to hector the entire machinery. In reaction, bureaucrats now shun responsibility and quote rules and regulations. A colossal go-slow in the government machinery is not helping a PM saddled with stark deadlines.

Mr Sharif will learn soon enough that the rift that has occurred in the judiciary is a pyrrhic victory. The “talking judges” can’t turn the clock back on popular opinion which leans strongly in favour of independence of the judiciary. If some judges behave like civil servants, they go against the grain of this opinion. They lend themselves to the creation of a political burlesque unmindful of the role the Supreme Court was playing in the liberation of the judiciary from subordination of the government. Have the “talking judges” forgotten that they all signed the milestone March 1996 judgement, which sought to eliminate the fraud of keeping the Supreme Court haltered through the device of appointments? Seniority, a criterion ignored in the past, was tacitly reinstated in the five elevations sought by Chief Justice Sajjad Ali Shah.

Accountability needed to be addressed in earnest, but when Mr Sharif decreased that it should have a cut-off point, he compromised the morality of the process. Today, accountability is one-sided and vociferous and, dangerously for Mr Sharif, uncertain. Public fatigue is setting in, and if Islamabad doesn’t pull off something dramatic in Switzerland, accountability is going to recoil and hurtle back at Mr Sharif like a re-entry rocket.

The big challenge in the Punjab was sectarian terrorism. This stood between Mr Sharif and his dream of economic revival. But after opening up other fronts, he has had no time to think of what he should do with madrassas gone beserk. He set up the anti-terrorist courts whose antecedents were atrocious. When concerned citizens protested, Mr Sharif ignored them. Law minister Khalid Anwar now claims that acts of terrorism have gone down after the enforcement of Anti-Terrorism Act. We no longer believe him, after the killing of five Iranians in Rawalpindi, two in Karachi and the murder of Justice (retd) Arif Iqbal Bhatti in Lahore.

If one can be allowed to forget the Motorway for a moment, privatisation was the other big challenge Mr Sharif had accepted. He was to sell loss-making industries and banks in short order and pay off Pakistan’s big short-term loans with the proceeds. But privatisation too has bogged down. Instead, the ruling party has taken to fulminating against the former PPP government for signing bad contracts in the energy sector. No one in the cabinet realised that the contracts couldn’t be reneged on, and the rhetoric against Mr Bhutto and her corrupt husband would come home to roost. Now the government has reneged on that which it reneged: all contracts in the energy sector are to go ahead, albeit in bad faith, and the Keti Bandar project which was scrapped with much moralistic fanfare is back on line.

Much was made of the PM’s intention to normalise relations with India, but on that front too he has fumbled because he lacks the statesmanship. When the anti-
India lobby and religious parties put on the warpaint, Nawaz Sharif’s weak response was to “Islamise” the electronic media, going back to what S. Z Bhutto did when concerned by the clerics. Predictably, no one has been appeased.

When a ruler in Islamabad is overwhelmed by a death-wish, he grabs Islamisation. Pakistan is already reeling under the judicial burden of bad laws in the name of Islam. A Commission headed by Justice Nasir Aslam Zahid has recommended the removal of the hudood laws, but Mr Sharif’s response is to order a more stringent Islamic gag on PTV. The PM doesn’t see the trap, as Bhutto didn’t but those who watch the political scene do: the more the government kowtows the more the fanatics feel closer to grabbing the throne in Islamabad.

The real challenge was of course the economy. All right-thinking people gave Mr Sharif two years in which to get it going. He might have been able to concentrate on this had he not been running around like a headless chicken. Seeing that nothing is working out, the PM has focused all his public-relating on the Motorway. The goods that will “not” be produced by a collapsed industrial sector will presumably be shipped between Lahore and Islamabad on the Motorway.

Thus has the PML’s two-thirds majority in parliament become a weapon against the people of Pakistan. And Justice Sajjad Ali Shah, notwithstanding the private feelings of his “brother” judges, has emerged as the spokesman of the common man. If the judiciary has discredited itself by not standing together on the matter of national consensus, the government has violated an unspoken mandate and exposed itself to the perils of another demission. If the ship of state hits another reef in the near future, Mian Nawaz Sharif will have no one to blame but himself.

(TFT October 24-30, 1997 Vol-IX No.34 — Editorial)

Nawaz Sharif’s primitive baggage

Prime Minister Nawaz Sharif’s real constituency of moderate citizens is increasing restive. As the PM’s advisors lead him to a more religious direction, his supporters are quaking in their shoes. Businessmen look at religious extremism as a surrogate of Zulfiqar Ali Bhutto’s nationalisation. While they support Mr Sharif’s anti-sectarian measures, they are unable to put their shoulder to the task of economic reconstruction until he makes a firm commitment to establishing a liberal market-friendly polity.

Pakistan’s business community is generally cosmopolitan in character and is now part of the international community of investors which our economy must attract in order to prosper. Mr Sharif’s real objective should be to rally this community around his project of saving the economy from collapse. Instead, he is precipitating an environment of fear.

His own personality is to blame for this failure. He is still stuck in the mentality of a shopkeeper who is devoted to religion, funds extremist religious outfits but
votes for the Muslim League. Intellectually unsure, the PM leans on the primitive instinct to overpower institutions. Authoritarian on the one hand and orthodox on the other, he remains a true disciple of General Zia.

In his first stint, Mr Sharif appointed as DG-ISI a general who was also a member of the Tableeghi Jamaat, who then imposed his own agenda on Pakistan’s Afghanistan and Central Asia policy, throwing out of kilter and entire trade oriented and pragmatic approach that had made Nawaz Sharif an attractive leader in the first place. Mr Sharif also appointed a discredited Brig (retd) Imtiaz Ahmed as DG-IB. The Brig’s adventurism brought Pakistan to the brink of being declared a terrorist state.

Both Gen Javed Nasir and Brig Imtiaz are back. The former has been given a lucrative Auqaf job where he will no doubt fund more religious extremism. The latter has been placed at the head of NTM where he will no doubt fight the myth of Western sedition and alien penetration via the electronic media. For themselves, the PM and his media advisors have begun to purge PTV of modern cultural expression. This will help destroy the very environment Mr Sharif needs for economic revival.

His days out in the cold should have enabled Mr Sahrif to reflect on what brought him down. But even in opposition, his mindset remained the same. When a mad cleric raised the standard of revolt a couple of years ago in the Tribal Areas demanding an Islamic judiciary of extremely doubtful validity, Mr Sharif supported it. When the Lahore High Court acquitted the Christian boy Salamat Masih in a blasphemy case, Mr Sharif sided with the fanatics baying for blood outside the court. After coming to power this year, the PM;’s first courtesy call was on Dr Israr Ahmad who instructed him to become “caliph” after abolishing bank interest. Later, the same cleric queered the pitch for Mr Sharif by issuing sectarian statements and calling for the seizure of savings accounts.

It appears that Nawaz Sharif is under siege from his own primitive baggage. Qazi Hussain Ahmad has led his Jamaat-e-Islami out into the battlefield saying he will capture power by overthrowing Mr Sahrif’s “anti-shariah democracy”. Ijaz-ul-Haq has also virtually abandoned Nawaz Sharif in the name of “shariah”, despite his annual genuflection at the tomb of General Zia. A number of others close to him may also take shelter in fundamentalism as soon the PM totters on his ideological uncertain throne.

Seeing that Islamabad is weakened, Maulana Fazlur Rehman and his Jamiat-e-Ulema-e-Islam (JUI) have held a mammoth meeting in Lahore calling for the real “shariah”, a Taliban-like order for which the JUI will wage a violent campaign. This was followed by a Dawat-e-Islami gathering in Multan recently which collected over 500,000 green-turbaned followers who look forward to an Islamic revolution. The right-wing mad fringe to which the PM continues to bow has expanded and become a constituency to reckon with. The forthcoming congregation of the Dawat-ul-Irshad, collecting a million followers, will gives its routine call for the destruction of democracy. That its Lashkar-e-Taiba is fighting in Occupied Kashmir will weaken Mr Sharif further.
The rational elements in Nawaz Sharif’s personality was always weak. He cannot see that the anti-terrorist campaign he has launched has one crucial weakness: the PM is not viewed as a neutral player in the religious politics of Pakistan. He cannot see that his most significant initiative on coming to power this time, the normalisation of relations with India, has floundered not so much for the lack of a suitable Indian response as the virulent reaction from his own party. He cannot see that it is his urge for absolute power which has occasioned a crisis that has made uncertain the two years he desperately needed to put the economy right.

The irony is that the PM has no foes but himself. The challenges to Nawaz Sharif are extra-parliamentary, from the so-called religious forces to whom he makes useless obeisances. And the fact is that the more he leans in favour of fundamentalism and authoritarianism, the more he will become ripe for the plucking.


**Democracy or despotism**

The constitutional deadlock between the Prime Minister (PM) and the Chief Justice (CJ) is now only a short step away from an irreparable constitutional breakdown. How have we come to the precipice? Who among the two is more right than wrong? Is there still a way out of this unprecedented political crisis? What might happen in the coming days?

On Wednesday 29 Oct, at 1 am, following a three-hour meeting between the PM and the CJ, mediated by the President and the COAS, government sources leaked news of a “settlement” between the PM and the CJ. It was reported that, in pursuance of the CJ’s order over two months ago, the PM had offered to elevate two judges to the SC immediately and promised to elevate the three others demanded by the CJ “as soon as possible”. There was, however, no official statement to this effect from the government, SC or presidency.

The same day, at 11.30 am, the Attorney-General (CG) and Mr Sharifuddin Pirzada, representing the government in the petitions challenging the 14th constitutional amendment, requested four days in which to conclude their arguments. When the CJ asked the petitioner to comment, both counsels pleaded for a “stay”, arguing that parliament had been called to session and might pass laws curtailing the powers of the CJ or SC, thereby adversely impinging on their case. When the CJ turned to the AG for comment, he did not utter a single word of assurance that parliament would not pass any law or amend the constitution in the interim. The CJ then granted a “stay” to the petitioners and postponed hearings in the case. Within minutes of the decision, however, government sources denounced the CJ for “going back” on the so-called “agreement”. Latter, the PM accused the CJ of acting “unconstitutionally” and criticised the SC for opening the floodgates of “lotaism”. The same evening, several PML(N) stalwarts took their cue from the PM and blasted the CJ
in the national assembly, despite being reminded by a member of the opposition that, under article 63(1)(g), they could be disqualified from sitting in parliament for criticising the judiciary.

The CJ hit back on Thursday, October 30th. He ordered the AG to appear before him and explain why the government had not notified the elevation of 5 judges to the SC as demanded over two months ago. When the AG excused himself from attending the summons, the CJ directed the President to issue an immediate notification at the same end. Rumours were rife Thursday evening that the government had requisitioned a session of the Senate for the following (Friday) so that it could pass the 15th amendment to the constitution whereby the CJ would be completely disempowered.

The government’s proposed amendment seeks to objectives: (1) Serious cases involving critical constitutional issues should be heard by the full court. (2) The benches, roster and fixation of all cases before the SC should be regulated by a panel consisting of the CJ and the two senior-most judges. If passed, the amendment would cripple the CJ and throw him at the mercy of the very seven judges who are widely thought to have discredited themselves and the institution of the SC not so long ago when they attempted to strike against him when he was out of the country on Umra. Meanwhile, it is speculated that the government might move a reference against the CJ by advising the President to haul him up for misconduct before the Supreme Judicial Council. If this comes to pass on Friday or Saturday, the constitutional deadlock could lead to a constitutional breakdown.

A constitutional breakdown would occur if any or all of the following situations were to arise in the next few days: (1) If, acting on the orders of the SC, the President’s order to the law ministry to notify the five judges to the SC were not to be obeyed by the government. (2) If the President were to refuse to sign, on one pretext or the other, a reference against the CJ by the government or a constitutional amendment approved by both houses of parliament. (3) If the SC were to strike the amendment down as being “malafide”. The breakdown would, of course, precipitate a dangerous situation if at any time during the crisis the CJ were to ask the armed forces to come to the SC’s protection under clearly defined provisions of the constitution. It would also be precipitated by any SC decision to disqualify the PM or any of his colleagues from sitting in parliament on account of transgressing article 63(1)(g). A constitutional breakdown, it may be stressed, implies a comprehensive breakdown of the established political order. It leads to an abhorrent political vacuum which cannot be sustained.

Can the situation be retrieved even now, on Thursday 30th October? Yes, it can. The SC has ordered the president to notify the appointment of the five judges immediately. If the government acts on the President’s advice and issues the notification promptly, sufficient breathing space can be gained in which both sides can step back from the brink.

One last point needs to be stressed. However, much the tensions may appear to be about the “intransigent” personalities of the PM and the CJ, the issues at stake in this battle between the PM and the CJ are really about the legitimacy and desirability of checks and balances in the democratic system. Nawaz Sharif aims to
establish despotic rule. The only obstacle in his path is Justice Sajjad Ali Shah. If Justice Shah is toppled, we will long rue the day we did not spring to his assistance.
The law must take its course

Prime Minister Nawaz Sharif has stepped back from the brink by conceding the rights of the chief justice of Pakistan, Justice Sajjad Ali Shah. But if truth be told, this is due in large measure to the firm and principled position taken by President Farooq Leghari. At every stage of the senseless confrontation launched by Mr Sharif, he privately urged the PM and his various emissaries to comply with the CJ's orders. At one stage, he flatly refused to "denotify" the CJ or countenance any move by the government to drag him before the Supreme Judicial Council. Indeed, when push came to shove last Friday following the SC's order to the president to "notify" the five judges, the dye was cast when the president discreetly informed Mr Sharif's emissaries that he would be constrained to obey the order if the government did not do so immediately.

The role of the army chief, General Jehangir Karamat, during this crisis was also exemplary. Although he would have much preferred to stay clear of the confrontation, General Karamat rose to the occasion when he was explicitly asked by the PM to lend his shoulder to a resolution of the crisis. The COAS, it is learnt, remained strictly "neutral", even as he privately urged the main protagonists to see reason and end their warring in the larger interests of national security. Whether the constructive role informally played by the president and army chief in a moment of impending constitutional breakdown strengthens the case for activating the much-maligned CDNS, however, remains to be seen. Certainly, if the issue had been formally discussed threadbare by the Big-3 in a body such as the CDNS before it ballooned into an unprecedented constitutional crisis, we would have been spared the agony of the last three months.

Mr Sharif's premeditated suicide attempt raises a host of uncomfortable questions. Who fingered him to rush headlong towards the precipice? Will he seek to dispense with their "services" now? Did cabinet members or party backbenchers proffer wiser council or did they lack the guts to speak their mind? How is the PM likely to react to the on-going "cases" against him in the SC? Is the crisis over?

By all inside accounts, it appears that the PM was held hostage by a small group of sycophants in his secretariat. Among these may be counted three senior, serving bureaucrats, one retired army colonel and a retired army major-general. All five constantly urged the PM to fight the CJ to the bitter end. Mr Sharif was also ill-advised by two retired supreme court judges who were made senators for services rendered in 1993. It is said that both gentlemen persuaded the PM that the CJ was "isolated" in the SC and were largely responsible for triggering the disgraceful abortive "coup" against the CJ within the SC.

Then there was the law minister whose exact role has escaped scrutiny because he chose to keep his mouth shut in public. But two facts about his conduct are now known. Before the PM and in PML party meetings, he was quick to denounce the CJ in pretty strong words. Before the mediators, however, he was
wont to tread ever so softly, always disclaiming responsibility for the PM’s aggressive stance. It is also known that in his separate meetings with the PM and the CJ he was loathe to explain and articulate the full and exact viewpoint of the other to each of them. The fact is, the law minister’s conduct was thoroughly unbecoming of someone who has pledged to uphold the supremacy and majesty of the law.

The role of Mian Shahbaz Sharif and a number of cabinet ministers and advisors, like Chaudhry Nisar Ali Khan, remained "dubious" for a long time. On the one hand, they were in full agreement with the PM that the "CJ had gone too far and should be forcefully reined in". On the other, they were quick to pick up the threads of the failed coup against the CJ and urge the PM to negotiate a "compromise". Fortunately, when they saw that a compromise was out of the question and the government’s end was nigh, they were able to urge unconditional surrender.

There were, we are pleased to note, a few backbenchers who, even before the crunch came, were not afraid of speaking their mind before the PM and urging him to end the conflict by complying with the CJ’s orders. Two MNAs, Mr Ejaz Shaffi and Mian Khurshid Kasuri, stand out in this respect. Both gentlemen deserve praise for the courage of their convictions. Such people should be sitting in the cabinet instead of languishing out in the cold.

Mr Sharif could now be under pressure to "react" to the continuation of a number of cases against him in the SC. He would be foolish if he were to succumb to bad advice or "provocation" again. The prime minister is not above the law. And since there are no winners or losers before the law, only good can come from the law taking its course.

(TFT November 14-20, 1997 Vol-IX No.37 — Editorial)

**Downsizing**

The diminution in Prime Minister Nawaz Sharif’s stature began at the pinnacle of his much-vaunted “heavy mandate”. He proudly announced that the crunch in foreign exchange reserves would be bailed out by his rich supporters at home and abroad. But the collection didn’t even add up to the bill for delegations sent abroad to drum up the money. There was very little diversion even from the $ 8 billion lying in fixed deposits in Pakistan. Mr Sharif’’ rich friends failed to deliver. Was it any wonder when the PM’’ own contribution was peanuts for such an obviously wealthy man?

Mr Sharif’s next tried to collect agricultural tax to which his supposedly non-feudal party was committed. At the peak of their leader’s campaign, feudals within the PML made sure the collection was laid off for a year. Retail tax went the same way. This the PM was sure his strong constituency amongst shopkeepers would deliver after he had slashed it down to almost half. That too was postponed till the next budget.
The PM then turned to the matter of investments. Finance Minister Sartaj Aziz embraced the Laffer Curve and slashed income tax rates and import duties across the board. This supposedly to encourage people to pay taxes and to have enough capital left over to invest. But the investment bonanza did not materialise. Mr Sharif followed up with a concessional package to loan defaulters to revive some 6000 closed industrial units. Of Rs 130 billion in had debts, only Rs 1.5 billion was returned by defaulters. It transpires that Nawaz Sharif’s constituency of businessmen and traders loved him but didn’t trust him. How could they, when the PM’s own family is threatened with charges of default on loans it had had written off or deferred? When a visiting western diplomat asked businessmen in Lahore last week why “businessmen are slitting Nawaz Sharif’s throat”, he was told that people pay their taxes to those who pay their taxes.

Faced with an economic squeeze, Mr Sharif resolved to downsize the federal government by 100,000 by end November. In the event, because he didn’t have the Rs 32 billion to fork over in golden handshakes, he has backtracked ignominiously. Instead, his “heavily mandated” MNAs have called on the government to give compulsory employment as promised in their election manifesto. There goes the $ 250 million which the World Bank had promised to pitch into this effort.

Mr Sharif’s other big challenge was sectarian terrorism. It affected the daily life of citizens but more importantly, it cut into the vitals of the PM’s drive to revive the economy. Mr Sharif got his law minister to write up a dubious piece of legislation to curb terrorism, rushed it through parliament, set up special courts, only to realise that he had alienated the judiciary. Mr Sharif also discovered that parts of the law were too rough to yield justice. Meanwhile, terrorism got worse, and the elements meant to take fright from the new law, began to mow down Iranians and Americans. The cavalier way in which Mr Sharif extradicted Aimal Kansi, by breaking the law in Pakistan, has rebounded viciously. The retaliatory killings of four Americans raises the spectre of Pakistani terrorism across the globe and puts paid to prospects of foreign investment. Sectarianism too has degenerated into sub-sectarianism. Today Deobandis and Barelvis of the same sect butcher each other with abandon.

The next big shrinkage came when, challenged by the fundamentalists, Mr Sharif capitulated and imposed a cultural censor on PTV. As an aside to this clampdown, the PM also laid siege to Pakistan’s only other television channel via an old fixed of his, Brig Imtiaz. This assault on the modern media has alienated moderate citizens and the PM’s friends abroad. All this, without appeasing the mullahs. As if to highlight Mr Sharif’s retreat, assemblies in Lahore and Peshawar passed stiff resolutions asking the federal government to veer further to the right. In a country where there is more Islamic legislation than in Iran, the last thing remaining intact is the banking system. After the PM’s task force led by PML member Raja Zafrulhaq proposes the banning of bank interest, Pakistan’s already low national savings rate will nosedive.

Mr Sharif took on the judiciary in his drive to accumulate more power. He went the whole hog after his kitchen cabinet had built him up as the saviour of parliament. Then came the showdown, the retreat and finally the complete
detumescence. The PM is now faced with cases in the Supreme Court that could lead to his disqualification.

We are watching the prime minister’s routine act of beginning smaller and smaller till he runs the risk of being replaced. The religious parties, including Mr Sharif’s erstwhile favourite cleric Maulana Abdus Sattar Niazi, are issuing deadlines for the establishment of “khilafat”, Mr Sharif’s band of the faithful is divided into “arain” and “jat” huddles in his bailiwick of Punjab as Shahbaz Sharif runs from pillar to post trying to convince them that his brother is not shrinking. If we had hopes earlier this year of seeing Prime Minister Nawaz Sharif grow in office, the flaws in his personality and his intellectual limitations have undermined all the odds.

(TFT November 21-27, 1997 Vol-IX No.38 — Editorial)

**Washington’s burden**

The significance of the visit of Madeleine Albright, US secretary of state, to Islamabad has been lost in the dust of convulsions on the home front. This is most unfortunate. Such an opportunity to explain our position forcefully to the Clinton administration is not likely to come our way for a long time.

The Americans have shown some understanding of the plight of prime minister Nawaz Sharif after the killing of the four Americans in Karachi recently. We must also expect the US Congress to register the fact that a lot of Americans have lost their lives at the hands of Pakistani nationals. Ramzi Yusuf bombed the World Trade Centre, Aimal Kansi killed two CIA officers in Virginia and seven Americans have so far been murdered in Karachi by unknown terrorists over the last five years.

But Washington must accept the fact that two Islamabad governments have successively helped catch or expel most of the terrorists and drug barons on top of the American hit list. In the aftermath, however, both governments suffered the vengeful fury of militants in Pakistan. Some American sensitivity is therefore required to understand the fact that Pakistan is reaping the whirlwind of the Afghan war it fought on behalf of Washington.

It is true, of course, that Pakistan received ample reward in dollars for being a frontline state against the Soviets. But if one weighs that reward in the scale of what America achieved at the global level by discomfiting its rival superpower via Pakistan, some moral responsibility is still left over with the US. A troubled Pakistan should not be dismissed out of hand by the US as a basket case. Indeed, it should be helped to come out of the mess simply because governments that come to power in Islamabad are not equal to the task of coping with the fallout of the Afghan war.

Washington made a big mistake by pulling out of Pakistan in unholy haste. The US transformed Pakistan into a warrior state by pumping over $ 6 billion into it. But Pakistan’s state institutions broke down under the weight of so much American
attention. In consequence, governance has suffered and people hooked on to easy money have forgotten how to engage in legitimate economic activity. Myopic military dictatorships ruined the polity, and an American-supported dictator queered the pitch for normal social and civil development through savage amendments in the Constitution.

America pulled out of Pakistan in unseemly haste without weaning the state away from the disorder it had brought about during a decade of war. It started to apply tough laws to block aid, forgetting that Pakistan was allowed to acquire a nuclear weapons capability during the Afghan honeymoon. Consequently, no government in Pakistan is able to convince Pakistanis that America’s punitive anti-proliferation measures are evenhanded as Washington leans heavily in favour of India.

Now Washington is advising Pakistan to forget the wars and engage in economic activity. But as Islamabad struggles with the new global economic order, its efforts are being scuttled by terrorism which is directly related to the fallout of America’s Afghan war. Ramzi Yusuf’s diffuse identity of an Arab-Baloch-Iraqi-Irani terrorist was formed by a war in which everyone from Pakistan to Algeria took part and the Islamic militias now challenging the democratic order in Pakistan were spawned by the CIA’s largesse. Under the circumstances, would it not be more effective to help Pakistan out of this crisis rather than to abandon it and rely on US courts to punish individual terrorists?

Pakistan is in a terminal economic and social crisis. It is locked in a bloody dispute with India, and come Americans see the threat of armed conflict in this low-intensity confrontation. They are justified in thinking that if there is an Indo-Pak war it will immediately escalate into a nuclear one because the two countries don’t have a reliable capability of assessing each other’s military intentions. Therefore, isn’t it time for the US to come back from its policy of benign neglect and one-sided negative assessment of Pakistan and preempt disaster through meaningful engagement?

Such engagement would require lifting the discriminating sanctions on Pakistan. The resumption of trade and aid would gradually wean away Pakistan from its frontline mode and allow governments in Islamabad to shore up the country’s military preparedness and cope with terrorism A more activist policy on Kashmir would not only de-escalate the Indo-Pak confrontation but also kickstart Indo-Pak trade.

If the present drift in American policy continues, the consequences may be perilous. Pakistan is fast losing its institutional hold on the situation. The religious parties, sensing that governments in Pakistan have no international support, have adopted a clearly anarchist agenda based on anti-Americanism. The “ugly American” has arrived in Pakistan with a bang.

If Pakistan was used in the 1980s by the US to influence the situation in Afghanistan, the trend in the 1990s is in the opposite direction. The Afghan paradigm is fast overtaking Pakistan which is tilting into civil war and anarchy. This is not a situation in which the Americans can afford to sit it out on the sidelines.
The way out

After a gruelling, six-hour cabinet meeting on Thursday 20th November in which it was finally decided to impeach President Farooq Leghari and drag Chief Justice Sajjad Ali Shah before the national assembly's privileges committee, everyone paused to take stock of the consequences of their decision. Yes, it was plaintively admitted, the PM's "plan" would lead to an irrevocable constitutional breakdown and conceivably provoke martial law.

In the stunning silence that followed, one man who had kept his council boldly raised his hand and suggested an alternative. Yes, yes, speak up, they urged him, hoping against hope for a miracle "solution". The chief minister of the NWFP, Mr Mehtab Abbasi, cleared his throat, looked at the PM with all the sincerity in the world, and said softly: "You could resign, PM".

After the uproar had died down, Mr Sharif turned to the beleaguered CM, spread his hands in mock humility, and asked: "But what have I done? Where is my fault? Why should I be the one to go home"? A pregnant silence ensued. Why should this question have gone abegging?

There is, after all, a rational answer to it. Mian Nawaz Sharif should go home because he is guilty of the premeditated murder of democracy in Pakistan. He is guilty of destroying the legitimacy of the parliament of Pakistan. He is guilty of contemning the Supreme Court of Pakistan and instigating attempted coups against the Chief Justice of Pakistan. He is guilty of attacking the Supreme Commander of the Armed Forces of Pakistan. He is guilty of spreading institutional anarchy and political chaos across the length and breadth of Pakistan. And he is guilty of the most abysmal mismanagement of the economy which has brought it to the brink of breakdown.

The tragedy is all the greater because those who voted for Mr Sharif had such great expectations of him. But he has mocked, humiliated and injured his mandate at every step. The people of Pakistan threw out Benazir Bhutto because they thought Mr Sharif had learnt his lessons and reformed himself. But he has betrayed the people and their hopes like a treacherous enemy. Has he taken leave of his senses?

Mian Nawaz Sharif had everything going for him. The President of Pakistan had swallowed his pride and prejudice to extend the hand of friendship and cooperation to him. But Mr Sharif has chosen to impeach him for upholding the constitution and protecting the national interest. The Chief Justice and the Supreme Court of Pakistan upheld the dissolution of Benazir Bhutto's government and paved the way for the elections so that he could become prime minister. But Mr Sharif has sown
bitter divisions in the ranks of the Supreme Court and brought it into acute disrepair.

The people of this country rejected Benazir Bhutto and reposed their trust and faith in Mian Nawaz Sharif so that he could give them peace of mind and security of life. The people yearn for governance, not power play; they yearn for stability, not disorder; they yearn for cohesion, not confusion. But Mr Sharif has gifted us with soaring inflation, unemployment and violence in equal measure. What is he going to do now, what last-ditch attempt will he make to stop the sky from falling on his head? What further havoc will he wreak on the hapless institutions and people of this country?

It all began with Mr Sharif's obsession with a Saudi Arabian type of summary justice system which would have direly threatened, even destroyed, our age old institutions and traditions of justice and law. The Chief Justice cautioned him, even promising to meet the same objective of speedy justice within the parameters of the existing system. But no, Mr Sharif insisted on having his way. Then he wanted to pack the Supreme Court with handpicked judges, an offence for which Ms Bhutto had to pay dearly. When the chief justice resisted, Mr Sharif conspired to have him overthrown by his brother judges. When that failed, he tried to personalise the constitution and save himself from being convicted of contempt of court. He now threatened the President with impeachment if he didn't go along with him. When the President dug in his heels, Mr Sharif sent an SOS to the COAS, General Jehangir Karamat, and begged him to intercede on his behalf. [This, from a prime minister who has cried himself hoarse emphasising the "supremacy" of parliament.] However, after the COAS arranged a cease-fire to enable Mr Sharif to step back from the brink, the prime minister did not let up on his madness. In another mad move, he tried to inspire another coup against the chief justice and failed. How can anyone or any institution feel secure in the presence of a prime minister such as Mian Nawaz Sharif?

If Mr Sharif wants a "solution" to a crisis exclusively of his own making, he should make way for a more sane, rational, reasonable and efficient incumbent of the prime ministerial chair. If he cannot bring himself to do that, someone should have mercy on us and show him the way out.


The inside story

Who is to blame for this unprecedented political and constitutional crisis?
Seven days that shook Pakistan

"This crisis would be easily resolved if President Farooq Leghari cooperates with us and signs the bill immediately", said an irate prime minister Nawaz Sharif on
November 19th. Mr Sharif was referring to President Leghari's reluctance to sign the Contempt of Court Bill approved by parliament two days earlier which sought to protect members of parliament retrospectively from the purview of proceedings for judicial contempt.

Under the constitution and law, of course, the President had done nothing wrong. He is entitled to sit on a bill for 30 days before signing it or returning it to parliament for review.

Prime minister Nawaz Sharif's statement was universally interpreted as an open threat to impeach President Leghari. It was ominous because the PM had deliberately sought to utter his stinging accusation even as COAS General Jehangir Karamat was, at the explicit request of the PM, meeting with President Leghari at the Aiwan i Sadr that evening to try and sort out the constitutional deadlock. If the PM's statement was designed to throw a spanner in the mediatory efforts of the COAS, it succeeded in its objectives. The next day, the CJ stayed the application of the law and parliament retaliated by proposing the impeachment of the President and summons to the CJ to appear before the privileges committee of parliament for "contempt" of parliament. A constitutional breakdown was imminent.

President Leghari's conduct

Mr Sharif's accusation was subtly buttressed by off-the-record briefings by minions of the PM to select sections of the press: President Leghari, it was darkly whispered, was not playing ball because he wanted to negotiate another term in office! The idea was to justify the PM's attack by painting the President as a man obsessed with a second term to the point of jeopardising the political system. Nothing could be further from the truth.

The same sort of blackmailing pressure on the President had been brought to bear via sections of the press seven months earlier when Mr Sharif decided to move against the 8th amendment and successfully created the public impression that President Leghari's "overbearing manner" had created problems for the smooth running of the PM's party and government. At that time, it was alleged that by appointing Mr Shahid Hamid as Punjab Governor instead of Mian Azhar, President Leghari had acted in "bad faith". This, despite the fact that (a) The President was within his constitutional rights to appoint a Governor at his discretion. (b) Mr Shahbaz Sharif and Mr Nawaz Sharif had both personally gone to President Leghari to recommend the appointment of Mr Shahid Hamid as Punjab Governor (as a quid pro quo for many services rendered by Mr Shahid Hamid to Sharif & Co during the caretaker administration) even as they were both wringing their hands in feigned despair and telling Mian Azhar exactly the opposite.

The allegation that President Leghari has always been interested in a second term and has tried to negotiate it by various stratagems has become especially shrill these days. Even respected newspaper columnists have succumbed to this disinformation game and begun to voice it as a given truth in their effort to find answers to the present impasse between the Chief Justice and the Prime Minister. But, if truth be told, that is far from being the case.
Mr Leghari has never played on the issue of a second term at any stage either before or after Mr Nawaz Sharif's electoral victory.

If President Leghari had been interested in a second term at the cost of his political integrity, he would hardly have incurred the wrath of Benazir Bhutto much before he actually plucked up the courage to dismiss her from office. He was handpicked by Ms Bhutto precisely because she thought he would play ball with her to the end and the two of them would help each other get a second term in 1998. President Leghari's refusal to sacrifice national interest at the altar of personal ambition alienated him from Benazir Bhutto first and Nawaz Sharif now.

During a meeting with President Leghari after the February 3rd elections and before his swearing in as prime minister, Mr Sharif called on President Leghari to thank him for holding the elections on time and asked if there was anything he could do to "repay him" for his "kindness". "If it hadn't been for you, President Sahib", he said, "I wouldn't be prime minister today!". When Mr Leghari shrugged and replied that he had merely done his constitutional duty and was owed no special thanks by anyone, Mr Sharif promptly made bold to offer him a second term, upon which President Leghari remarked: "Mian Sahib, please don't embarrass me. I have not even thought of any such thing and I have almost a year to go as President". [This conversation was reported to me personally by Nawaz Sharif over a breakfast meeting with him at the PM House in Islamabad a few weeks after he became prime minister. Mr Sharif was most lavish in his praise for President Leghari.]

The issue of a second term for President Leghari came up in April again — this time when Mr Sharif flew to President Leghari's ancestral home in DG Khan to inform him of his decision to undo the 8th amendment. Mr Sharif was visibly tense on the special flight to Choti that afternoon. On the flight, he took a senior bureaucrat close to President Leghari into confidence about the purpose of his visit. "How will the President react", asked the PM, "will he resist the move"? "Don't worry, Mian Sahib", assured the bureaucrat, "the President might be a bit surprised at this sudden decision but he will accept it without hesitation". "Why don't you first broach the subject with the President when we meet him before I raise it with him?", suggested Mr Sharif anxiously. "There's no need for it, you should talk to him directly, there will be no problems", replied the bureaucrat.

When Mr Sharif landed up at the President's residence, the President and he retired into a room for a meeting after the pleasantries with the PM's entourage were over. Mr Sharif came to the point straight away: "We have decided to undo the 8th amendment tomorrow, Mr President", he said, "and I have come to get your blessings". The President looked at him squarely and nodded. "Have you discussed this with the other people", he asked. "Yes", said Mr Sharif, "I met the COAS and he raised no objections". "It's fine by me", said the President, "I used it with a heavy heart last November".

Thanking the President profusely for his "graciousness", Nawaz Sharif got up and began to pump his hand. "How can I ever repay you for your kindness", he told the President, "we would like you to stay for a second term". The President cut him short. "Please don't embarrass me, Mian Sahib, my approval is not contingent on
getting a second term”. [The gist of what transpired at Choti, including who said what, was reported to me by Nawaz Sharif in a lunch meeting with him at the PM House in Islamabad shortly after the 13th amendment was passed. Mr Sharif was overflowing in his praise for Mr Leghari.]

President Leghari promptly signed the 13th amendment bill when it was presented to him, despite the fact that it aimed to remove all his major powers. He did so because he believed that that was what the nation wanted and because he thought it would be in the best national interest.

Two months later, the President went on to sign the 14th amendment bill without any hesitation, even though he personally felt that it transcribed certain fundamental rights of personal dissent enshrined in the constitution. He signed on the dotted line for two reasons: because every MNA and Senator had decided of his own will to curb his own freedom and because the amendment did not curb the fundamental rights of any other Pakistani.

**Nawaz Sharif Vs Sajjad Ali Shah**

Next came the issue of the anti-terrorist courts in August. It was publicly known that the CJ, Justice Sajjad Ali Shah, was opposed to a law such as the one proposed by Mr Sharif on the ground that it violated fundamental rights enshrined in the constitution and because it sought to set up a parallel system of justice against which no appeal had been allowed. In discussions between the PM and Justice Shah, Mr Sharif was assured by the CJ that if he dropped the idea of the anti-terrorist courts, the CJ would insure speedy justice (within days) for heinous crimes through the normal courts and laws of the country. This commitment was made by the CJ to the PM in the presence of the elderly editor-in-chief of a Lahore Urdu newspaper who is close to the Sharif family.

Nonetheless, Mr Sharif spurned the CJ’s advice, went ahead with the law and put it up to the President for signature. The President didn’t hesitate to sign it probably because he did not think the PM’s motives were malafide. If the President had been in cahoots with the CJ, or if his own motives had been suspect, or if he had wanted to bargain with the PM over a second term, he might have dragged his feet over it. But he didn’t because his motives were above board.

Then came the government’s notification reducing the strength of the supreme court from 17 to 12 judges. The President was readying to go to the airport when the D-G Law presented the file containing the notification to him. The President checked the government’s summary which clearly noted that proper “consultation” had taken place. Then he signed it. Later, when he was informed by the CJ that proper consultation had not been sought or obtained by the government, the President was irked by the fact that the government had lied to him writing in order to obtain his signature. According to legal experts, the fact of lying could have become the basis of a case against the PM. In the event, however, the President merely admonished the Law Minister, Mr Khalid Anwar, and implored the PM to avoid such "misunderstandings" again. The matter was subsequently taken up by the CJ with the PM and the government was obliged to retract that notification.
The issue of the five judges now came to the fore. It was the CJ's view that, as per the March 1996 Judges Case, the selection of the five judges rested squarely in the hands of the CJ. Accordingly, he asked the President to ask the government to notify the five judges in question. The President did as he was asked to do under law by the CJ. But the government refused to oblige in the 30 days allowed for this purpose.

The CJ and the PM now went into a huddle in order to resolve the issue. "Take three judges of your choice and two of ours", offered the PM. But the CJ was in no mood to "bargain" like a shopkeeper where his legal rights were concerned. As the wrangling continued, the press woke up to the fact that a serious conflict between the CJ and the PM was potentially on the cards. Statements from both sides in defence of their views began to fly thick and fast.

The PM now asked both the President and the COAS to try and persuade the CJ to "compromise" with him. He also asked them to stand "guarantee" that the CJ would not use the new judges to disqualify him on charges of corruption pending in the Supreme Court. Both the President and the COAS were now put in an awkward position. How could they "guarantee" that the law could and would be abrogated by the CJ when the corruption cases against the PM came up for hearing in the supreme court?

Abortive coup against CJ

The President finally succeeded in arranging a meeting between the PM and the CJ in the Aiwan i Sadr after the CJ's return from Umra in mid-October to resolve the issue amicably. But before that meeting could materialise, the situation took an ugly turn, thanks to the PM. While the CJ was away, the acting CJ, Justice Ajmal Mian, along with six other SC judges, decided to accept an overnight government reference to determine how the issue of the 5 judges should be resolved. They said that they had not been consulted by the CJ and expressed opinions contrary to those of the CJ. This conspiratorial development was described by various commentators as an "attempted coup" against the CJ at the behest of the government. It was patently malafide. It is now known that Punjab Governor Shahid Hamid and Punjab Chief Minister Shahbaz Sharif flew to Karachi to personally initiate the conspiracy against the CJ, with Mr Shahid Hamid exploiting his "friendship" and past affiliation with the President to misrepresent the case for conspiracy before the disgruntled judges.

When the CJ was apprised of developments at home, he was compelled to cut short his visit to Mecca, fly back to Pakistan in the early hours of 13th October and nullify the "attempted coup" against him by fellow judges in cahoots with the government. Matters worsened when the dissenting judges released copies of their letters to the President complaining about the CJ's overbearing attitude. This demonstrated an unfortunate division in the SC prompted by the PM. The CJ had determined to strike out for independence from the executive while the six disgruntled judges had been nudged into brazenly siding with the government.

The CJ had simply asked for the fulfillment of a constitutional obligation. The PM's refusal to notify the five judges deepened the conflict. Consequently, a meeting between the President, PM, CJ and COAS (along with DG-ISI) was now
mooted at the Presidency at 9 pm on 28th October. During the meeting, it is learnt that the PM offered 2 judges immediately but was noncommittal about the other 3. He also expressed his indignation to the CJ for not outrightly dismissing the corruption cases against him in "chamber". Shocked at the suggestion, the CJ is learnt to have told the PM that due process of law could not be avoided by the apex court. He is also said to have warned the PM that if he insisted on his views, the situation could "recoil on him" badly. At one stage during the meeting, it is learnt that the CJ turned to the President and COAS and warned them that they were bound by the constitution to come to the SC's assistance if ordered to do so under article 190. No "deal" was therefore possible.

**CJ and PM strike out**

Next morning, however, the newspapers reported, on the basis of late night briefings by the PM House, that some sort of "deal" had been struck between the PM and the CJ. Clearly, the idea was to put the CJ on the spot by raising public expectations that the matter had been "settled" and then blaming the CJ for having "backed" out of his word if he went ahead and did something "untoward". But the CJ was in no mood to be cowed down by any disinformation campaign or pressure. The same morning, therefore, a three member bench of the SC headed by the CJ stayed the application of the 14th amendment to the constitution.

All hell now broke loose in the PML parliamentary party meeting at the national assembly. Egged on by the PM, the Law Minister, two former law ministers and two retired supreme court judges, Muslim Leaguers laid into the CJ for "breaking his word" and challenging the "supremacy" of parliament.. Mr Nawaz Sharif then held a press conference in the national assembly in which he said that the judgment was "unconstitutional". Among other contentious things, he also said that the SC judgment had opened the floodgates to "lotacracy" in the country. Later, various members of parliament stood up in the house and blasted the SC and the CJ for "challenging" the supremacy of parliament. At one stage, they were warned by Mr Aftab Mirani of the PPP that they were violating the constitution by their contemptuous remarks and speeches. But they were in no mood to listen. The deputy speaker of the assembly later expunged their derogatory remarks from the record of the assembly. But the damage had been done. PTV, in particular, went overboard that evening by its contemptuous rendering of the SC's judgment.

The CJ was now compelled to order the President to notify the 5 judges immediately. The CJ was also compelled to accept a petition for contempt of court against the PM and several of his parliamentary colleagues, including PTV's bureaucrat-MD and politician-Chairman. The President consequently came under pressure from the CJ to issue the notification immediately.

But the President did not issue the required notification immediately. He advised the PM and his advisors (Law Minister and Chief Minister Punjab) to comply with the law. He still hoped that the government would realise its follies, step back and issue the notification itself in order to forestall a bigger crisis. Fortunately, two days later, the government backtracked and did the needful. Everyone now heaved a sigh of relief and hoped that the matter had come to an end, not realising that the other matter of contempt of court was still hanging fire.
The CJ, of course, did what was expected of him in the legal circumstances. He called the accused, including the PM, before the court and asked them to explain their conduct. Contempt had clearly taken place. An apology that day would have quashed the proceedings and ended the matter. But the PM and his colleagues were on a high horse. They were in no mood to tender an apology to the highest court in the land. Instead they demanded that the charges against them be framed by the SC so that they could contest the petition. They resented the fact that the mighty PM had been called in person to attend the court proceedings. And in inter-party meetings, they reverted to form by beating their chests and abusing the CJ.

The CJ gave them two days of opportunity to apologise and end the matter. "Have you read section such and such of the Rules of the SC", he asked Mr S M Zafar, the PM's defense council, "it says that if you apologise the court may consider dropping the proceedings". Instead, Mr Zafar sidetracked the issue of apology by pleading that the petition should be dropped in the best interests of every one. The PM clearly had something up his sleeve.

This became clear soon enough. The PM had decided to try another tricky route to save himself from conviction for contempt by the CJ. He now sent the Law Minister to the President asking the President to give his prior assent to a law which the PM proposed to promulgate amending the contempt of court law. The President advised them not to do any such thing and aggravate the crisis. He said that he would not be a party to it if it was patently malafide. However, the Law Minister prevailed upon the President to agree to see the draft when it was ready so that his suggestions could be incorporated into it before it was sent to Parliament for promulgation.

The President waited to see a copy of the draft but none was forthcoming the following day. The next evening, the Law Minister called him up to say that the law had been drafted and sent to parliament for promulgation. "We will send it to you for signature tomorrow", he apologised lamely.

The President was understandably angry. They had promised to have the law vetted by him before sending it to parliament so that no future problems could arise. Now they were presenting him with a fait accompli!

That evening, Parliament was ordered to pass a bill amending the contempt of court law under which the PM and his colleagues were charged before the Supreme Court. Under the new law, they could have escaped punishment even if the SC bench under the CJ had convicted them for contempt. The law was transparently malafide as it sought to retrospectively absolve the PM and his colleagues of the charges against them. It would also have wrought havoc with the law by granting an automatic "stay" on an appeal in any of the scores of diverse litigations before the SC.

**President and COAS enter the fray**

The next day, the Law Minister and the Chief Minister Punjab came to the Presidency clutching the law and asked the President to sign it. When he saw the bill, the President expressed his sincere doubts and objections to the law. He was convinced that it was malafide and that it would be struck down by the SC, thereby
aggravating the crisis. He told the PM's emissaries that he could not, in all conscience, sign it without taking a long, hard legal look at it. "But what shall we do", the PM's emissaries pleaded, "if you don't sign it immediately, tomorrow the CJ might convict everyone and put them into prison!". Then they urged the President to help them find a way out of the problem.

The President thought about it and suggested one way in which a crisis could be averted. He asked: Why don't you buy some time from the CJ so that everyone can sit down and sort out this matter coolly and dispassionately and in the best national interest? Yes, yes, that's a good idea, they agreed, why don't you talk to the CJ, the y implored the President? The President said that he would do his best. In the meanwhile, he begged them not to get up to any more conspiracies against the CJ.

But the PM broke his promise and jumped the gun the following day. Even as the COAS was meeting with the President to mediate the conflict, at the PM's request, the PM launched a public attack on the President, warning him of impeachment if he didn't sign the law.

The next day, the CJ took matters into his own hand and stayed the application of the controversial law. The PM retaliated the same evening, collected 170 signatures from members of the national assembly and senate and readied to make good his earlier threat of impeaching the President and dragging the CJ before the parliament's privilege committee. The system was about to break down irrevocably on November 20th when the COAS intervened and requested all parties to observe a cease-fire.

Who is solely responsible?

The sequence of events and the public positions taken by the key players suggest that the prime minister, Nawaz Sharif, is solely responsible for bringing things to such a sorry pass. On at least four significant occasions he misled the President or conspired to undermine him and the CJ. First, on the issue of the notification reducing the strength of the SC from 17 to 12 judges; second, by instigating an attempted coup within the SC while the CJ was out of the country; third, by promising to show him the draft of the amended contempt of court law before sending it to parliament but doing the opposite; and fourth, by publicly threatening him with impeachment if he didn't sign the law even while requesting him to mediate with the CJ and talk to the COAS of a possible solution.

Obsessed by his quest for absolute power and blinded by his so-called "mandate" in which he received only 17 per cent of the registered vote of this country, Nawaz Sharif has irrevocably alienated the very troika of President, CJ and COAS that paved the way for his return to office. In the process he has mangled the constitution, divided the judiciary, disrupted economic recovery and brought the system of parliamentary democracy to such gross disrepute that it has had to be saved from itself by the army. If the system is unable to recover from such crushing blows, Nawaz Sharif and many others of his ilk may have to pay a heavy price for murdering our fledgling democracy.

The allegation that President Leghari has always been interested in a second term and has tried to negotiate it by various stratagems has become especially
shrill these days. Even respected newspaper columnists have succumbed to this disinformation game and begun to voice it as a given truth in their effort to find answers to the present impasse between the Chief Justice and the Prime Minister. But, if truth be told, that is far from being the case.

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(TFT Dec 05-11, 1997, Vol-IX No.40 — Editorial)

Peoples democracy

The resignation of Mr Farooq Leghari as President of Pakistan on November 2, came as a "surprise" to many. This was because Mr Leghari made no significant attempt to convey his views to the press or correct the government's disinformation campaign against him. Indeed, Mr Leghari's "spokesman" limited himself to a few short denials instead of lengthy explanations of the President's conduct on a number of critical occasions. Mr Leghari's argument for not going public was simple: he did not wish to add fuel to the fire at a time when his efforts were still directed at seeking an honourable compromise between PM Nawaz Sharif and CJ Sajjad Ali Shah.

But to those in the know, a presidential resignation was increasingly on the cards as the storm gathered momentum and President Leghari found himself stranded in no man's land between an obdurate CJ and an aggressive PM. However, it can now be confirmed that Mr Leghari formally offered his resignation to the PM two weeks ago when the following gentlemen gathered together for a meeting at the Presidency: PM Sharif, speaker Soomro, chairman senate Sajjad, law minister Anwar and COAS, General Karamat. President Leghari explained why, in all conscience, he could not agree to a reference in the Supreme Judicial Council against the CJ. He also explained why he thought the amendment in the contempt of court law was constitutionally malafide. He offered his resignation so that the government could proceed to amend the constitution and throw out the CJ. However, when the army chief and the PM protested and rejected his proposal out of hand, it was agreed that a ceasefire would be called again and the army chief would meet the CJ and request a postponement in the hearings of the cases against the PM.

We all know what happened next: the ceasefire was violated when a two member bench of the SC in Quetta suddenly accepted a writ petition challenging the appointment of CJ Shah and ordered his suspension without assigning reasons. This was followed by further attacks on the CJ: unruly scenes in the Supreme Court followed by a mob assault instigated by the government and led by ruling party members. The final nail in the CJ's coffin was hammered by one of the rebellious judges in Peshawar when he called a "full court" session of the SC to overthrow the CJ.
When the CJ wrote to the President asking him to provide protection under article 190 of the constitution, what could the President do? The government's assurances had been violated with impunity. The CJ was also well within his rights to seek assistance under given constitutional provisions. President Leghari therefore directed the government to ask the army to protect the CJ. The government refused. The CJ made the same request to the army chief. The army chief passed on the CJ's request to the defence minister. The ministry refused. The PM now went to the nation and accused President Leghari of conspiring with the CJ to undo his government.

With accusations flying thick and fast, President Leghari took stock of the rapidly deteriorating situation. He decided he could no longer play any mediatory role between the PM and the CJ because the PM had gone so far as to cast serious allegations against him too. He therefore decided to resign on the morning of Dec 1. But he was persuaded by his aides to hold back his decision pending the outcome of the initiatives of the Supreme Court Bar Council to arrange a "settlement" between the CJ and the dissenting judges. By late afternoon that day, it was announced that a settlement had been affected. The President was now persuaded to defer his decision to resign and wait for the agreement to manifest itself in the SC. However, by evening, it was announced that the agreement had broken down and fireworks could be expected in court on Nov 2. Once again, the President made ready to resign if the matter between the government and the CJ was not settled amicably.

On the morning of Dec 2, there were two benches in the SC, each purporting to be the Supreme Court itself. Justice Shah shot down the 13th amendment. Within minutes the dissenting judges shot down his judgment and proclaimed Justice Ajmal Mian the acting CJ. The government immediately sent a summary to President Leghari asking him to notify Justice Ajmal Mian as the acting CJ. The President was deeply embarrassed by Justice Shah's suspension of the 13th amendment. He had said time and again that he did not want his powers under the 8th amendment restored because he had decided on principle never to use such powers to dismiss a government again. Now it would appear, he reasoned, that he had conspired with Justice Shah to acquire the same powers because he wanted to dismiss the government. There was therefore only one honourable course of action open to him: resign immediately. Some of his aides tried to dissuade him by saying that the fact that he would not dismiss the government despite possessing the power to do so should prove that there was never any conspiracy on his part to undo Mr Sharif.

But the President was unmoved. His counter argument was simple: the government had formally asked him to denotify Justice Shah as CJ and appoint Justice Ajmal Mian as the acting CJ. He could not do so because he believed it would be a travesty of the law and the constitution which he had pledged to uphold and protect. No, he insisted, it was time to go home because he could no longer sit in the Presidency and sign the death warrants of the judiciary. The question of being impeached if he didn't sign on the dotted line did not bother him for a minute. Indeed, he relished the opportunity to address parliament and "go down fighting" for a good cause. But that course of action was rejected because it would have prolonged the
Many of Mr Leghari’s actions in the first two years of his Presidency were indefensible because he chose to be more loyal than the Queen. However, he stood his ground when Ms Bhutto tried to demolish the judiciary. Since then, all his actions have been constitutionally valid and consistent, including the dismissal of his mentor’s government which he did most reluctantly. His caretaker regime was under tremendous pressure from all sorts of forces, including sections of the press, to postpone the elections, carry out ruthless accountability, to debar both Ms Bhutto and Mr Sharif and to put the economy on the rails again. But he stuck to the constitution and put elections before accountability, in the process antagonising those who felt that all politicians were corrupt and accountability was the need of the hour. He was criticised for relaxing election rules so that the leaders of the two main parties could contest the polls. But he had no choice: if he had debarred Bhutto and Sharif the elections would have lacked all credibility. He was harangued for his choice of certain caretaker ministers and governors. But this was not an unforgivable lapse in view of the limited and non-heroic objectives of his administration.

Later, he went out of his way to pave the path for Mr Sharif’s new government. He had no objection when Mr Sharif decided to get rid of the 8th amendment. He signed on the 14th amendment even though he had some qualms about it. But when it came to the independence of the judiciary, he would not be swayed, as in 1996. At all times, he was careful to give advice to the new government only when it was sought. He cautioned Mr Sharif not to clash with the CJ over a minor issue like the elevation of five judges to the SC in which the CJ was well within his rights. He tried to play the role of a mediator until Mr Sharif, obsessed by power and haunted by demons, lashed out at him and made his position as President untenable.

Some people don’t like Farooq Leghari because of his political background as a Piplia. Some are alienated from him because he is “Sardar of the Legharis”, an unhappy reminder of colonial largesse. Others complain of his stiff, even haughty demeanour. One should not quibble over such half-truths. The fact is that Mr Leghari remains amongst the cleanest politicians in Pakistan. The fact is that he sacrificed his life-long friendship and association with Ms Bhutto for the sake of the country. The fact is that he did not allow his own political ambitions in late ’96 to thwart the will of the constitution. The fact is that he stood up for the judiciary against the encroachments of power hungry PMs like Ms Bhutto and Mr Sharif. The fact is that he refused to compromise on the rule of law in exchange for a second term in office. The fact is that he chose to resign from the highest office in the land when he could no longer bring himself to sanction the murder of the constitution. How many politicians can lay claim to such attributes in this hapless country? Farooq Leghari may be out but he is by no means down. At 58, he will be up and about in no time. And that is, perhaps, the way it was meant to be.

A fair judgment on Justice Sajjad Ali Shah will take time to come. For the moment, his detractors will hold the ground. But history has a funny way of mocking the present. In the end, when all the facts are available, when all the
conspirators have been identified, and when political or personal provocations have been sifted from the inherent rights of the judiciary, Justice Shah will be acknowledged, however grudgingly, as the first, true liberator of the judiciary in Pakistan.

PM Nawaz Sharif has now become all powerful. For him, it is a dream finally come true. For some of us, it could become a recurring nightmare. It is instructive that Mr Sharif should have dug in his heels and risked his all over a minor matter such as the issue of the five judges. It is even more ominous that he should have staked the country's judicial and economic stability merely out of pique or the arrogance of power. Those who are celebrating his victory should pause and reconsider the consequences of budding fascism, which has historically paraded as the ultimate form of peoples democracy. Mr Sharif has destroyed the bureaucracy and the judiciary. He has decimated the opposition. If there is any unshackled institution left, it had better watch out. Sooner or later, Mr Sharif's instinct for devouring institutions is bound to focus on it. That is when the real fun will begin. We hope and pray that those who gallantly stood by Mr Sharif in his hour of need will not rue this day for a long, long time to come.

(TFT Dec 12-18, 1997, Vol-IX No.41 — Editorial)

**Shut up, or else**

General (retd) Iftikhar Ali Khan, the former Chief of General Staff and the current defence secretary, has made a pithy statement explaining the role of the army during the recent crisis. "After the removal of the 8th amendment, the army has taken its orders from the Prime Minister and not the President", he said, "The army's positive role during the crisis would be remembered forever."

We couldn't agree more with his assertion that the army takes its orders from the PM. But we wonder whether there was any need for the defence secretary to fish in such troubled waters. Indeed, we are intrigued by the sting in the tail of his observations. He seems to suggest that the army took sides in the recent crisis, "positively" backing the PM and refusing to obey President Leghari's orders. Surely that was never the case at any stage of the conflict.

When did President Leghari ever issue any order to the COAS, let alone ask him to override the PM's orders? Indeed, when the Chief Justice of Pakistan invoked article 190 of the constitution and asked President Leghari to order the army to provide protection to the supreme court and the judges, Mr Leghari wrote to the PM, and not to the COAS, in furtherance of the CJ's request (although it is a moot point whether or not Mr Leghari could have legitimately addressed the COAS directly). Nor did Mr Leghari ever ask the COAS to shunt out the government after the suspension of the 13th amendment on the fateful morning of 2nd December, as implied by the defence secretary. If the President had done so, and if the COAS had refused to obey his order, the COAS could hardly have then asked Mr Leghari not to resign as President of
Pakistan, as clarified by a strong statement from the ISPR noting that the COAS had "repeatedly" requested Mr Leghari to stay on. The defence secretary's statement is all the more unfortunate because it seems to put the ISPR in an awkward situation on more than this count. Throughout the crisis, it may be recalled, the army's spokesman was at pains to clarify that the army was acting "neutrally" (read "lawfully") rather than taking sides.

There are other statements from the government's side which are also disquieting. It seems that this government is bent upon portraying perfectly valid opposition to its policies from its critics as some sort of an unholy "conspiracy". The President who wittingly paved the way for Mr Sharif's return to power with a "historic mandate", who "graciously" (the PM's words) signed away his powers under the 8th amendment without a second thought, who refused three offers by the prime minister for a second term, has overnight become an arch "conspirator" because he was opposed to committing illegalities at the PM's behest. The CJ who was lauded by Mr Sharif for upholding the cause of the independence of the judiciary in March 1996, who was saluted by Mr Sharif when he refused to restore Benazir Bhutto to power in 1997, has now become a "conspirator" simply because he chose to apply the same laws and rules to the new prime minister. Worse, those among the independent press who were courted by Mr Sharif when they criticised the Bhutto government for its many self-created crises are today being branded "conspirators" by paid hacks of the information ministry for daring to apply the same independent standards to this government.

In fact, if the charge of "conspiracy" is to be fairly made, it should be levelled against those who bent the law and constitution to serve their vested interests, those who want to hold Benazir Bhutto accountable for her sins but who refuse to submit to accountability themselves, those who instigated bitter divisions amongst the judges and those who led the shameful, premeditated mob assault on the supreme court of Pakistan.

We are alarmed that the crisis has made a mockery of the law and constitution. Article 190 of the constitution, which says that "all executive and judicial authorities throughout Pakistan shall act in aid of the Supreme Court", has been rubbed, as has Article 204, which deals with contempt of court. Articles 177 and 191, which outline the powers of the chief justice of Pakistan and the rules of business of the supreme court, including the deposition of a judge of the high court or the supreme court and the appointment of a chief justice, have been impunely outlawed. The status of the chief justice of Pakistan now hovers ridiculously between "suspension" and "restraint", whatever these words may mean. And the legitimacy of the PM and the rump SC is based on the application of highly dubious laws with unprecedented, retrospective effect.

Those who are celebrating Mr Sharif's "victory" should pause and reconsider. He has irrevocably politicised the bureaucracy and judiciary. He has decimated the opposition. He has transformed the state into government. Sooner or later, he will try to shackle the independent press. That is when the champions of "democracy" amongst us will be ordered to shoulder the burden of his "mandate" and shut up. Or else.
Mr Sartaj Aziz has recently promised an economic revival within months. But independent economists and World Bank officials insist that the economy is in a "perilous" condition. Nor, despite an array of incentives, is the business community terribly sanguine about its prospects. What are the facts?

Mr Aziz's hopes of an economic upturn, ironically enough, were pinned on agriculturists rather than businessmen. He thought the cotton crop, which accounts for over 55% of our exports, would tip the scales at 11 m bales and add 1% to our growth rate this year. But that is not going to happen. We would be lucky to get 9 million bales. Mr Aziz's prayers for a bumper wheat crop are also not likely to be answered. Taking Kabul's requirements into account, we might have to import at least 3m tonnes this year, which is double Mr Aziz's heroic forecast.

Mr Aziz has recently doled out some "reassuring" statistics. But no one is fooled. He claims that revenue collection will be only "slightly" off-target in the first six months of the fiscal year. But CBR sources say that it was already Rs 33 billion (25%) short of target by end November. At this rate, we are looking at a fiscal deficit of 7 per cent in June 98 instead of the 5% forecast.

Mr Aziz has talked approvingly of our level of reserves. He also claims the trade deficit in the first six months of FY 1997-98 was lower than that in the corresponding period last year. But he is obscuring the facts. Our reserves fell by alarming amount of US$ 320 million during November. Furthermore, there is no justification in juxtaposing the trade deficit of 1996 —the worst year in economic history — with that in 1997 which is supposed to become a good year! Despite a recent devaluation of over 8%, exports have increased by only 7.8% as opposed to a target of 15%

Mr Aziz's government has now unfurled a new "investment policy". This is supposed to attract foreign investors into Pakistan by the droves because it offers tax holidays and low tariff structures. But these "incentives" will adversely affect the government's revenue collection measures. They also fly against the agreement with the IMF last October which clearly forbids the sort of tax havens outlined in the new investment policy. Clearly, the government's right hand doesn't know what its left one is doing. How is Mr Aziz going to explain this transgression by the Board Of Investment to the IMF when the next aid tranche comes up for review?

Mr Aziz is likely to face similar problems with the World Bank when a review is undertaken of the downsizing promises made by the federal government. Mr Aziz had agreed to "rightsize" the federal government by one-third (100,000 employees) by end-November. This golden-handshake is now proving prohibitively expensive. The World Bank had offered US$ 250m out of the US$ 750m required.
But the treasury is empty and the scheme has evaporated into thin air. Worse, it transpires that a majority of applicants come from the very social sector departments of the government which are already understaffed by WB standards! The same sort of muddled thinking is evident in other areas of downsizing: for example, the national assembly was told that UBL employees would not be retrenched even as UBL was insisting before the courts that there would be no let up in its firing policies.

Meanwhile, the financial problems of WAPDA, KESC, SNGPL, SSGPL etc are hanging fire. A vicious "triangular debt" has trapped these organisations in bankruptcy. WAPDA alone has a deficit of over Rs 60 billion. For months, the World Bank and the IMF have insisted upon power rate hikes of 25%-50%, followed by early privatisation of these companies. Yet Mr Aziz is still dithering about giving the green light.

Pakistan's debt servicing liability is Rs 248 billion this year, only slightly less than the total revenue collection forecast. If the economy does not pick up, next year's debt repayments will exceed projected revenues. In the event, government expenditures on development, defence and administration will have to come exclusively from bank borrowings and money printing. Bank borrowings will squeeze credit for the private sector, push up interest rates, reduce investment, increase the fiscal deficit and raise the debt burden. Money printing will fuel inflation. That is when we will default on our foreign payments and face economic collapse.

The rupee is under strain. If Pakistanis pull out even 10% of their US$ 9 billion dollar deposits, the exchange rate will collapse, hyper inflation rates of over 100% will throttle the urban poor and middle-classes and we will be faced with riots, chaos and anarchy. A glance at the market meltdown in South Korea is instructive. The 11th largest economy in the world was propped up by a US$ 57b package from the IMF last week. Yet, as The Economist points out, "every morning when the currency markets open, the won collapses within minutes to the maximum amount of 10% allowed against the dollar. Then, the stockmarket follows suit. As riot police line up outside the banks, anxiety is turning to outright panic".

*(TFT Dec 26-01 Jan, 1998, Vol-IX No.43 — Editorial)*

**Another nail in the coffin**

The presidential nomination of Senator Rafiq Tarrar, a retired judge, has stunned everyone, including members of the ruling party. As usual, prime minister Nawaz Sharif didn't think his cabinet colleagues worthy enough to be taken into confidence before he pulled his candidate out of Abbaji's hat. However, the most disagreeable aspect of this episode is the contemptuous manner in which Mr Sharif decided to junk front-runners Sartaj Aziz and Wasim Sajjad. Both gentlemen have a long and notable history of service to the Muslim League and both had been given to
understand that they stood a good chance of being nominated. We are also
intrigued why, when Mr Shahbaz Sharif had clearly indicated that the Muslim
League's candidate would belong to one of the smaller provinces, Mr Nawaz Sharif
has found it necessary to thrust another die-hard, low grade Punjabi on the nation.

Mr Tarrar's reputation precedes him. As a small-time lawyer in Gujranwala, he
would not have become a Sessions Court judge in 1964 if the former Unionist Party
leader, Chaudhry Mohammad Hussain Bhinder, father of the then Speaker of the
West Pakistan Assembly and current Senator, Anwar Bhinder, had not interceded
on his behalf with the powerful Punjab Governor, the Nawab of Kalabagh, Malik
Amir Mohammad Khan, when Mr Tarrar failed to make the grade in the judicial
examinations. Mr Tarrar's active membership of the Majlis-i-Ahrar-i-Islam before
1964 also remains problematic — the Ahrar chief, Syed Ataullah Shah Bokhari,
opposed the creation of Pakistan while another Ahrari leader, Mazhar Ali Azhar, is
quoted in the famous Justice M. Munir Report in 1952 as saying that Mohammad Ali
Jinnah, our beloved Quaid i Azam, was "Kafir i Azam".

As a judge of the High Court and Supreme Court, Mr Tarrar was favourably
disposed towards the economic and political interests of the Ittefaq Group. For
instance, he saw nothing wrong with Ms Benazir Bhutto's dismissal in 1990 and
nothing right with Mr Nawaz Sharif's in 1993. Mr Tarrar's strong anti-minority views
have also provoked a great deal of resentment in liberal circles. In a judgment in
1987, Mr Tarrar refused to bail out a Qadiani lawyer accused of blasphemy because
he had worn an amulet with the "kalima" inscribed on it.

In recent months, Mr Tarrar's role as unofficial advisor to the prime minister
has generated considerable adverse comment. Muslim League circles claim that Mr
Tarrar is one of the authors of an "Islamic" scheme bought by Abbaji and sold to Mr
Nawaz Sharif whereby it is proposed to set up a parallel system of summary
"justice" a la Saudi Arabia. Mr Tarrar is also alleged to have played a significant
part in wooing a number of Supreme Court judges in the government's war against
Justice Sajjad Ali Shah — newspaper reports claim that Mr Tarrar flew to Quetta
along with Mr Shahbaz Sharif with sackfuls of advice shortly before a bench of two
Supreme Court judges accepted a petition challenging Justice Shah's appointment
as Chief Justice. Mr Tarrar has also admitted telling the press that he believed
Justice Shah to be a "judicial terrorist" who, along with the four other members of
his bench, should be hauled up before the Supreme Judicial Council and sacked
dishonourably. Is this the sort of man we would like to see as President of Pakistan,
Head of State, Chief Executive of the government and Supreme Commander of the
Armed Forces?

Mr Tarrar's nomination was rejected by the Chief Election Commissioner because
he was found guilty of holding the superior judiciary in contempt. The Lahore High
Court, which granted Mr Tarrar an interim "stay", will now adjudicate the matter in
some detail. Meanwhile, a petition has been received which alleges that Mr Tarrar
fiddled documents in 1991 in order to illegally qualify for a valuable plot of land from
the LDA. In due course, the case against Mr Tarrar is expected to go all the way to the
Supreme Court.
Speculation is therefore rife about Mr Tarrar's fate. Some cynics believe that Mr Tarrar will get a clean bill of health from the anti-Shah judges who dominate the Supreme Court because they will find it difficult to adjudge Mr Tarrar guilty of contempt while allowing Mr Nawaz Sharif to get off the same hook. Others believe that the judiciary may find it expedient to sacrifice Mr Tarrar in an effort to reinstate its independence from the executive, thereby making it easier for the judges to uphold Mr Sharif's "innocence" from contempt of court at some later stage. Whatever the end-result, however, the superior judiciary is not likely to come out smelling like roses after this sordid episode is finally over.

If Mr Tarrar is finally ditched, as indeed he should be, the Muslim League will have to choose one of the three Leaguers in the run for presidency: Mr Haleem Siddiqui, Zafarullah Jamali or Raja Saeeduzzaman Khan, the latter being as clean and apolitical as they come (he was Mr Sharif's ambassador to Brunei in 1992). But if Mr Tarrar makes it to the top, Mr Sharif will be guilty of hammering yet another nail into Pakistan's coffin.

(TFT Jan, 02-08 1998, Vol-IX No.44 — Editorial)

Judging the judges

Nawaz Sharif says that he intends to rule for at least ten years. Shahbaz Sharif has gone one better: he claims that Sharif & Company will rule for at least twenty years. Now the Sharifs have threatened to amend and restructure the constitution in wholesale fashion. Bully for them. Zulfikar Ali Bhutto expressed much the same absurdities in 1977 and history has not yet forgiven or forgotten him.

More worrying, though, than the fate of insolent individuals, is the fate of traditionally respected institutions. The judiciary, in particular, has been battered beyond belief by the Sharifs. That it lent itself wittingly to abuse is a matter of considerable concern, not least because a degree of repugnance against it has come to lurk in the hearts of many Pakistanis. How will it cope with this unhappy situation?

The prospects are daunting. The ouster of Justice Sajjad Ali Shah as CJ and his replacement by Justice Ajmal Mian is clouded by highly controversial, even bitter, legal and political distortions. The elevation of a scion of the benches, Justice (R) Rafiq Tarar to the Presidency has deservedly met with the choicest expletives deleted. The untimely sacking of the acting chief election commissioner, Justice Mukhtar Junejo, is deceitful. The postponement of the case against Mr Tarar in the Lahore High Court has renewed suspicions. The personal divisions within the Supreme Court are dismaying. Worse, much worse than all this, is the state of the law which the judges have pledged to defend, protect and uphold.

The implications of the Supreme Court's decision in Justice Shah's case are bewildering if not bizarre. Judges may now band together and force decisions down
the throats of their colleagues on the "principle" that a "brute majority is always right". Judges may blithely overturn collective decisions taken earlier and issue writs against one another. Arbitrary cut-off points dictated by political considerations may govern legal processes. And so on.

Justice Ajmal Mian's position is particularly unenviable. He must determine the fate of the contempt petition against the prime minister. If he sets up a bench in which a majority of the judges belong to the "rebel" group, it will be said that he has prejudged the issue. If the bench lets off the prime minister, it will be whispered that the judges have succumbed to "chamak". If the bench convicts the prime minister, we will have another crisis on our hands which may compel the "rebels" to rise and "legally" depose their colleagues. The fate of the ISI case against the prime minister and several other politicians of the ruling party also hangs in the same unhappy balance.

Justice Mian and his colleagues will also have to contend with the new constitutional amendments on the way. Will they allow the powers of the Chief Justice to be split between the three senior judges of the Supreme Court? Will they allow the contempt of court law and the anti-corruption law to be subjected to double standards, one for the leading lights of the state and government and another for ordinary citizens? [What, for example, are we to make of a recent decision by the Balochistan High Court to swiftly imprison the editor and printer of a newspaper for contempt even as serious contempt cases against a former prime minister, the sitting prime minister, several parliamentarians and the new President are pending adjudication before the superior judiciary?] Will they allow a parallel system of justice to prevail from top to bottom in which there is no due process and in which the executive is also the judiciary? Will they allow minions of the ruling party to become "honorary magistrates" and subvert the process of law? Will they allow the DWs of Raiwind to set the agenda and pace of judicial "reform" in this country? Will they indemnify a civilian dictator in the same convoluted manner in which they indemnified military dictators in the past?

The law cannot and should not be trifled with. It must not become dysfunctional. It must be uniformly obeyed by all, irrespective of caste, creed or status. No nation state can function without it. No economy can flourish without it. No citizenry can exist without it. When the citadels of law are successfully stormed by the paratroopers of political parties, we are doomed to slide into anarchy.

A momentous responsibility devolves on the Supreme Court. It remains in the eye of a storm. If it is cowed down by a dubious prime ministerial "mandate" that devolves on 17 per cent of the electoral vote or under 10 per cent of the population of Pakistan, we will not forgive the judges. Indeed, if the judges become the catalysts for subversion of the law and the constitution by a Qabza Group, history will not forgive them.

Justice Ajmal Mian has said that judges should speak through their judgments. That is the way it should be, without fear or favour. Therefore we will withhold our judgment on the Supreme Court until his judgments, and those of his comrades, are proclaimed from every rooftop in the country.
Clinton's agenda for Sharif

The American Congress has recently passed a resolution condemning mistreatment and persecution of religious minorities in various countries of the world. A bill has now been drafted for consideration of Congress in which it is proposed that stringent economic sanctions be imposed on those countries which violate its provisions, especially those which relate to draconian "anti-blasphemy" and "apostasy" laws in "Islamic" states.

If enacted, this bill, like the American "anti-terrorist state" legislation, may come to haunt Pakistan. There is a plethora of such "objectionable" laws in this country. Nor has the elevation of Mr Rafaq Tarrar to the Presidency, whose anti-Qadiani and anti-women bias is well known, diminished our sense of disquiet on this front. Indeed, apart from possibly triggering a dangerous anti-American backlash at home, the bill could pose serious international problems for the government of Nawaz Sharif.

The American role in Pakistan remains a subject of heated debate. As a matter of fact, conspiracy theorists claim that not a leaf moves in Pakistan without American prompting. The death of General Zia ul Haq, for example, continues to be laid at Washington's door. The removal of Benazir Bhutto's government in 1990 and 1996 is also widely said to have met with distinct American approval. More to the point, however, there is considerable speculation about an American "hand" in paving the way for Mr Sharif's return to power in 1997 and continued support for his regime since then.

Advocates of this theory claim that President Farooq Leghari's caretaker regime was dissuaded by the Americans from postponing elections, holding accountability and disqualifying Mr Sharif because Washington was sure that a strong Nawaz Sharif government would be amenable to American objectives in South Asia regarding peace and trade with India — a prerequisite to lowering tensions in the region, improving the chances of Pakistan's acceptance of the CTBT and eventual abandonment of its quest for nuclear weapons. The theory was given a fillip when Mr Sharif's hitherto hawkish posture on India was transformed overnight into dovish sentiments and Islamabad swiftly moved to open "talks" with New Delhi. Indeed, the conspiracy theorists seemed to be bang on target when Mr Sharif went out of his way to embrace Mr I K Gujral and suggest that a "historic breakthrough" was on the cards.

Subsequent developments have confirmed Washington's warmth towards Mr Sharif. For example, the IMF, which was unbearably tough on Bhutto and the caretaker regime in 1996, appears to have bent over backwards to accommodate Mr Sharif — it has accepted a fiscal deficit target of 5% instead of 4%, approved "supply side" economics (horror of horrors) and turned a blind eye to Mr Sharif's continuing defaults on the fiscal-targets front. More significantly, the new American assistant secretary of
state for South Asia, Mr Inderforth, has gone on record before the American Senate to "welcome the new constitutional changes" in Pakistan, despite the controversy on these at home. Finally, the American view on the recent constitutional and legal conflict between the prime minister and the Chief Justice/President is remarkable for its emphasis on Mr Sharif's dubious "electoral mandate" while remaining conspicuous for its lack of support for "constitutional liberalism", "rule of law", "checks and balances", etc, which form the other side of the coin of "democracy".

The evident "success" of this conspiracy theory has now spawned yet another conspiracy theory about the most likely impact of American policies in Pakistan in months to come. It is argued that the Americans have wittingly given Mr Sharif a long leash so that there is nothing to prevent him from plunging headlong into financial default. That is when "they" will tighten the screws and put him on the mat: kiss and make up with India, abandon Kashmir and get ready to sign on the dotted line on the CTBT, they will say, in exchange for a financial bail-out. In other words, take it or leave it, ji!

This is a "brilliant" formulation. Indeed, conspiracy theorists dare say that if India had not been forced into mid-term elections, we might have seen this American "plan" unfurled by President Clinton this month, ahead of the IMF's proposed review of the government's structural adjustment targets on which the release of the second tranche of assistance to Islamabad is based. But President Clinton's visit to India and Pakistan has now been "postponed" until a new government is in place in New Delhi. Should we therefore assume that the American "conspiracy" to bring Pakistan to heel has also been postponed?

The conspiracy theorists are not deterred. They are sanguine that the IMF will huff and puff but not bring Nawaz Sharif's house down for the time being. This means that, despite missing all its targets once again, the Sharif government will receive a second tranche of assistance from the IMF. The crunch will come only if President Clinton is persuaded that Mr Sharif is not in a position to deliver on the American agenda. That is also when the full weight of the new pro-minority rights legislation in Congress will be put on Pakistan's fragile shoulders.

We await President Clinton with bated breath and humbleness.


**Waiting for Allah**

The war of "references" between Nawaz Sharif and Benazir Bhutto has heated up. Mr Sharif has filed a dozen or so cases against Ms Bhutto before the Chief Accountability Commissioner and she has retaliated by launching a few against him. Is this "Noora Kushthi"? Or will these charges and countercharges eventually lead to the conviction of either or both of them?
The first shot was fired by Mr Sharif in 1996 when he revealed sensational
details of Surreygate. Although Ms Bhutto denied the charge on the floor of the
House at the time, today she brazenly admits that Mr Asif Zardari may have bought
the property "for some other woman".

Four months ago, Mr Sharif splashed details of the foreign accounts of Mr
Zardari in Switzerland, commissions received from Cotecna/SGS preinspection
agency and kickbacks from ARY gold traders. The respected New York Times has
now confirmed all this. It has also provided credible evidence of a deal between Mr
Zardari and the French manufacturer of the Mirage aircraft for hefty kickbacks if
and when the planes were ordered by the government of Pakistan. Indeed, the
Washington correspondent of Pakistan's leading daily newspaper, Dawn, has
suggested that Ms Bhutto seemed more interested in persuading the US
administration to return the money paid for the F-16s than in getting the planes (a
charge confirmed by Ms Bhutto's disgruntled foreign minister of that time, Sardar
Assef Ahmed Ali) — the implication being that Ms Bhutto wanted to buy the Mirages
because she would have got a hefty commission in the deal. Although Mr Amer
Lodhi, who is alleged to have brokered the potential Mirage deal, has denied these
allegations, like Ms Bhutto he has not yet sued the New York Times. This has
bolstered Mr Sharif's contentions and driven the last nail in the coffin of the former
first couple.

Ms Bhutto has now woken up to the harsh reality facing her and decided to hit
back at Mr Sharif. She alleges that Mr Sharif is in cahoots with Mr Saeed Shaikh, a
close friend in Washington, through whom he has fiddled the import of wheat
shipments to Pakistan. She claims to have unearthed evidence of large amounts of
unexplained money in a US-based company allegedly owned by the Sharifs. She has
pointed out valuable properties held by the Sharifs in England. Mr Shahbaz Sharif is
alleged to have negotiated hefty kickbacks on some defence contracts. And the Sharifs
are accused of misusing their official position in government to unfairly reschedule
billions of rupees worth of loans from public sector banks.

These are no mean charges against each other. As a matter of fact, there is
sufficient evidence to convict both parties of gross misdemeanour and misuse of
office in any credible court of law. But a travesty of justice is more than likely to
follow.

If the cards are stacked against Ms Bhutto, Mr Sharif seems personally
impregnable. He has amended the accountability law to make sure that a minion like
Senator Saif ur Rahman can stop any number of cases from proceeding against him.
He is also about to amend the constitution to make it impossible for him to be
disqualified from office on any count. In the event, the courts are likely to find
themselves in an embarrassing position when they begin the trial of Ms Bhutto and Mr
Zardari. If the judges succumb to governmental pressure for one-sided accountability,
they will do themselves and their institution irreparable political harm. If they don't,
they will have to stretch and bend the law in unimaginable ways to let Ms Bhutto off
the hook, a precedent with far reaching, adverse legal implications. This has led many
people to believe that a "Noora Kushti" of the highest order is in the offing.
This is a sad day for Pakistan. Our "honourable" judges, our "outspoken" journalists, our "respected" lawyers, our "enterprising" businessmen, our "feared" generals — every institutional pillar of state and society knows that the leaders of both mainstream parties are unimaginably corrupt, that they have bankrupted this country and brought it to the brink of ruination and despair. Yet, for a variety of vested interests, no one can do anything about it. Indeed, it seems that everyone is hoping that, somehow or the other, ordinary people will rise up and risk life and limb to overthrow this unjust and malignant disorder.

But that is not going to happen. Why should people try and overthrow one corrupt and inefficient government only to see it replaced by another corrupt and inefficient government? Indeed, what is more likely to happen is frightening. As evidence of venality, criminality and plunder at the very top piles up, as the political system increasingly becomes a personal fiefdom, people will begin to follow the example of their "leaders". Armed "Qabza Groups" will proliferate. The law will disintegrate. Jehad, separatism, sectarianism and ethnic violence will become the order of the day. When, finally, the economy breaks down under this burden, there will be nothing left to save or reclaim in Pakistan. Will Allah intervene?


Sharif's sectarian nemesis

1996 was not a particularly bad year for sectarian violence. Indeed, the four months of the caretaker period were conspicuously peaceful. Then came Nawaz Sharif. And 1997 witnessed the worst sectarian violence in Pakistani history. Now 1998 has kicked off with the Mominpura massacre of 30 Shias in Lahore, followed by attacks in Faisalabad and Multan. Has Nawaz Sharif's brand of religious politics come home to roost? Why can't the PML deliver on its promise to extirpate sectarianism from the Punjab?

When Mr Sharif came to power early last year, it was clear that the biggest threat to his plans for political stability and economic revival was not the Supreme Court of Pakistan or President Farooq Leghari but sectarian terror which held the nation to ransom. The extremist anti-Shia and anti-Iran militia, Lashkar-e-Jhangvi, killed the Iranian consul in Multan. Then, when a police officer nabbed some Lashkar terrorists, he was assassinated in broad daylight. Five Iranians were subsequently killed in Rawalpindi. More followed in Karachi. As the death toll mounted, Mr Sharif swore he would crush the terrorists by promulgating anti-terrorist legislation. But the anti-terrorist courts were not able to get a handle on the sectarian problem. Typically, therefore, Mr Sharif lunged at a "Grand Qadiani Conspiracy" and spent the rest of the year extirpating the judiciary and the presidency.

The jailbreak in D.G.Khan in December involving a group of Lashkar terrorists, and the Mominpura carnage which duly followed, has brought sectarianism back
into focus. People are now compelled to ask why the PML government seems particularly vulnerable to religious strife.

The PML is incapable of comprehending why sectarian terrorism is on the rise in its home province of Punjab. Indeed, far from being able to solve the problem, it seems to be an integral part of it. When the Mian Brothers came to power after the February 1997 elections, their father, the famous Abbaji, took them to a cleric known all over Pakistan as a sectarian preacher. The act of seeking blessings from him, however, sent the wrong signal to the Shia and Sunni fundamentalists. But the Sharifs didn't seem to care. They thought that by keeping the Shia Tehrik-e-Jaafaria and the Sunni Ahle Hadith within the grand PML alliance would automatically solve the problem. But it didn't. Now these 'allies', including the famous cleric, are all cursing Nawaz Sharif in chorus.

The PML is fast being absorbed into the Shia-Sunni schism for two main reasons: its opportunistic mouthings about Islamising state and society and its compulsion to support the "private" jihad in Indian held-Kashmir.

As everyone knows, the militias fighting in Kashmir and Afghanistan are all Sunni-Deobandi and Sunni-Ahle Hadith. These are deployed by the "agencies" for their own external agendas. In exchange, however, the agencies tend to provide a degree of protection to these militias. And no one gives a damn that the "agency agenda" often conflicts violently with the requirements of political stability and liberal democracy in the country. The militias, quite clearly, have another agenda of their own — to kill the Shias and browbeat other religious minorities in Pakistan. How can any country maintain its internal sovereignty when armed militias like these are allowed to operate freely?

There are regions in Punjab which are declared strongholds of the different militias fighting in Kashmir. In such districts, the locally dominant militia tends to control the administration. In many cases, it has penetrated into the ranks of the district officers and police. Anyone who has studied the 12-year Lebanese civil war can see that the militias are gradually taking over Pakistan in the same way. The sectarian poison has entered the mosque and now no one is free of the sectarian bias: even those who don't declare their sectarianism nurse sympathies for their sect.

Mr Sharif has wittingly strengthened the movement to transform Pakistan into an anti-Shia state by appointing a Deobandi judge as president of Pakistan. The compulsions of jihad have also pushed Pakistan into confrontation with the Shia state of Iran next door. Worse, it is incomprehensible how Mr Sharif can talk of uniting all the Shia and Sunni factions in Afghanistan in cooperation with Iran, Uzbekistan and Tajikistan even as his "agencies" condone Sunni warfare against the Shias in Pakistan.

The sectarian crisis needs firm handling. The militias have to be ruthlessly dismantled even if it hurts the dwindling jihad in Kashmir. The 12000 seminaries run by the religious parties have to be taken over and run by the state with its own funds and curriculum rather than with foreign funds and curricula dictated by sectarian mullahs. All mosques must return to the ambit of state control and their
khateebs should be appointed on the basis of standard education rather than mere religious fervour.

There is no easy way out for Mr Sharif. He must first purge the state of its supra-governmental external ambitions. Then he should disarm and crush the militias. If this is not done quickly, the problem will seriously begin to eat into Mian Nawaz Sharif's economic agenda. And if that comes to pass, the militias will become monsters and devour whatever civil society remains in this country.

*Editorial, TFT Jan, 30-05 Feb 1998, Vol-IX No.48 — Educational*

**Education policy or political gibberish?**

For the umpteenth time in 50 years we have a hopeless "new national education policy" on the anvil. It is the product of closed door sessions chaired by bureaucrats and politicians with no hands-on experience or intellectual understanding of modern educational concepts and philosophies. There is no review of the strengths and failings of the education system inherited from colonialism; nor, therefore, is there any conceptual attempt to define the critical junctures where we need to break with the past and link up with the future. The worst of the deformities of the draft is the usual, misplaced ideological attempt to graft a narrow "Islamic" dimension on to the concept of modern, universal education.

Everyone knows that mass education is a sine qua non of economic development. But few "educationists" — and certainly not those who drafted this policy — understand that if economic development is to be vigorous and sustainable, it must be "national", "autonomous" and "democratic" in character. It must not limit itself to technical economic policies or structural reforms but also involve the educational passage of civil society from a colonial mentality to a sovereign, critical one. Such a new "mentality" is required to help colonised people to emerge out of the historical experience of irrationality by increasing their ability to perceive the challenges of their time and preparing them to resist the emotional trauma of societal transition. What we therefore need is not an education policy which focuses only on the technical requirements of economic development but one which simultaneously seeks to channel and harmonise the social processes unleashed in the post-colonial experience.

The experience of peoples "awareness" in post-colonial societies is exceptional. The poorer a country, the greater is the likelihood that the elites constructed and bequeathed by colonialism will treat the lower classes as vulgar and innately inferior. But when the poor and lower-middle classes discover that their elites regard them with contempt, their response is one of overt aggressiveness. This threat to the legitimacy of the power of the elite frightens it and compels it, through force or paternalism, to silence and domesticate the masses and impede the process of popular democracy. These circumstances, in turn, exacerbate the prevailing climate of irrationality and stimulate sectarian, ethnic and religious violence. The more, therefore, that our society
moves towards such irrational positions, the more urgently we need to create an educational process which encourages critical attitudes, which reforms our pedagogical and democratic institutions in order to affect a total approach to social and political responsibility and decision-making. For this a new system of education is required, one which focuses on the development of our intellectual powers and brings about a frame of mind which can bear the burden of skepticism and which does not panic when many of our prevailing thought habits are challenged by new and dynamic ones.

This philosophy of rationality has predictably been lost on our educationists. All three "educational epoches" in Pakistan — Gen Ayub Khan's 'professionalisation', Zulfikar Ali Bhutto's 'nationalisation' and Zia ul Haq 'ideologisation' — have failed to deliver. Now the Muslim League has now decided to go one step backward: enlightenment and rationality are to be sacrificed at the alter of obscurantism and intolerance by advocating a revival of General Zia's mosque-school and the 'Nai Roshni' scheme.

There are fundamental flaws in this quick-ejaculation education charade: it fails to analyse the failure of such policies in the past; It fails to discuss the sort of 'homo Pakistanicus' we need to evolve. And it strikes down the principle of pedagogical rationality discussed above.

Take a look at what Islamabad is serving up to financial donors. There will be Quran-teaching (Naazira) from class one to class eight which will serve to stuff the primary schools with the clergy whose sectarian politics has already the frightened the citizenry to death. The government plans to set up 80,000 new primary schools by 2002. It will send 25 percent of the children to the old schools for evening classes while 25 percent will go to the mosque schools which are planned to be set up. That means that half the child population of school-going age will be diverted to mosques and evening classes. That also means that 50 percent of the policy will not bear fruit because it will have once again swallowed General Zia's fraud without examining its failures. Mosque school tend to exclude all the minorities, most girl-children and most Shia students because Shia mosques are few and far between. The programme failed earlier because people were not willing to hand over their children to the mullahs. The mullahs did not allow the children to sit inside the mosque for reasons of cleanliness. The Deobandi domination of the mosque kept non-Deobandi children away. And there was one mullah to three classes, making instruction impossible. When the programme collapsed in 1987, there were 30,000 mullahs protesting in the streets asking General Zia for their salaries even as billions of rupees had already gone down the drain by then. As political gibberish kowtowing to the clergy, the new education policy draft is yet another master-stroke by an ignorant and uneducated Muslim League government. Its abhorrent features must be resisted at all cost.

(TFT Feb, 06-12, 1998, Vol-IX No.49 — Editorial)

If Mr. Leghari wants to make an omelette....
Mr. Farooq Leghari, who resigned as President of Pakistan on 3 December 1997, has decided to stake a claim on politics. This is to be welcomed in view of the fact that Mr. Nawaz Sharif is discredited, Ms Benazir Bhutto is disgraced, Mr. Imran Khan has failed to click and Qazi Hussain Ahmad’s time is not yet ripe. However, we need to ask whether or not Mr. Leghari can fill the political vacuum which stares us in the face.

Mr. Leghari certainly has many plus points in terms of electoral potential. Compared to Mr. Sharif and Ms Bhutto, he is a paragon of virtue. Many people give him high marks for choosing to resign from the highest office in the land instead of clinging to the coattails of Nawaz Sharif and sanctioning the murder of the judiciary. He has name-recognition across the country. He has extensive contacts with politicians across the political and ideological divide. His “cultural” moorings among the Baloch, Pashtun, Sindhi and Punjabi/Seraiki people and his status as an agriculturist can be a source of political strength to him. He is educated, competent, politically experienced and current on complex issues — qualities which the professional, urban middle-classes are likely to appreciate. The military establishment has worked with him and does not perceive him to be a “threat” of any kind. And he is a devout Muslim without the controversial baggage of the likes of either Mr. Rafiq Tarar or Qazi Hussain Ahmad.

But some negative points have also been attributed to Mr. Leghari. The urban intelligentsia perceives him as a “status-quo feudal”. He is still dogged by the Razi farm issue. The alleged corruption of some members of the Leghari clan continues to be laid at his door. Many people still find it beyond them to “forgive” him for his caretaker government’s inability to string up all the corrupt politicians and bureaucrats of Pakistan within 90 days. And he is said to lack the qualities of audacity and decisiveness which are supposed to make for charismatic leadership.

Clearly, then, Mr. Leghari should not expect smooth sailing ahead. In fact, both Mr. Sharif and Ms Bhutto and their loyalists are likely to lay into him at every conceivable juncture of the route to Islamabad. He must also contend with the fact that not one new pretender to the throne of Mr. Sharif or Ms Bhutto has had any measure of political success in recent years. Not Imran Khan, not Murtaza Bhutto, not Ghinwa Bhutto, not Hameed Gull, Not Aslam beg. And this, despite the poor light in which both mainstream “leaders” are widely viewed today.

Whatever the relative weight of these factors, however, Mr. Leghari can either sit back, watch and wait for the “right” opportunity to launch himself or he can take the plunge without further ado. The first option does not recommend itself. Despite his seeming strength, Mr. Sharif is likely to wilt in the face of many economic and legal crises which confront his blundering government. By taking the road to politics immediately, Mr. Leghari will be placed in a good position to try and extract mileage from the situation as it unfolds. At any rate, when one is not in it for short-term opportunist gains, it is better to warm up before sprinting into action.

The next crucial question is: should Mr. Leghari form a political party and strike out on his own or should he try to bring all the elements opposed to Mr. Sharif and Ms Bhutto into one combined opposition Front or Alliance. A false start could be disastrous. No one forgets or forgives a “loser”. And all “losers” are doomed to
extinction. Therefore, Mr. Leghari must weigh these questions carefully. It is, of course, always possible for him to form a party and then seek an alliance with the other credible elements of the opposition.

There is, of course, no question of Mr. Leghari linking up with Ms Bhutto. The two appear to be more estranged from each other from Mr. Sharif, one major reason why both are out in the cold and Mr. Sharif is in the driving seat. But the question of linking up with the PPP is an altogether different matter. In view of Ms Bhutto’s great betrayal and considering Mr. Leghari’s 17 year service to the PPP, he might reasonably try to act as the true heir to Z A Bhutto. Of course, this would be a tough act to follow. But a measure of early success in the direction could conceivably rouse the PPP masses out of their disenchantment with Benazir Bhutto and kickstart Mr. Leghari’s campaign.

The efficacy of whatever Mr. Leghari does will depend, in large part, on his ability to shake off certain perceptions about his political demeanour. He must come across as a bold, decisive, anti-status quo, modern man who is not afraid to break some shibboleths. Indeed, if he wants to make an omelette, he will have to break an egg. Therefore, the sooner he gets cracking out of his shell, the better. Pakistanis having nothing to lose from giving him a chance.


Where do we go from here?

Islamabad called upon the nation to observe February 5 as a day of solidarity with the Kashmiris under Indian occupation. Predictably, the nation had a holiday, flying kites and watching Indian video movies. Holidaying for solidarity’s sake is a peculiarly Pakistani way of conducting policy. In Islamabad, a lackluster procession of drafted government employees was lead by five federal ministers. None conveyed a sense of the irony and each was keen to stay in view of the PTV camera.

Is it a holiday that we deserve, given our perilous state? Today, 80 percent of the economy is dysfunctional, and the part which is functional refuses to pay taxes. No one is investing, and where Mr. Sharif has invested, namely the Motorway, no one wants to go. The PM’s cronies in industry want the old concessions to continue. When Dr. Yaqub, the State Bank governor, puts his foot down, the PM flies into a rage. Can we blame him for refusing to work with Nawaz Sharif? Instead of worrying about the State Bank’s autonomy, Mr. Sharif’s inner circle is eyeing Dr. Yaqub’s soon-to-be-vacated job for a return to the old days of devil-may-care expenditure which made the deficit climb to 8 percent in 1993.

The State Bank’s governor is departing at a time when not only Pakistan’s economy is in a shambles but the importance of an autonomous central bank has been underlined by the collapse of the much-touted Asian Tigers. There is
agreement amongst would economists that is primary cause of the collapse, first of
the Asian currencies, then their economies as a whole was due to the fact that the
highly centralised and dictatorial governments, such as those of Indonesia and
South Korea, never permitted the development of an autonomous and controlling
central bank.

But such logic is lost on our PM. He has successfully disabused his supporters
of the delusion that his business background would incline him to prudence. First
time around, he gave us the Yellow Cab scheme, then he gave us throwaway credit
schemes without collateral, and eventually, he set about printing money to break
all records. When Mr. Sharif fell in 1993, the economy was reeling. Ms Bhutto, as
the next ruler, was imitative: she set new records of corruption whilst substituting
gimmickry for policy. By the end of 1996, the economy was ready to commit hara-
kiri on high-interest short-term loans.

In his second term, Mr. Sharif has made an art form of crippling vacillation. He
was asked by Pakistan’s creditors to downsize government. He promised to do so
and took World Bank money for it, but backed off at the eleventh hour. The PM’s
shopkeepers’ constituency, led by him into believing that he comes to power only
to shower tax-free bonanzas on them, refuses to pay the sales tax he has promised
the IMF. He hasn’t had a second thought about the insanity of looking for messiahs
in the private sector as an alternative to structural reform. He has farmed out the
corporations to his loyalists with the result that he has failed to meet his
privatisation objectives. These failures are now telling on the government’s ability
to meet its other targets.

The more pressure builds up as a result of non-implementation, the more
scatter-brained Mr. Sharif becomes. |The latest gem is that federal recruitments
will not be made through the public service commission but through exams
organised by each ministry on its own. In the Punjab, a panchayat system will put
PML stalwarts in place to pave the way for local government polls. The stage is
being set for the criminalisation before Mr. Sharif’s ouster in 1993.

Sectarianism and ethnic violence have not been tackled. Instead, Mr. Sharif has
sewn up a deal with the MQM under which he has paid handsomely to known terrorists
and is all set to bring back Altaf Hussain’s reign of terror to Karachi. The PM’s answer
to the rising tide of obscurantism has been the appointment of a bigot for president
without the approval of his own party. His ban on birth control adverts on the
electronic media is proof, if proof were needed, of his primitive mind. Mr. Sharif’s new
education policy will reopen mosque schools that failed under General Zia but swelled
the ranks of zealots.

The PM does not believe in rethinking any of his ill-advised actions. In fact, he
promises us more Yellow Cabs, more Motorways, more obscurantism, more speedy
trial courts, more pie in the sky. Where does the PM’s bravado come from? Is it the
delusion that he will be bailed out by multilateral leaders despite his hare-brained
economies? Is this because he thinks the US will lean on our lenders because it has
no other Pakistani candidate to push its Indo-Pak agenda? If so, for how long?

As in Ms Bhutto’s case, who in her second coming exposed herself as corrupt and
inept, Nawaz Sharif this time around has shown that he can only comprehend the
politics of absolute power. Not for him the structural reform of economy, state and society which Pakistan craves. Where do we go from here?

(TFT Feb 20-26, 1998 Vol-IX No.51 — Editorial)

Rash and dangerous

Wali Khan is roaring about Pakhtoonwa rights in the Frontier. Altaf Hussain is thundering about rightful compensation in Karachi. Akhtar Mengal is screaming about Balochistan’s fair share of federal revenues. All three gentlemen have ganged up. They are warning Nawaz Sharif to fulfil his “deals” with them, or else. What the hell is going on?

Permit us to take you back to an editorial we wrote in August 1997 titled: “Alienation of the State”. We explained how and why Mr Sharif’s opportunist deals with dubious politicians in the NWFP, Balochistan and Karachi were bound to lead Islamabad into a state of confrontation with the three provincial governments. We warned that this could pose severe problems in the periphery. “If Mr Sharif ignores these incipient threats to the state or gives in to them”, we wrote, “his federal democracy will lead to provincial anarchy. But if he deals with them unfairly or harshly, he will provoke a provincial backlash against federal autocracy”. We went on to conclude that “Islamabad needs to fashion a firm and fair policy in the periphery. Anything less or more than that could lead to an abuse and alienation of the security organs of the state. That would be unacceptable. Forewarned is forearmed”.

Of course, Nawaz Sharif did not heed good advice. In fact, he was so obsessed with accumulating power for the sake of power that he went on to strike unrealistic and unworkable deals with all sorts of disreputable people merely in order to muster parliamentary support for wholesale changes in the constitution. Now these people are demanding their pound of flesh.

There is no doubt about the fact that Mr Sharif promised Mr Wali Khan that he would rename the NWFP as Pakhtoonkhwa in exchange for the ANP’s support to all the constitutional changes planned by the prime minister. The ANP did its bit on the 13th and 14th amendments. It also stood solidly behind Mr Sharif when he blasted the Chief Justice, with Mr Asfandyar Wali bravely firing his own contemptuous salvos at the Supreme Court. Now the time has come for the quid pro quo and Mr Sharif doesn’t know what to do. If he fulfils his commitment to the ANP, he risks creating a dangerous rift in his own party. He may also have to deal with a violent backlash from a substantial non-Pakhtun presence in the province. Finally, he may have to contend with adverse sentiment in the armed forces about such a radical and possibly far-reaching policy change. But if he backtracks on his unholy deal, the ANP will raise the cry of “Punjabi treachery” and evoke memories of Bangladesh in 1971. What will Mr Sharif do? Dismiss the provincial assembly and impose Governor’s rule? We’re damned if he does and damned if he doesn’t!
Much the same sort of situation prevails in Karachi. The MQM says — and there is no reason to doubt it — that Mr Sharif promised, among other things, that he would free hundreds of imprisoned MQM activists accused of terrorism. He also agreed to give the MQM a free hand in knocking out the Haqiqis from their strongholds in Karachi. All this and more, in exchange for blind support in parliament. Now the MQM is crying foul because Mr Sharif cannot keep the bargain. If he yields, the MQM will bounce back with a bang, Karachi will slip into bloody anarchy and Sindhi nationalists will get a new lease of life. Mr Sharif will also have to contend with anger and bitterness in the army, rangers and police which have lost hundreds of men combatting terrorism and putting these terrorists in prison. If he doesn’t yield, his coalition in Sindh will face rough weather and instability. What will he do? Impose Governor’s rule on the province? We’re damned if he does and damned if he doesn’t!

The trouble brewing in Balochistan today was also predicted earlier. The caretaker government delivered a signed and sealed National Finance Commission Award to Mr Sharif. But Mr Sharif foolishly allowed the contentious issue to be reopened when he bid for the support of Mr Akhtar Mengal in the national assembly. Worse, he made the mistake of wooing Mr Akbar Bugti by promising to take his side in his tribal dispute with close allies of the Mengals. When Mr Mengal and Mr Bugti delivered their votes to Mr Sharif, Mr Sharif returned Mr Bugti’s favour but alienated Mr Mengal. Now the Mengals and the Bugtis are embroiled in mutual tribal tensions and both are estranged from Mr Sharif. Impose Governor/s rule? We’re damned if he does and damned if he doesn’t!

Nawaz Sharif’s foolish obsessions are proving dangerous for the country. He thinks that he can fool all the people all the time. We think not. Mr Sharif’s rash indiscretions are bound to explode in his face sooner or later. The only problem is that it may be too late to salvage the nation and the state by the time he is finished.

(TFT Feb 27-05 March, 1998 Vol-IX No.52 — Editorial)

State of social anarchy

Eight people were killed over Basant “celebrations” in Lahore. God knows how many others died or were seriously injured in other parts of Pakistan as a result of some accident or the other while flying kites and firing guns. But the numbers must be disquieting. Hundreds of expensive computers, printers, scanners, photocopiers and other electrical machines also konked out (as did sensitive software files) when copper or glass coated kite-wires got entangled with WAPDA lines and led to countless power breakdowns. And all this, despite the fact that magistrates armed with Section 144 were supposed to be enforcing the law. What is even more remarkable is the fact that the Punjab government seemed to have officially sanctioned such mayhem. There are reports that the prime minister, the governor
of the Punjab and the Governor of the Sindh were all conspicuous by their presence at Basant sites in Lahore.

Kite flying, it may be recalled, was once a “seasonal” activity associated with certain festivals in the Indian sub-continent. It is still seasonal, festive and peaceful in India. But in Pakistan it has become a permanent and expanding industry which is threatening to disrupt civil society. The use of firearms is one manifestation. Trespassing private property, disturbing communications and power supplies are others.

Of course, basant should be celebrated, if for no other reason than taking time out. But why must people brandish guns and shoot them off recklessly? Why must people use copper wire to string their kites? Why can’t anything be done to restrain people from going overboard and transforming a sport (of sorts) into a war (of sorts)? Do we have to impose martial law in order to make sure that the joy of flying a kite is not thwarted by the agony of a power failure or the tragedy of a death? The irony is that while our governments are prepared to condone such reckless zeal during basant, they are ever willing to crack down on harmless new year’s eve revellers year in and year out.

But the issues are broader than basant brutalities. There is, generally speaking, no respect for the law among most Pakistanis. For example, we do not, as a rule, obey traffic rules. This is partly because we have never learnt them (no one has ever passed a genuine driving test before obtaining a driving licence) and partly because we just don’t give a damn even when we know what we’re doing is wrong — like parking in front of entry or exit points, like going against the traffic in one way street, like changing tyres on bridges, etc. The worst of our traffic crimes lines in imposing our own irrationality on a universalist culture of technology — as when the car in front dips its right indicator both to signal a right turn as well as permission to the car behind to overtake. Indeed we tent to drive our cars as though we are driving chariots and we park them as though we were tying up horses.

There are other extremely annoying distortions in everyday urban life. Our manholes are invariably either six inches below or above road level. Our speed breakers are veritable car-breakers. We make a find art of breaking appointments or arriving late as usual. We build extravagant monuments and motorways but we do not care to maintain them. We constantly allow private passions to override professional commitments. We are always sticking our noses in other peoples’ business. We make a hypocritical art of rituals like funerals and weddings. We do not believe in saying sorry, excuse me or pardon, and when we do, we do not mean a word of it. We are prepared to lay down our lies for obscure causes but we will not pay taxes to the government. In short, we always put private welfare above collective or public interest. And so on.

The point is that we have still not come out of our historical consciousness as a conservative, traditional, time-warped rural society despite the fact that over half of Pakistan is now urban and industrial. Some traditions that governed our rural life — decent community values — have broken down. But the worst of other traditions like tribal ritualism, misplaced notions of honour and chauvinism have been retained.
Where we have made new laws, it has been without creating a culture of civic consciousness that obeys these laws. We have also imbibed the worst excesses of capitalism — private greed, corruption, consumption and individualism — without any of its merits of professionalism and the work ethic. This assimilation of the worst of the past and the worst of the present has created a state of social anarchy.

This anarchy derives from one fundamental fact: our lawmakers are our worst lawbreakers. It is they who set these despicable standards which the rest of us are only too happy to follow. The corruption of everyday life has therefore seeped into all classes. An urban variant of feudal culture is making everyday life unbearable. This will worsen our human condition unless our leaders set new standards of social and lawful behaviour for the rest of us to emulate.

(TFT March 06-12, 1998 Vol-X No.1 — Editorial)

A state which cannot hold a census

The last census was in 1981. The next one was scheduled in 1991. But it was postponed time and again by various governments. Finally, in 1997, Nawaz Sharif said it would begin on 2nd March, 1998. But last month Mr Sharif did a double take and plunged into the exercise. Now his government is holding out assurances to all and sundry that the results of the census will not be applied either to a demarcation of new electoral constituencies for the national assembly or to a revision of the existing provincial shares in the federal kitty and bureaucracy. This is unconstitutional. It also negates the very purpose of a census in a federal system.

All the provinces have expressed grave doubts about the government’s ability to count the numbers honestly. At least two provinces out of four are extremely touchy about “alien” population (Mohajirs in Sindh and Afghans in Balochistan) in their midst. One province (NWFP) fears an ethnic divide (Pakhtuns vs Hazaras) unleashed by Nawaz Sharif’s last-minute break with the ANP in the Frontier. Three provinces are united in their opposition to the continuing numerical dominance of the Punjab — they have challenged the allocation of provincial budgets by the National Finance Commission (NFC) under Article 160 of the Constitution. The results of the Census will alienate everyone, even Punjab which is expected to show a lower population growth rate than the others and stands to lose a slice of the federal kitty and the federal bureaucracy (Punjab gets 58.88% of the federal divisible pool of over Rs 120 billion while Sindh gets 23.28%, the NWFP 13.54% and Balochistan only 5.30%). Balochistan has gone so far as to demand a change in the criterion of funds allocation from population to area because Quetta is broke after exhausting its overdraft from the State Bank of Pakistan.

We don’t know the population of the country’ The ‘guesstimate’ is about 130 million people. But the seats in the Assembly are pegged at 217, as laid down by the Constitution in 1973. Punjab dominates two-thirds of the National Assembly on the
basis of the 1981 census. The smaller provinces feel that they are under-represented. This feeling has been reinforced by Punjabi appointments made at the highest levels of the state: the President, Prime Minister, Chief of the Army Staff, Chairman of the Senate, are all Punjabis.

There is a tendency in Sindh and Balochistan to over-count their numbers for two reasons: the ethnic competition between the Mohajirs and the Sindhis and between the Baloch and the Pakhtuns; and the feeling of being dominated numerically by the Punjab. In 1991, when Mr Nawaz Sharif tried to hold the census in Sindh, the preliminary house-count showed that the average family size there was 7 persons as against 6.4 persons in Punjab. When the total population of Sindh threatened to become over 50 million, up from the 19 million in 1981, Mr Sharif backed off. In Balochistan, the Pakhtun population of Balochistan has become ethnically conscious after General Zia ul Haq's decision to retain Balochistan as a Baloch-majority province in defiance of the 1981 census figures. Since then it has been impossible to hold even local government elections there.

Last year, another ominous dimension was added to the list. Dr Mahbubul Haq, the economist, declared that Pakistan’s forthcoming census would be a shocker: that the rural-urban divide would be revealed as 50:50 instead of 70:30 as currently presumed. In the event, the whole character of political representation would be changed with dire consequences for vested interests and classes.

Punjab has 115 seats in a National Assembly of 217, a questionable “fact” in a stable, working federal democracy. But Punjabi rulers are not imaginative enough to realise how dangerous this continuing hegemony has become. Indeed, Nawaz Sharif, the least gifted of all Punjabi rulers, continues to preen himself over his ‘heavy mandate’ even as his latest fanning of Punjabi chauvinism over the renaming of the NWFP has made the Punjabi presence in the province look like a trespass on the Pakhtuns. A counting of heads in the NWFP can therefore become dangerous as in Balochistan.

The time has come to recognise one salient fact: the Pakistani state system, as it is currently constituted, is inimical to a new census and new political perceptions and economic realities. Based on this system, no democratic government, notwithstanding its mandate, can hope to survive the political chaos which is bound to follow the results of a new census. We should therefore focus our energies on restructuring the state and redefining our federalism before getting entangled with the potentially bloody edge of a new census.

(TFT March 13-19, 1998 Vol-X No.2 — Editorial)

As day follows night...

Senator Saif ur Rehman, the Accountability Czar, is going hell bent for leather. He has lodged three corruption cases against Benazir Bhutto. Another is on the way. Usman Faruki, the notorious former chairman of Pakistan Steel, is in the dock, his misbegotten
wealth splashed all over the media. The noose also seems to be tightening around the
neck of Hussain Lawai, the former president of Muslim Commercial Bank. And the
former principal secretary to the prime minister, Ahmad Sadiq, has been reduced to
the status of a despicable approver. All this, in the space of thirty days. Some people
think the Senator deserves a pat on the back.

No, quite the contrary. The Ehtesab Commissioner, Justice (retd) Mujujid Mirza,
has become a prisoner of the Senator just as much as those the good judge is
prosecuting at the Senator's behest. The cases against Ms Bhutto, for example, are
lacking on at least 30 significant counts which make successful prosecution difficult, if
not impossible. But the good Senator is not to be deterred. Ms Bhutto roared like a
wounded tiger at an impressive rally in Faisalabad recently. The masses are alienated
and angry. The Senator had to do something to divert their attention from the
government's mounting failures on the economic and political front.

The same philosophy seems to hold sway in the other cases. Details of Mr Usman
Farooqi's crookedness were collected many months ago but only revealed now.
Indeed, brother Salman Faruki was quietly allowed to flee to safer shores before a blitz
was launched against Usman (Mr Salman Faruki, it might be recalled, was the brains
behind the ill-fated Motorway project which was investigated by the Bhutto regime and
found to be full of gaping holes). The same is true of Ahmad Sadiq's belated
"revelations", except that provisions have now been made in his testimony to try and
discredit the former President of Pakistan, Farooq Leghari, because he's perceived to
be a potential troublemaker. Mr Lawai's case is even more interesting -- he's a valued
guest of ARY Gold Traders in Dubai with whom the government of Pakistan continues
to maintain important financial dealings. Senator Saif, it is said, is not so much
interested in bringing Mr Lawai to book for his alleged crimes as he is in hustling him to
become an approver against Mr Asif Zardari.

But somebody should tell Senator Saif where to get off. The "accountability"
exercise has degenerated into a cheap propaganda ploy against political opponents
and is hurting the ruling regime more than its political opponents. Of course, Ms Bhutto
and Mr Zardari are corrupt as hell. Of course, the Farukis and Sadiqs of this world were
their witting handmaidens. And of course, they, and many others of their ilk, should be
brought to book and locked away for ever. But this does not appear to be Senator
Saif's purpose. In fact, he only seems to be interested in grabbing the headlines so
that anti-government news can be shoved away from the front pages of the press.
Indeed, Senator Saif may have hurt his own cause by spreading disinformation in the
case of Hussain Lawai and being extremely insensitive to the plight of the wife and
daughter of Usman Faruki.

If accountability is the name of the game, we might ask what the good Senator
has done to book more than 1000 bank loan defaulters (of whom the prime minister's
youngest brother is one) who have swiped over Rs 140 billion of public money. We
would also like to know how he intends to proceed against the countless crooks in his
own party who defrauded the federal and provincial exchequers of untold billions when
Mr Sharif was chief minister of Punjab from 1988 to 1990 and prime minister from
Senator Saif ur Rehman has gone out on a limb for Nawaz Sharif. In the process he has rubbished the concept of "Ehtesab". This may have far-reaching implications. For one, the judiciary has been put on the spot. It cannot lend a helping hand in bringing Ms Bhutto and her crooked friends to book without hurting its credibility by failing to mete out the same treatment to crooked members of the other side. Two, "victimisation" has a habit of rebounding on its perpetrators with a vengeance -- the Sharifs were at the end of the receiving stick not so long ago and will doubtless pay for their current vendettas in the future. Three, the leading prosecutors and tormentors of today are fated to become the choicest "approvers" of tomorrow.

We can be sure that one day, as day follows night, there will be real accountability in this country. That is when the Bhuttos and the Sharifs and countless others will be asked to return their plundered wealth or face the wrath of the people. The prosecutors and judges of that day will not be burdened by the sham of "mandates" or "democracy". That is when the likes of Senator Saif ur Rehman will rue the day they mocked the people of Pakistan and contemned the natural laws of justice.

(TFT March 20-26, 1998 Vol-X No.3 — Editorial)

Buck up, Mushahid Hussain

Thirty years ago a draconian law to "control" the press was ordered by a dictator. It was called the Regulation (sic) of Printing and Publication Ordinance (RPPO). The press agitated against it but was warned to shut up or else. Dictators came and went but the RPPO stayed. Ten years ago, after Zia ul Haq bit the dust, a caretaker information minister (now the speaker of the national assembly, Mr Elahi Bux Soomro) made bold to repeal the RPPO. The amending ordinance (RPPPO) lacked in certain areas. But it was a significant step forward and the press welcomed it.

Then democracy was ushered in and Benazir Bhutto became prime minister in 1988. The press expected her to enact the temporary RPPPO as a permanent Act of Parliament. But she didn't do that. She merely extended the ordinance from time to time and sometimes even forgot to do that. When the RPPPO lapsed, the press raised a din because the status of the law became unclear. If a repealing ordinance lapses, does the old ordinance (in this case the hated RPPO of 1969) come back into play? Or what?

Mr Nawaz Sharif emulated Ms Bhutto's policy from 1990 to 1993. He did not enact the RPPPO as an Act. He also allowed the RPPPO to lapse from time to time and extended it only when pressurised by the press. Ms Bhutto returned in 1993 and continued with this familiar tactic. Now Mr Sharif is back in the saddle and the Muslim League government, which has pushed through two constitutional amendments in two minutes, is dragging its feet over the issue. Meanwhile, the RPPPO has lapsed and the status of the press is in doubt again.
But the story doesn't end here. Indeed, it has taken a turn for the worse. Mr Sharif now wants to impose a watchdog on the press. It is called a Press Council. The idea was floated by Ms Bhutto in 1994 but she was persuaded to drop it after the press threatened to revolt. Mr Hussain Haqqani was then Information Secretary. As a former journalist, he was not keen on the idea and did his bit stop it from being implemented. The boot is now on Information Minister Mushahid Hussain's foot. He too is a former journalist who, as the much respected editor of a national newspaper once, did much for the cause of the freedom of the press during the dark night of General Zia ul Haq. Will Mushahid Hussain disavow his original pledge to uphold, defend and protect the press for a highly dubious and fleeting job in the service of Nawaz Sharif?

A draft bill proposing a watchdog council over the press is currently being examined by a Senate Standing Committee on Information and Media Development. The good news is that the committee is chaired by Mr Raza Rabbani, one of the few good men still left in the PPP. The bad news is that this draft has not been discussed with the Council of Pakistan Newspaper Editors (CPNE) despite earlier assurances by Mr Mushahid Hussain that no draft would be formulated, let alone forwarded to a special parliamentary committee, by the Information Ministry and the Law Ministry without the approval of the apex press body. What next? Will a copy of the draft be sent to a similar committee in the national assembly led by Mr Khurshid Kasuri, perhaps the only true liberal in the Muslim League?

We are truly perplexed. The Law Minister, Mr Khaled Anwar, is a liberal. So too are Mr Rabbani and Mr Kasuri. Mr Hussain is a former top press man. Are they all going to join hands and connive in the undoing of the very institution they have lauded all these years? Are they going to be part of a conspiracy to muzzle the press in the same fashion in which the 14th amendment has gagged parliament?

If the message has not got through to Mr Sharif, we will spell it out for him. The press has fought long and hard for its freedom. We are not going to accept any government sponsored watchdogs over us, even if some of us have to revolt against an unjust law and go to prison for it. If the government has a case, it should discuss it with the CPNE for as long as it takes to meet its approval. There can be no "compromise" over this issue.

In theory, the proper course of action would be to seek the approval of the CPNE for a purely advisory body of independent journalists from significant sections of the press to mediate conflict between the press and public and the press and government. If any regulation is to be done, it should be left in the hands of the press. The time to consider a alternative solution would be if and when the press demonstrates its collective inability to redress serious public grievances. In the meanwhile, the government could lay the basis of a fruitful dialogue with the press by incorporating its reasonable suggestions for amending the RPPPO and enacting it as a law of parliament. Buck up, Mushahid Hussain!

(TFT March 27-02 April, 1998 Vol-X No.4 — Editorial)
Impose Governor's rule on Sindh

Since Mr Nawaz Sharif arrived on the scene early last year, the level of violence and conflict in society has increased significantly. Mr Sharif's India-policy has resulted in a spate of bomb explosions in Pakistan by RAW trained saboteurs. His soft spot for Sunni militant parties has emboldened them to wage war against their religious opponents. Now his opportunist deals with Mr Altaf Hussain's MQM are threatening to drown Karachi in a sea of blood all over again.

Last Monday, 25 people lay dead in Karachi as a result of an attack by the MQM on a Haqiqi stronghold. The city was then forced by both sides to close down. A counter attack by the Haqiqi faction, followed by retaliatory rounds of bloodshed, cannot be ruled out.

The seeds of urban terrorism in Karachi were laid eight years ago when Mr Sharif and General Aslam Beg conspired with Mr Altaf Hussain to destabilise and get rid of the first Benazir Bhutto government in 1990. After Mr Sharif became prime minister, he manipulated Jam Sadiq Ali into the chief ministership of Sindh so that he could crush the PPP. In exchange for the MQM's help in propping up his government, Jam Sahib allowed Mr Altaf Hussain to terrorise and plunder Karachi at will.

By the time Jam Sahib died in 1992, the MQM had laid Karachi low and rural Sindh was in the grip of anarchy. Mr Sharif was now compelled to seek the army's help to clean-up the province. But the army's crackdown on the MQM led to serious strains in Mr Sharif's relations with Mr Hussain and a quick halt was called to Operation Clean-Up. An uneasy truce followed until Ms Bhutto returned to power in 1993 and pulled the army out of Karachi in October 1994. Then all hell broke loose. The MQM went on the warpath, forcing Ms Bhutto to launch a paramilitary operation to break the back of the terrorists. By 1996 Ms Bhutto had succeeded in her objective and Karachi was relatively peaceful again. But the crackdown alienated significant sections of the Mohajir community because many innocent people were caught in the crossfire between the terrorists and the paramilitary forces. The government's resort to "extra-judicial killings", in particular, created an unhappy and unacceptable situation. But Ms Bhutto's exit in 1996 and Mr Sharif's re-entry in 1997 has made matters potentially worse. In order to keep Ms Bhutto out of power in Sindh, and in order to retain the MQM's support for his constitutional amendments, Mr Sharif has found it expedient once again to empower the MQM. Once again, the results are bound to be disastrous.

The stage was set for a resurgence of terrorism in Karachi when Mr Sharif agreed some months ago to release scores of MQM terrorists from prison, withdraw criminal cases against many (including Altaf Hussain) as well as pay tens of crores in "compensation" to them. The MQM has used the money to buy weapons and beef up its armed wings. It is now demanding that the Haqiqi group be destroyed so that its own terrorists can stamp their operational writ over all areas of Karachi. The killings last Monday are a foretaste of more violence to come.
The MQM has given an ultimatum to Mr Sharif. Help us knock out the Haqiqis, they say, or we will withdraw from our alliance with you in the provincial government. Mr Sharif is therefore on the horns of a dilemma. If he gives in to the MQM, we can all kiss Karachi goodbye. If he doesn't, the PML-MQM government in Sindh may fall. Meanwhile, the country's largest city, main port and most important financial centre remains hostage to armed gangs. What should the prime minister do?

Mr Sharif has tried to stall matters. He has made promises and then backtracked. But there is not much mileage left in this tactic any more. Matters came to head last week when Mr Hussain gave Islamabad a 48-hour ultimatum, prompting Mr Sharif to despatch Senator Saif ur Rehman to Karachi and cool down the MQM. The ultimatum was withdrawn. But the cost may turn out to be prohibitive. Shortly after, MQM terrorists swept into a Haqiqi stronghold and opened fire. Their message is clear enough. What should the prime minister do?

Sit tight. Refuse to be blackmailed. Tell Altaf Hussain to go fly a kite. The MQM would be mad to abandon its alliance with the PML because an alliance with the PPP would be even more disastrous. But if the MQM carries out its threat, Mr Sharif should get cracking and impose Governor's rule on the province with the objective of restoring the writ of the state in Karachi. Gangsters and terrorists, whether from the MQM-Altaf or from the MQM-Haqiqi, should lose the protection they now enjoy in the ruling coalition and be disarmed. There is no other way out. God knows how desperately Sindh wants a restoration of law and order, stability and peace. The people of Karachi particularly need a respite from violence. Mr Sharif should be wise enough to give it to them.

(TFT April 03-09, 1998 Vol-X No.5— Editorial)

Great sanctimonious fraud

Rumours have made their way into the press that prime minister Nawaz Sharif is about to impose further theocratic disabilities on Pakistani society. In fact, one newspaper reported that he was about to announce his draconian laws under the false rubric of further Islamisation before he was dissuaded. It also disclosed that Mr Sharif has put off his grand ideological design for the time being and that he will look for a better opportunity to realise it. The speculation was that he was poised to abolish the banking system as we know it and introduce a "usury-free" system in its place. It was also feared that he was determined to impose the veil on all school-going girls in the country.

The prime minister’s Task Force on riba (usury) has turned in its report recommending that bank interest should now be abolished. So far the ulema have not come up with any economic alternative to the present banking system; they have also failed to convince economists that the doctrine against riba can be applied to savings deposit holders. General Zia tried to please the ulema by
abolishing “interest” in 1980s but the banks adjusted to it by renaming interest as “mark-up”. The government hypocritically saved the banks from runs by guaranteeing a religiously permissible pre-announced mark-up. Nationalised banks pegged the mark-up lower than the inflation rate, then made profits by buying khas deposit certificates (KDCs) on the side. The result was that the national savings rate, already depressed through the imposition of zakat, went further down.

The government’s position on the imposition of hijab for women in state-run schools is similarly ambiguous. Reports have come in from the districts that the education department has received orders to this effect. This was later denied. It is quite possible that the PM has a more severe religious order in mind for the country. He gave an inkling of it when he banned pop singing from PTV last year. If he wants to know what the people think of this false puritanism he should study the public outcry that followed this ban. The ban also effectively shifted viewership to channels beamed from India.

The appointment of Mr Tarar as president was the first building block of Mr Sharif’s great sanctimonious fraud. Thirty-seven religious parties have jointly announced that they will start a campaign after Eid demanding further imposition of Shariat in Pakistan. His erstwhile ally Maulana Niazi has pointed to the Taliban as the true exemplars of Shariat and asked the government to follow in their footsteps. PML MNA Ijaz-ul-Haq has stepped up his campaign of intimidation by rebuking the PM for not enforcing Shariat. Mr Sharif’s heavy mandate, which has palled on the common man, works only on his party which accepts without criticism all the undemocratic personal fiatns handed down by the PM and his family.

The truth of the matter is that Pakistan has submitted to more Islamisation in the past 20 years than any other country in the Islamic world. It is quite another matter that these 20 years have also been the worst years of government corruption and breakdown in all spheres of public life.

The levels of hypocrisy plumbed by this government can be grasped from the fact that alcohol disappears in Islamabad when Parliament is in session. Politicians have acquired second wives on the sly against the law and live the life of pleasure while the face they turn to the public is that of piety. But the people no longer trust them and look at their religious rhetoric as mere cover-up. They know that the massive loan default, standing at 8 percent of the national GDP, is mostly money gouged from the banks by these pious politicians and their cronies. And they know that the wrath of a draconian Taliban-like order will fall on them, the people, and not Pakistan’s plundering ruling elites. When hijab is imposed, hooligans pretending to be the guardians of religion will attack women in the street as they did when General Zia first imposed his brand of religiosity.

What Mr Sharif is doing is nothing new. The rule for all failing autocrats is: when in trouble, clutch at religion. The other rule which Mr Sharif is too intellectually ungifted to grasp is that resource to false religiosity actually hastens the fall. Pakistan’s problem number one is its economy which has to rise, as it were, from its ashes in an international order that rejects the sort of Taliban-like isolationism that the PM will unleash. And President Tarar’s latest nugget that all Muslim countries should put their economies together is too naive to dignify the
high office that has been thrust upon him. But Tarar is simply a small cog in the grand machine Mr Sharif wants to set in motion to avoid the passing of power democratically to anyone who will call him to account. General Zia tried to do it, but failed. There is a lesson in that, if Nawaz Sharif cares to pay heed to it.

(Electrons and Protons)

By all accounts, the March 30 rally of the Pakistan Awami Ittehad (PAI) at Gujranwala was a success. The PPP, PML (Chatha) and Allama Tahir-ul-Qadri’s Awami Tehrik were the organisers while Gen (retd) Aslam Beg’s Qidat Party and an Ahl-e-Hadith splinter rode in on their coattails. The speakers vented their spleen against the government of prime minister Nawaz Sharif to wild applause.

Politicians who are personally offended and have their own axes to grind, tried to make the occasion look at the discussion of national issues. They trashed their election manifestos of not long ago and trimmed their sails to the blowing winds of public unrest.

Ms Bhutto condemned privatisation for which she used to take credit and succeeded in sounding like the leader of the Jamaat-e-Islami, whose own rhetoric is in the ascendent these days. Tahir-ul-Qadri dumped his considered clerical position for pragmatism that would change his highly organised, well-funded Barelvi outfit into a credible opponent of Mr Sharif. Abandoning the party line has brought these two the support of 13 rag-tag organisations, willing now to ride the PAI bandwagon.

As the show got going, the crass opportunism of the marriages of convenience that is the PAI became ever more obvious. Ms Bhutto played the Punjabi card instead of her Sindhi one. Qadri, who in 1996 had addressed a 14th August rally at Lahore’s Minar-e-Pakistan by telephone from Cannes in France, promising to overthrow Ms Bhutto’s “corrupt and inept” government, now proclaimed that she was the “electron” to his “proton” and said that together they would electrify the political scene.

While she was in office, Benazir Bhutto claimed that she was the torchbearer of enlightened Islam. She would do well to consider the kind of Islam Tahir-ul-Qadri represents and his rise to fame and fortune. She should remember that he was the Allama-in-residence of the Ittefaq Mosque in Lahore’s Model Town where he was gifted big chunks of public land and arms licenses galore by the Punjab’s generous chief minister, Nawaz Sharif, Qadri was dumped by the Sharifs when he outgrew their patronage. By then, his Minhaj-ul-Quran movement had won scores of adherents and foreign funding and had set up a parallel education system with a dedicated hierarchy of workers in central Punjab. The Sharif-Qadri bitterness ended
up in court with the Allama accusing the Sharifs of mounting an attack on his house and the Sharif's lawyers hitting back with an old case dating from Qadri’s early days in Jhang when he was accused of molesting a boy.

Add to this burlesque the comical figure of Gen (retd) Aslam Beg, with his still-born doctrine of strategic defiance and his murky past, a man who Benazir Bhutto repeatedly accused of engineering her ouster in 1990, and you couldn't get stranger bed-fellows.

The fervour of the PAI’s bemused audience of frustrated citizens notwithstanding, the PAI as an event demands some reflection on the nature of politics and society in Pakistan today. What kind of society are we in which a nearly certified criminal like Benazir Bhutto can try to make a political comeback? What does it say about the dissatisfaction that Nawaz Sharif has unleashed within a year of his return to power?

The opposition’s success in staging successful anti-Sharif rallies in the Punjab has ominous undertones. Mr Sharif’s rise to power was based on an almost total Punjabi support amongst the few who voted in the 1997 elections. The PPP was all but wiped out in the only province that matters. Ms Bhutto was not expected to change the Punjabi mood barely a year after the Sharifs’ triumphant return to power. But that is what is beginning to happen.

For over a year, the prime minister and his vision-less coterie of hangers-on have elected to travel down a road that has pitched them against popular opinion. They have mauled the judiciary and humiliated it by getting their way. Far from delivering the people from crime, their controversial special courts are helpless in the face of swelling sectarian and ethnic violence. Accountability is being used only to wreak vengeance on the PPP. The government’s failure to collect taxes and proceed against loan defaulters has meant that the economy hasn’t got the injections it so desperately needed. The high-visibility Motorway project never held any appeal for the other provinces and now the Punjabi masses too look upon it as Mr Sharif’s dubious self-identification with Mughal kings. Besieged by these challenges, the Sharifs are thinking of upstaging their opponents through the hypocrisy of more religious laws.

Like their PAI opponents, the Sharifs are only doing what they can do. What they cannot do is envision ideas to resolve the multiple crises facing Pakistan on its borders and within. What they cannot do is fashion an agenda for reform. So the hope lies not with such politicians but with those who lend them their ear, the frustrated mass of Pakistanis that is still trying to resist disillusion.

(TFT April 17-23, 1998 Vol-X No.7 — Editorial)

**Sound and fury signifying nothing**
The recent test launch of the Ghauri missile is quite significant. It carries a two-fold message for India: Pakistan means what it says -- if New Delhi develops and deploys Pakistan-specific missile capabilities, Islamabad will respond with similar initiatives; if New Delhi upstages its nuclear programme, as the BJP government has threatened to do, Islamabad will follow suit. In both cases the onus of responsibility for taking the first steps in this controversial direction rests with India. The second part of the message is no less important -- Pakistan will negotiate peace with India not from a position of apparent weakness but from a position of measured strength.

The timing of Ghauri is also important. It follows in the wake of two important developments in Indo-Pak relations. First, the much-trumpeted dialogue between the Gujral and Sharif governments launched last year has come to a halt because New Delhi has gone back on its word to include the Kashmir dispute in the agenda for the talks. Second, the BJP government's belligerent statements on Kashmir and the nuclear question were contrived to tilt the balance of negotiating power in the peace talks in favour of India. Now Pakistan is saying that the peace talks must continue in an equitable manner, without any overt or covert threat being brandished by either side.

Mr Nawaz Sharif expects to be congratulated for this sound policy initiative even though everyone knows that GHQ was the formulating, motivating and implementing force behind this strategy. By so doing, however, Mr Sharif has redressed his original error of last year when he jumped into a superficial dialogue with India without doing any homework and without formulating a strategy for the talks. Now, at least, both sides know what's what and there should be no false starts, dubious promises, unwarranted threats or unexpected hiccups.

That said, it is crucial that neither Mr Sharif nor Mr Vajpayee should try to exploit the new situation for purely party political domestic purposes in their respective countries. If Mr Vajpayee should succumb to the hawks in his administration and try to get some political mileage from Ghauri, we could be faced with an ominous arms race in the subcontinent. And if Mr Sharif were to assume that Ghauri will bail him out of his myriad economic and political problems at home, he is bound to be tragically mistaken. This is not a time to crow about military achievements. It is time for sober reflection, hard decisions and consistent action.

However, despite his “mandate” or possibly because of it, Mr Sharif has proven to be a most inept ruler. Much of last year was taken up with senseless confrontations and inexplicable insecurities. The economy, in the meanwhile, was left to flounder in a state of uncertainty and instability. This year has seen the unravelling of Mr Sharif’s opportunist political alliances and a deepening of the economic crisis. Where we go from here depends on how Mr Sharif tackles the three major interrelated crises facing his government.

The first, in order of priority, is law and order. It is horrific. Every day something happens somewhere (ethnic warfare in Karachi, sectarian strife in the Frontier or Punjab, terrorist bomb blasts here and there) which sends the stock market tumbling. But Mr Sharif does not appear to have a handle on this crisis. His
special anti-terrorist courts have failed to deliver and the new elite commando police force is likely to meet the same fate.

The second is political stability. Despite neutralising the judiciary and presidency, Mr Sharif’s influence in the provinces has waned significantly. Balochistan and the NWFP are troubled. And it is only a matter of time before the PML’s alliance with the MQM falls apart and Governor’s Rule has to be imposed in Sindh.

The third is economic revival. Law and order and political stability are preconditions for economic growth and restructuring. Apart from these, however, the crisis comprises several other elements -- raising tax revenues, curtailing wasteful expenditures, attracting foreign investment and instilling a sense of confidence and continuity in the local and foreign business community. But Mr Sharif’s track record on each score is dismal. Tax targets have not been met because the prime minister has failed to persuade or cajole the business and landed communities to cough up their share of dues to state and society. Mr Sharif also remains wedded to wasteful expenditures on vanity projects. And foreign investors are few and far between -- they say that the new investment incentives are like putting the cart before the horse. The political and social climate must improve substantially before foreigners will put their money into Pakistan. Additionally, the government’s attempt to retract on sovereign guarantees to the Independent Power Projects has soured the climate and scared away potential foreign investors.

The root cause of this government’s troubles lies in Mr Sharif’s obsession with power. It is this tendency to concentrate power in his own hands and those of his cronies which precludes the formation of an able and merited team of professionals who can formulate consistent, top-grade policy and implement it without fear or favour. Therefore, as long as Mr Sharif stays, there will be a lot of sound and fury but nothing will get done. Indeed, the fear is that things could get much worse.

(TFT April 24-30, 1998 Vol-X No.8 — Editorial)

Our greatest challenge

Most readers of this paper would agree that TFT has been at the cutting edge of critical journalism. We have pointed out the challenges facing Pakistan and investigated the failings of the powerful without fear or favour. This we have done at some risk for nearly nine years but it seems to us now that this is not enough, given the despair that engulfs Pakistan today. We must begin to address the issues that are central to the survival of our country. On top of our list is the crisis of leadership and the necessity for reform.
Since the passing of the founding fathers, pygmies, demagogues and thieves have ruled this land. Nearly all have made promises of reforming the outdated and unjust relationship of land, labour and capital, of streamlining the institutions of governance which are disintegrating under the weight of corruption, mismanagement and obesity, and of reorganising the delivery of deprived citizens of necessities such as water, housing, literacy and peace. None have fulfilled a fraction of the promises made to Pakistan’s hardworking, honest and abused people. Betrayal by the leadership has been our primary national experience.

Pakistan is unique amongst countries which gained independence after World War II. With India, it was the first to be decolonised. Unlike India, it was quick to re-establish the bonds of dependency with an imperial power. Yet security eluded it, and 25 years after its creation, Pakistan disintegrated, the first decolonised nation to do so. Uniquely, it was the majority which separated from the minority to form Bangladesh.

Uniquely too, our leaders learnt nothing from this tragedy, and continue to pursue the same self-serving agendas which caused the first breach. We know the menaces that surround us. We are daily witnesses of mayhem. Hence our sense of anxiety, of angst. While a vast majority are deprived of all the rights of citizenship, the privileged minority is stricken with alarm and complains incessantly. It is as though 50 years of Pakistan has been a single season of discontent.

Historians view discontent as the motor of change. With us it has produced merely a culture of carping. The irony is that every promise of reform has elicited the peoples’ enthusiastic response. Ayub Khan was welcomed because he promised governance and a modern future. He delivered neither, and went down in the storm of our discontent. Bhutto followed with stirring promises but delivered theatrics. Zia promised an adaptation of the Rashidun only to brutalise us in the male of Islam. In the last decade, we have taken turns between Benazir Bhutto and Nawaz Sharif, between kleptomania and megalomania. Why has it been so? How can we break out of this vicious circle? We do not have all the answers. We intend to seek them as best we can. Knowing, we know is not enough. Doing is essential.

Here, some verities ought to be acknowledged. One, states and governments reflect the nature of the governing class. In Pakistan, this is a narrow elite of landed rural, affluent urban and educated middle classes. That’s us, you and me. There is amongst us a recognition that reforms are necessary. But we remain a comfortable lot not yet compelled to make the connection between principles and their implementation.

Two, the working people of Pakistan remain inherently powerless. They have the greatest stake in an agenda of reform for, as producers of primary goods and services they suffer from the fundamental injustice of not being able to adequately feed, clothe, shelter or educate their own. This scandalous state of affairs exists because they do not control the land they till, nor have a say in the process of industrial production, nor even participate in the governance of cities, towns and villages. Their empowerment is essential for only they can invest the energy of common interest to sustain a reformed order.
Three, the state apparatus which we inherited from the Raj had some virtues; it was rational, required adherence to regulations, and instituted the rule of law. In one respect it was unsuited to the needs of a sovereign people. Its purpose was the accumulation of surplus for colonialism and its collaborators. Pakistan’s postcolonial rulers have divested the colonial state of its strengths while greatly augmenting its failing. The state is now associated with rapacity, abuse of power and disregard for rules.

Four, ideologically this is an entrapped country. From 1947 to this day we have embraced many versions of the "Pakistan ideology". None took hold because every leader’s approach was opportunistic and without commitment to any governing principles. A state without a functioning ideology, without a broadly subscribed set of contemporary values and principles, is like a train without an engine.

Therefore, to define an ideology that is both contemporary and congruent with Islamic values may well be our greatest single challenge.

What is the ideology of Pakistan?

Pakistan is stretched on a historical rack. One hand clutches at the 8th century, another gropes for the 21st. Some people look toward the Middle East for sustenance, others yearn for a future in South Asia. Some ideologues argue that nationhood has failed to take root because we have abandoned the two-nation theory. Others claim quite the contrary — that the two-nation theory was irrevocably distorted by the creation of Bangladesh and we should not measure our nationality by its yardstick any more. In between, almost once every decade, we have tinkered with competing ideologies like secularism, nationalism and capitalism. At the end of the day, no one quite knows who we are, where we belong and where we should be headed.

When the leaders of Muslim India dreamt of a separate homeland, they imagined a state where Muslims would live at peace with the contemporary world. The dream had two elements: first, that the inhabitants of the new state would be able to come out of their strait jacket of a minority community; second, that the new state would neither be theological nor medieval in its governance but a model modern state based on the tenets of justice and equality. How have we fared?

The nineteenth century Muslim thinker Sir Syed Ahmed Khan devoted his life to divorcing irrationality from Islam. He spelt out secular thought in an Islamic language. Then came the philosopher-poet Allama Iqbal who posited a homeland which would be both rational and humane. Iqbal’s attempt at ijtehad (reinterpretation) in his sixth lecture at Aligarh, obviating the infliction of ancient tribal punishments, inferred that laws should be made in response to the needs of a society and its people. M A Jinnah followed in the same vein, envisaging a state based on rationality. That was supposed
to be the kernel of the "ideology of Pakistan". But today's Pakistan is a state that violates both reason and humanity.

The seeds of a medieval model were sown by opportunistic rulers who clutched at the lowest common denominator to bolster their power. This trend was started by Z A Bhutto when he began the process of sectarianising Islam in Pakistan. But the biggest blow to the Quid's attempt at keeping religion out of the affairs of the state was conclusively dealt by General Ziaul Haq. Since then, Pakistani leaders in trouble have consistently cut themselves off from the intellectual and political antecedents represented by Sir Syed, Allama Iqbal and the Quaid.

The cruel irony about Islamisation in Pakistan is that it enjoys consensus neither amongst the masses nor amongst the self-styled arbiters of Islam in the clergy. Indeed, instead of uniting Pakistan's Muslims, Zia's laws created the sectarian divide that is wreaking havoc on the body politic today. If the Muslim League under Nawaz Sharif thinks that it can get mileage out of Zia's explosion of Islam, it is mistaken. There are ever more fierce proponents of the cause and nothing Mr Sharif can do will be enough to quench their first for the true 'shariah'. While the appointment of a Deobandi maulvi as President has sent out all the wrong signals to a rapidly globalising international order, Mr Tarar is seen as nothing more than a sop by purists. Now the opposition led by Benazir Bhutto has hitched a ride on the Islamic bandwagon, hand in hand with Allama Tahirul Qadri.

The first giant step away from the founding fathers' 20th century vision of Pakistan was Zia's villainous amendment of the Objectives Resolution of 1949 to deny non-Muslims the right to practice their religion freely, thus violating the Universal Declaration of Human Rights that Pakistan had signed in 1948. Once the country was put on the slippery slope of medievalist fundamentalism, the law against the insult of the Holy prophet (PBUH) was thrust down the throat of a protesting citizenry, exposing disadvantaged communities to further savage treatment at the hands of zealots. Zia's zakat (called 'Zia-kaat' by the common man) destroyed national savings and pushed account-holders into falsely declaring themselves Shia. Thus has "Islamisation" contributed to hypocrisy and corruption. Today, the state which has the largest number of Islamic laws on its statute book is amongst the most corrupt in the world.

Tyrants and "democrats" born from the rib of General Zia are taking the state to its demise by the logic of their own religious opportunism. The Muslim League government has now prepared the grand finale by reviving the issue of 'riba' (bank interest). Prime minister Nawaz Sharif, not known for his economic wisdom, is about to cross the threshold of the profit-and-loss fraud imposed by General Zia. After the new law against 'riba' is enforced by the government, all savings accounts will become exposed to risk; all loans contracted on the basis of interest from abroad will be outlawed; and the resulting lack of public trust will take the economy to its final collapse.

The question is blowing in the wind: who will fashion a modern, rational state in Pakistan which can live at peace with itself and with the contemporary world?
Reform the law

After fifty years, Pakistan is a ship without moorings in viable statehood. The state has cut itself off from the modern vision of its founding fathers and plunged backwards into medievalism. Faced with growing anarchy, it is doomed to perish unless its institutions are radically reformed to meet the challenge of a new millennium.

Nowhere is the state’s erosion more evident than in the submission of the country to malevolent litigation against elements of popular culture. A case in point is the absurd complaint admitted by a civil judge in Lahore against a leading theatre personality, Ms Madeeha Gauhar is charged with the “crime” of publicly “embracing” former Indian prime minister Inder Kumar Gujral, a friend of her family. Because the Lahore judge succumbed to pressure, another crackpot case has come up in Karachi accusing Ms Gauhar of publicly “dancing” with Mr Gujral. Meanwhile, a zealot has challenged our greatest living folk singer Pathanay Khan for saying that he is “spreading the word of God through his music”.

Prime Minister Nawaz Sharif should, of course, pay heed to this sinister trend and put a swift end to it. But no, he is much too occupied banning pop music on PTV and dreaming of legislating additional “Islamic” measures so that he can earn dubious plaudits from the proponents of what parades as “shariah”. Further afield, judges are currying favour with the lunatic fringe by convicting non-Muslims under the notorious blasphemy laws. A Christian has been sentenced to death by a judge in Sargodha. Another judge has jumped on the medieval bandwagon and awarded 25 years imprisonment to a Shia for blasphemy (the “statements” of Sunni “eye-witness” were apparently sufficient to condemn the accused). Meanwhile, dozens of innocent citizens are rotting in jails across the country for allegedly blaspheming and the state of Pakistan is unable to reform a law that is patently defective and divisive.

Last year, a commission on women’s rights headed by Justice Nasir Aslam Zahid, now a Supreme Court judge, submitted a report recommending that the laws which discriminate against women should be removed from the statute books or radically reformed. But this government has had no time to read that report. As a matter of fact, PML women leaders have had the gall to say that they are not aware of the contents of the report. The commission has recommended that the “hadood” laws be removed and reduced to the status of “tazeer” so that some measure of relief can be granted to those women entrapped by men under the draconian Zina Ordinance that equates rape with fornication and demands four “pious” witnesses from the rape victim. Additionally, the law that equates the testimony of a woman to half that of a man violates the constitution which outlaws discrimination on the basis of sex. But, of course, as Mr Sharif has demonstrated so forcefully in recent times, he doesn’t give a damn about the constitution.
Women constitute over 50% of our population. If such disabilities (which club them with the minorities in terms of social status) are placed on them, crippling their right to full citizenship, how can Pakistan progress? For instance, under the Qisas and Diyat Ordinance a Muslim woman’s blood money is half that of a Muslim male, as in the case of non-Muslims. Their right to be eyewitneses is also curtailed in the same manner. But the most blatant assault on natural rights comes in the form of the separate electorates imposed by General Ziaul Haq for which there is absolutely no explanation except religious prejudice. Deprived of proper representation, non-Muslims have consequently become fodder for the blasphemy law.

Instead of taking stock of this continuing assault on state institutions and constitutional laws, Mr Sharif believes in further kowtowing to the lunatic fringe. He has now withdrawn the appeal brought before the Supreme Court by his own government in 1992 which sought to block a judgement of the Federal Shariat Court abolishing bank interest by calling it “riba”. This is bound to have far-reaching adverse repercussions not only on the market economy which Mr Sahrif so ardently advocates but also on ordinary citizens. The “borrowers” who will benefit from the abolition of bank interest will be member of the elite (including Mr Sharif and his family) who have defaulted over Rs. 200 billion to public sector banks, the “lenders” who will be victimised will be common people, orphans and widows, whose meagre interest savings will be outlawed.

The cultural wasteland and political anarchy that has already overtaken Afghanistan because of “ideological purification” is creeping into Pakistan. The warrior-priests whom Mr Sharif is trying to appease have more political muscle than the political parties because our elected representatives have abdicated their responsibility to the state. If the electorate had wanted medievalism, it would have returned the religious parties to office. But it has done no such thing. Why don’t our ruling politicians listen to the voice of the people?

Pakistan must put its house in order before it dies of internal suffocation. Or before other nations choke it off economically by legislating against its anti-people laws.

(TFT May 15-21, 1998 Vol-X No.11 — Editorial)

The road not taken

We expected to write an editorial this week on the issue of the Independent Power Projects and the government’s attempt to force them to cut their power tariffs. The cartoon above was supposed to illustrate some of the heavy-handed methods employed by the government to achieve its dubious purpose. However, last minute developments on the nuclear front in India and the Pakistan have pushed the IPP issue out of reckoning and compelled us to focus on the political and military
dilemmas faced by Pakistan as a result of India’s decision to conduct nuclear tests in the face of world opinion.

India has conducted three thermo-nuclear tests, a fission test and a low-yield test to establish the fact that it is in a position to make nuclear warheads of varying yields. This has prompted Western and Pakistani commentators to argue that India has acted with reckless abandon, that its nuclear tests are dangerous and foolish because they are bound to heighten security concerns in the region and precipitate a military arms race which no country can afford.

But the Indian perspective is quite different. New Delhi says it was forced to gatecrash the nuclear Club of Five because its pleas for effective global disarmament were blithely ignored by the declared nuclear weapon powers who were able to legitimise their own nuclear weapons through the unconditional and indefinite extension of the Nuclear Non-Proliferation Treaty (NPT) which is biased in their favour. India now appears ready to sign the Comprehensive Test Ban Treaty (CTBT) provided it is granted the same nuclear status as the “gang of five”. Indeed, New Delhi would like the world to recognise that India, Pakistan and Israel are also nuclear weapons states like the “gang of five” and that the world is no less safe with the entry of these three into the nuclear club than it was with the historically most “war-prone” “gang of five”. If Pakistan should decide to conduct nuclear tests to demonstrate its prowess, says India, it would be of no undue concern to New Delhi. In fact, the Indian argument goes, the arms race in the region will be circumscribed once India and Pakistan and Israel are granted entry into the nuclear club and becomes signatories to the CTBT. India then goes on to suggest that after signing the CTBT both India and Pakistan should sign a “no-first” use of nuclear weapons pact to eliminate the chances of a nuclear holocaust in South Asia.

The problem with this thesis is that it appears to undermine the NPT and CTBT and opens the route to nuclear proliferation by other countries which have either abandoned their nuclear programmes (like South Africa, Argentina and Brazil) or decided not to build one (like Germany and Japan) or those that may be in the process of trying to become nuclear powers (Iraq, Iran and Korea). In other words, by attempting to redraw the nuclear line (however, inequitable it may be), India may be instrumental in opening a Pandora’s box of nuclear proliferationists and thereby making the world much more unsafe that it is today.

India’s decision has also put Pakistan in a very difficult position. From time to time, Islamabad has said that it is in a position to test and make nuclear bombs but that it has not done so because it does not want to precipitate a new arms race in the sub-continent. Indeed, Pakistan has said that it will sign the NPT and CTBT as soon as India does. Now that India may be thinking of pushing ahead with its agenda of signing on the dotted line of the CTBT, Pakistan is faced with a serious dilemma: if it does not demonstrate similar nuclear capabilities as India, its case for joining the club of five will not be as strong as that of India and it will be forever doomed to be an insecure partner in the non-proliferation alliance; but if it follows India’s route of trying to gatecrash into the nuclear club, the penalties and sanctions which it might have to face would be much stiffer and more crippling than in the case of India. What should it do?
An answer to this question may be found in an understanding of the political circumstances in which India has conducted its nuclear tests and an exploration of the likely response of the Western world to these tests.

The curious thing about the Indian tests is that there was no advance warning, especially by the United States, of any Indian preparations in the offing. This is in marked contrast to the situation in late 1995 when American intelligence sources leaked credible reports based on satellite data that India was readying the Pokran site for an underground explosion. The swift and hostile reaction which followed at that time may have persuaded India to think again by postponing the tests. But since no such preemptive “strike” was forthcoming from Washington this time round, it may be fair to speculate that perhaps Washington may have had strategic reasons not to reveal India’s impending tests. In order to ascertain the truth of the matter, consider the following developments in the recent past.

President Bill Clinton has recently sent two important envoys to India and Pakistan, namely Mr Thomas Pickering and Mr Bill Richardson. Shortly before India conducted the nuclear tests, the Indian foreign secretary made a discreet visit to Washington. Indeed, shortly before Pakistan test-fired its Ghauri missile, the Pakistani army chief was warmly welcomed in Washington. We do not know that discussions between the Americans and India were followed by the nuclear tests. It is possible that the Americans may have decided to “concede”, albeit reluctantly, a one-off missile test by Pakistan and “one-off” nuclear testing by India in exchange for getting both countries to sigh the CTBT?

It may be recalled that the CTBT, unlike the NPT, cannot be ratified and brought into force unless India and Pakistan and Israel accede to it. And if this is done speedily, President Clinton can veritably claim a feather in his cap. This would help explain why President Clinton has merely expressed his “regrets” at Pakistan’s missile test and why he is now insisting that India should sign the CTBT without further ado.

True or not, this line of reasoning fulfils to a greater or lesser extent the domestic political compulsions of both right-wing governments in India and Pakistan while simultaneously addressing international Western concerns attached to the immediacy of the CTBT. Ideally, of course, the US would have liked India and Pakistan to sign the CTBT when everyone else did so earlier. But having failed to get both countries on board, Washington may now have decided to fall back to the next-best “compromise” solution of reluctantly making some concession to both in exchange for their signatures on the CTBT.

If this hypothesis is correct, we should expect American “disappointment” with India to translate into sanctions for one main reasons: so that a “proper” message is sent out to Pakistan, which is likely to be hurt by sanctions much more than India, and it is restrained from following India’s nuclear-test route.

Pakistan’s choices are clear. It can either test its nuclear device immediately and line up behind India to sign the CTBT on the same terms and conditions as India. Or it can forego nuclear testing, negotiate some sort of limited “peace dividend” with Washington and sign the CTBT along with India.
There are greater advantages and fewer pitfalls in the second approach vis à vis the first. If Pakistan takes the first route, it might have to contend with sanctions during the time it takes for India to negotiate its terms for signing the CTBT and this could have far more serious short-term consequences for the Pakistani economy than for the Indian economy. If it takes the second route, it could conceivably expect to receive a dividend on the “F-16 or money back” option when President Clinton visits Pakistan next Fall. The second route is also less problematic because, as a recognised threshold nuclear power state with demonstrated missile capabilities. Pakistan’s security can be reasonably assured without testing a nuclear device (after all, we have managed to establish a nuclear deterrence for over a decade without testing a device). At any rate, since Pakistan will not be lining up to sign the NPT, it can always retain its nuclear stockpile as a credible national security deterrence.

Whatever decision Pakistan takes, it should be taken with great deliberation and consensus. There are two roads which can be taken. The road not taken could make all the difference.

(TFT May 22-28, 1998 Vol-X No.12 — Editorial)

IPP policy is misplaced

Mr Nawaz Sharif has made a royal mess of the IPP issue. He has done this by deliberately confusing the question of WAPDA’s internal inefficiencies and corruption with the tariffs obtained from the IPPs so that the PPP government can be blamed for his travails. In the process, Mr Sharif has seriously damaged his government’s credibility as a foreign-investment friendly regime.

WAPDA’s troubles are largely of its own making. A recent WAPDA-commissioned study pitches its yearly line losses at 37%, half of which is stolen by consumers (worth about Rs 24 billion annually). This colossal figure is hidden from view by WAPDA officials through a couple of sneaky devices: FATA’s flat rate consumption is booked at 25 times the national average; and flat rate tubewell consumption is booked at about twice the actual level (one study calculates that if all the tubewells in the country were run for 24 hours a day 365 days a year, the quantity of electricity consumed would still be under 2/3rds the quantity actually booked by WAPDA).

The federal and provincial governments are also to be blamed for WAPDA’s current cash crunch. From 1994 to 1997, the provincial governments’ electricity bills were deducted at source by Islamabad and paid to WAPDA. But this practice was discontinued in FY 1997-98, with the result that the provincial governments and related bodies have not cleared their WAPDA dues. Since 30% of WAPDA’s annual power sale is to the public sector (worth about Rs 25 billion), it is no small
wonder that WAPDA’s revenue base is shrinking and its survival has become problematic.

In this context, the burden of the IPPs on WAPDA is insignificant. A WAPDA study estimates that WAPDA is suffering an additional yearly loss of about Rs 12 billion, partly on account of the high rates charged by the IPPs and partly because WAPDA lacks experience to implement the management contracts. If WAPDA had been able to control its own deficiencies, or if the provinces had coughed up their dues on time, or if federal government had demonstrated the same will to tackle WAPDA as it has demonstrated in the case of the public sector banks, such losses would not have become a burden at all.

The IPPs, of course, have got a good deal from the PPP government. At the centre of the storm are Hubco and KAPCO, which account for most of the private power available. Hubco’s rate was enhanced by the PPP government from 6.1 cents pkh negotiated under Mr Sharif’s first regime to over 11 cents today. And 36% of KAPCO’s shares were off-loaded to the National Power Company, UK, the manor shareholder of Hubco. The hurried sale of 10% additional shares, on the verbal instructions of Ms Bhutto and without clearance from the Economic Committee of the Cabinet, at below the rate obtained for the first installment of 26% shares, has rightly become the object of the Ehtesaab Cell’s wrath. The other IPPs currently on line hardly account for 600 mw.

In the event, the proper course of action would have been for the government to concentrate on getting rid of WAPDA’s internal, self-generated problems while quietly renegotiating terms with the IPPs. Furthermore, this renegotiations should have involved the major equity holders (who are all foreign financial institutions and private investors) instead of focussing on local businessmen with a mere 20% or less stake in the projects. Indeed, if the government had quietly started talking to National Power UK early last year and persuaded it to compromise, much of the Rs 12 billion additional yearly burden would have evaporated. After all, WAPDA pays nearly Rs 42 billion out of Rs 60 billion annually to Hubco and KAPCO alone.

The government’s current approach is to try and publicly arm-twist the IPPs into reducing their profit margins and rates by about 30%. This is misplaced. Unending legal battles, stock exchange hicups and much loss of international goodwill are bound to result. The solution offered by the IPPs — export of surplus power to India — has also now become a non-starter. Nor can the government withdraw the fuel surcharge and reduce fuels costs to the IPP enabling them to reduce their rates accordingly because this would play havoc with its royalty formula with the NWFP. No, there is only one sensible way out.

While it goes about firmly restructuring WAPDA, the government should offer incentives to domestic consumers so that the 2000 mw excess capacity power available costing about US$ 400 million annually is mopped up swiftly. This should take the form of a downward sliding scale of electricity rates related to increased consumption by various types of users.

The advantages of this approach are obvious enough. It will help reduce the cost of excess power. It will make our industry more competitive in the international arena by reducing its power inputs costs. It will considerably enhance
the value of the government’s moral pressure on the IPPs to voluntarily reduce their profit margins and power rates. Above all, the reduction of electricity rates across the board will yield a political bonanza to the Sharif government at a time of great difficulty.

(TFT May 29-04 June, 1998 Vol-X No.13 — Editorial)

It’s not now or never

There are two types of nuclear “hawks” in Pakistan. In the first category may be included those who write thunderous articles which carry stirring titles or phrases like “It’s now or never”, “Do or die”, “Test or live in shame”, “Don’t let nation down”, “Stop dithering”, “Test or be damned”, “Moment of truth”, “Tomorrow is too late”, etc. There are fiercely proud, patriotic men and women whose emotions tend to overflow when they are confronted with the challenge of devising a rational, long term response to India’s ambitions, American hypocrisy and European doublespeak. They tend to view opposing viewpoints as being “gutless” and “shameless”.

The other kind of nuclear “hawks” is more sophisticated. They are careful to couch their analysis in “objective” terms. There is no hint of emotion or anger. Their thoughts range far and wide. They play wargames of “national security” with seemingly ruthless abandon. Their views are couched in terms like “window of opportunity”, “national obligations”, “there’s no choice”, “realpolitik”. In a rather patronising sort of way, however, they view their opponents as “misplaced peaceniks” who are “deliberately evading an interface with national security issues” because of their intense moral and humanitarian preoccupations”.

We are not in the least impressed by such people. Indeed, we are troubles by the lack of satisfactory answers from the “now or never” brigade to a host of serious and provocative questions.

It is taken as an article of faith in Pakistan that there has been no fourth war between India and Pakistan only because of Pakistan’s “nuclear deterrent”. Yet India exploded a nuclear device in 1974 and Pakistan’s didn’t even claim to be able to make nuclear weapons until 1987 when General Ziaul Haq announced that Pakistan was “only a screwdriver’s turn away from the bomb” and Mr A Q Khan gave a bombshell interview to Indian journalist Kuldeep Nayar. Why, when India’s hegemonic obsessions and antipathy against Pakistan are of such long standing, and when a conflict over Siachin had already begun in the early 1980s, didn’t New Delhi impose a war on Pakistan from 1974 to 1988 when they had a big bomb and we didn’t?

It is, of course, no good saying that India came “close” to imposing a war on Pakistan in 1984 or 1987. The fact remains that India did not impose a war during that period when we did not have a nuclear deterrent. The fact remains that this had nothing to do with Ziaul Haq’s facile “cricket diplomacy”. Indeed, the fact
remains that, despite having agreed to effectively cold-storage Kashmir at Simla in the early 1970s, Islamabad launched a policy of fingering New Delhi in Indian Punjab in 1984 which prompted the Indians to think of hitting back in 1984 and 1987.

In 1988, democracy was ushered into Pakistan and Benazir Bhutto arrived on the scene. There was a significant change in Pakistan's stance immediately. Islamabad was now eager to smoke the peace pipe with India. It did not argue that Kashmir was a "core" issue without whose resolution the building blocks of peace could not be first built. Indeed, it went ahead and negotiated the draft of a settlement with India on Siachin. It also signed a number of protocols relating to travel and cultural matters. With the focus on peace rather than war, the "nuclear deterrent" seemed to evaporate as a meaningful strategic device.

The equations, however, were changed again by Pakistan when the Kashmiris spontaneously erupted against the injustices of New Delhi at the end of 1989. Sensing a new "window of opportunity", Islamabad quickly changed tack. It whipped out Kashmir from the cold-storage of Simla and began to press its case with great vigour. The Pakistanis claimed they were offering only "moral, diplomatic and political" support to the Kashmiris. In actual fact, however, they did more than their bit to fuel the revolt in the valley. This led India to bare its teeth and we were, if the American administration of the time is to be believed, once again on the brink of war in April 1990. This drift into war was during the time when our "nuclear deterrent" was so alive and kicking that Washington had to cut-off all economic and military assistance to Pakistan in September 1990 for "crossing the nuclear red light".

The new policy of overt and convert assistance to the Kashmiris was deepened by the new regime in Islamabad in 1991 led by Nawaz Sharif who was then a devoted disciple of General Ziaul Haq. Far from any engagement in a peace dialogue with India, it led to a changed formulation of the Pakistani position on Kashmir. Islamabad was now insistent that Kashmir was a "core" issue in its disputes with India without whose resolution in full accordance with the UN resolutions of 1947 and 1948 there could be no dialogue with India. It also led in April 1993 to a palpable threat by Washington to declare Pakistan as a terrorist state. The record shows that Chaudhry Nisar Ali Khan flew to Washington in early April 1993 (just before the Sharif regime was ousted by President Ghulam Ishaq Khan) to "apologise" to the American secretary of state and promise good behaviour in exchange for letting Pakistan off the terrorist-state hook. In the event, the Pakistani "nuclear deterrent" led to a cut-off in American aid to Pakistan and undermined its conventional defense capabilities. It also emboldened Pakistan not only to drift towards war with India but also to come to the brink of being declared a terrorist state. More significantly, it did not stop the Indians from thinking of waging war against Pakistan for stoking the fire in Kashmir.

During the second Bhutto regime from 1993-96, Pakistan was more circumspect. On the one hand, it withstood American pressure to roll back its nuclear programme and open its nuclear installations for inspection. On the other hand, it accepted a "freeze" on its nuclear programme in exchange for a commitment from Washington to supply the embargoed F-16 aircraft or return its
money back. Its “proactive” Kashmir policy also became less indiscreet than in the past. India, in the meanwhile, had determined to stamp out the revolt in Kashmir by a carrot and stick policy. Even as it buttressed its military machinery in the valley to crush the insurgency, it began to explore avenues of holding elections in Kashmir and granting a degree of “autonomy” to the Kashmiris. New Delhi’s Kashmir policy was supported to the hilt by Washington’s ambassador to New Delhi in 1995, Mr Frank Wisner, who urged Islamabad not to try and sabotage the proposed elections in the valley. There was no talk by Washington of Pakistan’s nuclear program after 1994. Equally, Pakistan was not allowed by the Americans to make any headway in internationalising the Kashmir issue at Geneva or any other international fora.

In December 1995, Pakistan learnt that India was readying its Pokhran site for renewed nuclear testing. Accordingly, a secret policy review took place under the Bhutto regime. But the Americans, it is understood, told the Pakistan authorities to relax because they thought they could persuade the Indians to refrain from testing. There were therefore no official statements from Pakistan decrying India’s “hostile intentions”. However, the curious thing is that there was no public or private debate of Pakistani nuclear strategy from the “hawks” inside and outside the Pakistani establishment even after American satellites revealed in February 1996 that India was readying to test its nuclear arsenal.

This recapitulation lead to several awkward questions. Why were the Pakistani “hawks” so miserly with their strategic insights into the relationship between national security and demonstrated nuclear weapons when the whole world was put on notice of India’s nuclear intentions two years ago? Surely, if a debate had to be conducted on the “ifs” and “whens” of conducting nuclear tests by Pakistan, it should have been launched a long time ago when it was clear that the Indian nuclear intentions establishing was simply waiting for a more propitious political environment in which to clinch its arguments with the politicians. Indeed, it is worth asking why the Pakistani nuclear establishment led by Dr A Q Khan was strangely silent on this issue for two years. It is also noteworthy that political strategists who are baying for the bomb today were asleep when they should have analysed and formulated a coherent response two years ago. The fact of the matter is that Islamabad makes a mockery of the whole issue when it claims that it drew the attention of the world to India’s nuclear intentions some months ago when it transpires that it didn’t even take out the time to hammer out a swift policy of its own in the event that its “dire warnings” were proven right.

Given this background, the irony is all the greater when we note Nawaz Sharif’s keenness to open a peace dialogue with India shortly after becoming prime minister in 1997. In mid-1997, the foreign office informed us that a “historic breakthrough” had been achieved in the secretary-level talks with India. New Delhi, we were told, had finally agreed to discuss the Kashmir “issue” with Pakistan along with the other outstanding issues. For the uninitiated, of course, this did not create any misgivings. But it should have sent alarm bells ringing in our community of knowledgeable “hawks”. Pakistan under Nawaz Sharif had quietly abandoned its eight year stance of insisting that the Kashmir issue was the “core issue” pending whose resolution no other confidence-building matter could be undertaken. It had
also agreed to discuss this issue bilaterally, once again a radical departure from its 
historic position that under the UN resolutions the Kashmir dispute transcends 
bilateralism. Yet there was not a speak of protest from any quarter of the “hawks” 
explaining how this policy could be swiftly shipwrecked at the alter of overt nuclear 
testing by India. Indeed, there were people in Pakistan, including Nawaz Sharif, 
who believed that the arrival of the BJP to power in India might actually hasten the 
peace process because the “patriotic” credentials of both right-wing parties could 
not be challenged.

This bankruptcy of the Pakistani political and intellectual establishment is no 
where more evident than in the shrill, belated cries for “immediately” adopting a 
“fail-safe” nuclear doctrine which relies on a tested device for national security. At 
the end of the day and shorn of its “intellectual” trappings, the arguments is 
reduced to the following logic: “The BJP has unexpectedly posed a new strategic 
threat to Pakistan; its track record of one month shows that it promised in its 
manifesto to test a bomb and it has carried out its pledge; it promised to launch a 
policy of “hot pursuit” of Kashmiri insurgents across the line of control and it has 
demonstrated proof of its commitment by authorising RAW to embark on terrorism 
inside Pakistan; now it is threatening to seize Azad Kashmir by force and it is bound 
to carry out this threat; if it tries to force an annexation of Azad Kashmir, there will 
be war with Pakistan; since Pakistan cannot win a conventional war with India, 
because the conventional balance has been seriously eroded against Pakistan in the 
last decade, Pakistan will lose the war, when Pakistan is about to lose the war, it 
will be obliged to use nuclear weapons to thwart defeat; that is why it is imperative 
to show India that we are not bluffing when we say we have the bomb and will use 
it if it is necessary to protect our country.”

This is a self-serving argument. It is flawed at many junctures. First of all, of 
course, it makes light of the fact that Pakistan can only think of using the bomb not 
to save itself from limited military defeat but to hasten its total annihilation. 
Second, it ignores a fact which every Pakistani hawk knows but no hawk is willing 
to acknowledge: the Kashmir insurgency peaked three years ago and has been on 
the decline since; it is almost over now; the Kashmiris are fatigued and desperate 
for a respite from the war; indeed, the Hurriet Conference is divided and totally 
isolated; it is looking for an opportunity to clutch at a face saving compromise from 
New Delhi. The BJP knows this. In fact, the BJP wants to make sure that whatever 
is left of the insurgency is crushed as quickly as possible. Its only concern is that 
this could take longer than anticipated because the Pakistanis might try and 
infiltrate more men and materials into Kashmir after the snows melt. That is why it 
has buttressed paramilitary forces in the valley and is talking of “hot pursuit of 
insurgents into their bases in Azad Kashmir”. If Pakistan (and this is the crucial 
point) pulls its hand out of Kashmir, there is no reason at all why the BJP might 
take the risky and totally unnecessary step of permanently hotting up the LoC 
beyond control.

Third, the significant opposition in India led by the Congress is increasingly 
becoming critical of the BJP’s “adventurist” stance. Voices are also being raised by 
the largely secular Indian press that the BJP’s exploitation of serious strategic 
issues (on which there was a consensus) for short term party political mileage is
unacceptable. This opposition is likely to grow. The same Congress and Janata Parties which refused to test the Indian bomb in 1996 and 1997 are not likely to allow the BJP to embark on a full scale adventure across the LoC with Pakistan.

Fourth, how does a test of a nuclear bomb right away by Pakistan deter the BJP from hotting up the LoC if it is determined to do so? Modern armies in a situation like that in Kashmir much prefer controlled, limited, tactical strikes against specific targets to gain political advantage rather than full-scale wars to capture do with its bomb if the BJP decides to launch a calibrated campaign of terrorism across the LoC? Drop it on India?

The hawks have one final argument. That if we did not test now the Americans will nudge the UN Security Council to impose Iraq-type sanctions on us. That would make it impossible for us to test our device later. This is nonsense. We say China is our friend. Why then can’t we expect China to veto any such proposal? At any rate sanctions are sanctions whether imposed by the UN or individual countries. There is another false fear. It is said that India in collaboration with Israel may knock out our nuclear installations if we postpone testing. This is rubbish. It hasn’t happened since we began our nuclear programme and it’s not going to happen now. Pakistan is not Iraq and the Indo-Pak equation is very different from the Middle East imbroglio.

There is one final reason why the “hawks” should reconsider their position of “now or never”. The Indians desperately want to provoke Pakistan to show its hand and test its nuclear device(s) immediately. Everything is calibrated — all the hawkish statements emanating from the enemy in New Delhi day after day — to wound our pride, to make us feel insecure and push us into testing our bomb. Shouldn’t we pause to consider what possible merit there might conceivably be for us of a policy designed and advocated by the enemy?

India stands to gain much and lose nothing from a Pakistani test. First, if Pakistan tests immediately, the heat will shift from India and be focussed acutely on Pakistan because the Hindu bomb is less scary than the Islamic bomb. Second, India and Pakistan can then jointly demand a revision of the CTBT to enable them to formally enter the “nuclear club”. But this will only be advantageous to India because it will enable it to claim a stake in the Security Council as the world’s biggest democratic nuclear power. Pakistan, in the meanwhile, will be left to bask in the shallow glory of misplaced pride. Third, economic sanctions imposed on both countries in the aftermath of Pakistan’s nuclear tests will hurt Pakistan much more than India. To that extent, Pakistan’s relative economic and military balance vis a vis India will decline.

The Pakistan army chief has made an enigmatic statement recently. He said that “there should be a balance between tactical defence, strategic deterrence and a viable economy”. This can be interpreted to mean either temporary “nuclear restraint” or “immediate testing”, depending on one’s perception of the prevalent view in the upper echelons of the Pakistan armed forces. For what it is worth, however, it is interesting that an overwhelming majority of retired army generals who have written or spoken on this issue have called for a “restrained approach”. It is noteworthy that Mr Nawaz Sharif has also followed such an approach until now.
However, if we were to take the “temporary restraint” argument a little further, we might be able to see an outline of what its advocates may have in mind. I there is no immediate threat of full-scale war with India, as explained above, Pakistan might actually stand to derive concrete advantages from “temporary restraint”. First, it would leave the heat on India. Second, it would enable Pakistan to create the space for a better negotiation of its rightful military and economic claims on the United States, Japan and the West. Third, it would not give India added leverage to extract a security council seat from the West. And finally, it would allow Pakistan to retain its option of testing its bomb at a time of its own choosing, preferably after its economy has turned the corner and just before it’s time to hop on board the CTBT as a full-fledged nuclear power.

Pakistan could, of course, decide to go ahead with an appropriate test even before the ink of this editorial is dry. If it does, it will only be because of wounded pride. In time to come, however, we will realise how national security has not been enhanced even as the costs of the test impose severe strains in our economy and polity. National security for a weak state and fledgling political democracy like Pakistan’s can only be enhanced if we learn to live at peace with a big and growing power like India instead of relying upon relatively crude nuclear props to ensure a permanent balance of terror. A pre-requisite for peace with India is, of course, a settlement over Kashmir which the world is prepared to endorse.

(TFT June 05-11, 1998 Vol-X No.14 — Editorial)

“Wake up”, Nawaz Sharif

The deed is done. The chest-thumping is over. The crowds have melted away. Many questions arise. Some answers are available. Much depends on Nawaz Sharif’s ability to rise and shine.

Mr Sharif told the world that Pakistan would not adopt a “tit-for-tat policy”. Two weeks later, he proudly declared that he had “settled the score” with India. If this isn’t “tit-for-tat”, we don’t what is. There was absolutely no need for such cheap theatrics. He seemed to suggest that there had never been any question of “restraint” by Pakistan pending a review of the action taken by the world community to condemn India. He threw away the peg of a “considered response” which he had so assiduously cultivated with the international community in an attempt to put the onus of Pakistan testing on India’s provocative actions and statements coupled with Western reluctance to punish India.

Then there was a totally unnecessary statement to the foreign press by Dr A Q Khan that “Pakistan needed 17 days in which to get ready for testing”. This seemed to imply that the decision to test was taken immediately after the Indian tests rather than after “due consideration and proper restrain” as announced by Mr Sharif earlier.

The foreign minister, Gauhar Ayub, also appeared to relish the limelight unnecessarily. Mr Ayub told CNN on May 30th that Pakistan had detonated “two
more devices”. No, said the foreign secretary, Shamshad Ahmad, "we have tested only one device today". Mr Ahmad was clearly undertaking damage-control after Mr Gauhar signified an upping of the ante by Pakistan. No wonder the world thinks we detonated one device (or maybe two) on May 28th and one on May 30th.

Meanwhile, Dr A Q Khan’s attempt to hog the show has detonated rifts within our nuclear establishment. It is now revealed that laurels should be heaped upon Dr Samar Mobarak Mand and his colleagues in the Pakistan Atomic Energy Commission (PAEC) no less than on Dr Khan. Dr Khan, unfortunately, has behaved rather petulantly in denouncing his imagined former and current “detractors” in the PAEC. But Dr Mobarak hasn’t helped matters by publicly admitting that Pakistan is still some distance away from making and testing a thermonuclear hydrogen device. Also, Dr Mobarak’s plea “to immediately set up a command, control, communication and intelligence system” for prompt decision-making suggests that we lack one at the moment. This will certainly provide grist to the mills of Pakistan’s detractors who have always maintained that the Pakistani nuclear establishment is irresponsible and unpredictable because it lacks such a system. By confirming their worst fears, Dr Mobarak has not served his cause as well as he might have by remaining silent on such issues.

The imposition of an Emergency in the country by Nawaz Sharif is also worrying. It smacks of dangerous political opportunism. If the people of Pakistan are with Mr Nawaz Sharif on this issue, as he claims, why is Mr Sharif so fearful of them that he must disallow them their fundamental rights? If the intent is to act against loan defaulters and tax evaders, this can be achieved by many other ways in combination with Article 235 of the Constitution (“financial” emergency). No, our fear is that Mr Sharif may see this as a “window of opportunity” to fulfil this dream of becoming an all-powerful, civilian dictator.

Mr Sharif’s decision to block all forex accounts is also highly questionable. Although everyone knew that we would test the bomb, there was no rush by the public to withdraw its deposits in the run-up to the test. Now that forex accounts have been frozen, Mr Sharif has closed all formal incoming routes for forex deposits and transfers while remaining incapable of blocking all informal exists for fresh transfers of forex savings. The dramatic plunge of the stock exchange since this decision was taken has wiped out about US $ 1 billion from market capitalisation. Worse, it signals a vote of no-confidence by the Pakistani government in its own ability to tackle problems with a degree of assurance.

Now Mr Sharif is exhorting everyone to make “sacrifices”. He has “shown the way” by a couple of gestures which mock our intelligence. He is asking us to donate generously to a special fund. But, the real question is: will Mr Sharif return the billions of rupees in defaulted loans and taxes which he owes the exchequer before he asks us to empty our pockets for a “national cause”?

All this doesn’t bode well for the political and economic climate in Pakistan. Worse, with different people in the nuclear establishment saying different things and making all sorts of “revelations”, and some at each other’s throats, it appears that the absence of a disciplined central command and control centre in our nuclear and missile programme could play havoc with “national security”. Taken together,
both factors may combine to create disastrous consequences for Pakistan in time to come.

We desperately require an appropriate political, economic and diplomatic follow-up to the nuclear tests. An arms race with India, which we can ill afford, is built into the post-test scenario. The “hawks” who pushed us into the test will demand it as a natural extension of their concept of “national security”. The foreign minister and nuclear scientists who want us to manufacture nuclear warheads and put them on serial missiles will revel in it. The prime minister who loves to play “tit-for-tat” will seek further glorification in it. Everyone will insist that we should not sign the CTBT until India does because this is what we have always said and because this is the unthinking, “obvious” route to take. In the meanwhile, we will begin to take perverse, xenophobic pleasure in our meltdown to international isolation, political instability and economy anarchy.

There is, of course, a way out of our dilemma. But it requires cool-headed courage, integrity and vision — virtues which are sorely lacking in our establishment. This may be spelt out simply as follows.

First, we should unlock our negative and reactive mindset by becoming positive and proactive. This we should do by telling the world that, having “safeguarded our nuclear deterrent”, we are immediately ready to stop nuclear testing and sign the CTBT regardless of what India intends to do. While we may attach a number of maximalist conditions to this offer — including a commitment by the world power to help Pakistan seek a satisfactory solution to the Kashmir issue — the bottom-line, “do-able” condition which we should effectively append to this offer is: removal of all economic and military sanctions imposed on Pakistan since 1990, including the recent ones, and renewed financial and technical assistance with a view to propping up our economy, modernising our conventional defense forces and enabling us to test our nuclear devices in the laboratory. Along with this conditionality, we should tell the world firmly that while we are prepared to sign the CTBT we will not ratify it until we are satisfied that it meets with all our security concerns. Finally, we should tell the world that we will withdraw from the CTBT (allowed under the treaty if a country’s “supreme national interest” so demands) if the conditionality of financial and military assistance is not applied in full or if India is allowed to sign the CTBT at a later stage on special terms not available to Pakistan at the moment.

Second, we should put our nation in order. This means the consolidation of four major factors: rule of law; integrity of contract; good governance; and macro-economic balance. Translated into lay terms, this means strengthening respect for the judiciary, restoring law and order, taxing the rich, redistributing incomes, an end to “prestige, ego-boosting” projects like Motorways and Airports, rebuilding the social sector, revamping public institutions and rewarding merit and competence. All these are “do-able” projects, provided there is a “will” to do them. Each measure will serve Nawaz Sharif’s government well in its drive for stability and longevity at home and respect and understanding abroad.

Will Nawaz Sharif adopt this agenda? If he tries to become a dictator, there will be political instability. If he gives succor to the missile race, it will bankrupt the exchequer and heighten tensions in the region. If he does not sign the CTBT, he
will plunge this country into unprecedented and totally unnecessary hardship and agony at home and isolation abroad. In short, if he doesn’t provide wise and good governance, he will not survive. The tragedy would be compounded because his blunders could cost the people of Pakistan for a long time to come.

(TFT June 12-18, 1998 Vol-X No.15 — Editorial)

**Pay through your nose**

Nawaz Sharif’s political advisors are sycophants. His economic managers are weaklings. His legal aides are Philistines. His foreign office mandarins are clueless. Given the frightened poverty of philosophy in Islamabad, how will this wretched government cope with the multi-dimensional crisis at hand?

To illustrate, consider the decision to freeze Forex accounts. The Governor of the State Bank of Pakistan (SBP), Dr Mohammad Yaqub, says this step was necessary because “if a fraction of forex deposits of US$ 11 billion had been withdrawn, Pakistan’s reserves of US$ 1.3 billion would have been wiped out, plunging the country into default”. He also says that forex accounts will stay frozen until “conditions” are propitious for unfreezing them. He does not, however, say if or when such conditions will ever obtain.

We began to disagree with Dr Yaqub. Of the US$ 11 billion in forex deposits, US$ 2 billion is in the form of swap funds with banks. These funds have absolutely no relationship with the level of reserves. At any rate, this money is tied to various ongoing and profitable banking credit schemes which are not about to close down. The chances of a significant short-term transfer of these swap funds were therefore non-existent.

That left US$ 9 billion, of which US$ 7 billion are said by the SBP to belong to residents and US$ 2 billion to non-residents. In fact, however, the non-resident amount is likely to be closer to US$ 3 billion because many non-resident Pakistanis have actually declared their Pakistani addresses on the account opening forms. These non-residents had parked this money in Pakistan because they were assured fantastic rates of interest which, in many cases, were almost 50% higher than those on medium-term fixed deposits abroad. Since “Pakistan risk” was built into the rate of interest, and because much of this money was on medium or long term deposit, there was little chance that this money would or could be withdrawn in a hurry without incurring severe penalties from the banks.

That left about US$ 6 billion in resident funds. But at least 50% of these could not be touched because residents had drawn rupee loans against them for various purposes. Of the remaining US$ 3 billion, at least half are on fixed term deposits of 6 months or a year or two years and most depositors would have shrugged off qualms of uncertainty and refrained from touching these deposits. At stake, therefore, was an amount of no more than US$ 1.5 billion. What were the chances that Pakistanis would have rushed to withdraw all these deposits of US$ 1.5 billion?
Negligible, we believe. There was no panic in Pakistan to withdraw these funds after the Indians tested their devices even though everyone knew that Pakistan was bound to follow suit and attract some sanctions. Indeed, SBP Governor Yaqub has confirmed that of the US$ 200 million or so which was transferred in the last week before Pakistan tested, about US$ 120 million was on account of routine import of debt payments and only about US$ 80 million or so on account of speculative fears that forex accounts might be frozen after the declaration of an Emergency. That fact is that if such rumours had been quashed in time and there had been no Emergency and no freezing of forex accounts, people would have taken matters in their stride much as they had in the 17 days preceding our tests.

In the meanwhile, the SBP would have continued to receive remittances by Pakistani workers abroad at the rate of about US$ 150 million a month. In addition, it could have counted upon at least US$ 500 million in balance of payments support from friendly Muslim countries, a figure which is now touted at US$ 1 billion by the Sharif government. Even a temporary dip in the reserves of as much as US$ 300 million, bringing them down to US$ 1 billion, would not have made the Heavens fall on Nawaz Sharif’s head. After all, Mr Sharif had depleted Pakistan’s reserves to US$ 300 million in April 1993 without committing default or a run on the banks.

The position now is very dangerous. The SBP has irrevocably lost at least US$ 1.5 billion a year in remittances from Pakistani workers abroad. Who will remit dollars via the banking system at a conversion rate of Rs 44 to the dollar when one can obtain a rate of Rs 49 through the hundi system? Indeed, those Pakistanis who are withdrawing rupees from their forex accounts today at a rate of Rs 46 are likely to buy these hundi dollars at Rs 48-49 and put them in their lockers or shift them outside Pakistan in the reasonable expectation that they will eventually recoup their loss of Rs 2-3 when the rupee is devalued in time to come.

There is another serious difficulty linked to the freezing of forex accounts. The government has announced a cut-off date (September 1st) for rupee withdrawals from forex accounts. Since no one knows what will happen to their money after that, there is every likelihood that all those who are in a position to withdraw rupees will do so immediately. What happens when Rs 100-200 billion are withdrawn from the banks in a jiffy?

SBP Governor Yaqub says that there will be no increase in money supply because that has already been built into the forex deposit system. This is nonsense. The fact is that if rupee withdrawals are above a certain minimum quantum of money supply built in the reserve requirements of the SBP, the SBP will have to either increase money supply substantially or reduce the reserve requirements of the banking system or prod the banking system to rein in advances to industry. All options are not without adverse consequences for the financial system. If money supply is increased by breaking the IMF barriers, it will leads to inflation and bring the rupee under pressure. If the reserve requirements are reduced, a number of financial institutions could go bankrupt under the weight of bad financial practices in the past. If advances are curtailed, the liquidity crunch will push up interest rates and hurt industrial investment. This is a disastrous situation brought about by the most colossal financial mismanagement in Pakistan history. Can anything be done to reverse the loss of confidence which Mr Sharif’s pathetic advisors have engineered?
Revolution or Counter-Revolution?

Some unwitting souls have tripped over themselves to laud Nawaz Sharif’s “national agenda” as a “revolution” of sorts. Nothing could be further from the truth. The fact is that we are headed for a blast which will make the Chaghi bang seem like a whimper.

Mr Sharif intends to pursue the land reforms of the past with vigour. He proposes to seize over a million acres from errant landlords and distribute these to the peasants. Under what law he will reverse past decisions of the High Courts, Federal Shariat Court (FSC) and the Appellate Bench of the Supreme Court on this matter remains unclear. In fact, Parliament can hardly be asked to amend the Constitution and knock out the remaining powers of the FSC and the Supreme Court with retrospective effect because Mr Sharif no longer controls a two-thirds majority in it. And if Mr Sharif tries to exploit his emergency powers to discriminate between pro-government and anti-government landlords and seize land by force, writs will fly, state terrorism could face civil resistance and the emergency could be toppled sooner rather than later.

Mr Sharif’s determination to rush into the Kalabagh Dam without cobbling a federal consensus is also fraught with grave consequences. The three provinces whose elected representatives have consistently said “no” to the project are up in arms. These include all of Mr Sharif’s allies in the periphery. Mr Sharif has brought us more than full circle of 1972 when Mr Z A Bhutto, another civilian dictator, trampled upon the rights of two provinces and provoked an amend insurgency. The only difference is that this time three, not two, provinces are alienated and the perceived oppressor is a Punjabi rather than a Sindhi. Small wonder then that Mr Sharif, who has already packed the organs of the state with Punjabis, is increasingly accused of being the “Mujibur Rehman of Punjab”.

Mr Sharif now intends to commit a great fraud on us. Consider the following facts.

The House of Ittefaq has borrowed over Rs 10 million from public sector banks. Much of this amount lay in the category of “defaulted loans” before Mr Sharif became prime minister in February 1997. Today most of it is neatly parked in the category of “rescheduled loans” after some discreet “out of court settlements” with the banks. Therefore, the Sharifs may no longer be construed as bank loan defaulters, unlike thousands of businessmen who do not have the political clout to enforce appropriate “rescheduling”.

Notwithstanding this political windfall, however, the Sharifs remain major income tax defaulters. The records of the Central Board of Revenue (see page 7) reveal that the total amount demanded to date by the income tax authorities Circle-07, Companies Zone 1, Lahore, from the various companies of the Sharifs is Rs 115,14,27,681.00 has been “stayed” by the courts pending a decision. Of the balance, the Sharifs have admitted a liability of Rs 2,21,89,215.00 (but not paid it) while Rs
13,06,22,732.00 is still to be “recovered” from them. In addition, the income tax authorities, Circle-01, Companies Zone 1, Lahore, have assessed a tax of Rs 68,253,486.00 from another Sharif company, which is still to be “recovered” from it.

What is the status of this income tax default? Are the courts going to arrive at a quick judgement on all the cases which have been “stayed”? Are the income tax authorities going to arrest the shareholders of these companies like they are arresting other income tax defaulters?

No, says Mr Sharif, “I have decided to offer the assets of the Sharifs in lieu of what we owe to the state”. And what, pray, are these assets? And, how many such assets, pray, are not already over-pledged to the banks? And what, pray, is the market value of such unencumbered assets? And, who, pray, is going to assess the market value of these assets? And what, pray, is the amount of the defaulted income tax which the Sharifs are prepared to accept as a liability?

There are no answers to these questions. All we know is that when influential businessmen, landlords or politicians take out loans against their assets, they tend to inflate them considerably so that they can obtain the maximum amount of loan against them. This would suggest that if and when the Sharifs pay off their liabilities as promised by the prime minister, they will offer highly overvalued assets to clear highly undervalued defaults. It would also suggest that if the organs of the state were to accept this highly unjust formula for other businessmen in the same predicament. In the event, the state could stand to lose tens of billions of rupees following Mr Sharif’s generous offer to clear his debts. It would lose billions more when it finds that there are no buyers in the market for the run-down projects on offer.

This is no “revolution”. It is a counter-revolution masquerading as a “national agenda”. We want none of it.


Stamp of failure

If Nawaz Sharif’s body language is anything to do by, his worries are writ large over him. His eyes are stony, his look is blank, his movements are laboured, his words seem hollow and lack conviction even for him. He seems tired, lonely and lost. And well he might be. He can no longer conjure the tricks of a magician or the wiles of a politician because time has run out on him.

The economic and political mess Nawaz Sharif has created is all the more palpable because there is no Farooq Leghari or Sajjad Ali Shah or Benazir Bhutto to scapegoat. No, Mr Sharif has no one to blame for his troubles except for himself and a small band of Punjabi sycophants and adventures who have led him up the creek and left him stranded without a paddle.

Terrorism has returned to Karachi with a vengeance. Over 100 people, including policemen, have been murdered in the last month. This is partly due to
the fact that Mr Sharif saw fit to release over 3000 die-hard MQM activists from
prison some months ago and partly because he has got the Rangers on a tight
leash in order not to alienate Mr Altaf Hussain. While Mr Sharif dithers about what
to do, the city is going to the dogs. But that is not all. Rural Sindh is awash with
angry nationalist sentiment over Mr Sharif’s unilateral decision to go ahead with
Kalabagh.

The troubles in Balochistan are also mounting. The province is financially
bankrupt. It wants to renegotiate the CCI resource-sharing formula. It is opposed to
the privatisation of Pakistan Petroleum Ltd because its provincial revenues depend
critically on the fuel surcharge attached to gas production in its territory. It is angry
that when permission was granted to a few independent private power projects in
Balochistan, provincial law was blithely ignored and substantial registration fees were
denied to the province. It is sulking because it was not taken into confidence either
when the decision to test nuclear weapons on its territory was taken or when the
Kalabagh Dam was announced. Mr Sharif’s solution — to engineer a more amenable
government — has had to be abandoned for fear of a nationalist backlash. Sooner or
later, such internal and external squabbles are bound to tip the scales in favour of an
undemocratic and undesirable solution.

The NWFP is, of course, back in the fold of the nationalists. The ANP was mad
because Mr Sharif reneged on his word to name the province Pakhtunkhwa. Now it
is up in arms over the Kalabagh Dam and has joined forces with Aftab Sherpao’s
PPP. Therefore, it is only a matter of time before Mr Mehtab Abbasi’s PML
government is sent packing to the pavilion.

It is, however, Mr Sharif’s terrible financial mismanagement which has
provoked nightmares all round. The State Bank of Pakistan is caught in an epileptic
fit. Confusing circulars and counter-circulars are flying thick and fast. Forex
accounts are closed for more but open for some. The rupee is trading at three
different rates. The stock market has irrevocably crashed. Yearly forex inflows
worth at least US$ 4 billion in deposits, remittances, FBCs, Swop funds and foreign
investment in shares and equity have evaporated. Sanctions could cost another
US$ 3 billion in assistance from traditional donors. How is Mr Sartaj Aziz going to
cope with such a staggering loss?

We are coyly told that Saudi Arabia, Iran, Malaysia and the Gulf Sheikhdoms
will cough up about US$ 2 billion in cash and credits. But going by past experience
(and keeping OPEC credit regulations in mind), we would be lucky to get half that
amount. We are assured that exports will rise by US$ 2 billion 15.6% when we
know that last year’s devaluation led to a mere 4.5% increase in exports and world
trade is expected to shrink significantly in the next twelve months because of
slowdown in growth in the USA and a severe recession in Japan, our largest trading
partners. In fact, we would be lucky to increase exports by one-third the target. We
are also told that imports will rise by only 5%. Bu this does not square either with a
higher GDP growth target than last year, nor with the reduction in import duties
over a range of items. Mr Aziz is also hoping that at least half the impact (US$ 1.5
billion) of international sanctions will be somehow reversed in time to come. But, in
view of the tough stand taken by the G-8 countries, this is more likely to be
another case of wishful thinking or misplaced concreteness.
An unprecedented political and economic crisis is upon us. Some of it is inherited from the past. Much of it has been manufactured by Nawaz Sharif. Time is running out. What canard will Mr Sharif play next? A cabinet reshuffle?!

Last week, Nawaz Sharif felt compelled to consult a notable astrologer from Multan about his fate. Sources say that the prime was terribly upset by what the fellow had to say. Whatever it was, the stress is stamped all over Nawaz Sharif.

(TFT July 03-09, 1998 Vol-X No.18 — Editorial)

**Lexotanil, anyone?**

Shortly before Nawaz Sharif became prime minister in 1997, he was given to lamenting the fact that he did not assemble a good team of managers during his first stint as prime minister from 1990-1993. “A leader’s performance is judged by the quality of his team”, Mr Sharif used to say with a glint in his eye, like a child with a new found toy. Indeed, Mr Sharif was fond of pointing to Ronald Reagan’s presidency in support of his brand new belief. Mr Reagan, as everyone knows, was not hot-shot president. But he did have the good sense to assemble a fair team of advisors and cabinet members who could run his government effectively.

However, after Mr Sharif ascended the prime ministerial throne again, he forgot to push the “memory recall” button on his pate. This disastrous results are before us.

rafiq Tarar is president of Pakistan when he would have been lucky to head a madrassah in Raiwind. Sheikh Rashid is culture minister even though he might have fared better as an SHO in Raja Bazar, Rawalpindi. Ishaq Dar is commerce minister when he should have stuck to his old job as minder of Ittefaq’s interests in Canada. Khawaja Asif heads the Privatisation Commission when he would have looked so much better as head of some khidmat committee goon-squad. Gohar Ayub is foreign minister when he might have been a lesser hazard in the Frontier Works Organisation. Khalid Anwar is law minister even though he would have been better off defending the law instead of killing it off. Saif ur Rahman is deputy prime minister when he might have made a great ambassador of Timbuktu. Ghaus Ali Shah is education minister when he would have made an equally good ass of himself in any other post. Chaudhry Nisar Ali Khan and Chaudhury Shujaat, unfortunately, are neither here nor there while Sartaj Aziz has hit the bottle (of that ubiquitous tranquiliser, Lexotanil) since becoming finance minister. The only two people who have found their true vocation in life are Shahbaz Sharif, the indefatigable, and Mushahid Hussain, the unflappable. Mushahid has perfected the art of disinformation and fully deserves his slot. Shahbaz is so busy whizzing around looking busy as chief minister that he doesn’t have time to do anything else.

Mr Sharif has therefore, rather wisely, learnt to do without a cabinet or a kitchen cabinet this time round. He did not consult the cabinet when he appointed Mr Tarar to the presidency. He did not consult the cabinet when he sprang the Kalabagh Dam on an unsuspecting nation. He did not consult the cabinet when he
chose May 28th as B-Day. He did not consult the cabinet when he froze forex accounts or imposed the Emergency. The cabinet, and cabinet government, could go fly a kite for all he cared.

Now we hear that a change of guard may be in the offing. Mr Sartaj Aziz could be shunted to the Foreign Office partly because he has become immune to Lexotanil and partly because someone with a head for sums may prove quite useful with the begging bowl in the comity of friendly nations. Mr Ishaq Dar is expected to replace him partly because Ittefaq’s cash flow problems following Mr Sharif’s offer to adjust his assets against his loans will be better managed from the finance ministry than commerce and partly because he is said to be a yes-man without comparison. In the meanwhile, as the trade gap worsens, Khawaja Asif seems all set to take over the commerce ministry so that the nasty problem of switching policies can be dealt with an iron hand. There may be other surprises. But we can be certain of one thing: the more things appear to change the more they are bound to stay the same. So where do we go from here?

Straight to hell on a one way ticket, we imagine. This government is being run by a pack of jokers who think that tomorrow will never come. But tomorrow will come as sure as death. We are in the throes of a meltdown the likes of which we may have read about but not experienced. Consider.

Thailand had reserves of US$ 43 billion before it melted. Indonesia was a middle-income country before it crashed and took Suharto down with it. Malaysia’s Mahathir Mohammad was a small legend before he was cut down to size. In the Latin American experience, some countries went through long years of dictator and hardship before they could recover from a financial meltdown. Our own predicament looks like this.

Reserves are down to US$ 800 million with no sign of capital inflows from private foreign investors, donor institutions, workers’ remittances or export growth. Debt payments of over US$ 1.5 billion need to be made immediately. Foreign banks are increasingly dishonouring our L/Cs. The stock market is on the verge of shutting down. The dollar’s kerb rate is sprinting ahead of the official rate. Two millions shareholders have lost their life’s savings in stocks and shares. One million have lost theirs in forex deposits. And a whopping devaluation is on the cards. Financial default, industrial closures, unemployment, inflation, shortages, hardships, anarchy.

Lexotanil, anyone?

(TFT July 10-16, 1998 Vol-X No.19 — Editorial)

IMF in the doghouse

The IMF and World Bank, unfortunately, remain symbols of western imperialism in much of the third world. This is partly because the IMF’s policies have exacerbated economic tensions and precipitated political instability and systemic breakdown in many host countries. What’s the record of the IMF/WB in Pakistan?
Two days before Benazir Bhutto became prime minister in 1988, Dr Mahboob ul Haq, then finance minister, drafted, signed and sealed a structural adjustment agreement with the IMF so that the new prime minister could not play fast and loose with the economy. But the irony of this parting kick from the Zia administration was not lost on many of us. Dr Haq and others of his ilk had consistently refused for over a decade to negotiate conditionalities with the IMF aimed at restructuring the Pakistani economy.

In the event, however, Ms Bhutto did not undertake the transitional hardships prescribed by the IMF and the first ESAF had to be aborted. Mr Nawaz Sharif’s attempts from 1990-93 to take the IMF route proved equally elusive. By the time Mr Sharif was ready to be kicked out in 1993, GDP growth had fallen to 2%, the fiscal deficit had shot through the roof, reserves had fallen to US$ 300 million and domestic and international debt had acquired threatening proportions. Mr Moeen Qureshi now arrived on the scene and set about negotiating a new restructuring programme under the IMF.

But Ms Bhutto proved to be as fickle as her political predecessor. By the time she was sent packing again in 1996, the ESAF had taken a three-year battering and was in tatters. It was now left, once again, to an interim administration, to woo the IMF/WB into the fold.

Thrice bitten, the IMF was decidedly harsh with President Farooq Leghari’s caretaker regime. It insisted on a 4% fiscal deficit. It insisted on stringent demand-management measures to cut government expenditures, speed up privatisation, retire public debt, reduce the size of government and restructure the tax and financial system. But this time the IMF also wanted iron-clad assurances that the next democratically elected government would stick to the programme agreed with the caretakers. Accordingly, Mr Sharif obliged the IMF by publicly approving the compact signed with the caretakers.

But Mr Sharif stood this promise on its head shortly after he became prime minister. "Supply side" economics rather than demand management began to rule the roost. Additionally, the fiscal deficit was set at 5% of GDP instead of 4%. Every independent economist predicted that this philosophy was a sure shot recipe for disaster. Yet the high and mighty IMF abandoned its principles and meekly went along with Mr Sartaj Aziz. What happened?

The budget revenue target was revised downward three times last year, yet there was a shortfall of Rs 12 billion at the end of the day. The fiscal deficit was officially acknowledged to be over 5.6% even though everyone knows it will be closer to 6.5% when revised estimates are available in September. The GST was imposed and withdrawn twice. Not a single major public sector unit was privatised or restructured. Money was plundered from the SAP for prestige projects. The rupee was twice devalued yet exports rose by only 4.6%. At least US$ 250 million from the WB earmarked for downsizing government went abegging. The stock exchange plunged to unprecedented depths. Foreign investment declined rapidly. The Sharif government reneged on Bhutto’s energy policy even though it had been approved by the WB. Pakistan’s international credit ratings were downgraded. Yet, despite all these signposts to breakdown, the IMF thought fit to release two installments and a bit from
its US$ 1.6 billion ESAF programme and the WB continued to view the Sharif government with unwarranted sympathy. What’s going on?

The IMF/WB thought Bhutto was an unmitigated disaster. She was corrupt and inefficient, so they went begging to Washington in October 1996. In the end, the IMF said it would not relent unless she cut defense expenditures. The IMF was equally tough with the caretakers and gave Shahid Javed Burki, then financial advisor, a hard time. Then along came Nawaz Sharif and the IMF suddenly decided to bend over backwards to appease him. We now face an unprecedented economic crisis coupled with financial default.

In view of this record, why should anyone in this country believe that the IMF’s policies are driven purely by economic considerations aimed at bettering our lot? Why didn’t the IMF down its shutters when Sharif ran amuck? What will the IMF do now that Nawaz Sharif has tested the bomb and faces sanctions? What price will Pakistan have to pay for a renewal of footsie between Nawaz Sharif and the IMF?

The IMF must accept its share of the economic debacle which now faces us. It has wittingly bankrolled Pakistan into bankruptcy. Indeed, if the IMF wants to be credible and if it truly seeks the welfare of Pakistan, it would be advised not to prop up rogue regimes in Islamabad for the dubious political purposes of its blundering masters in the State Department in Washington.

(TFT July 17-23, 1998 Vol-X No.20 — Editorial)

Rogue regime or rogue state?

Mr Nawaz Sharif claims that “sanctions are a blessing in disguise”. This sounds very much like a loser’s lament. For whom are the sanctions a “blessing in disguise”? For the state-nation of Pakistan, for the government of the day, or for both? We fear Mr Sharif thinks that government and state-nation are one and the same thing, that what is good for his government is necessarily good for the Pakistani state-nation.

Of course, it is a convenient stratagem for regimes to claim that the “national interest” is always equal to the “government’s interest”. But this is a load of crap. The distinction between the two concepts of state and government is an integral part of any theory of governance. The “national interest” is always permanent and transcends transitory “government interests”. Government policies may therefore strengthen the foundations of the state or they may undermine and erode them. Indeed, what might be construed as a “blessing in disguise” for the government of the day could turn out to be an unmitigated disaster for the state and vice versa.

The Pakistani state has never been more vulnerable or weak than it is today. All its institutions and organs are in acute disrepair and decline. The responsibility for this lies with successive governments since 1947. Not one has had the courage, integrity and vision to formulate and implement policies designed to promote the common, long-term public good. Instead, each has battered and bruised the state in its attempt to rescue its own discredited image.
Mr Sharif has simply, but swiftly, taken that practise to its logical conclusion. We now face the prospect of a “rogue regime” being mistaken internationally for a “rogue state”. This is unforgivable. Why should Mr Sharif’s sins be visited on Pakistan? Why should a comprehensive loss of domestic and international confidence in Mr Sharif’s government be laid at the state-nation’s door? How can the state extricate itself from this tragic mess?

One facile solution is to pretend that the crisis could become a “blessing in disguise” for Mr Sharif’s government if it forces it to change its spots. By that it is presumably hoped that if Mr Sharif were to alter the style and content of governance by means of a more credible and competent team of managers at all levels of administration, the crisis would eventually dissipate. But this is wishful, even opportunistic, thinking. For one, the political compulsions of parliamentary democracy would make this route untenable for any length of time. Indeed, it would make for confusion worst confounded. Two, how on earth can anyone expect to brainwash Mr Sharif? The man is a complete twit. He is part of the problem. How can he become part of the solution?

Another type of “solution” has also been offered. Somehow, we are advised, a national government comprising the best and worst politicians, ideologues and technocrats in the country should be cobbled together to lead us to the true path. This raises infinitely more complex, and amusing, questions than it provides even half-baked answers. The less said about it the better.

Let us face facts. For better or for worse, wittingly or otherwise, Mr Sharif has led Pakistan to the brink of political chaos and economic anarchy. To be sure, he is not solely responsible for this impending calamity. His predecessors, both civil and military, and their cohorts are jointly to blame. But it is Mr Sharif’s distinction to preside over this collapsing moment of history. Opportunities to reverse the tide were tragically lost in 1993, 1996 and perhaps even in 1997.

Let us face facts. This is not a crisis which has been exclusively brought about by our nuclear tests and international sanctions. Pakistan was on the brink of default in June 1993 and November 1996. On both occasions, the rot was stemmed by restoring hope and confidence in the country by means of a fresh start. But each fresh start turned out to be false for one basic reason: the same dysfunctional system brought back the same discredited faces to parade before us in their same wretchedness.

Those of us who are still genuinely searching for a “solution” might consider, first and foremost, abandoning the path of righteous indignation, wounded pride, wishful thinking, false consciousness and misplaced concreteness. We have no right to be indignant at the international community for we have been as hypocritical and self-serving as them. If wishes were horses, we would not have stumbled into a dead-end. Our pride is as misplaced as our political consciousness. There is no place for such constructs in the lexicon of inter-state relations.

The cold facts are before us. The free lunches are over. The international community is not going to bail us out without a reasonable quid pro quo. We must demonstrate wisdom, skill and courage in the face of such challenges. This involves making sustainable peace in the region, living within our means, paying our debts,
adopting standards of good governance and abiding by international covenants and treaties. The leader who fearlessly overhauls the government and state of Pakistan and focuses them in this direction will be the saviour of the Pakistani nation.

(TFT July 24-30, 1998 Vol-X No.21 — Editorial)

Hung, drawn and quartered

Finance Minister Sartaj Aziz, State Bank governor Dr Mohammad Yakub, vice-chairman Planning Commission Hafiz Pasha and secretary finance Moeen Afzal are all fairly personable characters. Left to their own devices, each could lay claim to being a gentleman and scholar with whom one can break bread and share a lively discussion on everything under the sun — from China’s convulsive transformation or the tranquilities of sufism to the economic equations of Hajj and the unbounded joys of cricket. As an unholy quartet, however, they are a cruel, perverse and menacing lot. Consider their collective record under solemn oath of upholding public office.

In June 1997, they informed us that GDP growth in FY 1996-97 was about 3.9%. A year later, however, they claim it was not 3.9% but 1.3%. The statistics were fudged so that, starting from a low base last year, they could claim a high GDP growth of 5.4% in FY 1997-98. Next June, therefore, we can be sure they will say that GDP growth in FY 1997-98 was 3.5% so that they can claim credit for GDP growth of 5.5% in FY 1998-99. Despicable!

Last year, they claimed that all bank loan defaulters would be dealt with ruthlessly and indiscriminately. Since nothing of the sort happened, this year they have made a cunning distinction between ”willful defaulters” and “economic defaulters” so that the chosen many are let off the hook and an unfortunate few are taken to task. Shameful!

After the nuclear tests, they claimed that imports would be restricted by 15% in FY 1998-99 in order to balance the yawning gap between imports and exports. But in the budget they stunned everyone by liberalising the import regime — maximum import duties were reduced from 45% to 35% and luxury cars were made available cheaply. Now they have tried to cover their tracks by slapping a hefty regulatory duty on imported luxury cars and raising the currency rate for most imports. Ridiculous!

Before the budget, they were insistent that there would be no devaluation. Barely two weeks later, however, they were ready to devalue the rupee by 4.4%. Once again, they said that there would be no more devaluation. Once again, however, their fib has caught up with them. The economic package unveiled on June 21st makes a mockery of the exchange regime. It kicks off with a controlled devaluation of 15% (the average of the current official rate of Rs 46 per dollar and the market rate of Rs 58 is Rs 52 which is about 15% above the official rate of Rs 46) which threatens to rise to 20% if the market rate shoots up as expected. Absurd!
After the forex accounts were frozen on May 28th, they said resident and non-resident depositors had until August 31st to translate their dollars into rupees and withdraw their deposits, failing which they would not only have to disclose the resources of their deposits but also pay tax on them. At the beginning of July, they changed tack and said the cutoff date was July 31st. On July 21st, however, they did a double take and announced that resident Pakistani depositors would not be treated at par with non-resident Pakistanis — the former could go jump in a lake with their worthless rupee or bound while the latter could now obtain dollar interest on their dollar bonds — but all could claim exemption from taxes or scrutiny. Shocking!

Before the budget they said that sanctions would lead to a loss of only US$ 1.5 billion in external funding. But they conveniently forgot this when they made the budget and went on to announce that as much as US$ 3.2 billion in external resources would be forthcoming from various sources. But truth will always out. And when it did, they quietly called in an international company with expertise in managing a debt moratorium and started talking terms with it. Disgusting!

Before the budget, they said that everything was hunky-dory and no new taxes would be imposed. But the budget put paid to that when the tax burden was calculated to have risen by Rs 50 billion. After the budget they said there would be no mini-budgets. But one lie has been heaped upon another. First, the price of petrol was raised by 25%. Then a host of new measures were announced on June 21st in which the Public Sector Development Programme was cut, devaluation was affected and exchange controls were imposed. Pathetic!

If this isn’t a damning story of missed opportunities, miscalculated losses and blatant lies, we don’t know what is. In any functioning democracy, such dysfunctional decision-making would have taken its toll of the errant makers. But not in Pakistan. Our plight is compounded by the fear that the unholy quartet is here to stay. Until the economy has been bung, drawn and quartered, that is.

(TFT July 31-06 Aug, 1998 Vol-X No.22 — Editorial)

**The stuff of history**

Before Nawaz Sharif ordered the nuclear button to be pressed, we urged the Pakistani establishment to take a long, deep breath, delink its nuclear concerns from those of India and consider all the implications of tit-for-tat nuclear testing. Now we know that the finance ministry, at least, didn’t do its homework before it nodded its assent. After the tests, we urged that the establishment should immediately enter into realistic negotiations with Washington with a view to signing the CTBT on terms favourable to Pakistan. This too did not happen. Indeed, we suspect that India may have already taken a lead in this direction. All that, however, is water under the bridge. But no matter. The situation can still be retrieved.

Pakistan has finally announced a “de-linking” of its CTBT position from that of India. If this means that Islamabad will sign the CTBT regardless of whether or not
India does so, this is good news. But timing is of the essence in this matter. If we end up following rather than leading India in this direction, much of the potential economic goodwill and political leverage which we seek to extract from the international community may be lost. And if we do this later rather than sooner, current economic hardships could pile up into convoluted mountain of distortions next year when we come to face the hurdles of CTBT ratification and entry-into-force.

It is therefore crucial to be clear about what lies ahead. On the one hand, our political leaders have relentlessly pushed our economy to the point of breakdown. On the other, our strategic thinkers have pushed us into testing our bombs precisely when we are most vulnerable on the economic front. So we are now like an ailing patient who is on the brink of sliding into a coma unless oxygen is provided to him immediately. The problem is that it is the international community led by Washington which controls the supply of oxygen. And the international community is demanding a hefty price for putting us on our wobbly feet again.

This looks like a lose-lose situation. As long as we remain sick to our bones, the international community’s stop-go supply of oxygen will merely suffice to keep us clinically alive so that we cannot effectively defend our sovereignty and security. A quick restoration of IMF funding, even on double the earlier scale, may provide a respite but will make us doubly dependent on it next year. A waiver on all sanctions and a full restoration of G-8 financial assistance may allow us to sit up in bed but it will not cure the cancer which has spread to our innards. No, those of us who are waiting for a “good deal” to be struck on the CTBT before they can jump up and clink their heels are living in a fool’s paradise. Signing the CTBT is only the first milestone on the agonising route to nuclear non-proliferation along which lie other hurdles like the Fissile Material Cut-Off Treaty, Missile Control Regimes, NPT and nuclear Roll-Back. In order to tackle and clear these hurdles cleanly and confidently, we need to build up our health, wealth and strength as quickly as we can and get rid of the oxygen mask proffered by the international community.

It is, of course, extremely unfortunate that we have landed ourselves in this difficult position. But there is no way out now except one: we must relinquish some space to the international community (CTBT) in order to buy some time (funds) in which to create the will (economy) to resist an erosion of our security.

But this is easier said than done. Who will formulate the tactics and strategy to affect the complex trade off between space, time and will so that our economy is strong enough to allow us to take independent political positions? The current political leadership is corrupt and incompetent. The established opposition parties are equally impoverished in terms of intellect and vision — so to expect a “national” government to solve our dilemma is whistling in the dark. Nor can we afford the luxury of waiting for the next elections to throw up a better leadership. The elections are miles away and the peoples’ wisdom cannot always be taken for granted, as we have seen time and again since 1988.

We could, however, take succor from a recent statement by General Jehangir Karamat. The army chief advocates “patience” because he is wary of “quick-fix” solutions which could “goad the military into becoming part of the problem rather
than an answer to it”. This is to be welcomed if it means that the military leadership knows the answers, will drum them into the current political leadership and accept responsibility for their implementation. But if it means that the military leadership is seeking to stay aloof, we would beg to disagree. The peoples’ patience could run out faster than the military’s. And act of omission no less than those of commission can have far-reaching consequences. Indeed, sometimes they are the very stuff of history.


Phoenix or Titanic?

Mr Akhtar Mengal, the deposed chief minister of Balochistan, had a running battle with Islamabad over the past twelve months. The province was short of funds but Islamabad couldn’t care two hoots. It was not taken into confidence when nuclear tests were ordered in its backyard. Its apprehensions regarding the proposed privatisation of Pakistan Petroleum Ltd — from which the province derives billions of rupees in gas surcharge revenues — were ignored. It was sidelined when Islamabad signed a deal with an American investor to grant fishing rights off its coastline. It protested over the federal government’s illegal waiver of provincial property/establishment fees of up to US$ 150 million to three independent power projects in 1994 but no one gave it a hearing. In the end, Islamabad perceived Mr Mengal’s government to be a troublemaker and decided to get rid of it.

Mr Mengal’s government was no paragon of virtue. But neither is Islamabad. The end result is renewed instability in Balochistan. Twenty five years after Sardar Ataullah Mengal’s government was booted out by Zulfiqar Ali Bhutto in 1973 and there was a resurgence of sub-nationalism in the province, his son’s government has met the same fate. Since the son is a chip off the old block, he has grasped the outstretched hand of Mr Wali Khan, much as his father did in 1973, and strengthened the united front of sub-nationalists against Islamabad.

Now Benazir Bhutto is threatening to sing the same tune. She too has grasped Mr Wali Khan’s hand and promised a show of solidarity with the NWFP and Balochistan later this month. The Sindhi sub-nationalists are also lining up behind her to demonstrate their anger at Big Brother Punjab’s bid to ram the Kalabagh dam down their throats.

This sub-nationalist backlash has enveloped the MQM and the Sindh assembly. Sindhi and Mohajir representatives have denounced the Kalabagh dam and joined the front against Punjab. It is therefore only a matter of time before the Sindh assembly is sent packing.

The "regionalist" backlash is gathering momentum. This does not bode well for the federation as it grapples with an unprecedented, multi-dimensional crisis. There is hardship all round. Our economy faces meltdown. Law and order are in short
supply. Our people are fearful and angry. Terrorism is rampant in Karachi. Sectarianism is rife in Punjab. Our borders are porous. Neighbouring Afghanistan is enmeshed in civil war. Neighbour India is flexing its muscle. America has got us by the short and curly. Without internal stability and unity, how will we cope?

We won't, certainly not as long as Nawaz Sharif is around. Everything he has done since coming to power again is based on rank opportunism and personal ambition. He spent one full year slaying erstwhile allies like Farooq Leghari and Sajjad Ali Shah. He made hollow alliances with the ANP, MQM and BNP and then broke them when he couldn't deliver his share of the bargain. His pro-India initiatives evaporated in a puff of smoke because they were based on wishful thinking rather than principles. His pro-Taliban stance has exacerbated the civil war in Afghanistan instead of bringing it peace. His pro-business perception has emboldened traders to thumb their noses at the tax collector and loan defaulters to go scot free. His unthinking pronouncement on the Kalabagh Dam has angered significant sections of regional opinion. His broken promises have provoked bitter resentment among the masses. His overbearing demeanour has divided and weakened the judiciary. And his nuclear tests have left him bereft of international friends.

Our patience with Mr Sharif has run out, and rightly so. He has been in power for about 15 years Punjab finance minister 1981-1985, Punjab chief minister 1985-1990 and prime minister 1990-1993 and 1997-. Can anyone point to a single constructive act of wisdom or foresight by Mr Sharif during all those years? The only thing he has to show for his efforts is a phenomenal increase in his family's personal fortunes, and that too at the expense of the state.

But it is no longer a matter of being patient with any particular leader or party. The issue is now much larger and more complex than that. This political system, the interests which prop it up and which in turn are spawned by it, the economic and political relationship between social classes and regions, the role of ideology in nation-building, the relationship between domestic and foreign policy, the definition of national security, the nature and sources of law, the economic strategy of growth and distribution every basic and fundamental assumption underlying the convoluted and heart-rending relationship between the people and the state in the past fifty years has to be re-examined and recast afresh before we can come to grips with this crisis and chart a way out of it.

Frankly speaking, we don't know who will do this and how. But one thing we do know. The one who casts the first stone against this rotten system will reap a harvest of hope as powerful as the impulse of independence fifty years ago. Are we destined to rise like a phoenix from the ashes or fated to sink like Titanic?


The Taliban are coming!
The Taliban forces have finally seized Mazar-i-Sharif, the headquarters of General Rashid Dostum, the Uzbek warlord of north-west Afghanistan. Now they are aiming to crush the Tajik forces of Burhanuddin Rabbani and Ahmad Shah Masoud in north Afghanistan and of the Shia-Hazaras in Bamian. If they succeed, the Taliban will consolidate the establishment of the first orthodox Sunni Islamic state in the region. How has this come about? What are the implications for Pakistan's national security?

Since the Soviet intervention in Afghanistan, Pakistan's national security establishment, in alliance with the Saudi Arabian establishment, has made no bones about hosting favourites in Afghanistan. For a long time it was Sunni Pushtoon leader Gulbuddin Hekmatyar. Then, when Mr Hekmatyar proved to be an ineffective and mercurial stooge, Islamabad tried to negotiate a deal with Mr Rabbani which would enable the Pushtoon forces led by Mr Hekmatyar to manoeuvre into a central position in a so-called consensus government. When that failed, the Taliban were launched by Islamabad to seize Kabul and push out Gen Dostum and Mr Rabbani to the periphery.

General Naseerullah Babar, who was Benazir Bhutto's interior minister, has staked a claim to the formation of the Afghan Taliban. He admits that he actively encouraged thousands of Pakistani Taliban in Sunni-Deobandi madrassas controlled by Maulana Fazlur Rahman's Jamiat i Ulema i Pakistan (JUI) in Pakistan's northern borderlands to provide the backbone of the Afghan-Pushtoon resistance against the Afghan-Tajik regime of Mr Rabbani in Kabul. The idea was to create an effective countervailing force to the Kabul regime and force it to relinquish power to a Sunni Pushtoon group dependent on Pakistan. Pakistan's national security establishment has justified its financial, military and logistics support to the Afghan Taliban on the basis of the strategic theory that Sunni Pakistan and Shia Iran are bound to be strategic adversaries in the scramble for Central Asian resources, gas pipelines and markets. It is therefore necessary, they say, to have a strong, pro-Pakistan, Sunni government in Kabul which can become a stepping stone in linking Sunni Pakistan to Sunni Central Asia.

But this strategic vision has turned out to be cock-eyed. Imbued with the spirit of pan-Islamic jehad, the Afghan Taliban have proved immune to important considerations of modern nation-statehood. Indeed, in the flush of one military victory after another, the Taliban have become increasingly independent of their Pakistani "handlers". The end result is that instead of becoming Pakistan's stepping stone to Central Asia, the Afghan regime has alienated the Central Asian republics and Iran from Pakistan and diminished the chances of any significant Pakistani role in Central Asia.

Despite avowing Islam, the Central Asian regimes are largely secular. They abhor the idea of an extremist Islamic regime on their borders which could become a centre for the export of militant Islamic philosophies and undermine their states. The Northern Alliance against the Taliban is supported by Iran, Uzbekistan and Russia. Uzbekistan and its ally government in Tajikistan were originally friendly towards Pakistan because they were suspicious of Ahmad Shah Massoud’s Russian links. But Uzbekistan’s fear of the Taliban has now led it to change its stance. The Uzbek president, Islam Karimov, is worried about the Saudi/Pakistan support to
religious groups who are challenging his government in the region of Ferghana. (This concern is shared by Tajikistan and China). Mr Karimov is therefore inclined to seek help from an increasingly moderate Iran against the extremist Sunni version of Taliban Islam which threatens to make inroads into his population. This has compelled him to talk not only of cooperation with Iran but also with Russia from whom he was trying to distance himself in the past.

Pakistan's relations with Iran have also suffered considerably as a result of Islamabad's support to the Taliban. A Sunni fundamentalist state on its borders is anathema to Shia Iran. Indeed, as the Islamic leadership in Iran has become more moderate under President Mohammad Khatemi, Iran's relations with the Central Asians have become warmer. So we now confront a united front of Iran, Central Asia and Russia against the Taliban, and by proxy, against Pakistan.

One negative fallout of this united front of Central Asia and Iran against Pakistan could be a postponement of a major proposed oil pipeline project aimed at bringing Central Asian gas to Pakistan. Turkmenistan, which was neutral in the Taliban-Northern Alliance stand-off, has also now begun to lean in favour of Iran since Teheran abandoned its aggressive-revolutionary policy in favour of one which stresses economic cooperation. Iran now provides a peaceful environment for the construction of pipelines through its territory. It has also developed a cooperative policy towards the Central Asian states that abut on the oil-rich Caspian Sea and offers Central Asia an alternative to Russia as an international transit connection. The Turkmen pipeline project in Iran is making quick progress even as the Turkmen-Pakistan gas pipeline project languishes because the Taliban are busy pursuing other priorities in Afghanistan where a paranoid environment favours war and not economic development.

Much the same may be said of China's interests in Afghanistan and Central Asia. Beijing's Xinjiang province is also vulnerable to Islamic subversion from Afghanistan. The last thing China wants is an unstable province bordering Afghanistan. China is also making substantial economic inroads in Central Asia. It is therefore in its interest to ensure that Central Asia remains ideologically secular and politically stable. Under the circumstances, the prospect of a strong Taliban regime in Afghanistan is an unsettling one for China.

But it is the potential political fallout of an Afghan Taliban regime on Pakistan which should worry our national security establishment. The Afghan Taliban are organically interlinked with three fundamentalist Sunni-Deobandi groups in Pakistan the JUI, the Sipah i Sahaba (SSP) and the Harkat-ul-Ansar (HUA). The SSP is a violent sectarian organisation which receives military training in Afghanistan and kills Shias in Pakistan. The HUA is a militant organisation which also receives military training in Afghanistan and carries the brunt of the jihad in Kashmir. Both are heavily armed Punjab-based outfits which are outside the control of Pakistan's law and order agencies. Coupled with the JUI, both are fertile recruiting grounds for Pakistan's indigenous and budding version of Talibanism.

Pakistan is therefore gradually falling under the puritanical faith of the Deobandi-Wahabi forces that are allied to the Taliban. In the past two years, for example, Pakistani judges are increasingly falling prey to Islamic extremism. The
same is true of our state organisations involved in minding the Kashmir mujahideen. Meanwhile, the Shias in Pakistan are coming under increasing pressure from these fundamentalist Sunni organisations to hit back through counter-terrorism tactics. (Mr Nawaz Sharif himself is on the Deobandi hit-list).

There is one other destabilising factor. Afghanistan has always nursed irredentist thoughts about Pakistan. But governments in Kabul have never been strong enough to assert themselves on the question of the Durand Line. However, things could change once the Pashtoon Taliban emerge as the most powerful government in Kabul in a hundred years. This time the cause of conflict with Pakistan would acquire an economic dimension as well. The Afghan regime is likely to insist on traditional transit trade rights along with its corollary of smuggling which the Afghans consider to be their birthright. This will hurt Pakistan enormously and stall attempts by the CBR to undertake necessary reforms of the tariff structure. In addition, the Pakistani state will become hostage to the Taliban's Deobandi brand of Islam by continuing to give succor to the JUI, SSP and HUA. Furthermore, the rise of Pakhtun-driven nationalism in Afghanistan could impact on Pakhtun nationalism in the NWFP. The Taliban could therefore eventually become a threat to the internal security and stability of Pakistan. Compared to other 'frontline' states (Iran, Uzbekistan, Russia) Pakistan is 'soft' to penetration from across the border because the Pakhtun nation lives on both sides of the Durand Line and professes a faith that is closer to the Taliban than to the dominant schools of religious thought in Pakistan.

As the Afghan Taliban move towards the total conquest of Afghanistan, they are becoming the most despised fighting group in the world. The United States, first seen as favouring them, has joined the European parliament in labelling them as the "most savage government" in the world. How will the Pakistani state cope when the Taliban are visible on the streets of Pakistan, and Afghanistan becomes a centre for the export of fundamentalist Sunni Islam to the rest of the world?


**Third party or third force?**

Mr Farooq Leghari’s Millat Party was launched at an impressive Convention in Lahore on August 14th. The Convention was attended by about 2000 delegates and observers from all over Pakistan, including over 300 former and current counsellors, MPAs, MNAs, Ministers and Advisors. Significantly, about 300 women delegates and scores of professionals and technocrats were also in attendance, as were hundreds of urban and rural middle-class young men and a sprinkling of minority representatives rarely seen on such occasions. That all this was accomplished in less than six months after Mr Leghari resigned from the Presidency is no mean accomplishment è even Mr Zulfikar Ali Bhutto took nearly fifteen months after leaving office to float his Peoples Party in 1968. Mr Leghari’s hour-long speech, in which he lambasted both Benazir Bhutto and Nawaz Sharif and pointed the way forward, seemed to come from the heart.
As expected, though, there has been some adverse comment in the press. Some of it is perfectly understandable. Not everyone is persuaded that there is scope for yet another political party, given the plethora of failed parties on the landscape and the tenacity with which the two main parties continue to woo their constituencies. Nor are many people convinced that Mr Leghari, who lacks Ms Bhutto's purple charisma or Mr Sharif's deep pocket, has it within himself to rise to the radical challenge of these tumultuous times. Only time will tell whether such views are correct or not.

But some criticism is self-serving and unjustified. The very people who complain, for example, that "no major heavyweight politicians" have joined the Millat Party, would have complained doubly if some heavyweights had actually done so for then Mr Leghari would have been confronted with headlines screaming "Lotus and discredited people join Millat Party!". In fact, most disreputable heavyweights are already ensconced in the PML and PPP and it is to Mr Leghari's credit that he has positively shunned many heavyweights who are out of power. After all, a new party with a new agenda which looks to the future should comprise new faces who are not soiled by the past. (How many senior members of Mr Z A Bhutto's PPP in 1968, it might be asked, were known heavyweights of the time?)

But these are minor matters. At the end of the day, the success of the Millat Party as not merely the third party but the "third force" will depend not only on Mr Leghari's perceived strengths and shortcomings but also on those of Benazir Bhutto and Nawaz Sharif. There are thus two routes open to Mr Leghari. He can either opt for a stolid, middle-of-the-road, non-controversial approach which neither alienates nor excites anyone in particular in the hope that, come election day, Benazir Bhutto will have been electorally disqualified by Nawaz Sharif on account of her corruption and maladministration and Nawaz Sharif will have been discredited among the people on account of his corruption and maladministration, leaving Mr Leghari as the only decent, untried politician of national stature in the field. The problem of this "leadership-by-default" approach, however, is that so much can happen between now and the next election three years hence (apart from the certainty of massive electoral rigging by Nawaz Sharif) that Mr Leghari could be swept away, along with other politicians, by powerful forces or extraordinary events which are already swelling in the bowels of Pakistan.

The second approach is for Mr Leghari to try and position himself among the people of this country in such a way that he is able to ride the stormy waves that lie ahead and chart out a new route for Pakistan. As we know, politicians stand totally discredited as a species just as democracy stands totally violated as a political system. The future is especially looking uncertain and dismal. Apart from the socio-economic strains of a decade of bad governance, loot and plunder, the federal structure also faces considerable stress. Mr Leghari must therefore say or do something which is so extraordinary that it shakes the people out of their lethargy and disillusionment, sparks their imagination, rekindles their hope and moves them to root for him above any other politician or party. Crucial to this scenario, therefore, will be Mr Leghari's ability to create one major perception in the country — that he is the dynamic leader of a hopeful future whereas both Benazir Bhutto and Nawaz Sharif are moribund leaders of a sordid past.
But this is easier said than done. If Mr Leghari wants to make a Pakistani omelette, he will have to break some Pakistani eggs first. This requires taking bold, innovative, anti-status quo positions on a host of issues which set him apart from the rest of the political leaders, including Nawaz Sharif and Benazir Bhutto, and demonstrate his abiding faith in the people of Pakistan to make rational decisions when faced with the crunch. Above all, it requires a simple but radical agenda for change which cuts across caste, class, gender, sect, creed, region, trade, vocation or profession without fear or favour of vested interests.


New beginnings or old ends?

The American bombing of terrorist bases in Afghanistan and a suspicious pharmaceutical factory in Sudan last week is significant in many ways. It demonstrates an unprecedented arrogance of power by the United States that clearly undermines international law. In the old days, the United States could bomb Muammar Gaddafi’s palace in Libya and claim it was acting legitimately against a declared and self-avowed terrorist state. The Americans could send helicopter gunships and commandoes into Iran and claim legal justification for trying to free American hostages held by that country. They could send the Marines into Haiti and insist that they had been "invited by democratic forces" to overthrow an inimical dictator in their backyard. Indeed, they could bomb Saddam Hussain's 1.5 million strong army into submission and get away with it under a UN umbrella contrived expressly for the purpose.

But last week's bombings go beyond such legal niceties. They are meant to warn that America is unilaterally willing and militarily able to legally strike out not only against rogue states and rogue governments bent on waging some form of war against the US but also illegally against "hostile" groups or "sites" in independent and sovereign states not at war with the US. That the Americans did so by violating Pakistani airspace merely adds insult to Pakistan while injuring Afghan and Sudanese sovereignty.

But there are other implications of the American bombings which are more unsettling. The attack on "Islamic" extremists based in Afghanistan who are overtly committed to waging "jihad" against America signals a hardening of American perceptions that the "war of the future" will be one in which "Islamic terrorism" world-wide will be the "number one enemy" of the West. Logically speaking, that would imply that "Islamic" extremist groups anywhere in the world, including Pakistan, who are bent on exporting "jihad" to the West, would be fair game for American retribution.

The significance of this conclusion should not be underestimated. Aimal Kansi and Ramzi Yusuf were handed over to the Americans by an able and willing government in Pakistan. But if the Harkat ul Mujahideen, Lashkar e Tayaba or any one of a number of "Islamic" extremist groups based in Pakistan who are today
vowing "war" against the United States were to get into Osama bin Laden's shoes, the Pakistan government would have to take action against them and extradite them to the United States or open itself up to the same sort of treatment meted out to the Afghan government. This would be nothing short of a "damned if Pakistan does and damned if Pakistan doesn't" situation with far reaching domestic and international consequences.

The American "intervention" in Afghanistan is also fraught with other chilling possibilities. For one, it shows the way forward to other states which are also confronted with domestic terrorism inspired from bases in other countries. Might a belligerent Indian government not be emboldened at some stage in the future to emulate the American example by striking (hot pursuit?) at allegedly terrorist bases in Azad Kashmir? (The Indian government has been swift to forward the Americans a list of 21 such alleged camps in Afghanistan, 47 in Pakistan and 39 in Azad Kashmir.) The argument that India wouldn't dare act in this fashion because Pakistan has nuclear weapons wouldn't wash because Pakistan could hardly hit back with nuclear bombs and risk total annihilation. Nor, in the event, could Pakistan expect much sympathy from the West, given its current mood, by harping on the hackneyed theme of "freedom fighters" versus "terrorists" in Kashmir.

The Americans have demonstrated how squarely Pakistan lies in the eye of the gathering storm. Islamabad's relations with Iran, Central Asia and Russia are bad because of its support to the "Islamic" Taleban. Its relations with India are worse because of its support to the "Islamic Mujahideen" in Kashmir. China does not share Pakistan's enthusiasm for the "Islamic" Taleban and its support for the "Islamic" Kashmiri cause is wearing thin. After unveiling its nuclear prowess, Islamabad has found itself at odds with the United States and the West. Now the widespread fundamentalist howls of "revenge against America" on the streets of Pakistan are geared to raise hackles in every Western capital of the world. All that remains is for the Nawaz Sharif government to unfold an "Islamic Agenda" from the portals of the Presidency to confirm the West's worst nightmare that Pakistan may be fast headed in the direction of being the newest rogue state on the scene.

The Nawaz Sharif government is in a most unfortunate situation, partly because of its own failings and inclinations but also because of the ideological baggage which the Pakistani state has carried over from the cold war era. It remains an article of faith for the Pakistani establishment that "Islamic" Pakistan's security can only be propped up as long as "Hindu" India is retained as Pakistan's "enemy number one". From this it follows that India should be bled to death in Kashmir if Pakistan is to survive, irrespective of how many and what sort of militant "Islamic" Mujahideen groups are spawned inside Pakistan. From this it follows that Pakistan should not only have half a million men under arms imbued with some form of "Islamic" ideology but also an "Islamic" nuclear deterrent. From this it follows that 40% of Pakistan's budget should be spent on defence, irrespective of the crippling burden on Pakistan's economy. From this also follows the notion of "strategic depth" in Afghanistan, irrespective of the sort of "Islamic" regime which is necessitated in Kabul and irrespective of such a regime's divisive societal impact within Pakistan. From this it follows that the more Pakistan's society and economy crumble under the strains of false consciousness and ideology, the greater the need to clutch at "Islamic" straws in
society and economy. Pakistan is in a vicious, self-perpetuating circle which is spinning out of the ambit of the world community.

It could, of course, have been very different. Pakistan could have been a modern Muslim state, strong, self-reliant and prosperous, at peace with itself, with its neighbours and with its trading partners, without abandoning its principled stands on either Kashmir or nuclear weapons. But that would have required its political leadership and national security establishment to demonstrate the vision and courage to chart a broad-minded consciousness for Pakistani society and an integrationist agenda for Pakistan's economy. That the opposite has happened is nothing short of a historic tragedy. Can we salvage the situation?

It is going to be very difficult. After years of unbearable strain, the crumbling Pakistani economy is sending out desperate SOS signals not to the national security establishment, not to the Islamic parties or Mujahideen in Pakistan, but to the international Western community. If our political leadership and national security establishment refuse to heed the economy's call for help by insisting on pursuing their bankrupt agendas, whether in Afghanistan or in India or within Pakistan, they will sign their own death warrants in time to come. Without the economy, stupid, there will be political anarchy instead of political stability and national demise instead of national security.

The way forward is through a bold and modern programme of national revival and societal cohesion which scuttles all the false demons of fundamentalism, sectarianism and ethnicity which we have conjured up. It is through a new definition of national security which doesn't clutch at Islamic ideology. It is through an appropriate integration with the world economy rather than in splendid isolation from it.

Whether we like it or not, and however despicable the method they have chosen, the Americans have challenged us to stand up in our true colours and be counted in the community to which we wish to belong. There are two routes open to us. We can either all become part of an America-hating, West-bashing "Islamic civilisation" which eats grass and lives happily ever after in a rogue state whose nuclear weapons have been "taken out" and whose army has been "knocked out", or we can become part of the moderate Muslim state our forefathers dreamed of building in the sub-continent half a century ago, with a vibrant economy, a united and creative society and a modern, affordable, professional army.

(TFT Sep 04-10, 1998, Vol-X No.27 — Editorial)

**Last refuge**

Nawaz Sharif's so-called Islamic package as shrouded in the proposed 15th constitutional amendment has not come as a bolt from the blue. Mr Sharif seriously thought about it in February 1998, shortly after he got rid of Justice Sajjad Ali Shah
and President Farooq Leghari and appointed Mr Rafiq Tarar as President of Pakistan. But he was dissuaded from going ahead with it by the "establishment" on the grounds that it would be inadvisable to open another front when there was a crying need not only to close the other fronts but to concentrate on the crumbling economy. In recent times, however, sources in Islamabad were abuzz with news that Mr Sharif had decided to take the plunge and tell the establishment to go to hell.

Why has Mr Sharif done this now? Who, if anyone, has prodded him to do it? What does he personally hope to achieve? What are the implications for state and society in the event of his success?

Let us first get some facts clear about Mr Sharif's personal inclinations, political beliefs and behavioural patterns. Nawaz Sharif is a fairly simple and practical man who, because he is not well educated, thinks in black and white. He is also personally religious, by which is meant that, like most (but not all) such people in a highly materialistic society like Pakistan's, he has a value system which is full of contradictions both self-doubts and certainties. It is a behavioural and belief system which relies for sustenance on rituals and symbols and easily mistakes form for content. Such a person, for example, is quite capable of determining that "Islamic" religiosity can be reduced to growing a beard and praying five times a day, irrespective of how badly one scores on the other tenets of Islam which enjoin people to be equitable in all their dealings, and not to deceive, profiteer, cheat or steal (all forms of corruption). Therefore, even as Mr Sharif deludes himself into believing that he is a good Muslim, he is perfectly happy being a practical man who thinks nothing of amassing a personal fortune by breaking every rule in the Holy Book.

There is a second aspect to Mr Sharif's personality which merits attention. Mr Sharif seeks to practise democracy while disavowing its basic philosophy. He knows all about winning elections in a democracy but next to nothing about the checks, balances, laws and constitutional remedies which go into the making of democracy. Indeed, in his quest for practicality, democracy is kosher to Nawaz Sharif in opposition and haram to him in government. This practical approach of a self-professed Believer is akin to that of fundamentalist parties which seek to exploit the democratic route to come to power so that they can replace democracy with "Islamic" authoritarianism.

Given this background to the personality of Nawaz Sharif, it is easy to understand how he arrived at his decision to try and impose the 15th amendment on state and society.

There is no doubt that the germs of the 15th amendment were first put into Mr Sharif's head by "Islamic" mentors like Abbaji, Dr Israr Ahmad and Mr Tarar. As a "religious" person, too, Mr Sharif has been extremely receptive to the idea that the Almighty has not only been extraordinarily beneficent towards him in the past but has also set great store by him in the future. After all, it is devined, Mr Sharif was a nobody in 1981. But greatness was thrust upon him by the Almighty when he not only ruled as Punjab Finance Minister and Chief Minister up to 1988 but has also set great store by him in the future. After all, it is devined, Mr Sharif was a nobody in 1981. But greatness was thrust upon him by the Almighty when he not only ruled as Punjab Finance Minister and Chief Minister up to 1988 but was "chosen" and propped up as Punjab chief minister from 1988 to 1990 and then as prime minister from 1990 to 1993. Indeed, the Almighty's bounties were doubly heaped on Mr Sharif in 1996 when it was said by his mentors that He had not only
swayed Mr Leghari to turn against his leader and benefactor Benazir Bhutto but also to give Mr Sharif a second chance so that Mr Sharif could come to power with an unprecedented and historic mandate to change the destiny of Pakistan in much the same fashion in which his own destiny had been shaped. The unmistakable hand of Divine Intervention is therefore discerned by his mentors in Mr Sharif’s relentless accession to power against all odds, for verily He hath ordained it as such.

Enter now Nawaz Sharif, the simple and practical man backed by Divine force, as prime minister in 1997. The Almighty, it is ordained, helps those who help themselves. So Step one, March 1997, is taken ¼ 13th amendment ¾ to get rid of the president’s powers to dismiss Mr Sharif. Step Two, June 1997 ¾ fourteenth amendment — is taken to get rid of Parliament’s power to vote Mr Sharif out of office. Step Three, July 1997 ¾ anti-terrorist bill — is taken to reduce the writ jurisdiction of the High Courts to check his encroachments on judicial power. Step Four, August 1997, is taken to pack the judiciary with handpicked judges and erode the power of the chief justice to nominate judges to the Supreme Court. Step Five, November 1997, is taken to attack and divide the Supreme Court and get rid of the Chief Justice and President. Step Six, December 1997, is taken to nominate Mr Sharif’s mentor Rafiq Tarar as President. Step Seven ¾ the Final Objective of the 15th amendment ¾ was contemplated in February 1998 so that Nawaz Sharif, the Quran and Sunnah and the Amir ul Momineen could be joined in holy Trinity for all times to come. However, this was postponed for practical considerations to a more propitious time. Some unforeseen hurdles had cropped up. The “establishment”, which had reluctantly bailed Mr Sharif out of a nasty clash with two institutions of the state only recently, urged restraint on the prime minister. The economy, "they" said, was slipping out of control. The MQM was getting violent. The ANP was demanding its pound of flesh, Pakhtoonkhwa. Indeed, there was no certainty that both parties would stand by Mr Sharif if he sought another constitutional amendment. Better, therefore, they diplomatically advised, not to open another controversial front just then. Accordingly, a hiatus in Nawaz Sharif’s swift march to eternal glory was imposed and the 15th amendment was postponed.

Alas. Mr Sharif’s troubles began to mount instead of diminish. The ANP walked out on him and the MQM picked up arms against the state in April. India muddied the waters by testing nuclear devices in May and changed all the old domestic and international equations in Pakistan. It seemed then that Mr Sharif was damned if he did and damned if he didn't.

But Mr Sharif was undaunted. His "religiosity" overcame his practicality in the heat and passion of the moment and he decided that Pakistan was ordained to be an Islamic nuclear power even if every Muslim had to eat grass for it. So the nuclear tit-for-tat tests were carried out within the framework of "Islam". As expected, sanctions were imposed, the economy plunged headlong towards default, the budget became a non-starter, Washington demanded a signature on the CTBT and Nawaz Sharif’s loyal supporters in business and trade refused to make sacrifices for the greater glory of their leader's version of Islam. Suddenly, fear and uncertainty began to stalk the land of the Pure. Mr Sharif’s mandate began to evaporate in the face of economic adversity and international isolation. For the first
time in 18 months, Nawaz Sharif didn't know what to do when his allies in Balochistan exploded out of their simmering discontent and opened yet another front against him in July.

When all seemed on the verge of being lost, Nawaz Sharif's Punjabi mentors — Abbaji and Mr Tarar — stepped in. Be practical and save your support base in the Punjab, they urged him. Live to fight another day, they exhorted him. So the Kalabagh Dam was unveiled. There was not a cent for it, and there was not a shred of consensus over it, but who cared. The announcement sent his Punjabi supporters into convulsions of ecstasy even as it raised the hackles of Sindh, Balochistan and the NWFP and breathed new life into Benazir Bhutto.

But the gambit backfired. The economy nosedived. Terrorism in Karachi surged ahead. The opposition gathered momentum. When it was rumoured that the army was restive, his mentors urged Mr Sharif to take one step back and two steps forward, or else all would be lost. Nawaz Sharif closed his eyes, said a silent prayer and unfurled his new "Islamic agenda".

Instead of being the apex of his path to glory and Amir ul Mominhood as originally envisaged in his scheme of things, the 15th amendment to the constitution is now no more than a desperate clutch at legitimacy by Nawaz Sharif when he has lost all his bearings and support outside parliament and is bereft of the means to propagate them within parliament. It is the strategy of a drowning man clutching at straws. It is the same strategy Nawaz Sharif used in 1993 when Ghulam Ishaq Khan determined to get rid of him and he knew his end was nigh. Mr Sharif had then chosen to go down fighting rather than to whimper into oblivion. And he is doing much the same thing now. When rumours fly thick and fast of his imminent exit, Mr Sharif believes that there can be no greater cause to die for politically than the cause of "Islam". The practical man in Nawaz Sharif has overnight been synthesised into an ideological pretender to the throne of Islam. The emperor, however, is still without clothes because the people of Pakistan have rejected his cynical exploitation of Islam.

But let us not mistake the medium for the message. Nawaz Sharif's personality and political demeanour would have been incomplete without a merging of religious symbol and materialist political reality at some stage of his second coming. The original plan, unfortunately for him, was thwarted partly by his opportunist alliances with the ANP and MQM and partly by circumstances beyond his control last May. Now the agenda seems unlikely to be fulfilled in the last gasps of a dictator in the making. But Mr Sharif is not a man who is about to lay down his arms.

The 15th amendment will be flogged mercilessly until it is buried for all times to come or it is made the supreme law of the land. Its fate, and that of the country, is in the hands of a few people in the Senate who stand between Mr Sharif's quest for supreme dictatorship and the nation's yearning for an accountable form of government. In the meanwhile, Mr Sharif may be assumed to deploy all his practical and spiritual prowess and instincts to obtain his objective.

If the 15th amendment comes to pass because some Senators are bought off, it will spell the death knell of federal unity and democracy in Pakistan. It will be the most ruthless exploitation of Islam for political purposes in modern history. It will
paralyse all attempts at economic reform which are so crucial to the existence of the country. And it will sow the seeds of the most rabid sectarian divisions in civil society. In the end, it will swallow not only its victims but also its own perpetrators.

The 15th amendment’s proponent is the most reckless and most dangerous politician to have sat on the gaddi in Islamabad. It is therefore clearer than ever that Mr Sharif’s exit is a prerequisite for the reconstruction of Pakistan’s state and civil society without which the country will not survive.

(TFT Sep 11-17, 1998, Vol-X No.28 — Editorial)

Afghanistan — Here we come!

Prime minister Nawaz Sharif’s political homeopathy through the 15th amendment and the Taliban’s military face-off with Iran have paved the way for a potentially more “puritanical” version of Pakistan than even under General Zia ul Haq. In the event, as General Zia’s spiritual heir, Mr Sharif’s new constitutional escalation of the Islamic agenda to save his skin is bound to tilt Pakistan towards social change that could prove to be terminal.

Mr Sharif has acted predictably. Last week, he convened the Ulema and Mashaikh conference in Islamabad and asked the clerics to attack the opponents of the bill. The diversionary nature of the tactic was so shamelessly transparent that even his Muslim Leaguers were compelled to squeal in protect because they were left out of the decision-making loop in Raiwind once again. But what could PML dissidents with a conscience do? The 14th amendment is designed to ensure that they remain tied to Mr Sharif’s coat-tails for better or for worse, in sickness and in health. Meanwhile, it might be recalled that the clerics who hailed Mr Sharif in Islamabad as Amir ul Momineen came from the same outfit which went abroad last year to collect dollars for the prime minister and then failed to reimburse the state’s kitty. The irony is that Maulana Sami ul Haq, who was once revealed by Mr Sharif’s sleuths in his first coming from 1990-93, to be Maulana Sandwich, is now his standard hearer in the battle against infidels.

Recently, Mr Sharif’s family advisor on Shariah, Dr Israr Ahmad, announced in Malakand that a new army of Islam would rise from the NWFP and Balochistan to conquer Jerusalem. He claimed that this had been predicted in the Holy Quran. Dr Israr’s anti-Shia views have made him close ranks with the Taliban. He is one of many such clerics who first condemned the Taliban as an American “proxy” in Afghanistan and then joined the frog chorus of the new political Islam when they witnessed the rising tide of the new warriors. Likewise, the Sipah-e-Sahaba leader, Maulana Azam Tariq, has been sending out messages from his Attock jail cell predicting the ultimate victory of his militant Deobandi brethren. And the Lashkar-e-Jhangvi, who swoop down from the Harakat-ul-Ansar (Mujahideen) camp in Khost to kill Shias in Pakistan, have decided to remove the new Amir-ul-Momineen from their hit-list.
A new configuration of power of relationships is clearly being prescribed by militant Islamicists. At the top of the new hierarchy is Maulana Sami ul Haq’s Akora Khattak because he has trained the most important batch of the Taliban under Mullah Umar. The second pillar of the new polity under the proposed amendment is Maulana Fazlur Rahman of the JUI because the JUI’s Taliban held Karachi hostage for a day not so long ago. The rebel mullah of Malakand-Dir, Maulana Sufi Ahmad, has also declared that if the new Islamic order is not established immediately, he will impose “dar-ul-harb” on his area and ask his Pakistani Taliban to do “hijrat” to Afghanistan to join their “brethren-in-arms”. Finally, the Panjpir seminary run by a brother of ex-ISI Major Amir (of Brigadier Imtiaz Bila fame) will provide warriors for both the Taliban and the new order under the 15th amendment.

As if this weren’t frightening enough, others are being asked by Mr Sharif’s agit-prop brigade led by Mushahid Hussain to “adjust” to the Taliban order. Qazi Husain Ahmad, for example, has been asked to join the jihad for the destiny of Pakistan. Reference has also been made to Maulana Akram Awan whose influence among middle-ranking army officers is well known. His participation in the holy enterprise unleashed by the prime minister will now square the circle and complete the “consensus” against civil society in Pakistan which has consistently voted against the religious parties with dull regularity. Mr Sharif, of course, remains on safe ground as far as the powerful intelligence agencies are concerned because the two jihads in Kashmir and Afghanistan are already farmed out to the Deobandi brethren of the Taliban. Therefore the few Leaguers who appear disgruntled will be forced to accept the new Taliban order. The judiciary, which is already half Deobandi and half Ahl-e-Hadith, partly out of fear and partly out of inclination, will “adjust” to the new facts of life sooner than many of us would like to believe. Meanwhile, an angry and warlike Iran will bring further boon. The ANP and BNP will also, in time to come, lean to heel because Dr Israr’s new Islamic army will be on the ascendancy in their two provinces. Before it conquers Jerusalem, this army will try to conquer Iran and that will net Mr Sharif the three billion dollars he needs from the Arabs.

It is clear, therefore, that Mr Sharif will have to impose greater disabilities on civil society in the light of the Holy Writ of Holy Warriors. This could mean that we might well suffer the spectacle of hands being cut, women who have been raped being stoned to death for adultery and Christians accused of blasphemy being dragged to death row for allegedly insulting the Prophet (PBUH). That is when Pakistan will plunge irrevocably into chaos, its currency rubbish and its economy choked off by international default as hostile armies backed by Russia, Central Asia and India gather on its horizons.

The application of the Afghan paradigm to Pakistan has begun. Unless it is reversed quickly and ruthlessly, Pakistan is fated to drown in it by the turn of the century.

CTBT Blues

Shortly before Pakistani hawks pushed Nawaz Sharif to opt for a tit-for-tat Big Bang in May, we urged the prime minister to call India's bluff and refrain from pressing the trigger. We said that it was not a question of "now or never" and argued that a decision on whether or when to test should be postponed until such time that Pakistan had made up its mind to sign the CTBT. In the meanwhile, we said, Islamabad should exploit the opportunity not only to isolate India in the international community but also to plug the cause of Kashmir and negotiate a restoration of economic and military assistance from the United States which was cut-off in 1990. Among other strategic factors, our argument was based on our assessment that, unlike India, our economy was ill-equipped to cope with the international sanctions which would inevitably follow in the wake of the nuclear tests. We also believed that Pakistan's security would not be enhanced by further tests.

Unfortunately, our advice was spurned in the heat and dust of passion. However, we were undaunted. We then urged the government, for a host of sensible reasons, to delink its nuclear policy from that of India and negotiate entry into the CTBT immediately. We said that Pakistan should relinquish some space (CTBT) to the international community in order to buy some time (funds) in which to create the will (economy) to resist an erosion of the country's security in the future.

No, screamed the hawks; no, screamed Nawaz Sharif; no, screamed Sartaj Aziz. We can face the sanctions, they insisted; we can defy the world, they shouted; we will never "compromise" on national security, they thundered; we will not be "coerced", they warned.

Well, well, well. Three months down the line, with financial bankruptcy staring Pakistan in the face, everyone has become "rational" and "reasonable". Suddenly, the hawks are lining up before PTV and PBC, or desperately spilling ink on the editorial pages of newspapers, to trot out all the reasons in the world for signing the same CTBT that was unacceptable some months ago for "national security" reasons. Suddenly, Mr Sharif has realised the necessity of briefing his parliamentary party and initiating a debate in parliament on the question of signing the CTBT. Suddenly, Mr Aziz has become democratic enough to take the opposition into confidence about what the government wants to do. Suddenly, Mr A Q Khan has woken up to the desirability of signing the CTBT instead of threatening to nuke every major Indian city within range of the Ghauri missiles. If patriotism is the last refuge of scoundrels, there was ample evidence of it last May. And if opportunism is the first inclination of politicians, we are overwhelmed by it today.

We must, however, clarify how the current situation differs from the one prevailing last May and how Pakistan has lost out in the interim. Not so long ago, Mr Sharif admitted in parliament that Washington had offered a grand package of upto US$ 5 billion in economic assistance, plus a waiver on the various Congressional amendments prohibiting economic or military assistance to Pakistan, plus US$ 658 million in F-16 money, if Pakistan had stayed its hand following the
Indian nuclear tests. True or not, the fact remains that the tests have proved very costly for Pakistan without in any demonstrable way enhancing our national security. Not signing the CTBT fifteen weeks ago has also taken a heavy toll, as the groaning economy testifies so loudly and clearly. And the toll will continue to mount as Islamabad drags its feet over this issue. Its exact magnitude will be reflected next June when the government tries to fudges the figures in an effort to obscure the economy’s dismal performance in the first six months of this financial year. Lost economic opportunities can rarely be recouped without paying a heavy price.

But what "reward" can Pakistan expect from signing the CTBT at this late stage when the international community has hardened its stance against nuclear proliferators?

Mr Sartaj Aziz, the foreign minister, Mr Akram Zaki, the chairman of the Senate Foreign Relations Committee, and a host of "distinguished" ex-bureaucrats and journalists allied with the government appear to be quite sanguine about Pakistan's prospects. Indeed, stories leaked by official circles claim that in the event of signing the CTBT Islamabad expects to reap a bounty in the shape of (a) an end to the sanctions, which implies that about US$ 1.7 billion should be forthcoming from the Pakistan Development Forum (b) an enhanced package of US$ 5 billion from the IMF/IDB, coupled with a 5 year moratorium from the Paris Club on at least US$ 1 billion in medium term debt (c) a Presidential waiver on prohibitive US Congressional amendments, which implies a restoration of military supplies and assistance to Pakistan (d) return of US$ 658 million on account of the withheld F-16s (e) de facto entry into the "nuclear club", which implies that the US will be amenable to the transfer of dual-use technology to Pakistan enabling it to conduct nuclear tests in the laboratory (f) assurances by Washington that it will help internationalise the Kashmir issue (g) guarantees from Washington that should India get a better deal when it signs the CTBT in time to come, Pakistan will be eligible for the same terms failing which it will be entitled to withdraw from the CTBT.

This is a laughable wish list. It bears no relation to the harsh reality on the ground. The fact is that the international community is in no mood to be seen as "rewarding" India or Pakistan for signing the CTBT long after conducting their nuclear tests because any hint of a "reward" could open the floodgates not only to nuclear-capable powers who have already signed the CTBT unconditionally and abandoned their nuclear programmes, like Brazil, Argentina and South Africa, but also to nuclear ambitious powers like Iran and Korea. More worrying for the international community is the adverse effect such a "reward" to India and Pakistan might have on at least one unnamed member of the Conference on Disarmament in Geneva (CD) who has actually sought to explore the modus operandi of withdrawing from the CTBT after having signed it some time ago. The last thing the international community wants is for the CTBT to be sabotaged by the entry of India and Pakistan on "special terms" barely one year away from its cut-off ratification date. So if Pakistan is not going to be "rewarded", what can it hope to get from signing the CTBT at this late stage?

Leave alone a de jure status as a nuclear power, neither Pakistan nor India will get the de facto status of a nuclear power which they covet, CTBT or no CTBT. This means that they will not be eligible for the legitimate transfer of dual-use technology to them for simulating nuclear explosions in the laboratory, not now,
not ever (if they can steal it, that's another matter). Nor will the United States abandon its interests in India by committing itself to an internationalisation of the Kashmir issue on behalf of Pakistan — its continued emphasis will be on a bilateral dialogue between the two countries to find a mutually acceptable solution.

The question of a Presidential waiver to the restrictive Congressional laws applicable especially to Pakistan is more complex. President Clinton has asked Congress to grant him this authority for a limited period of one year in order to enhance his leverage vis à vis India and Pakistan in pursuit of his non-proliferation agenda. Thus far, the Senate has nodded approval but the House of Representatives has still to follow suit. Therefore, unless Mr Sharif has secretly but categorically committed Pakistan's signature to the CTBT immediately, there is little likelihood that President Clinton, who faces the threat of impeachment by Congress, will exert himself to obtain approval from the House of Representatives before Congress recesses at the end of this month. In the event, the possibility of a removal of American sanctions before Pakistan signs the CTBT is remote.

But if we assume that Mr Sharif has already conveyed his readiness to sign the CTBT to President Clinton, what can Islamabad expect from Washington in return?

The very best that Pakistan can expect to receive now following an agreement to sign the CTBT is a return of the IMF to Pakistan with a limited and conditional bail-out package designed only to stave off financial default. It would definitely not mean either a resumption of military supplies to Pakistan, or any direct or significant economic loan or grant to Pakistan, by Washington. Nor is the United States in a position to immediately cough up US$ 658 million in lieu of the F-16s. That will have to await a formal legal verdict from an American court in Pakistan's favour (the American administration may be expected to put up only feeble opposition), following which the American administration will have to request Congress to make a provision in the budget in order to pay off Pakistan at some later date.

In other words, the Americans will not be "rewarding" Pakistan for signing the CTBT at this late stage. Nor will the IMF return to Pakistan with an unconditional or huge economic package, partly because the IMF will remain broke until Congress sanctions more funds to it and partly because it now suits Washington to grant only such economic freedom to Pakistan as is necessary for leverage in pursuit of its non-proliferation concerns.

Nawaz Sharif knows all this. But he has run out of options. He has therefore worked out a clear modus operandi with the Americans. That is why he wants parliament to give him carte blanche permission to negotiate entry into the CTBT when he goes to New York in one week's time. In all probability, therefore, Mr Sharif will make a formal public commitment to sign the CTBT either when he addresses the General Assembly of the United Nations or when he meets with President Clinton. Mr Sharif will also formally commit Pakistan not to export nuclear or ballistic missile technology to any state. Further, he will denounce the arms race in the sub-continent and promise that Pakistan will not be the first one in the sub-continent to weaponise a nuclear arsenal. In exchange, Washington will give the green signal to the IMF to return to Pakistan and bail it out of its current difficulties. The sanctions, however, will
only be lifted after Pakistan actually signs the CTBT and after Congress has given President Clinton waiver powers to do. Whether this will be in November following President Clinton's proposed visit to Pakistan and India or later if President Clinton is unable to come to Pakistan or if Congress refuses to give him waiver powers or if he is in the throes of being impeached, remains to be seen. Without a lifting of the sanctions, of course, there is no way that multilateral economic assistance will begin to flow back to Islamabad.

It is regrettable that Nawaz Sharif has been stupid enough to miss the wood for the trees. If there is no threat to Pakistan's national security in signing the CTBT tomorrow, there was even less of a problem yesterday. Indeed, the economy would have been spared its long anguish if a rational decision had been taken earlier.

But the tragedy doesn't end here. In his attempt to be clever, Mr Sharif has fallen short by half. When he unveiled the 15th amendment, he was hoping to kill two birds with one stone. He thought he would become a dictator because no one in parliament would dare oppose his proposal to enforce the Shariah. And he thought he would win over the mullahs so that they wouldn't oppose the CTBT. But neither ploy has worked. There is a significant opposition to his 15th amendment proposal not only in the Senate, where he lacks a two-thirds majority, but also in the National Assembly where a minor revolt against the bill is brewing. Meanwhile, the mullahs are out on the streets, screaming violent fatwas against the proponents of the CTBT.

Mr Sharif's 15th amendment problem is likely also to dog him when he goes to America next week. Washington will rap him on the knuckles (albeit in private) for trying to sabotage democracy and clutch at fundamentalists for succor. And if Mr Sharif has the guts to face the American media, he will find that the press will give him no reprieve on this highly contentious issue. Maybe that is why Mr Sharif has already started to soft-pedal on the 15th amendment bill in the national assembly.


**Afghanistan - the way out**

The facts of the situation in Afghanistan are clear enough. (1) Pakistan, Saudi Arabia and the UAE were quick to recognise the Taleban government last year. However, Iran and the rest of the world are definitely in no mood to do so. (2) Iran and Afghanistan are at daggers drawn. Passions in Iran against the Taleban are running so high that a spill over into armed conflict between the two countries cannot be ruled out. (3) The Pakistan army chief is worried about the fallout of such a conflict between two Islamic countries on Pakistan's western borders and has urged Muslim statesmen to help defuse the situation immediately. (4) Pakistan's attempt to cool down Iran has not borne much fruit. (5) In the absence of any concrete initiative from the Organisation of Islamic Conference (OIC), the United Nations has launched efforts to find a way out of the crisis. This initiative is
based on the 6+2 formula in which the regional states bordering Afghanistan (Iran, Pakistan, China, Uzbekistan, Turkmenistan and Tajikistan) plus Russia and the USA are expected to put their heads together and try to find a solution. Given these facts, what are the chances that an enduring solution to the civil war in Afghanistan can be found quickly?

Bleak, we fear. Iran and the rest of the world will not settle for anything less than a significant political and military rollback by the Taleban so that a broad-based consensus government comprising the major ethnic and religious elements of Afghanistan can be installed in Kabul. But the Taleban are bound to resist any move in this direction. They control 90% of the territory of Afghanistan and are exerting themselves to conquer the rest of the country. Worse, from the point of view of all their neighbours except perhaps Pakistan, they insist on installing and consolidating an exclusivist Sunni Pashtun government in Kabul.

Pakistan’s position has, unfortunately, become problematic over time. In 1992 and 1993, before the Taleban appeared on the scene, Islamabad definitely made efforts to help install a broad-based consensus government in Kabul. But these were unsuccessful, partly because of Pakistan’s rigid bias towards certain Pashtun elements like Gulbuddin Hekmatyar’s Hezb-e-Islami and partly because of stubborn intransigence on the part of the Tajik government of President Burhanuddin Rabbani and Commander Ahmad Shah Masood in Kabul. Then, in November 1994, the Taleban entered the equation quite suddenly, partly as a result of local factors and partly due to the Pakistan’s government’s overt and covert support. The Taleban quickly took Kandahar in south Afghanistan and, in 1995, seized Herat province bordering Iran, forcing Ismail Khan, the Governor of Herat, to flee to Tehran. Then they began their long march to encircle and seize Kabul, which finally fell in September 1996. By 1997, the Taleban were ready to confront Uzbek warlord Rashid Dostum in north Afghanistan. A successful coup against Dostum in May 1997 enabled the Taleban to March on to Mazar-i-Sharif and occupy it. Although the Taleban were thrown out from the city three days later, they were able to seize it again in August 1998. This was followed by the conquest of the Shia province of Bamiyan in recent times, leaving only one outpost to be conquered — Masood’s Tajik stronghold in the northern Panjshir valley.

If the Taleban’s resounding military successes are to be attributed to their own unity and determination and the lack of these in their opponents, there is also no doubt about the fact that the Taleban have received significant logistical and military support from elements in Pakistan. The Interservices Intelligence Agency (ISI), in particular, has been singled out by Teheran as the "driving force" behind the Taleban. But the facts are more complex and confusing.

When the Taleban appeared on the scene in November 1994, the Pakistanis sought to use the Taleban to pressure the Rabbani regime into agreeing on a consensus government in Kabul. Therefore they advised the Taleban to work with Ismail Khan and Rashid Dostum in order to isolate Rabbani. But the Taleban disregarded Islamabad and seized Herat. Islamabad’s attempts to rein them in and initiate a UN-sponsored dialogue with Rabbani on the eve of the fall of Kabul also failed. But Pakistan didn’t give up its attempts to influence the Taleban in the right
direction even after Kabul fell to them — that is why Islamabad did not accord them formal recognition after they seized Kabul.

But then something quite inexplicable happened. When Mazar-i-Sharif briefly fell to the Taleban in 1997, Islamabad’s swift recognition of the Taleban regime stunned everyone. In fact, it seemed to confirm the worst suspicions about the role allegedly played by Pakistan’s ISI in supporting and propping up the Taleban and put paid to Islamabad’s long-standing official position that Pakistan remained keen on a broad-based consensus government in Kabul. The seizure of Mazar-i-Sharif and Bamiyan province in recent months by the Taleban, and Islamabad’s dogged attempts to lobby worldwide for the recognition of the Taleban government, has merely served to harden the view that Islamabad is hand in glove with the Taleban’s attempt to rule exclusively over all of Afghanistan. It is this perception which has alienated Afghanistan’s neighbours from Pakistan, especially Iran, and created a worrying situation on Pakistan’s western borders.

The fact of the matter is that, despite supporting the Taleban, Islamabad has not been able to develop strategic leverage with them. This may be partly due to the fact that the Taleban are assisted by Deobandi jihadi forces based in Pakistan which are not altogether in the control of the Pakistan government or intelligence agencies and which have Islamic agendas of their own. It is said, for example, that the centre of gravity of the Taleban movement is not Kabul but in Akora Khattak, the headquarters of the Jamiat i Ulema i Islam (Sami ul Haq) which runs the Madrassa Uloom al Haqqania, which is one of the most significant recruiting ideological grounds of the Taleban (Mullah Umar, the leader of the Taleban, was a student at this madrassa). But it is also conceivable that certain cliques within the intelligence apparatus of Pakistan have agendas of their own and are working at cross purposes.

Whatever the causes for the lack of an effective Pakistani leverage on the Taleban, the fact however remains that Islamabad has painted itself into a corner in Afghanistan and aroused the hostility of its neighbours in the region. The zero-sum game with India on Pakistan’s eastern flank has now been repeated into a zero-sum game with an old ally like Iran and potential friends in Central Asia. This is an unacceptable situation from Pakistan’s national security viewpoint. It must be addressed quickly. How can this be done?

The Pakistani civilian government and the Pakistani armed forces must first acknowledge that it is not in Pakistan’s national security interests to allow the consolidation of a fundamentalist, jihadi, Sunni Deobandi, Pashtun regime in Kabul which excludes all other ethnic and religious groups. There are many reasons for this, not least because (a) Afghanistan’s neighbours will never accept this state of affairs, therefore foreign intervention and interference in Afghanistan is likely to increase rather than decrease if the Taleban are allowed to become the de facto and de jure rulers of Afghanistan (b) the political, religious and ethnic fallout of such an Afghan regime can prove extremely dangerous for civil society in Pakistan. In other words, the Pakistani establishment must recognise the long term wisdom of helping establish a multi-ethnic, multi-religious federal governmental system in Afghanistan in which Kabul allows maximum political and economic autonomy to the provinces. Second, the Pakistani establishment must get its act together and ruthlessly exercise leverage on the Taleban in order to bring about an Afghan state
which poses no threat to any country in the region. This would mean forcing the Taleban to accept the legitimate political, religious and ethnic concerns of Afghanistan's significant minorities and agreeing to share power with them. How can such leverage be brought into play?

Given a proper assessment of the dangerous situation in the region and given the will to redeem it in a satisfactory manner, it is not difficult to imagine how effective Pakistani leverage can be developed inside Afghanistan. First, ideological jihadi cliques and groups with agendas of their own must be confronted ruthlessly, whether within the Pakistani establishment or within civil society. Second, the official pipeline of Pakistani assistance to the Taleban must be exploited to calibrate Islamabad's influence over the Taleban. Third, Islamabad must lay its cards on the table with its friends in the region, win their confidence, ask them to do the same, and jointly undertake efforts to achieve the objective of a broad-based federal arrangement in Afghanistan. In the meanwhile, Pakistan must stop championing the dubious cause of the Taleban, stop explaining away their shortcomings and excesses and stop lobbying for their recognition as the true government of Afghanistan. Finally, the Nawaz Sharif government must desist from trying to change the nature of Pakistan's law and constitution in any manner which gives sustenance to the jihadi groups within Pakistan and destabilises the foundations of civil society and armed forces.

(TFT Oct 02-08, 1998, Vol-X No.31 — Editorial)

Truth will out

Mr Nawaz Sharif once used to say that he would never sign the CTBT. Now he has made a firm commitment to the United Nations that he will sign it soon. Is this pledge credible?

Mr Sharif also said that Pakistan would never resile from its historic, multilateral, core-issue, position on Kashmir. Now he has agreed to talk with India on the other contentious issues and given a commitment to negotiate a settlement over Kashmir bilaterally (see page 7). Is his pledge credible?

The question of Nawaz Sharif's credibility has cropped up time and again. Karz Utaro, Mulk Samvaro. MQM. Kalabagh. Pakhtoonkhwa. IMF. Ad nauseam. If the fellow had only been a congenital liar and fool, we might have shrugged off his vices as befitting any run-of-the-mill politician. But as a prime minister who wants to become Amir ul Momineen, his omissions and commissions make him a veritable security risk for Pakistan. Worse, the latest revelations by Rehman Malik, a former senior FIA officer, now show Mr Sharif out to be a plunderer at par with the likes of Benazir Bhutto and Asif Zardari.

Mr Malik’s allegations against Mr Sharif seem no less solid than those of Mr Sharif’s against Ms Bhutto and Mr Zardari (see page 4-6). Yet the Ehtesaab Commission, the Ehtesaab Cell and the courts seem interested in pursuing only one set of allegations
against one set of rulers rather than against both. More alarming is the fact that the home establishment and the international community has also inexplicably turned a blind eye to Mr Sharif's gross misdemeanours. If ordinary people see this as a grand, and unforgivable, domestic and international conspiracy to undo Pakistan, can anyone blame them?

Mr Rehman Malik's report, however belated, is an eye opener. Details were apparently collected by the FIA during Ms Bhutto's tenure from 1993-96. They were not publicised because Ms Bhutto wanted the standard covenant among thieves to stand firm. Therefore Mr Malik absconded with the FIA files when Ms Bhutto was overthrown in 1996 so that the caretakers would not get any funny ideas about accountability. How could they, if the record against Mr Sharif was missing and the record against Ms Bhutto needed at least one year to put together, as Senator Saif ur Rehman's dogged efforts have demonstrated?

But Mr Sharif did not abide by the rules of the game after he came to power. Indeed, he went after Ms Bhutto and Mr Zardari with a vengeance. Ms Bhutto tried to talk sense into him but failed — her statements of support for Mr Sharif in early 1997 were directed at seeking a mutually profitable deal for herself and her husband. Then she tried to fight the charges and delay proceedings against her at home and abroad. But in vain. The covenant has now irrevocably (unwittingly, say some) broken at both ends.

We welcome Mr Malik's intervention, whatever his motivations. And we hope that there is more to come. In the meanwhile, we take pleasure in noting Mr Sharif's hollow and rather pathetic response to the charges levelled by The Observer. There is also a sense of deja vu in this situation. When the Surrey Palace was unveiled by another British paper in 1996, Ms Bhutto denied the charges indignantly. Indeed, Mr Zardari said that he intended to sue the paper, secure in the belief that his front offshore companies would stand up to scrutiny. In the event, nothing of the sort happened. So too with Mr Sharif. Mr Zardari's role is now to be played by Hussain Nawaz Sharif. I will sue the paper, says he self-righteously, pointing out that his family has merely "leased" two out of the four London flats valued at £4 million. But unlike the Zardaris, the Sharifs haven't even got their cover story organised adequately. Mr Khalid Anwar, their laiyer (sic), says that only one of the flats is on lease to the Sharifs! In the meanwhile, the Sharifs have complained about The Observer's misconduct to the Press Council of Britain. But it is revealing that their complaint does not say a single word of defense against the substantial charges levelled by The Observer — money laundering, front accounts, secret properties, offshore companies, the works.

In any other country, a prime minister accused of such gross misconduct would have either resigned in shame or been ousted in disgrace. But in Pakistan, we seem to live by particularly despicable standards. There is no attempt by the courts, for example, to take suo moto cognisance of Mr Sharif's corruption. Indeed, the Supreme Court has been quietly sitting on an important case (ISI funds) lodged in 1996 by Air Marshall (r) Asghar Khan against Mr Sharif et al since Justice Sajjad Ali Shah was ousted nearly ten months ago.
No matter. Truth will out. And one day, as surely as day follows night, the Bhuttos and the Sharifs and all their vocal collaborators and silent protectors, will pay the price for betraying Pakistan. That is the law of nature.


**Sharif & the Press**

Generally speaking, Pakistani politicians tend to apply rigorous double standards to the press. When they are in opposition, they love the press. Indeed, they are all too often tripping over themselves to wine and dine journalists who profess a degree of independence from the government. But when they are in government, they hate the press. That is when they lash out at "yellow" journalism and start talking about new laws to rein in the "irresponsible" press. That is also when they are quick to apply a host of "leverages" on the press for maximum effect — control over newsprint quotas, public sector advertising, lifafas and free foreign junkets.

By and large, though, the Pakistani press has learnt to take such double standards in its stride. The press knows that, with stiff competition, a degree of "independence" is necessary for purely commercial reasons. But it also knows that newsprint and government advertising in general and lifafas and junkets in particular are not to be sneered at. Indeed, for most newspapers, these are the very lubricants which make the press go. Therefore various stratagems have been devised by the press to have its cake and eat it too. It is a complex game in which the rules are constantly being devised or bent to accommodate and reject government pressure. Of course, when all else fails to appease the government, newspapers are compelled to go public with their complaint. This is what happened recently when the Jang/News group was ordered by Islamabad to fire at least four senior journalists from its staff, its advertisements were cut and the income tax authorities were unleashed against their owner-editor.

Unfortunately, however, weekly or monthly newsmagazines or papers have less room for manoeuvre than the dailies. Because they are compelled to offer something "special" to readers, they can rarely afford to be wishy-washy. Indeed, the choice is invariably quite stark: you can either have a blatantly pro-government and anti-opposition rag which relies on government handouts of newsprint and advertisements for survival; or you can have an ideological magazine with a national agenda of its own; or you can have an independent periodical based on private sector advertising and market-priced newsprint. It is this last category which continuously poses problems for the government because its independence is always viewed in an adversarial light by the powers-that-be. And it is this category which is often at the receiving end because of its rigid insistence on remaining independent.

Two of Pakistan's most independent periodicals are, of course, The Friday Times (weekly) and Newsline (monthly). The latter has recently complained of harassment by
the federal income tax authorities, a leverage of great convenience. This is nothing new. The magazine's late editor, Razia Bhatti, was subjected to considerable mental anguish some years ago by the provincial Sindh government. But TFT's experience has been quite bitter. In 1992-93, the Nawaz Sharif government pulled out all the stops to silence TFT. Our printers were served with notices threatening closure. Thugs were sent to try and soften up the editor. The DIG police didn't mince his words when he wondered aloud how we might fare if our offices were bombed by more-loyal-than-the-king supporters of Mr Sharif. Rape and kidnapping threats were hurled over the phone and via letters to the editor's wife and children. The income tax authorities served a notice for Rs 1.8 crores on us. But we refused to heel. Later, when Mr Sharif was in opposition, he personally apologised to us for what had transpired during his regime, saying "I didn't know what was going on". In recent times, the income tax authorities have told us of the pressure from Islamabad on them to lean on us, forcing us to go to the High Court for redress. Our moles tell us that all our phones are tapped. The editor's residence phones, by turns, are invariably out of order. The editor's bedroom has been violated by burglars. One of our correspondents has been threatened to "watch out or else" by none other than the gent who is running a notorious cell in Islamabad. But life goes on.

We must, however, admit that the Bhutto government on both occasions in power was less intimidating than the Sharif junta. Although Ms Bhutto constantly complained about the "unfair" coverage she received at the hands of the press, and often got very hot under the collar doing so, she did not try to conquer the press. But Mr Sharif is different. So, too, is the political culture of the Muslim League from that of the Peoples Party. If Ms Bhutto was a reluctant democrat, Mr Sharif is an avowed dictator. If Ms Bhutto forgave and forgot, Mr Sharif has the memory of a vengeful elephant.

When will governments understand that the "independent" press is here to stay? When will politicians understand that their best defence against an adverse press is better behaviour and good governance? When will "they" understand that "we" cannot all be intimidated into submission?

Mr Sharif may have conquered the presidency and the judiciary. But if he thinks he can silence the independent press, he has another think coming. There is still no shortage of Nelsons waiting to engage him at Waterloo.


How the cookie crumbles

First it was Chief Justice Sajjad Ali Shah. Then it was President Farooq Leghari. Now it is COAS General Jehangir Karamat. The three persons who wittingly and jointly paved the way for Nawaz Sharif's ascent to power were all decent, law-abiding, patriotic people who had desperately hoped that Mr Sharif would provide good, democratic government, promote economic recovery and uphold the law and
When Mr Sharif didn't do any such thing, each tried to reason with the prime minister and, failing that, opted to exit from the scene. Unfortunately, however, their personal concreteness in supporting "democracy" to their bitter ends could prove misplaced in the future. The story is worth recapitulating briefly only in order to discern an outline for the future.

When Mr Sharif ordered two petty officials in Faisalabad to be arrested and handcuffed in front of PTV cameras in February 1997 and Justice Sajjad Ali Shah ordered them bailed out a couple of days later, the chief justice's fate was sealed. Mr Sharif felt slighted and vowed to even the score. The anti-terrorist bill curtailing the writ jurisdiction of the higher courts was now proposed by the government and a running battle with the chief justice ensued. Mr Sharif was adamant on having his way. When Justice Shah tried to reason with him and offered to ensure quick justice within the parameters of the existing law, Mr Sharif spurned the offer. Then Justice Shah asked for the elevation of five high court justices to the supreme court. When Mr Sharif replied by erecting road blocks in his way, Mr Leghari offered to mediate between the prime minister and chief justice. But Mr Sharif had other ideas. Even as Mr Leghari's was trying to cool down tempers on both sides and exploring compromise options, Mr Sharif was busy planning a "coup" in the supreme court against the chief justice. The attempted coup failed only because Justice Shah cut short a trip to Saudi Arabia in October 1997 and retaliated by reasserting his authority. From then onwards, the chief justice and the prime minister were set on a collision course. A last ditch effort for reconciliation between the two was made by Mr Leghari and COAS Jehangir Karamat in November. The COAS "bought" a week's time from Justice Shah — who agreed to postpone a hearing of the contempt case against Mr Sharif — with a view to finding an honourable way out for both parties. But Mr Sharif exploited the pause in hostilities to launch fresh attacks on the chief justice from fellow judges in Quetta and Peshawar. Mr Sharif now asked President Leghari to oust Justice Shah via the Supreme Judicial Council. In exchange he offered him a second term as president. When Mr Leghari tried to reason with the prime minister and failed, he offered his resignation. "Find yourself another president who will sign the dismissal orders", said Mr Leghari, "because I cannot bring myself to do so". However, Mr Leghari stayed his resignation because General Karamat urged him not to do so. "If you resign, I will also do so", warned General Karamat.

But it was all over the following week. The Supreme Court was stormed by Muslim League thugs trucked in from Lahore and Pindi, despite a last minute effort on the eve of the assault on the supreme court by the DG-ISI, General Naseem Rana, acting on the orders of General Karamat, to persuade the prime minister to hold his guns. "We will not do anything of the sort tomorrow", said Mr Sharif to General Rana, and then proceeded to give the green signal to the thugs waiting in the wings. Following the assault, Justice Shah wrote to President Leghari asking for protection. Mr Leghari censured the government for failing to protect the supreme court and, in his capacity as supreme commander of the armed forces, ordered General Karamat to do the needful. General Karamat, however, referred the request to the defence ministry which promptly declined it. On December 2nd, Mr Leghari decided to resign, despite a last ditch effort by General Karamat and DG-ISI at 12 noon that day to persuade him to change his mind. Justice Shah was
ousted by Senate Chairman Wasim Sajjad in his capacity as acting-president barely one hour after President Leghari’s resignation at 5 pm.

The lessons were clear enough. Justice Shah had incurred the wrath of the prime minister by trying to uphold the law. He had to go. Mr Leghari had incurred the wrath of the prime minister by upholding the constitution and refusing to fire the chief justice. He had to go. General Karamat had sided with the prime minister because he was not prepared to impose martial law in order to save democracy from itself. He stayed, if only because he thought he could thus save his institution from being sucked into the political quagmire.

During much of 1998, General Karamat delicately tried to reason with the prime minister, first over the question of his proposed new selection of a Punjabi president, then over Mr Sharif’s desire to push through the 15th constitutional amendment last February and finally over the question of governmental priorities. But Mr Sharif was in no listening mood. Much of what General Karamat said in his speech at the War College on 5th October had been already conveyed to Mr Sharif in private. In actual fact, General Karamat faced a restive and anxious audience of senior army officers at the War College. In the interests of the country and his own institution, he spoke frankly. When he took the decision to go public via the ISPR, it is inconceivable that he did not appreciate the full consequences of his action. His options were once again clear: he could impose martial law or resign. He chose to come home.

The conclusions can now be drawn. When Mr Leghari decided not to become an accessory after the fact of the murder of democracy in Pakistan by Mr Sharif and spurned the offer of a second presidential term, he had no option except to resign. When General Karamat spoke his mind and spurned the offer of a term as Chairman, Joint Chiefs of Staff Committee, he had no option but to resign. And if Mr Leghari’s resignation had served to put General Karamat on the spot, General Karamat’s resignation is bound to put the new army chief, General Pervez Musharraf, on an even more difficult spot in the coming months.

The business of resignations will now come to a stop. The old guard — chief justice, president, army chief — has gone to live with its conscience after throwing in the towel. A new troika is in place. Of the three, President Tarar will be lucky if he can find mention in an obscure footnote of history. Chief Justice Ajmal Mian, on the other hand, still has an opportunity to stake an honourable claim on the time of historians. Whether he chooses to do so or decides to fade away into dubious oblivion remains to be seen. General Musharraf, however, will have to choose from being a victim of fate or a man of destiny. His is an onerous task which cannot be shrugged away either by a premature retirement or an ostrich-like attitude.

The Pakistan army is restive about the virtues of democracy and insecure of its space and stake in the country. It is also trapped in the ideological legacy of the cold war and unsure of how to get out of it in one piece in the post cold-war era. There are difficult times ahead. An economic collapse followed by political anarchy will have far-reaching implications for state and society. The army, in particular, will have to contend with questions not only of worsening domestic law and order and insecurity on its eastern and western borders but also with the whole range of nuclear non-
proliferation security issues linked to the American agenda for South Asia at a time of dwindling economic resources, external dependence and impending financial default. Since the prime minister has now been irrevocably confirmed as being part of the problem rather than the solution — the record speaks for itself — Pakistan's future as a nation-state has come to depend almost exclusively on how General Musharraf and his cabinet of corps commanders attempt to grapple with such issues. It is most unfortunate that the civilians and their institutions have come to such a tragic pass. It is also ironic that the focus of our comment has come to rest on the armed forces and its leaders. But that's how the cookie is set to crumble.


NSC's time has come

The idea of a National Security Council, or something like it, was first mooted by General Zia ul Haq. But it was flatly rejected by prime minister Mohammad Khan Junejo for two main reasons: first, the civil bureaucracy's general hostility towards the idea of any formal role for the military in politics, and second, Mr Junejo's particular objections to General Zia's cold war objectives, especially in Afghanistan (Zia was opposed to the Geneva Accords on the Soviet pull-out from Kabul). In the event, there was no mechanism within the 8th amendment framework for conflict-resolution between the prime minister and the president and Mr Junejo lost his job and the political system was orphaned when the two leaders clashed with each other in 1988. Indeed, there is no knowing how the political system would have evolved in time to come if General Zia and his military commanders had not all been assassinated some months later. As a matter of fact, if General Aslam Beg had decided not to open the route to democracy in 1988 by leaning on the supreme court against the wishes of the political remnants of General Zia, there is no knowing where Pakistan might be today.

General Aslam Beg did not formally fl og the idea of a National Security Council either during Benazir Bhutto's rule or Nawaz Sharif's. But he was decidedly a hands-on army chief, given to making strong public statements on political matters which often seemed to fly against the views of the civilian government in power (he publicly disagreed with Bhutto over policy towards the MQM and he disagreed with Sharif over policy during the Gulf war). Indeed, he made no secret of the fact that he was a key player in politics. He was instrumental in cobbling the IJI in 1988, in propping up the Sharif government in Punjab during 1988-90, in backing the vote of no-confidence against Bhutto in 1989, in affecting the bloody clash between the PPP and MQM in Hyderabad in 1990, in getting rid of Bhutto in 1990, in rigging the 1990 elections and in "ensuring" the appointment of Nawaz Sharif instead of Ghulam Mustafa Jatoi as prime minister later in the year.

In effect, General Beg did not demand an indirect but formal role in politics for the military because he was able to achieve his objectives directly. He got away
with his "interventions" for two main reasons: first, the civilian set-up was still fledgling and both Bhutto and Sharif "owed" him for opening their route to power, and second, the general was successful in creating the perception that he would not be averse to imposing martial law all over again if necessary. That he didn't do so in 1991 was due to one main factor: General Asif Nawaz was nominated as COAS-designate by President Ishaq Khan six months before General Beg's retirement and the COAS-designate, in alliance with the civilian government, actively thwarted General Beg's ambitions to prolong his tenure.

The absence of a National Security Council to mediate conflict-resolution between the army chief and the prime minister was acutely felt once again in 1992 when serious "misunderstandings" arose between Mr Sharif and General Nawaz primarily over the issue of how to deal with MQM terrorism in Karachi. But General Nawaz' hand was restrained by President Ishaq and US ambassador to Pakistan, Nick Platt, acting behind the scenes. The conflict was only "resolved" when General Nawaz suddenly died of a heart attack in 1993.

General Abdul Waheed came next. His elevation to the rank of COAS six months before his retirement was totally unexpected. President Ishaq was keen on General Farrakh Khan, the CGS and the seniormost general in service, but Mr Sharif put his foot down because General Farrakh Khan was thought to have been "close" to General Nawaz. General Waheed now emerged as a "compromise" candidate. But the system broke down when the president and prime minister fell apart and General Waheed was disinclined to play a mediatory role. The president was therefore compelled to fire the prime minister and the Supreme Court was dragged into the conflict. The chief justice, Nasim Hasan Shah, looked over his shoulder for signs of life in GHQ. But there were none. Indeed, General Waheed was drawn into making a public statement saying that the army supported "democracy", had faith in the supreme court's "independence" and was not concerned about the outcome of the supreme court judgment. The route was now clear for Justice Shah. Mr Sharif was restored as prime minister and the unresolved conflict between the prime minister and the president erupted anew. In the end, General Waheed was compelled to act. Faced with a constitutional breakdown, he chose not to take sides. Instead, both the president and the prime minister were nudged to go home. If either one had refused, the constitutional impasse would have acquired crippling proportions and there would have been no option for General Waheed but to impose martial law.

The fairest elections in Pakistani history were subsequently held in 1993 under the tutelage of the Moeen Qureshi administration cobbled by General Waheed with the assent of both Mr Sharif and Ms Bhutto. General Waheed refused an extension in service and retired on due date. President Leghari now followed the seniority principle and promoted the CGS, General Jehangir Karamat, to the COAS slot. It was thought that with the prime minister and the president belonging to the same political party and an avowedly apolitical soldier in the army chief's chair, there would be no occasion for serious conflict within the political system. There was reason to be confident. Conflict between the prime minister and the COAS arose in 1988 and 1991 because the COAS had definite political ambitions. Conflict between the prime minister and the COAS arose in 1992 because of strong differences of
opinion between the prime minister and the COAS over the use of the army to weed out terrorism from Karachi. Conflict between the president and the prime minister arose in 1993 because the prime minister was keen to cut the president down to size. Since neither of these conditions prevailed in the post-1993 Bhutto period, everything was expected to be hunky dory.

But that was not to be. Despite belonging to the PPP, president Leghari and prime minister Bhutto fell foul of each other in 1996 over the question of the independence of the judiciary. In due course, president Leghari ousted Ms Bhutto on the basis of his 8th amendment powers and ordered fresh elections. Mr Sharif became prime minister and swiftly moved to remove the 8th amendment — he did not want to live in a potentially "uncertain" situation where the non-PML president had increasingly shown signs of becoming his own man by instituting a Council for Defense and National Security headed by him. Mr Sharif dug his heels in further by silencing dissent within parliament and burying the CDNS. It was now thought that with the president defanged, a pliable parliament and an apolitical army chief, the political system would become "stable" under a powerful prime minister.

Alas, that was fated to become yet another example of misplaced concreteness when the chief justice decided to stand up for the independence of the judiciary and was compelled to become a political player. For much of 1997, therefore, the conflict between the chief justice and the prime minister raged unabated until it enveloped the powerless president and the apolitical COAS in its fold and brought the system to another constitutional breakdown. The conflict was finally "resolved" after the resignation of the president and the ouster of the chief justice by the "intervention" of the COAS on the side of the prime minister. Despite all the constitutional amendments, the system was still bereft of any institutional mechanism for "conflict resolution" within the more or less powerful organs of the state. But there was no martial law in December 1997 because the personal "temperament" of the COAS revolted against the idea and not because the political system was intrinsically and sufficiently immune from it.

In 1998, the prime minister was fortified by a powerless, hand-picked loyalist as president, a timid chief justice who "owed" his elevation to the prime minister, a weakened judiciary which was still reeling from the aftermath of a bloody assault upon it by goons of the ruling political party and a COAS determined to remain as aloof from politics as possible. Under the circumstances, the system should finally have come to work beautifully. But it didn't. Instead, it condemned General Jehangir Karamat to finally speak his mind in desperation and brought the country to the brink of another fatal confrontation. In the final analysis — and notwithstanding the so-called "international climate" which is supposed to be hostile to an army take-over — there was no martial law on October 7th because General Karamat was "temperamentally" unfit to impose it and not because the system had become immune to it by allowing for conflict-resolution within its given state and governmental parameters.

The conclusions can now be drawn from this analysis of Pakistan's convulsive political history under the "decade of democracy". The 8th amendment was supposed to be a mechanism for conflict resolution within the organs of the state. But it failed to function properly and consistently dragged the COAS into public
limelight. It was duly scrapped but the problem of conflict-resolution acquired a new dimension when the chief justice determined to make the judiciary truly independent of the executive. Once again, the COAS was dragged into the fracas and asked to take unsavoury sides. In the most recent crisis, however, fingers could not be pointed at either the president or the chief justice for initiating the conflict. The conflict arose because the COAS felt compelled to set the record straight in an effort to halt the slide into economic and political anarchy under the Sharif government. During all the political and constitutional crises since 1988, martial law was always a real option. But it was averted on each occasion not because of any internal safeguards within the system for conflict mediation, debate and discussion but because of extraneous personal factors particular to each situation.

The problem has progressively been stood on its head since last year by the emergence of an all-powerful prime minister not subject to any checks and balances. It has been transformed from one of potential conflict between the president and prime minister or the prime minister and the judiciary or the prime minister and the COAS into one which emanates from the absolute power of a rampant and reckless prime minister who not only threatens institutional stability but is inherently incapable of addressing the acute and multiple crises of state, society and economy which face the nation. In the absence of an appropriate conflict-resolution apparatus, therefore, the only option to the continuation of this dismal situation is still martial law.

The idea of a National Security Council as proposed by General Jehangir Karamat should be seen in this light. It was offered in good faith by a consistently apolitical soldier who was quick not only to spurn a term as Chairman, Joint Chiefs of Staff Committee, but also to cut short his term as COAS. It was not meant to undermine the prerogatives of an elected prime minister at the alter of military power. It's sole purpose was to provide Mr Sharif with a forum where objective and less sycophantic debate and advice could be aired in order to proffer consistent, stable and credible solutions to the multiple crises facing the country.

If Mr Sharif had accepted the advice, he would have derived immeasurable good from it not only for himself but also for the country. For one, the prime minister would have formally co-opted the armed forces into backing all the tough and unpalatable decisions he must take regarding the economy and quietened discontent in civil society and restiveness in the armed forces. Two, he would have been able to persuade the armed forces to relinquish some of their lingering cold-war legacies and agendas for the common good of post cold-war Pakistan. Third, he would have quietly got the armed forces to back the civilian urge for a new definition of national security which doesn't rely exclusively on a prohibitively expensive conventional and nuclear arms race in the sub-continent. Finally, he would have put all conspiracy theorists out of business by stabilising politics through the provision of objective advice on good governance. What more could an absolute ruler besieged by personal weakness, whims and fancies have asked for under the circumstances?

That said, all may not yet be lost with the departure of General Karamat. Indeed, it is not inconceivable that the former COAS may have deliberately set the
stage for the eventual political acceptance of the idea of some sort of a National Security Council by offering a personal sacrifice in the country’s long term interests. In fact, if General Karamat’s assessment of the problems facing the government and country and the necessity of an appropriate NSC was not a personal view but an institutional one, as is commonly argued, General Pervez Musharraf may be expected to pursue the same objective with reassuring dignity and grace in more conducive and compelling circumstances in time to come. Certainly, there is much support in civil society for what General Karamat said in Lahore the other day. Mr Sharif would therefore be advised, in his own long term interest as well as that of the country in its structural and multi-dimensional crisis, to get rid of his paranoia and reconsider the issue coolly and dispassionately.


A fatally flawed leader

Much before the nuclear tests were ordered by Nawaz Sharif, we exhorted Mr Sharif to shun destabilising power plays and start concentrating on the economy ("Mayday! Mayday!" TFT December 19, 1997). But he didn't listen to us. We argued against an opportunist alliance with the MQM in Karachi ("Impose Governor's Rule in Sindh" TFT March 27, 1998). But he didn't listen to us. We advised him to change his "vendetta-driven" IPP policy ("IPP policy is misplaced" TFT May 22, 1998). But he didn't listen to us. Then, after India tested its bomb in May, we urged Mr Sharif to postpone testing in exchange for a multi-billion dollar package from Washington ("The road not taken" TFT May 15, 1998 and "It's not now or never" TFT May 29, 1998). But he didn't listen to us. After the tests, we argued in favour of a quick agreement with Washington on the question of the CTBT in exchange for an economic package and a waiver of the sanctions ("Wake up Nawaz Sharif" TFT June 5). But he didn't listen to us. At no stage did we suggest anything which would have undermined our nuclear deterrent. Indeed, all our efforts were geared to a rational and realistic response to the multi-dimensional crisis of national security facing the country.

In the event, the last few months have been pretty depressing. Even as the bleeding economy and crumbling civil society have cried out for emergency aid, Mr Sharif has continued to embroil himself in "expediency-driven" policies (Kalabagh Dam, alliance with the MQM, Shariah Bill, IPP policy). In so doing, he has pushed Pakistan over the precipice. The economy has crashed. Pakistanis have seen billions of dollars in foreign currency accounts disappear without a trace. The country has already defaulted on its foreign payments by over US$ 1.4 billion and is on its knees begging for a "grace" period from our international donors. And now, after there is precious little left to salvage of the economy, and after having made the country hostage to Washington, Mr Sartaj Aziz, the foreign minister, says that Pakistan is ready to sign the CTBT and the NPT as well as impose a voluntary freeze on the production of fissile material much before the Fissile Material Cut-Off Treaty has actually been hammered out in Geneva. To all intents and purposes,
therefore, it is clear that Mr Sharif is all set to go to Washington, with bated breath and whispering humility, and beg for a grand reprieve. How will he fare?

The run-up to Mr Sharif's pilgrimage to Washington should indicate a measure of what lies ahead. At the very least, he must scrape the barrel to survive the "graces" extended to him until then. This means a "settlement" with the IMF and World Bank on a host of tough issues before he kneels before the lone superpower on December 2. Among other things, this implies a reversal of Mr Sharif's "populist" policies on the IPPs and GST as well as a painful and urgent restructuring of WAPDA, KESC etc. Is he ready to do the needful?

The evidence at hand is not reassuring. Mr Sharif's sudden decisions to reduce power rates by 30% for residential consumers and launch a blistering public attack on Hubco and the other IPPs have stunned everyone by their audacity and forced a last-minute cancellation of the IMF team's visit to Pakistan. Is the prime minister hooked on to "nationalism", as he proudly claims, or is he protecting his crooked "business" interests, as the opposition has doggedly charged? Consider the circumstances of the case in question.

On the face of it, it seems that Mr Sharif has simply had cold feet over agreeing to an increase in power rates under World Bank/IMF pressure. In fact, it is said that Mr Sharif's popularity had hit such depths that he was left with no choice but to strike a populist stance and reclaim some legitimacy in the eyes of the people. But the truth may be stranger than this fiction.

Mr Sharif's volte-face, we believe, could be linked to the fate of another important power project, Liberty Power (235 MW), which has been hanging fire for over two years now. The Bhutto government's contract with Liberty Power in 1994 was seriously suspect for four major reasons. One, the government had broken its rules by guaranteeing pipeline quality gas to Liberty from the Qadirpur fields 40 km from the plant; two, the tariff of US$ 1.76 per mmbtu which the government agreed to charge Liberty for the gas was much lower than the equivalent tariff for less efficient furnace oil-fired plants which was estimated at US$ 2.4 per mmbtu. Three, the project was approved after the government's cut-off date for approving new power projects; four, Liberty's financial closure was suspected to be fraudulently contrived by the Bhutto government. It was alleged by the press during Ms Bhutto's time that Mr Asif Zardari had secretly obtained a 20% stake in the project in exchange for giving the gas allocation concession to Liberty.

When Mr Sharif's government came in, it announced its intention to cancel the contract with Liberty. But when construction work at the Liberty Power plant continued uninterrupted, it was thought that the government might be reconsidering the issue on the understanding that Liberty would not only pay a higher tariff for gas supplies by the government but also agree to a significant reduction in its power tariff charged to WAPDA. In the event, no such thing happened. Enter Mr Ibrahim Elwan, the major stake holder in Liberty.

Mr Elwan, of Egyptian origin, is a former World Bank employee who was head of the World Bank's South Asia 3 Energy Division for many years before he was transferred to its Private Sector Energy Development Division in 1987. He put together the financial package for Hubco in 1990 but was forced to resign from the
Bank in 1994 for alleged corruption. He then emerged as the main financier and stake holder in Liberty Power and, as chairman of Liberty Power, clinched a controversial amendment of the Hubco contract with the Bhutto government in late 1994.

Mr Elwan resigned as chairman of Liberty last year. But he is alleged not only to have secretly "renegotiated" the Liberty contract with Mr Sharif’s government without any benefit or concessions to the government of Pakistan, press reports (which have not been denied so far) also say that he has been acting as an unofficial advisor to the Ehtesab Bureau on the matter of the other IPPs. Mr Elwan was recently reported by The Washington Post to be under investigation again by the World Bank for alleged "corrupt practices" while working for the Bank earlier.

The story now acquires an interesting twist. Mr Ishaq Dar, the federal commerce minister who is at the centre of the corruption and money laundering allegations recently made by the British press against Mr Sharif, was a member of the Pakistani team sent to Washington under Mr Hafiz Pasha early October to negotiate a package with the IMF\World Bank. When The Washington Post story about fresh investigations by the World Bank into Mr Elwan's earlier conduct broke, Mr Dar abruptly abandoned the negotiating team and rushed back to Pakistan. A day later, Mr Sharif unexpectedly launched his attack on the IPPs, including Hubco, for corrupt practices and announced his decision to reduce power rates by 30%. The Ehtesab Bureau now backed up the prime minister’s harangue against the IPPs by immediately lodging corruption cases against Hubco’s executives as well as against Mr Elwan. Meanwhile, it is learnt that the gas pipeline from Qadirpur to Liberty’s site has been completed and a gas connection has been readied for the plant which is expected to go into operation in the near future. Mr Elwan remains a major shareholder of Liberty.

The implication in this account is clear enough. After having cut an unsavoury secret "deal" with Mr Elwan, Mr Sharif may have now moved to protect his flank in anticipation of a potentially damaging fallout from the World Bank's investigations against Mr Elwan.

Clearly, Mr Sharif's track record is littered with broken promises and monumental blunders. Worse, his legitimacy has been swept away by an avalanche of corruption charges, all of which belie the feeble denials emanating from Raiwind. He has no credibility. The IMF, World Bank and the G-7 countries have got him by the short and curly. How can such a fatally flawed "leader" who has singularly dragged Pakistan to this tragic pass put up a spirited defence of Pakistan's interests in Washington?

(TFT Nov 06-12, 1998, Vol-X No.36 — Editorial)

Time long past
Karachi is in the melting pot again, thanks to Mr Nawaz Sharif and Mr Altaf Hussain. The two have romped in the hay for eighteen months. Ministries have been shared. Briefcases have changed hands. Terrorists have been paroled. Policemen have been murdered. Weapons have proliferated. Dubious constitutional amendments have been spawned.

Now the two have had a spat. There is an eerie sense of deja vu. The same thing happened in 1990-92, except that the chief minister's role then played by Jam Sadiq Ali, a disgusting Sindhi turncoat, was now handed over to Liaquat Jatoi, also of the same ilk. Then, as now, Mr Ghaus Ali Shah and Chaudhry Nisar Ali Khan, were Mr Sharif's anointed "advisors". The tragedy is that Mr Sharif has truly come full circle to arrive at the beginning and not know it. That is why his "expediency-driven" policies of today may turn out to be no different from those of yesterday and leave a trail of death and devastation in their wake.

The Sindh police has been handed over to Mr Rana Maqbool. Mr Maqbool's reputation precedes him. As Mr Sharif's "loyal" SSP and then DIG Punjab from 1988-93, he was in charge of Mr Sharif's dirty tricks brigade. But when the chips were down from 1993-96, Mr Maqbool slunk away from Mr Sharif and the two were not averse to saying rather uncharitable things about each other. But Allah be praised! The good DIG, who has an MA in English and can quote Eliot and Shakespeare in the same breath, has now been reincarnated as IGP Sindh over the heads of many senior police officers. Since Mr Maqbool's right hand normally doesn't know what the left is doing, and since he has moved swiftly to ring wholesale changes in the police department even before the ink on his promotion has dried, we may be forgiven for presuming that he is fated to be a major player in the drama about to be enacted in the hapless city of Karachi.

Then there is the "odd couple" from Islamabad, Mr Ghaus Ali Shah and Chaudhry Nisar Ali Khan. Mr Shah, the official "advisor" to the Sindh Governor who would be Chief Minister, may be a duffer in some books but the fellow is as wily as they come and capable of playing all sides at the same time. Indeed, as a one-time chief minister of Sindh, Mr Shah played no mean role in propping up the MQM in the 1980s. Chaudhry Nisar Ali Khan, of course, is in a class of his own. Highly ambitious, highly articulate, highly conspiratorial — and largely responsible for mollycoddling the MQM into its current state of intransigence — Mr Khan's secret power plays will doubtless add another murky dimension to the game in Sindh.

On the "other" side we have another "odd couple" in the blunt Chaudhry Shujaat and the soft-spoken General (retd) Majeed Malik. The former has a tendency to strike out on his own while the latter is careful to claim the middle road. How this couple will cope with the shenanigans of the above-mentioned should make for an interesting tragicomedy of errors.

Squatting anxiously in the middle-muddle is Governor Moinuddin Haider. As a simple soldier newly arrived in the sordid and treacherous world of Sharifian politics, General Haider has been placed in the eye of a federally-generated storm and ordered to take the sting out of its tail. We feel sorry for him. Unless he has nerves of steel and has thoroughly imbibed the invaluable Discourses of Niccolo Machiavelli, he could be among the eventual casualties of Nawaz Sharif's circus.
Apart from the incongruity of the key players entrusted with the task of restoring "law and order" to Karachi, confusion is worst confounded by the situation on the ground. To begin with, the government has been dismissed but the provincial assembly is still in tact — a most novel way of imposing Governor's Rule which suggests that Mr Sharif has left the bedroom door ajar for a last minute kiss-and-make-up session with Altaf Hussain. Certainly, Governor Haider's statement that his "operation" will bear no similarity to that of another soldier, General Naseerulah Babar, is quite revealing. The fact that the new army chief and the new Karachi corps commander are, like Governor Haider, also of a certain 'background', is also not lost on us, notwithstanding the army chief's avowed readiness to stage a comeback in Karachi, "if the government thinks it necessary". No, chief, we assure you, it won't be necessary, not yet, at any rate.

The key political players are all misplaced. Their objectives are highly dubious. There will be some spring cleaning but no "clean-up" operation in Karachi. In due course, Mr Nawaz Sharif and Mr Altaf Hussain will embrace each other again, dirty deals will be clinched again to divide the spoils of Karachi and we will be beyond the back of square-one.

Perhaps this may be just as well. A failure of Governor's Rule under a cock-eyed democracy may be just the tonic the people of this country need to stand up and be counted. God knows the time is long past.


**Tidal wave**

Last month the Jamaat-i-Islami fielded a couple of hundred thousand of the "faithful" bang in the middle of Islamabad. This week the Dawat-ul-Irshad's militant arm Lashkar-i-Tyaba demonstrated its armed might at Muridke on the outskirts of Lahore. Meanwhile, the Tableeghi Jamaat notched up a million strong assembly of "believers" at Raiwind, 30 miles from Lahore. A host of other "Islamic" parties and groups now adorn the bleak civil landscape of this country: among the leading Deobandi organisations may be counted both factions of the pro-Taliban Jamiat-i-Ulema-i-Islam, the Harkat-ul-Ansar, Al-Akhwan, the Sipah-i-Sahaba and Lashkar-i-Jhangvi. Among the Barelvis the top slots are reserved by the two factions of the Jamiat-i-Ulema-i-Pakistan, the Sunni Tehreek and the Pakistan Awami Tehreek (Maulana Tahir-ul-Qadri). The Jamiat-i-Ahle Hadith is Wahabi. The Shias are represented by the Tehreek-i-Jafria Pakistan and its militant offshoot Sipah-i-Mohammad Pakistan.

The return to "Islamic roots" is palpable enough. But is it reassuring?

The Jamaat-i-Islami seeks an "Islamic revolution". In the past, it was content to remain a fringe party not averse to sharing power with a military dictator (Zia ul Haq) or joining an Islamic electoral front (IIJ) of middle-of-the-road parties like the Muslim
League. In recent times, however, its new leadership under Qazi Hussain Ahmad has bid to stage a more independent and populist stance like the Rafah party in Turkey. However, even as it continues to advocate a democratic route to power, it may be noted that the Jamaat boycotted the last elections and is no longer shy of attacking the hierarchical structures of democratic society, including those in the armed forces, as being "elitist" and "un-Islamic". The Jamaat is also avowedly anti-imperialist, which in post-cold war terminology means anti-globalisation and anti-capitalism.

The Dawat-ul-Irshad, Harkat-ul-Ansar, Al-Akhwan and Hizbul Mujahideen are more upfront. They are for armed "jihad" against all infidels, whether in Pakistan, India or the United States. They seek to undermine the foundations of institutional "democracy" wherever it exists, because they see it as a "secular", "anti-Islamic" construct. Allied to their violent cause, but with an anti-Shia twist, is the Sipah-i-Sahaba.

The Tableeghi Jamaat insists that it is apolitical. But when pressed, its leading lights, who include many among the top businessmen, professionals, bureaucrats, generals and landlords of the country, make no bones about it. State power lies at their feet, they claim, it can be had for the asking. Most politicians, including presidents and prime ministers, are wont to bend the knee at Raiwind every year.

The other groups are all anti-state in the sense that the Pakistani state is not sufficiently "Islamic" from their point of view. Except for the Jamaat-i-Islami, which has refrained from demonstrating its armed might publicly in recent times, all are bristling with weapons and totally immune from the writ of the state. Indeed, the Pakistani state relies on their zeal to promote its foreign policy agendas and causes.

The call to Islamic identity has become particularly potent for several reasons. For one, there is the abject failure of Pakistan’s bankrupt Westernised elites to fashion any sense of democratic Pakistani nationhood among the diverse people of this country. Two, opportunist politicians, generals and bureaucrats have tended to clutch at Islam for purposes of reclaiming lost legitimacy and, in the process, conceded valuable space to the fundamentalists. Three, the failure of state-capitalism to provide jobs and upward mobility to the urban middle classes has created a sense of hopelessness from which a return to faith offers some fatalistic solace. Four, the unequal terms of treaty and trade dictated by the Christian West to Muslims in general and Pakistan in particular have become an acute source of wounded pride and a challenge to join in a clash of civilisations. This melting pot has been brought to a continuous boil by the exigencies of the organs of the Pakistani state whose raison d’etre is firmly embedded in an ongoing jihad to liberate Kashmir from the clutches of a historical enemy which is held responsible for the dismemberment of the country. This drift is building up into an almighty tidal wave.

Indeed, we are once again faced with the spectre of a prime minister who seeks to clutch at Islam to recoup legitimacy. The Shariat Bill is the proverbial inch which Nawaz Sharif expects to concede the fundamentalists in the hope of covering his flanks while he tries to fob off the Americans and ward off the threat from the mainstream democratic movement. But the inches are beginning to add up to yards and the fundamentalists are baying for more and more blood, as they have always done. The strategy is doomed to extract a horrible price not only from Pakistani
civil society and state but also from a naive West which is desperate to put a gloss on it for its own opportunistic ends. It is therefore extremely discomforting to learn that 75% of the American agenda for Pakistan is nuclear-related and 25% Bin Laden-cruise missile-oriented — a sure shot recipe for upheavals on a large scale.

Under these domestic and international compulsions — with the Pakistani prime minister exhorting vigilante action against opponents of the Shariah Bill and the Americans relentlessly pressing ahead with a nuclear roll back — Pakistan's state and society are being primed to explode in a fit of rage and roguishness from which few citizens or nations are likely to be spared.


**Up the creek**

A secret report by the State Bank of Pakistan to prime minister Nawaz Sharif last June noted that Pakistan's total debt repayment in FY 1998-99 amounted to US$ 7.9 B — about US$ 5.65 B in debt amortization and US$ 2.25 B in interest payments. On the assumption that sanctions would be removed quickly, the SBP projected financial inflows of about US$ 9.9 B in the same period (US$ 1.65 B in Project Aid, US$ 0.23 B in Food Aid, US$ 0.925 B in Programme Aid, US$ 0.54 B from the IMF's ESAF/EFF, US$ 1 B in new resident Foreign Currency Deposits, US$ 1.1 B in new Foreign Investment, US$ 3.6 B in short-term borrowings/roll overs and US$ 0.85 B in "other" receipts). This calculation left it with a "debt-related surplus of about US$ 2 B" at the end of the year. The SBP then went on to note trade-related foreign exchange payments and receipts during the year and projected a shortfall on this account of about US$ 0.593 B (Imports US$ 10.2 B plus Services US$ 1.2 B minus Exports US$ 9.2 B minus Remittances US$ 1.6 B). After taking "other deficits of US$ 0.529 B" into account, it projected an "overall balance of payments surplus of US$ 0.9 B" and ended up with a figure for Reserves on 30th June 1999 of US$ 1.8 B.

Six months later, the post-sanction situation looks quite bleak. Reserves are down to US$ 0.4 B and an amount of US$ 7.5 B in debt still needs to be forked over. Of the targeted financial inflows of US$ 9.9 B, so far not a cent has been received; exports are likely to fall below target by US$ 1 B; and new resident foreign currency deposits, foreign investment and remittances are likely to fall short of target by at least US$ 1.5 B. The only "relief" in the balance of payments is a US$ 2.5 B anticipated reduction in the import/services bill, on account of an economic slowdown and stringent foreign exchange controls. In effect, this means that, far from an "overall balance of payments surplus" of US$ 0.9 B" end June 1999, we are currently looking at a shortfall of at least US$ 7.5 B in this financial year.

Following Pakistan's commitment to sign the CTBT sometime next year, however, we understand that the route has been cleared for the IMF/World Bank to return to Pakistan in December with a US$ 5 B "bailout" package comprising about
US$ 2.8 B in debt rescheduling by the Paris and London Clubs, an immediate input of about US$ 0.52 B by the IMF from the balance of its US$ 1.2 B ESAF/EFF programme negotiated last year and about US$ 1.5 B by the World Bank/ADB/etc in fresh loans and project aid. The government is also hoping that Islamabad will soon become eligible to negotiate short-term loans/roll overs of swap funds of about US$ 3 B as originally projected — the total debt rescheduling, bilateral and multilateral loans and project aid amounting to about US$ 8 B. Does this mean that with a projected US$ 0.5 B "surplus" over our net forex requirements of US$ 7.5 B, our troubles are about to end?

No. There may be many a slip between the government’s maximum anticipated forex inflows on the back of the IMF/Paris Club negotiations and the actual reduced amounts which eventually, and more realistically, flow into its coffers, with the result that the forex gap may remain a significant constraint on the government’s ability to restore confidence and jump-start the economy. There is also the distinct possibility that Islamabad’s relations with Washington could become bumpy again if it drags its feet over important nuclear-related commitments already made to Washington for 1999 in exchange for a lifting of the sanctions. In the event, Islamabad will find that the IMF/World Bank/Paris Club, which are currently bending over backwards to appease Pakistan, will suddenly become “tough” again and start insisting on difficult conditionalities.

At the heart of the matter — all other things taken for granted — is the amount and terms of the debt rescheduling to be done by the Paris and London Clubs. This will impinge crucially on the nature of the financial space available to Islamabad. Will it be US$ 3 B for three years or US$ 2 B for one year or what? If Islamabad doesn’t get much leverage on this score, it will have to walk a tight budgetary rope and remain on track with tough IMF conditionalities. But if it does, the danger is that, as so often in the past, Mr Sharif could go on a spending spree and squander a golden opportunity to utilise the budgetary space available for an urgently required restructuring of Pakistan’s economy which reduces its crippling dependence on debt.

The Sharif government is about to receive a last life-giving injection. If it doesn’t give up on its errant, profligate ways, it will leave Pakistan up the creek without a paddle. Nothing short of a full-fledged nuclear roll back will then suffice to “bail” out Pakistan.


**Foreseen consequences**

Too many cooks, we said ("Time long past", TFT Nov 6-12), would spoil the broth. And so it has transpired.

Governor’s Rule was imposed on Sindh without any planning or foresight by prime minister Nawaz Sharif. Shortly thereafter, the army chief, General Pervaiz...
Musharraf, was quoted as saying that the army could be sent into the province, if necessary. This statement, extracted by the press from a General new to his onerous, multi-faceted responsibilities, was thrown overboard when Ghaus Ali Shah promptly "clarified" that the army was definitely going to be sent into Karachi. While we were wondering which of the two gentlemen was more credible, we were presented with the spectacle of the federal government blithely stripping the Sindh Governor, General (r) Moinuddin Haider, of all powers to appoint or transfer senior officials of the provincial administration and then dubiously backtracking even before the ink on its first directive was dry.

President Rafiq Tarar now took the unprecedented decision to invoke Article 245 of the constitution and ordered the army into Sindh "in aid of civil power". But when the army was nowhere to be seen in Sindh, Mr Sharif explained that only summary military courts were going to be established in Karachi in order to knock out terrorists within seven days. This put the Judge Advocate General (JAG) of the armed forces on the spot. It seemed that the JAG branch hadn't been sufficiently consulted and wanted time to determine how such courts ought to be constituted and how they should function. President Tarar, it was reported, might therefore have to amend his original order invoking Article 245 in order to satisfy the JAG branch.

While this mess was still being debated between the prime minister, Sindh governor and army chief, Mr Sharif informed us that no more than 10 military courts in Karachi would be necessary. Not so, said Governor Haider firmly, who insisted on similar courts in Hyderabad, Nawabshah and Sukkur.

This was apparently too much even for the self-avowed hawk in the interior ministry, Chaudhry Shujaat Hussain, who now felt compelled to make an astonishing statement. "If the Shariat Bill had not been blocked by the Senate", he claimed, "there would have been no need for summary military courts at all!" In other words, qazi kangaroo courts would have done the job just as well as military courts.

This pack of political jokers doesn't know whether it's coming or going. And we don't know whether to laugh or cry. Our immediate fear is that the "superior" judiciary, which is still reeling from the beating it took last year at the hands of Nawaz Sharif & Co, will once again be thrown to the wolves when all these actions of the federal government are challenged by aggrieved parties and human rights groups, and will be mauled once again by the executive if it doesn't toe its line. Our longer term fear is that if the armed forces become a willing or unwilling handmaiden to the blundering and bickering opportunism of power-hungry politicians, a vicious ethnic backlash against the predominantly Punjabi-Pathan men in khaki could irrevocably undermine the carefully manufactured image of the armed forces as a "national" institution and thereby erode national security. Indeed, the "political neutrality" of the army which its top commanders have routinely espoused and tried so hard to establish in recent times — with greater or lesser degrees of success, we might add — would become the object of unrelenting concern. "Briefcase judges" and "crore commanders" have already entered the lexicon of everyday usage during Mr Sharif's tenure and there cannot be anything more unfortunate or unpardonable than this.
How, in Heavens' name, are the military courts expected to pass death penalties on alleged terrorists in ten days — Mr Sharif is dying to see some public hangings — when court-martials related to the internal affairs of the armed forces take much, much longer? And if, as we know, the police and IB are incapable of marshalling any evidence for the prosecution apart from "confessional" statements extracted under extreme duress from suspects, how will the minimum legal requirements of military courts ever be fulfilled? To what extent will the military authorities be prepared to go in bending their own pristine laws, before the conscience of the presiding Majors and Colonels and Brigadiers is besieged by domestic and international critics and compels them to throw up their hands in anger and despair and say "enough is enough — we cannot be a party to this ethnic cleansing"? And what follows then?

An increasingly discredited and isolated prime minister began by asking the armed forces to unearth ghost schools and build roads. He then made bold to get them to pick up the tab for a disreputable and irredeemable organisation like WAPDA. He now wants the soldiers to be judge, jury and prosecutor in a party political conflict. This project is doomed to rebound on the prime minister and the army chief — the cost of failure on the latter being immeasurably greater and more profound than on the former. We would therefore advise them both to stop and think this matter through before the dye is cast. It is fraught with foreseen consequences.


1999: a bleak outlook

Following a respectable show of mass mobilisation by the Peoples Party under the banner of the Pakistan Awami Ittehad (PAI) at the Minar i Pakistan in Lahore last week, some people think that Benazir Bhutto may be poised to stage a comeback. This view has been given currency by Nawabzada Nasrullah who says that "December is fated to be Nawaz Sharif's month of reckoning". Apparently, attempts are underway to persuade the ANP and the nationalist parties of the periphery to coalesce with the PAI and create a "Grand Alliance" aimed solely at overthrowing Nawaz Sharif. The tacticians of the opposition are hoping that, with the help of the ANP, they can oust the fragile PML government in the NWFP and follow up by cobbling a mass gathering in Rawalpindi with the objective of marching on to Islamabad. The "long march", they believe, will destabilise the federal government and create the political space in which to quickly further their ends.

On the flip side of the coin, others believe that, following an agreement with the IMF and a "cordial" trip to Washington December 2-3, Nawaz Sharif's sanctions-related problems are likely to dissipate, thereby enabling him to tighten his grip over power.
Both views are misplaced. Mr Sharif is not going home in a hurry. Equally, if Mr Sharif thinks it’s going to be hunky-dory in 1999, he’s sadly mistaken. The only thing which can be said with some assurance right now is that much uncertainty and instability lie ahead. How’s that?

The Bhutto-led opposition may succeed in ganging up against Mr Sharif, but only up to the point of creating sporadic unrest. While there is much disgruntlement against him all over the country, it shows no signs of immediately translating into an angry, violent, prolonged and widespread spillover into the streets (which is a necessary condition for ousting him), especially in his home province of Punjab (which is crucial to any such undertaking). Nor are the inherent cracks in the PAI, demonstrated recently in the different political tacks adopted by Ms Bhutto and Tahir ul Qadri, altogether invisible. Finally, Mr Sharif’s ability to lure the MQM and perhaps even the ANP back into his fold, and to use the brute power of the state to nip any anti-government movement in the bud, should not be underestimated.

But there may be additional sources of instability and uncertainty. One, the economic assistance proffered by Washington to Islamabad is no "bailout" by any yardstick. Tough economic decisions, some of which are already on the anvil, are inescapable. These will impose hardships and provoke resentment all round. Two, Mr Sharif’s relationship with Washington is going to be rocky. Some of the nuclear-related "commitments" secretly made to the Americans by Mr Sharif will not stick, partly because Mr Sharif cannot make them stick and partly because India may throw a spanner in the works and compel Islamabad to rethink its strategy and change direction. This will prompt an irate re-evaluation of Mr Sharif’s utility to Washington and impel the Americans to tighten the economic screws, with serious consequences not only for Mr Sharif’s government but also for Pakistan. Three, Mr Sharif’s attempt to drag the armed forces into "aiding civil power" is fraught with serious and foreseen consequences. Contradictions of analysis and modus operandi between the civilian and military centres of power in the complex situation in Karachi and even in WAPDA’s painful restructuring are bound to emerge and become antagonistic over time. Certainly, Mr Sharif’s overt disposition towards political brinkmanship and opportunism is not likely to endear him to the soldiers who have a propensity to recoil angrily from those who seek to "use" them for party political purposes. Four, public pressure on the judiciary to stand up and be counted is likely to become raucous as Mr Sharif attempts to sideline it altogether from his political reckoning. As it sullenly licks its wounds of 1997 and struggles to remain on the right side of the government, the judiciary may eventually seize on an "opportune" moment to reassert its independence and cut the overweening executive down to size. This could happen in the context of any of the sweeping ordinances promulgated recently to restrict the judiciary’s writ or it could be in reaction to the brazen and severely embarrassing one-sided "accountability" of Ms Bhutto et al which continues to shred the judges’ credibility in the eyes of the public (a case in point being the reluctance of the Ehtesab benches to enlarge Mr Asif Zardari on bail), or it could be related to the executive’s continuing refusal to abide by the decisions of the Judges Case of 1996 upon which the judiciary has pegged its crumbling security and respect. In the event, the chances are that Mr Sharif will react with predictable hamhandedness and exacerbate the crisis.
We may therefore be advised to shore ourselves up mentally for more strenuous times in 1999. The crisis of Pakistan is too deep and too multi-faceted to be either resolved simply through a violent ouster of Mr Sharif or through a bid to prop him up. The ball will begin to gather moss when someone or something gives way and precipitates a political roll-back.

(TFT Dec 11-17, 1998, Vol-X No.41 — Editorial)

Cash on delivery

Most Pakistanis tend to believe that Mr Nawaz Sharif's trip to Washington was a "total flop". It was a flop, they say, because the Americans didn't budge an inch from their step-by-step nuclear agenda for Pakistan in exchange for step-by-step cash injections to Pakistan's stricken economy from the IMF/World Bank/ADB, including a limited debt moratorium from the Paris/London Clubs. That is why, it is pointed out, the IMF high command has duly postponed a decision to restore assistance to Pakistan while the Paris/London Clubs are not expected to make any announcement of any debt moratorium until end-January or February at the earliest. The business community has responded to this "bad" news by pulling the stock market down and international credit rating agencies have further downgraded Pakistan's credit worthiness to CC minus.

The American non-proliferation agenda is formally maximalist. The US wants Pakistan to (1) sign the CTBT immediately and provide parliamentary ratification of it by September 1999 (2) freeze the production of uranium immediately and enable Washington to inspect compliance (3) amend the constitution to forbid the export of nuclear know-how and technology immediately (4) freeze the production of missiles immediately and refrain from deploying them (5) refrain from embarking upon a nuclear weaponisation programme (6) make durable peace with India on a bilateral basis (7) help extradite Osama bin Laden from Afghanistan.

On the flip side of the coin, Mr Sharif's position has been billed as equally maximalist. Pakistan, he said publicly, would sign and ratify the CTBT by September 1999 provided (a) the "coercive environment" was removed (by which is meant the linkage of sanctions and economic and military assistance with the nuclear agenda) (b) a solution to the Kashmir issue was mediated by a third party, preferably the United States. (c) the US$ 501 million outstanding against delivery of the F-16s is paid in full to Pakistan immediately. Mr Sharif made no public comment on any of the other items on the US agenda.

It is, however, not known what secret relaxations were made by either side in their respective maximalist conditionalities during the brief one-on-one chat between Mr Clinton and Mr Sharif. What is known is that, despite their "hard" and "uncompromising" public positions, both sides anticipate "good news" in the near future. In fact, Foreign Minister Sartaj Aziz has already gone so far as to suggest that the US will not only allow the IMF and Paris/London clubs to "bail out" Pakistan soon, Washington will also remove the other "coercive factors" from the equation
by settling the F-16 issue to Pakistan's satisfaction and restoring conventional military supplies to Islamabad which were cut off in 1990.

What are we to make of the seeming contradiction between the stiff public positions adopted by the two sides and the optimistic note struck by them in promising "good news" soon?

From the Pakistani point of view, we may assume this "good news" to mean (a) confirmation of the IMF's US$ 5 billion cash/credit/debt moratorium package in stages (b) receipt of a satisfactory cash/credit/in-kind package to offset the F-16s account. From the American point of view, the "good news" would imply (a) a Pakistani signature on the CTBT in early 1999 (b) a quick acceptance by Mr Sharif of most of the IMF conditionalities. In other words, a quick acceptance by both sides of the minimal conditionalities imposed by the other, with the process moving ahead step-by-step, on a Cash against Delivery basis: First, Islamabad would implement some of the economic preconditions demanded by the IMF; then the IMF/World Bank/ADB would release credits of about US$ 1.3 B; this would be followed by an implementation of the rest of the IMF conditionalities by Islamabad; then the Paris/London Clubs would weigh in with their debt-deferment package of about US$ 3 B and the US administration would "settle" the F-16 issue to Pakistan's "satisfaction". Finally, Pakistan would reciprocate with a March or April signature on the CTBT. In the interim, deputy secretary of state Strobe Talbot's forthcoming visit to Islamabad would firm up this short term process as well as try and chart the medium term route on the other items on the US-Pak agenda in 1999.

The mutual short-term agenda is quite "do-able" by both sides, even though it means that Mr Sharif will have to eat his words on some IMF conditionalities like retail GST, utility rates, single exchange rate, devaluation, IPPs, etc (in fact, he has already taken some steps in this direction). However, an early signature on the CTBT could turn out to be a bit problematic, particularly if (and it is not an insignificant "if") India throws a spanner in the works (by testing another nuclear or thermonuclear device, for example, or categorically rejecting the CTBT) and compels a rethink in Islamabad, or if the opposition is successful in making an issue out of it and compels Mr Sharif to wriggle out of his commitments to Washington. In the event, a backtracking on an early signature on the CTBT by Mr Sharif could pose serious problems in US-Pak relations and create further difficulties for Mr Sharif on the economic front.

The real problems in the US-Pak relationship, however, will begin to emerge after Pakistan's accession to the CTBT in 1999. That is when the US will demand definite progress on the other items on its nuclear agenda, including an effective delinking of Pakistan's strategic stance on fissile material production, missile production/deployment and nuclear weaponisation from that of India's and link these demands with further economic assistance from the IMF etc in the next fiscal year when Pakistan's debt repayment crisis will be, if anything, even more severe than this year. What will Mr Sharif do then?

There is precious little that Mr Sharif can do in such a situation. Signing the CTBT is no big deal because Pakistan doesn't need further nuclear testing to establish its nuclear status. But it is altogether another matter to agree to a freeze
on the production of uranium and open uranium producing sites for international inspection, or halt research on missile development and weaponisation, because all these programmes are intrinsic, historical elements of a national security doctrine which is rigidly knotted into the concept of some sort of "par" or "balance" with India, as in the case of conventional military strength and weapons. For example, if India is presumed to have enough enriched material for 100 bombs enabling massive second strike capacity, Pakistan expects not to settle for anything less than 30 bombs along with appropriate second strike capability. And if Indian enrichment continues unchecked, so too must Pakistan's in order to remain at "par". Similarly, if Indian serial production of missiles remains a factor to reckon with, so too should Pakistan's in order to retain the military "balance". The same logic applies to the nuclear weaponisation programme. How, it may then be asked, will Mr Sharif cope with the American agenda without demanding and obtaining a radical overhaul of Pakistan's strategic military doctrine from the country's defense establishment? Indeed, how can any civilian prime minister, without full control over the country's nuclear programme and without a popular mandate to enforce a shift in conventional strategic wisdom, succeed in a situation in which the economy is acutely impoverished and both state and society are highly militarised?

The national security dilemma has, in fact, been accentuated by the weight of ideology (clash of Muslim and Hindu civilisations coupled with the ascent of jihad on the agenda of Islam), history (three wars, dismemberment of Pakistan and continuing genocide of Muslims in Kashmir) and political/institutional underdevelopment (military/bureaucratic rule for nearly 35 out of 51 years since independence). Asking Nawaz Sharif to accede to the American agenda would be like asking him to commit political hara-kiri in the prevailing environment. Caught between the devil and the deep blue sea, where, then, does Mr Sharif go from here, even if he is granted some temporary reprieve upon signing the CTBT?

A less dim-witted prime minister than Mr Sharif might have read the writing on the wall two years ago and moved swiftly to tighten belts, put Pakistan's finances in order and reduce its dependence on loans, grants and aid from the Western powers so that when the nuclear crunch came the country would have been strong enough to resist it like India. But Mr Sharif has instead squandered valuable time and energy in the pursuit of naked power without responsibility and plunged the economy into acute crisis. A less reckless prime minister than Mr Sharif might have postponed nuclear testing until such time that the economy was strong and resilient enough to withstand its fallout. But Mr Sharif chose to bask in illusory glory and fell headlong into a trap laid by India. A less myopic prime minister than Mr Sharif might have had the vision to start negotiating entry into the CTBT a day after the nuclear tests and spared Pakistan the anguish and hardship of the long-drawn out sanctions. But Mr Sharif has instead dragged Pakistan to the brink of default and committed himself to the CTBT only after jeopardising national security nine months down the line. A less insecure prime minister than Mr Sharif might have promptly activated the Council for Defense and National Security (CDNS) and invited the military establishment to squarely share responsibility for finding an appropriate and acceptable solution to Pakistan's national security dilemma in the face of unrelenting American pressure (see pp 7). But Mr Sharif has instead sought to involve the armed forces in an opportunistic quest for political domination
domestically. If anyone has snatched strategic defeat in 1998 from the jaws of electoral victory in 1997, it is Nawaz Sharif. Where does Pakistan go from here?

Down and out, we fear, unless there is a quick change of leadership. The time to put the economy on its feet again is narrowing in inverse proportion to the increasing pressure of the American non-proliferation agenda on our conventional national security doctrine. Therefore we urgently need a leadership with courage, integrity and vision: the vision to chart a new strategic map for Pakistan which links economic independence with military strength; the courage to take bold decisions in pursuit of this objective; and the integrity to implement these without fear or favour.


**Independence and honour**

If the Judges Case of March 1996 was a landmark in the judiciary's struggle to shake off an overbearing executive, the ruling party's brutal assault on the Supreme Court (SC) last November appears to have reduced the commandment to nought. Indeed, the superior judiciary seems so terrified of the executive that it has all but chosen to forego any manifestation of its inherent powers and responsibilities. Consider.

The March 1996 judgement sought to oblige the executive to fill all higher court slots within 30 days of any position falling vacant. But the rule was breached soon thereafter when Nawaz Sharif refused to allow chief justice Sajjad Ali Shah to transfer five judges from the High Courts to the SC. In due course, this conflict engulfed the SC and assumed such sinister proportions that it led to the ouster of Mr Shah and his subsequent downgrading by fellow judges. Since then, 15 vacancies have pended in the high courts and two in the SC for months, but the SC has not thought it necessary to insist on compliance with its earlier judgment. The irony is that the SC's decision to later strip Mr Shah of his chief justiceship was very much based on the March 1996 decision. But that is not all.

The March judgment was also critical of the executive's practise of appointing temporary ad-hoc or additional judges to the High Courts. Yet over a dozen additional high court judges continue to sit in their chambers rather anxiously while the executive monitors them for "good behaviour" before confirming them as permanent judges. A recent episode affirms the cavalier attitude of the government. Some months ago, Nawaz Sharif fired four respected additional high court judges without assigning any reason, confirmed five and extended the tenure of one by a year. Then he blithely appointed ten new additional judges to the Punjab High Court. The silence of the SC on this issue has since become deafening.

The various Ehtesab cases against Benazir Bhutto and Asif Zardari in the high courts of Punjab and Sindh are another point of departure. As everyone knows, the
high court judiciary is "seized" with almost day-to-day hearings of these cases in an effort to conclude them quickly. But this efficiency seems to be lost in the ISI case against Nawaz Sharif & Co lodged by Air Marshall (retd) Asghar Khan in the SC over two years ago in which the honourable chief justice of Pakistan has inexplicably deferred hearings for several months. The irony is all the greater because it is the SC court which is expected to set the standards of conduct and efficiency in the lower courts.

Much the same sort of uneven response seems to be emanating from the office of the Chief Ehtesab Commissioner who has the status of a high court judge. Mr Sharif's charges against Ms Bhutto et al are par for the course for Justice Mujaddid Mirza but Ms Bhutto's complaints against Mr Sharif et al are apparently not. The amended law governing the Ehtesab Commission is also patently biased and malafide. Yet the judiciary seems in no great hurry to review its bonafides and redress the imbalance.

Now we have a new tier of courts whose legality and desirability are both questionable. We refer to the military courts in Sindh which are judge, jury and prosecution all rolled into one. If it is astonishing that the military authorities should have lent themselves to this ill-fated exercise in pursuit of a particular party's political goals, it is even more remarkable that the superior judiciary has accepted such a palpable erosion in its writ jurisdiction without even as much as a murmur as on the anti-terrorist courts of yesterday.

Finally, to come back to the beginning, it is striking that those thugs who raided the SC last November should have either got off scot free or been lightly reprimanded by the honourable court. Surely, if the SC is not prepared to stand up for its rights and respects, who will?

The SC is the first and last bulwark against constitutional aberration or sabotage. On it are pinned this nation's hopes for a just, free and democratic civil society. Its judges are presumed to be the most fearless and honourable people in Pakistan. Its chief justice is more exalted and more equal than anyone else in this country. But by the same tokens, the collective responsibility of the court and the individual burden of the judges are more onerous than that of any other institution or person in the country. In the circumstances, what are we to make of it if the SC and its chief are perceived to take a back seat in discharging their duty to the people and constitution of Pakistan?

The SC and its judges have been dragged through a political upheaval which has shaken them up badly. Therefore their reticence is perfectly understandable. But explanations are rarely equal to justifications. We therefore expect that, for the sake of Pakistan, they will reclaim their independence and reassert their honour as soon as possible.

The story of Iraq's biological weapons development programme is chilling. Documents obtained by UN inspectors, coupled with Iraqi admissions in 1995, prove that Baghdad embarked on its "germ policy" in 1974. The lethal germs were field tested in sprayers, 122-mm rockets, 155 mm artillery shells, tanks dropped from jet fighters and LD-250 aerial bombs. Then, on the eve of its invasion of Kuwait in 1990, Iraq loaded 25 germ warheads on its 400-mile-range Al-Hussein missiles, filled 157 R-400, 200 gallon bombs with botulinum, anthrax and aflatoxin and deployed them at four locations. But these weapons were not used.

In fact, Iraq has claimed that these weapons, and the manufacturing plants, were all subsequently destroyed. Unfortunately, however, it has offered UN inspectors no concrete proof of many such assertions. That is why the Americans are insisting that unless the UN inspectors can go anywhere in Iraq without notice to hunt for documents, scientists and equipment, the UN can offer them only a false sense of security. "Most of us agree that if Unscom monitors left, the Iraqis could start up a biological weapons programme the next day", says Dr Rod Barton, head of the UN's inspection team. Iraq's refusal to fully accede to this demand ostensibly lies behind the latest US-UK bombings of Baghdad.

However, the international legality of the Anglo-American onslaught is clearly doubtful. Among the UN veto-powers, Russia and China have protested loudly, while France is highly critical. The Pope has condemned the "aggression". Even the UN secretary-general, Kofi Anan, is full of remorse. The irony is that the only mealy-mouthed rebukes have come from India and Pakistan, two countries at the receiving end of American diktat these days.

Legal niceties apart, the Anglo-American motivation is also highly suspect. The bombings were primed to knock out Saddam Hussein, not to destroy confirmed germ warfare depots. Among the hits: Saddam Hussein's presidential palace, his daughter's home, the headquarters of his intelligence service and presidential guard. This makes sense. As long as Saddam is around, the threat to Anglo-American interests in the Middle-East will remain tangible.

The timing of the bombings, in particular, betrays another aspect of the motivation. As in the case of the recent misguided cruise missile attacks on Afghanistan and Sudan, the bombings on Iraq are patently linked to domestic developments in the Monica Lewinski case against President Bill Clinton. As if on cue, Mr Clinton's public ratings have risen after each diversionary attack on perceived threats to America.

The future scenario is therefore most unsettling. Come hell or high water, America is clearly determined to exploit its lone super-power status in pursuit of its perceived interests. However, the frightening aspect of the American response is that a particular US administration's immediate, party political objectives are being sold as American national interests.

How does it serve long-term American strategic interests, as opposed to Bill Clinton's short-term personal interests, to pursue aggressive policies which are designed to alienate the Islamic world and bring pro-US third world Muslim
governments under pressure from angry constituents? If the cruise attacks on Afghanistan were aimed at knocking out Osama Bin Laden, they only succeeded in sowing the seeds of a hundred angry Osama Bin Ladens all over the Islamic world. Similarly, if the attacks on Iraq in 1991 served to provoke Muslim sympathies with Saddam Hussein, the bombings in 1998 have served to confirm Muslim perceptions that the "ugly American" of the Vietnam era has returned to the scene with a vengeance.

An unjust American foreign policy in the Middle-East is impaled on the horns of a dilemma. In its quest for cheap Middle-East oil to fuel its industrial growth and living standards, America arms and aids Israel as a brutal policeman of the region, props up autocratic and exploitative pro-US Islamic governments in the Middle-East and undermines nationalist-secularist regimes inimical to it. This leads to a contradiction on two fronts: between Israel and the pro-US Muslim governments in the Middle-East who are under pressure from their Muslim peoples to stand up and be counted; and between America and nationalist, secular regimes like Saddam's which contend for leadership of the Arab world. In both instances, however, the contradictions fuel Islamic rage against the West and give substance to the clash-of-civilisation thesis which sustains the Osama Bin Ladens of the world.

In Iraq's case, the contradictions in American foreign policy are troubling. Allowing Saddam to survive means allowing Iraq to continue to produce and supply oil, which helps to keep world oil prices under control. But it also means having to live with a potentially unacceptable nationalist threat to Israel and the other pro-US Muslim regimes in the region. On the other hand, knocking out Saddam could lead to the disintegration of Iraq, followed by violent political upheavals in the Middle-East with unforeseen consequences for Israel, America and their Muslim allies.

If America insists on an unjust and aggressive foreign policy, it must reckon with a violent response from the peoples and states it seeks to oppress or intimidate. The tragedy is that innocent men and women will be killed on both sides and proliferating "rogue states" may exacerbate the problem.

(TFT Jan 01-07, 1999, Vol-X No.44 — Editorial)

What is to be done?

On the eve of the new millennium and fifty years after independence, Pakistanis are wont to ask the following anguished questions with increasing frequency: what the hell is going on, where the hell are we going and how the hell do we get out of this bloody mess?

Pakistan's socio-political environment is in the throes of a severe multi-dimensional crisis. We refer to the crisis of identity and ideology; crisis of law, constitution and political system; crisis of economy; crisis of foreign policy; crisis of civil society; and crisis of national security. These crises haven't suddenly emerged out of the blue.
Some discerning souls have been talking and writing about the inexorable germination and development of these crises for many years. Now they are all upon us, with greater or lesser intensity.

The crisis of identity and ideology refers to the fact that after fifty years, we are still unable to collectively agree upon who we are as a nation, where we belong, what we believe in and where we want to go. In terms of our identity and our demands, are we Pakistanis first and then Punjabis, Sindhis, Baloch, Pathan or Mohajirs or vice versa? Do we belong — in the sense of our future bearings and anchors — to South Asia or do we belong to the Middle-East? In terms of ideology, are we Muslims in a moderate Muslim state or Muslims in an orthodox Islamic state? In other words, are we supposed to be like Saudi Arabia or Iran — which are orthodox Islamic Sunni and Shia states respectively — or are we supposed to be like Jordan, Egypt, Syria, Algeria, Malaysia, etc., which are supposed to be modern Muslim states? And if none of these fits the bill, what then? Whose version and vision of Islam do we follow? The Quran and Sunnah? If the Quaid i Azam and Allama Iqbal both had their own interpretations of how the Quran and Sunnah were to be applied in the real life of a modern state like Pakistan, the problem has been compounded by the myriad interpretations of their interpretations of an Islamic state. And the problem doesn't end there. The Jamaat i Islami, the Sipah i Sahaba, the Jamiat i Ulema i Islam and countless other Islamic parties and Islamic sects all have their exclusive Islamic axes to grind. So there is no agreement, no consensus on this issue. Indeed, there is so much tension, violence and confusion associated with this issue that it has begun to hurt our body politic considerably. It has assumed the form of an identity and ideological crisis.

The crisis of law, constitution and political system refers to three major facts. (a) There is not one set of laws in this country but two — the Anglo-Saxon tradition which we inherited from our colonial past and the so-called Islamic tradition which dictators have foisted upon us in recent times. Most of us are imperfectly trained in the former but some of us misguidedly hanker for the latter. The two traditions have now come to co-exist in an environment of fear, corruption and hypocrisy. Increasingly, they seem to be at serious odds with each other, as for example on the question of how to treat interest rates in a modern capitalist economy, what status to grant to universal human and fundamental rights, how to treat women and minorities; etc. (b) The crisis is also reflected in the nature and extent to which the constitution has been mangled by democrats and dictators, lawyers and judges, all alike. We refer to several highly controversial constitutional amendments, past and pending; but we also take stock of highly contentious, even suspect, decisions by the courts acting as handmaidens to the executive; and to the motivations and actions of some judges in pursuit of personal ambition, pecuniary gains or political advancement. Indeed, most lawmakers do not obey the laws and the best of our judges are viewed with disfavour. (c) The crisis is manifest, above all, in the rapid public disenchantment with the political system of so-called democracy. Democracy is supposed to be about the supremacy of the law and constitution, about the necessity of checks and balances between the different organs of the state, about an even-handed, on-going accountability of public office holders, and so on. But it has degenerated into a system based exclusively on elections which return deaf and dumb public representatives to rubber stamp parliaments and a campaign of
political victimisation which parades as ehtesab. So we have the form of democracy but not its essence or content. We have the rituals of democracy but not its soul. We don't know what this system is, but it is certainly not democracy.

The crisis of economy relates to the fact that (a) Pakistan is well and truly bankrupt (b) worse, we appear to have no means left by which to lift ourselves up by our own bootstraps without a massive convulsion in state and society. This is manifest in our total dependence on foreign assistance. Indeed, the crisis of economy is so severe that it has begun to impinge on our sovereignty as an independent state and is eroding our traditional construction of national security. The economic crisis is reflected in a crisis of growth, a crisis of distribution, a crisis of production and a crisis of finance. It is threatening massive and violent dislocations in state and society.

The crisis of foreign policy is now coming home to roost. We are not only friendless in the region in which we live, we are being blackballed and blackmailed by the international community to which we are indebted up to our ears. If foreign policy is supposed to be rooted in and geared to domestic objectives and concerns, we have reversed the order of things. Our foreign policy seems to have a life of its own. It dictates our domestic policies rather than the other way round. This is why there is no long term consistency or strength in it. One day, we say that Kashmir is the core issue without whose prior settlement none of the other contentious issues with India can be resolved. The next day, we say that progress on the other issues can be made without an immediate settlement of the Kashmir issue. One day we say that Kashmir is a multilateral issue, the next day we are quick to emphasise the urgency of bilateral dialogue. One day, we are quick to recognise the Taliban government in Kabul and exhort the other nations of the world to follow suit; the next day we give our blessings to the idea of a broad-based, multi-ethnic, multi-religious "consensus" government in Kabul. One day Iran is our historic and strategic friend, the next day we stand accused by Iran of unmentionable actions. One day, Central Asia is billed as the promised land. The next day, it is arrayed against us in no uncertain terms. One day, the United States is our Godfather. The next day it is the ugly American. The worst has now come to pass. For fifty years we worried about the threat on our eastern borders. Today we are anxious about our western front.

The crisis of civil society is demonstrated in many ways. In increasingly low turnouts for elections. In continuing deterioration of law and order. In rising sectarianism, ethnicity and regionalism. In the breakdown of civil utilities and amenities. In the erosion of the administrative system. In violence and armed conflict. In mass criminalisation and alienation of the masses. In a rising graph of mental disorders, drug abuse, rape, kidnapping and outright terrorism. The rise of criminal and religious mafias, qabza groups, police encounters etc testify to the breakdown of social connections and civil compacts between the state and the people.

These crises have all culminated in a severe crisis of national security. This political system, this political leadership, this structure of law and constitution, this administrative framework, this economic stagnation, this ideological hypocrisy and this bankrupt foreign policy are no longer tenable. They have all contributed to a
comprehensive erosion of our quest for nationhood and provoked descriptions of the Pakistan state and civil society as "irresponsible, irrational and reactionary". If the tide is not reversed quickly, it will engulf us in its wake. Indeed, it is not inconceivable that Pakistan's fate in time to come could resemble that of Sudan in the 1980s and Yugoslavia in the 1990s. It is a horrible thought. Some of us have begun to have nightmares about it already.

So, if we know what the hell is going on, and if we know where the hell we are going, the question remains: how the hell do we get out of this hell?

This question has two parts. First, what sort of agendas are required to be implemented? Second, who will implement such agendas?

The answer to the first question is simple enough. Let us look at each of the crises we have mentioned above and take steps to remove the factors which have led to the crisis in the first place.

Crisis of ideology: There is only one modern day ideology over whose application there can be no bitter or divisive controversy and which will be acceptable to all Pakistanis, irrespective of caste, creed, gender, region, ethnicity or sect. And that is the ideology of economic growth, the ideology of full employment, the ideology of distributive justice and the ideology of social welfare. Let us make that the ideology of the state and let us bury all false consciousness and false ideologies.

Crisis of Law, Constitution and Political System: The system is bankrupt and unworkable. It is not even democratic. So we must revamp the political system and revise the law and constitution so that they are made to serve the people below instead of the elites above.

Crisis of Economy: the agenda is simple enough. Let us honour our international contracts; enforce our domestic loan repayments; tax the rich; dispossess and imprison the corrupt; live within our means; vitalise our human resources; export the value of our scientific talents; establish and enforce a genuine private-public partnership in which the private sector produces efficiently and the public sector regulates effectively.

Crisis of civil society: let us make good laws and let us enforce the rule of law; disarm society; disband militias; decentralise decision-making and power; establish genuine accountability; protect minorities and empower women; create social nets for the disadvantaged, poor and destitute; provide decentralised and quick justice; and end the system of English Vs Urdu-medium apartheid in education without resorting to false notions of nationalism.

Crisis of Foreign Policy and National Security: let us make friends not masters or enemies; bury old hatchets; renounce new jihads; negotiate terms of trade not territorial ambitions; redefine strategic depth to mean emphasis on collective will, social cohesion and economic strength rather than external space or nuclear deterrence; let us determine our minimal optimal defence requirements and shun a conventional or nuclear arms race.

The answer to the second question — namely, who will pursue and implement this agenda — is difficult only for one reason: we cannot see even one leader or
institution who or which personifies National Power and has the three virtues or elements which are required to get Pakistan out of this mess: the vision to chart this agenda; the courage to implement it ruthlessly; and the integrity to ensure that it doesn't get derailed.

Our hope, of course, is that some new political party or some old national institution will throw up such leadership in time to come. Our fear is that if this doesn't happen soon enough, it may be too late later. In the event, a nursery rhyme will come to haunt our minds:

_Humpty Dumpty sat on a Wall,_
_Humpty Dumpty had a great Fall_
_All the Kings horses, And all the King's men_
_Couldn't put Humpty Dumpty together again._

(TFT Jan 08-14, 1999, Vol-X No.45 — Editorial)

**Cold comfort**

Is Punjab more prone to terrorist violence and crime than Sindh? Is Punjab's administration less efficient than Sindh's? The debate has been fueled by the recent bombing of a bridge on the Raiwind road to the prime minister's estate, followed by another sectarian massacre in Multan.

Punjab's chief minister, Shahbaz Sharif, is desperately flogging statistical ratios to prove that Punjab is "better off" than Sindh. Punjab's home secretary has been fired. The military will beef up intelligence gathering. The anti-terrorist courts will be fortified. Have the Sharifs got hold of the stick by the right end?

No. Violent crime and terrorism have sunk deep roots not just in Sindh and Punjab but all over Pakistan. Their specific origins may differ but the phenomenon is derived more from a generalised, widespread and long-drawn out _political, social and economic_ breakdown of civil society than from the immediate or particular administrative shortcomings of any government. The truth is that we are reaping a whirlwind sown by General Zia ul Haq in the 1980s and nourished by the Sharifs in the 1990s.

If the MQM is responsible for the troubles of Karachi (as Mr Sharif claims), it is worth recalling that the MQM was midwifed, armed and funded by Gen Zia in the 1980s. If the MQM was instigated by the "agencies" to help destabilise and overthrow the first Benazir Bhutto government (1988-90), the unmistakable hand behind the conspiracy was that of Gen Zia's military proteges like General Hameed Gul (then DG-ISI) and civilian disciples like President Ghulam Ishaq Khan and CM Punjab Nawaz Sharif. If the MQM was given carte blanche to rape and pillage Karachi from 1990-92 by CM Sindh Jam Sadiq Ali, it was done at the behest of President Ishaq and PM Sharif. If COAS Gen Asif Nawaz was thwarted from
cleaning-up Karachi in 1992, the same duo was responsible for the fiasco which followed. And if the MQM has been resurgent in recent times, it is only because PM Sharif has romped in the hay with Mr Hussain for over 18 months.

The roots of violent "Islamic resurgence" (sectarianism and fundamentalism) in Pakistan were also sown by Zia ul Haq and his disciples. The hypocritical "Islamisation" of the law and constitution was formally codified in the 8th amendment in 1985. Then PM Sharif bulldozed the Hadood laws in 1991-92 via the 11th and 12th constitutional amendments and paved the way for a violent attack on the rights of the women and minorities of Pakistan. Now Mr Sharif seeks to carry his mentor's "mission" further via CA-15 (Shariah laws).

It may also be noted that the cry of "jihad" — or the call to arms in "defence of Islam" — was first spouted during the Afghan war at the behest of General Zia. It was then taken up during PM Sharif's tenure by his hand-picked DG-ISI, General Javed Nasir, whose self-avowed mission it was to hoist the flag of political Islam not just in Kabul long after the Russians had departed but also in Islamabad and Srinagar. The international terrorist bases and training camps in Jalalabad and Kandahar date back to that time, as do the formations of various domestic Islamic lashkars which now seek to destroy the social fabric of Pakistani state and society. Mr Sharif's recent testing of the "Islamic bomb" in pursuit of some sort of misguided "Islamic nationhood", his continuing exhortations for a "jihad" against political opponents of CA-15 and a Punjab minister's fulminations against women's NGOs are the most recent manifestations of the same opportunist adventurism.

The causes of societal violence, however, have now transcended militant Islam or violent mohajirism. The economic decline in the last decade of democracy is palpable enough — 3% growth pa compared to 6% in the earlier decade. The rate of inflation, too, has doubled. This has meant increasing unemployment and economic hardship — a sure shot recipe for large scale alienation and criminalisation.

Finally, the criminalisation of politics under the garb of democracy has begotten large-scale plunder and loot of state assets by the ruling classes. Bank loan defaulters, plot grabbers and kabza groups have proliferated. This has led to a multi-billion dollar capital drain which has impoverished the economy and fed the perception that crime pays handsomely in Pakistan. Worse, the law makers have turned out to be the worst law breakers in society, with Mr Sharif leading the assault on the judiciary.

In the face of such long-term societal breakdowns and social and economic upheavals, what can short-term administrative measures achieve, whether via military courts and executions in Sindh or via anti-terrorist courts and extra-judicial killings in Punjab or via military brigades in WAPDA? These are all ad-hoc palliatives aimed at skirting the problem. The fact is that law and order all over Pakistan have broken down irrevocably. The fact is that our democratic political leadership has failed to make good laws and uphold them. The fact is that our ruling classes have plundered the exchequer and impoverished the people. The fact is that unless we sweep away such obstacles, we will be unable to exorcise the demons that haunt Pakistan.
Stumped by cricket

Pakistan’s cricket no longer arouses strong passions on and off the ground. Betting, match-fixing and infighting, coupled with reckless administrative power-plays and dirty politics, have sapped the morale and credibility of the players. Nothing demonstrates this more than the bitter fact that no less than five current players have either captained the team in the recent past or harbour ambitions to lead the team in the future. How do we rebuild a team which does the nation proud?

Typically, Pakistan has turned the match-fixing scandal into a national dilemma. The Board of Cricket Control in Pakistan (BCCP) bowed to a groundswell of public opinion and vowed to punish the match-fixing players, only to be whiplashed by a change of mind in Islamabad. The new president of the BCCP, Mr Khalid Mehmood, is clearly not in favour of punishing the cricketers. In the event, the BCCP has thought fit to announce Wasim Akram as captain till the World Cup, despite the fact that a judicial commission headed by Justice Abdul Qayyum has yet to conclude its investigations into the match-fixing allegations against key players, including Akram. This is obviously an attempt by the BCCP to forestall any conviction of Akram by the judicial commission.

Worse, the Commission is uncertain about how to deal with public opinion which remains as fickle as ever. Court hearings have wilted in the face of a late swing of opinion in favour of the offending cricketers; witness have gone back on written affidavits, and team members upon whom the BCCP was expected to rely for evidence are quarrelling with the BCCP. The characteristic upshot is that the very officials who thought they had licked the vice of match-fixing are on the chopping block. This is problem-solving Pakistani style. In contrast, two bribe-taking cricketers in Australia have been duly punished by the Australian Cricket Board while in India the whistle-blowing cricketer Manoj Prabakar has been kicked out of the team.

The current crisis is coeval with the rise of cricket in Pakistan. Pakistan’s first great cricket captain, Abdul Hafeez Kardar, was player, captain, manager and administrator, all rolled into one. After his exist, the team tottered and fell prey to indiscipline while the BCCP helplessly looked on like a liveried servant. The next great captain, Imran Khan, sent the nascent authority of the BCCP into a nose-dive as his own authority and success expanded in tandem with his popularity among the Pakistani masses. (Remember the Col Rafi Naseem episode?) All this was in marked contrast elsewhere — great players like Sunil Gavaskar and Kapil Dev were not allowed to undermine the Indian Board of Cricket Control which has retained its unflagging authority over its cricketers. In Pakistan, however, the struggle between the towering persona of the national cricketer versus the institution of cricket authority continues to be won by the cricketer. Indeed, Pakistani captains are wont to make public statements against the national selection committee and get away with it.
There are, of course, other problems ancillary to the development of domestic cricket in Pakistan. As opposed to India, for example, Pakistan has not demonstrated any serious interest in developing grassroots cricket. Nor has the game been allowed to develop a regional outlook necessary for the inculcation of a fierce combativeness integral to sport. Instead, it has been usurped by state sector corporations who are content to dole out jobs to promising players. The cities have suffered as a result, their playing associations ambushed by wheeler-dealers and blackmailers. Today, the Lahore and Karachi cricket associations have no cricketers to speak of and are often manned by individuals of seedy reputation. In contrast, Bombay, Delhi, Madras and Banglore are strong cricketing centres represented by good local organisations. In the process of this degradation of the game as a job-seeking enterprise in Pakistan, cricket has descended from being a game with strict rules of decorum to becoming a stronghold of youngsters given to charas-smoking, betting and crude sexual misconduct. The decline of the BCCP as a disciplinary body in these circumstances has compounded the crisis.

The dilemma is familiar. The institution of cricket has collapsed like other institutions in the country because there is no accountability. The match-fixing crisis could have been handled by the BCCP in the same vein as the scandals in India and Australia have been handled by their Boards — by punishing the best and most popular players in the team without endangering their careers. But it wasn’t.

The immediate need is to revive the authority of the renamed Pakistan Cricket Board (note the disavowal of ‘control’) by putting professionals in charge of it and changing its rules so that the government and its bureaucracy keep their dirty hands out of its domain. An example must also be set by punishing cricketers against whom evidence of gambling is incontrovertible, even if this means that we cannot assemble the most talented team possible for the forthcoming tour of India this month (which must go ahead) or the World Cup later in the summer. A more professional approach is sure to yield better dividends in the medium and long term than an opportunist one in the short-term.


Supreme Court's dilemma

The Supreme Court's recent decisions to stay executions ordered by military courts in Karachi and restore the writ of the speaker of the Sindh assembly come as no surprise to us. We predicted as much (1999: a bleak outlook, TFT editorial December 4, 1998): "As it sullenly licks its wounds of 1997 and struggles to remain on the right side of the government, the judiciary may eventually seize on an 'opportune' moment to reassert its independence and cut the overweening executive down to size. This could happen in the context of any of the sweeping ordinances promulgated recently to restrict the judiciary’s writ...".
The decision of the Chief Ehtesab Commissioner, Justice Mujadid Mirza, that he is not bound by law to refer cases, especially those related to members of the ruling party or government, to Senator Saif ur Rehman’s Ehtesab Cell for prior approval, was also forecast two weeks before it was formally announced (TFT December 11: CEC rejects government’s interpretation of EB’s powers).

This recapitulation is not meant to be self-congratulatory. Our aim is to redraw attention to the compelling logic of the developing situation on many troubled fronts in the hope that the government of Nawaz Sharif can be persuaded to abandon its ad-hoc and highly personalised approach to complex questions of governance in favour of a more institutionalised and democratic policy framework.

The SC is expected to adjudge next month on the legality of the military courts in Sindh. We believe that, given the corpus of earlier judgements by the superior judiciary on much the same sort of issues, the apex court will honestly find it difficult to uphold the full scope and finality of the military courts as ordained by the government. In the event of a part or full restoration of the judiciary’s writ jurisdiction on this issue, therefore, the impact of the military courts as an ostensible instrument of deterrence against terrorism — which was dubious to begin with — is likely to be eroded. A dent has already been made in it by the SC’s decision to "stay" executions ordered by the military courts pending its judgement on the broader issue next month.

The SC’s decision vis a vis the status of the Sindh assembly is also likely to pose serious political problems for Nawaz Sharif. Since the federal government dismissed Liaquat Jatoi’s government but kept the provincial assembly in tact, it must now reckon on how to deal with a hostile band of PPP-MQM parliamentarians. This will inevitably lead to a confrontation between the Sindh Governor and the provincial parliament and drag the judiciary into the melee again. Nor can Mr Sharif resolve his dilemma by dissolving the provincial assembly. His constitutional amendments in 1997 stipulate that the assembly can only be dissolved on the advice of the chief minister. Therefore, since there is no chief minister, the assembly must stay, unless recourse is taken to legal somersaults again.

Mr Sharif is also likely to be challenged on his dubious parliamentary practices. Several ordinances have been successfully legislated by the national assembly. But these have not yet been put up for discussion or debate in the Senate as required by the constitution. Now Mr Sharif is planning to bypass the Senate by enforcing a joint-session of both houses of parliament in which to pass the required legislation. This is unprecedented. It will provoke a constitutional outrage in the Senate and lead us back to the Supreme Court.

If the government is deadlocked everywhere, it has only itself to blame. Mr Sharif does not have the parliamentary mandate to overhaul the constitution according to his personal whims and fancies. So he has tried to achieve his objectives by juggling laws and policies. In the process, however, he has entangled himself in knots and brought government to a standstill. This is what happens when a civilian ruler attempts to derail the very process of democracy by which he comes to office. In the end, both the ruler and the institutional process are discredited and
weakened, thereby paving the way for unconstitutional forces to breach the divide and restore order on the basis of the "law of necessity".

The SC is in the eye of a storm barely one year after it was battered and bruised by Nawaz Sharif in 1997. Its options are bleak. If it continues to sanction Mr Sharif’s legal and constitutional indiscretions in pursuit of absolute power, it will dig its own grave and that of democracy. If it tries to steer a diplomatic middle path, it will sow the seeds of political uncertainty, federal decline and legal anarchy. If it fully reasserts itself, it will trigger a battle with the prime minister. In the end, all routes lead to a veritable dead end.

Mr Nawaz Sharif is a reckless and insatiable prime minister. Having gobbled up a president, chief justice and army chief already, he is now out to destroy whatever remains of the institutions they led. He spells trouble for Pakistan’s federal-democracy. The sooner he is persuaded to call it a day, the better it will be for citizens and state alike.


**Fasten seat belts again**

At last! The IMF has coughed up about US$ 575 million to keep Pakistan from drowning in a sea of debt. The World Bank has also dished out US$ 350 million for structural reforms and the ADB is expected to follow suit with some short-term handouts. But all this is a far cry from the US$ 5.5 billion "bailout package" which Mr Ishaq Dar had dangled before us so tantalizingly for several months.

Indeed, the package is quite cheerless, especially since the largest chunk of US$ 500 million is in the form of a concessionary finance facility at market interest rates rather than the attractive terms of the ESAF and EFF normally available to Pakistan. Mr Dar has accordingly trimmed his sails to suit the prevailing wind. He is now merely "hoping" that the Paris and London Clubs will consider his request for US$ 2.4 billion in debt deferment "sympathetically". In other words, some but not much relief may be expected on that score.

Mr Larry Summers, Deputy Secretary of the US Treasury, didn't mince his words when he put American assistance to Islamabad in its true perspective: "Mr Clinton has asked us to keep Pakistan's economy afloat for a year". And what happens after that? Mr Summers was categorical: "After that, Pakistan has to satisfy US concerns". And what are US concerns? Signing and ratifying the CTBT within the next six months, freezing fissile material production, amending the constitution to ban the export of nuclear technology or know-how, a halt to missile testing, making peace with India and lending a hand to America in its aggressive crusade against Osama Bin Laden's brand of Islamic terrorism. Over and above all this, Islamabad has been "warned" to stay on the right side of the IMF and abide by
its stringent terms and conditionalities — an impossibly tall order by any stretch of the imagination!

Leaving aside America's nuclear demands which Islamabad cannot comply with without reciprocal action by India, the terms of the IMF are not to be shrugged off. Mr Dar has bravely outlined them for the "medium-term": GDP growth rate to be doubled from 3% to 6%; current account deficit to be halved from 3% of GDP to 1.5%; rate of domestic savings to be increased by 25% from 12% of GDP to 16%; a 50% reduction of the fiscal deficit from 6% to 3%; halving the rate of inflation from 12% to 6% and a rapid increase in the availability and quality of social services like education, health, population control and rural water supply. Is this economic agenda "do-able"?

Yes and no. Yes, if Mr Sharif is able to force Pakistan's business-bureaucratic elites, including his own family, parliamentarians and constituents, to stand on their heads, empty out their pockets to the public exchequer and invest their "foreign savings" in Pakistan. No, if he remains true to form — wasteful, reckless, opportunist, dictatorial and devoid of vision.

Mr Sharif, of course, shows no signs of changing his spots. Wasteful "prestige projects" (motorways, airports, yellow tractors and cabs) are still on; reckless policy shifts (a 30% reduction in power rates two months ago is to be reversed by a 30% increase in the coming months) remain the order of the day; backtracking on GST, loan defaulters and money launderers is a sign of political opportunism; the approach to the IPPs is markedly dictatorial; and a sweeping loss of business confidence, domestic and foreign, testifies to the perception of a total lack of vision in the prime minister.

Worse, economic impoverishment and uncertainty is compounded by continuing political instability and a dismal "law and order" situation. The "democratic" PML(N) government in the NWFP is hanging by a horsetrader's thread; the "authoritarian" one in Sindh is hamstrung by a belated but welcome judicial reassertion of independence; and Punjab is racked by sectarian terrorism which has curtailed even the prime minister's mobility to roam far and wide. Meanwhile, the constitution has been so mangled by past and pending amendments and increasing incursions of the military in civilian affairs that popular demands have surfaced for a thorough restructuring of the federal arrangement and opposition alliances are gathering momentum to achieve the minimal mass required to try and overthrow the government. Indeed, Benazir Bhutto has now gone so far as to call for a military intervention to "save the situation"!

Mr Sharif is floundering in quicksand. Ordinary people are deeply alienated and resentful. The business community has no confidence in him. The opposition is ganging up for a showdown. And the judiciary is waking up from its slumber. Worse, the Americans have got him by the short and curly. If Mr Sharif doesn't deliver on their nuclear agenda, they will let him sink. But if he tries to go the whole hog with them, the security establishment will nip him in the bud. It is no different on the economic front. If he tries to abide by IMF prescriptions for belt-tightening all round, the power of the bazaar and the might of the robber-barons will coalesce with the power of the people to uproot him.
We are in for a rocky time. It's time to fasten seat belts again.

(TFT Feb 05-11, 1999, Vol-X No.49 — Editorial)

**Well fought, Shakil-ur-Rehman!**

Politicians have a love-hate relationship with the press. They adore it when in opposition and abhor it when in power. This hypocrisy is perfectly understandable. On the one hand, the opposition is keen to woo the press so that its allegations against the government, however outlandish, can be flogged far and wide. On the other, the government is desperate to censor the press so that its misdemeanours, however slight, can be glossed over. The press can ignore the opposition for as long as it likes but, generally speaking, it can't afford to resist a determined and angry government for very long.

There are three basic reasons for this. One, the government controls the bread and butter of the press — newsprint imports are banned except for the press but the government retains a tight grip over the newsprint quota sanctioned to the press. Two, since the government remains one of the biggest sources of advertising in the country, the press cannot afford to shrug off its main source of revenue. Three, the government can use its vast coercive apparatus to browbeat the press or muzzle it if it remains unrepentant. In the final analysis, therefore, the press in Pakistan is free only to the extent that the government in power respects the rules of democracy or the judiciary, as the custodian of fundamental rights in the last resort, is strong enough to resist its encroachments on democracy. If the government is of an authoritarian bent of mind and the judiciary is weak or divided, the press cannot remain independent or free for long.

Viewed in this perspective, we can understand why the less dependent, or, if you like, more independent, sections of the press have been shrieking "murder" since Nawaz Sharif assaulted, divided and weakened the judiciary in 1997. With the judiciary out of the way, we reasoned, it was only a matter of time before the press would come under Mr Sharif's heel. The worst has now come to pass. Some sections of the press have quickly sold out to the government while others are lying low, waiting to see which way the wind will blow. The irony is that the Jang group, which has always been a cautious middle-roader, has become the focus of Mr Sharif's unmitigated wrath and been pushed to take a Herculean stand.

From the government's point of view, of course, this makes sense. By lashing out at the largest media group, Mr Sharif wants to send a stern warning to the smaller fries: "Behave, or else I'll sic Saifur Rahman on you!"

The siege of the Jang group is unprecedentedly vicious. Bank accounts have been frozen, newsprint godowns sealed, hawkers harassed, journalists threatened, stiff income tax notices served and sedition cases lodged. All that remains is for the group's offices to be ransacked, its newspapers to cease publication, its owners to
be arrested and its journalists to be sent packing. Whether the situation is poised
to take an ugly turn for the worse or a "compromise" is in the offing, it is worth
recalling for the record how the confrontation began in the first place and then
spiralled uncontrollably out of hand.

Mr Sharif's second coming has been marked by one crisis after another. All the
crises have been manufactured by him. Each crisis has undermined one institution
or the other. Naturally, this was grist for the media. Equally naturally, the
government became increasingly prickly and resentful of criticism. Mr Sharif's
grudges against the press began to pile up — the more "influential" a newspaper,
the greater his rancour. In Jang's case, a column by Mr Irshad Haqqani, the Lahore
editor, kicked up a veritable storm in July 1998. Mr Haqqani wrote advisedly about
the need to revamp the government's decision-making system and suggested that
the army might have a small but positive role to play in it within the parameters of
the democratic system. Islamabad reacted angrily by freezing advertisements to
the Jang group. Then came the proverbial straw which broke the government's
back. In October General Jehangir Karamat suggested something like a National
Security Council to tackle the country's mounting difficulties. The Jang group
immediately ordered a telephonic survey of public opinion on the issue and
published its findings: an overwhelming majority of its readers were all for the
proposal. Two days later, General Karamat was sacked. On the third day, Mr Sharif
stood before the national assembly and made caustic remarks about "those who
wanted to derail democracy" and warned them that they would never succeed. In
revenge, he ordered the sky to fall on the head of the Jang group. We know the
rest, thanks to the charming indiscretions of Mr Saifur Rahman. The good senator
was paid back in the same coin when he was taped brandishing unmentionable
threats to Mir Shakil-ur-Rehman, the owner-editor of the Jang group. Where does
the press, and in particular the Jang group, go from here?

Forward. There is no choice. Here was an Urdu newspaper whose editorial
comment pages were often conspicuously tilted, as a matter of policy, in favour of
the government. Indeed, a number of highly paid hacks blindly loyal to Mr Sharif
were put on its payrolls expressly to keep Islamabad happy. Yet it fell foul of an
autocratic regime when it tried to steer a marginally less devoted path. Imagine
what might happen to less timid newspapers if the Jang group were to bite the
dust. Other media barons — some of whom are said to be enjoying Mir Shakil-ur-
Rehman's acute discomfort and dreaming of soaring circulations in the event of
Jang's closure — would also do well to remember one salient fact of life in Mr
Sharif's Pakistan: Today, the ITO's noose is around Jang's neck, tomorrow it could
be around their's. Today, Jang's ABC returns are being questioned, tomorrow their
ABC figures could be flaunted before them. Is hamam mey sab nangey hain!

Some last points must be recorded. If senator Saifur Rahman is inclined to be
more loyal than the King, it is because he is politically naive and doesn't realise
that his reckless ways are hurting Mr Sharif rather than helping him. He should
know that his self-righteous claims of going after tax dodgers in the press ring
hollow because the biggest tax dodger in the country is his boss, followed by scores
of fellow compatriots in the national assembly and cabinet, including the loan
defaulters who have scooted away with hundreds of billions of public money,
without as much as a scratch on their backs. But Mushahid Hussain should have known better, if only because he was once an outstanding editor, remains a decent man and is expected to know a thing or two about political damage-limitation. Two, many senior Muslim Leaguers are said to be unhappy about Islamabad’s hamhanded ways. They have advised restraint and are urging the government to back down. Three, when pushed to the wall, Mir Shakil-ur-Rehman has defied the odds to fight back.

Good, it's about time people like him stood their ground. There is one lesson Mir Sahib should never forget — governments are fated to come and go but the press is destined to go on forever. Indeed, a free and strong press is the sine qua non of good governance and a productive civil society.

(NFT Feb 12-18, 1999, Vol-X No.50 — Editorial)

**Nawaz Sharif’s Indian pantomime**

In an interview with the *Indian Express* last week, prime minister Nawaz Sharif pronounced that he and his Indian counterpart Atal Behari Vajpayee could resolve all disputes, including Kashmir, bilaterally without interference from a third party. However, meeting US president Bill Clinton in Amman, Mr Sharif appealed to the Americans once again to arbitrate the Kashmir issue. This is muddle-headedness made worse by crude deception.

No one is surprised. The public reaction has been that of ridicule. The grotesqueness of the new “initiative” is not lost on the Indian Hitler, Bal Thakeray: you don’t make friendly gesture after declaring a Day of Solidarity with Kashmiri freedom-fighters during which the whole of Pakistan was shut down and supporters of the PM dragged Mr Vajpayee’s effigy through the streets, beating it with shoes before burning it.

Mr Sharif then announced that he is going to use the recently inaugurated bus service between Lahore and New Delhi to smoothie Indo-Pak relations. It would seem that Mr Vajpayee is going to ride the bus to Lahore in a gesture of goodwill, and Mr Nawaz Sharif is going to ride back with him to New Delhi, and on the way all Indo-Pak differences will be resolved in a monumental act of statesmanship. Some Pakistani newspapers announced Mr Sharif’s great coup with glee, while others had Mian Sahib saying that he didn’t trust the Indians and he knew that nothing would come of the great bus ride with Mr Vajpayee. At the same time, a leading headline had Mr Sharif proclaiming that Kashmir would fall to Pakistan within the year.

Mr Sharif thinks he can fool the Indians and hoodwink the Pakistanis whilst gleaning kudos in Washington. This latest pantomime has not deceived observers in Pakistan who were earlier taken in by a similar spasm of “sanity” that the PM experienced in February 1997 when he first came to power. He had announced
then that he would seek normalisation of relations with India for peace in the region and to give Pakistan’s crippled economy a breather.

What happened after that was the most shameful display of flip-flop. India’s “friendly” foreign minister I.K. Gujral became prime minister and tried to hold Mr Sharif to his pledge. It suddenly transpired that Mr Sharif had not consulted with Muslim League colleagues and had even forgotten to call to heel his information mastiffs indoctrinating the people with lethal anti-India propaganda on PTV. He then went through the demeaning theatrics of being snubbed by his own ministers and secretaries while discussing the sale of electricity to India with Mr Gujral at international conferences. What followed was even more bizarre. As the foreign secretaries of India and Pakistan discussed resolution of bilateral disputes, India deployed its Pakistan-specific Prithvi missile. This was followed by the most intense cross-border peacetime bombardment between the two armies ever recorded. Pakistan then left off its India-specific Ghauri missile, named provocatively after a medieval Muslim general who had invaded and conquered India. This was “normalisation” Nawaz Sharif style.

With Mr Vajpayee, Sharif’s record is even worse. The old Jan Sanghi controlled India’s Kashmir policy even while in opposition. His chauvinism is cloaked in diplomacy which he first applied to Pakistan as an ally of the Morarji Desai government in the 1980s. Immediately after coming to power, Mr Vajpayee tested India’s nuclear device and banked on Pakistan to validate it. Mr Sharif fell for the ruse and pushed Pakistan into its worst economic crisis by testing on May 28.

If Pakistan was in the IMF’s oxygen tent before May 28, it now had to be fed through a nose tube. PM Sharif blamed it all on the Indians and said insulting things about Mr Vajpayee that are still fresh in public memory. Pro-bomb hawks in Islamabad continue to believe that Pakistan has achieved parity with India and can now talk tough. The fact is that Pakistan has never been in a worse bargaining position.

Mr Sharif’s pantomime is tawdry. Even if he was not shamming, it would be impossible to negotiate anything with India given Pakistan’s internal plight. If Islamabad is full of hawks, New Delhi is littered with talons of the sharpest kind. The only difference is that while our hawks are fed on pipe dreams, Delhi’s belligerents are armed with facts and figures about Nawaz Sharif’s debilitating two-year role. Civil society in Pakistan is under threat. After the assault on the judiciary and the gagging of parliament, the press is teetering on the brink. The economy has been mishandled, ministers and professionals dealing with it have been shuffled about with abandon and replaced with the PM’s henchmen. Pakistan’s Afghan policy continues to be in shambles, taking relations with Iran and Central Asia down with it.

As India sees it, Pakistan is caught in a nutcracker situation with little leverage left in its foreign policy. If Mr Sharif’s inner sanctum is consoling itself with the thought that his latest gesture is nothing but “taking Vajpayee for a ride” which will buy the regime some more time from the Americans, it should think hard about the wisdom of taking the people of Pakistan for a ride yet again.

Bravo, Supreme Court!

The news value of the Indian Prime Minister's brief bus-over in Pakistan has been overtaken by an event of profound significance. In a unanimous judgment, a nine-member bench of the Supreme Court (SC) of Pakistan led by the most honourable chief justice, Justice Ajmal Mian, and his honourable senior-most colleagues has declared that the military trial courts (MTCs) decreed by the prime minister, Nawaz Sharif, first in Karachi and then all over Pakistan are "unconstitutional and illegal". The SC has also swept aside all the judgments of the MTCs to date and provided "guidelines" to the government whereby the ends of justice may be met swiftly and legally either via the existing anti-terrorist courts or by other courts "established under law" to deal with terrorism, with the right to hear appeals vested securely in the high courts.

The judgment is music to the ears of every democrat in Pakistan. One, it restores part of the credibility of the supreme court which was seriously eroded in 1997 when it allowed itself to be divided and assaulted by the executive. Two, it heaps scorn on Mr Sharif's attempts to browbeat the judges into condoning the MTCs — first by contemptuously announcing the establishment of MTCs all over the country even as the SC was hearing petitions challenging their legality and just after the SC had "stayed" the execution of the death sentences by the MTCs and then by using state-controlled media to launch a campaign showing how the people of Karachi were all in "favour" of the military courts. Three, the judgment vindicates the position of the former chief justice of Pakistan, Justice Sajjad Ali Shah, who had argued that even the special anti-terrorist courts could not operate outside the ambit of the high courts.

The judgment has far-reaching implications. One, it suggests that the supreme court is not likely to be swayed by an authoritarian regime's brazen attempts to bypass the constitution on the basis of its so-called "mandate". Many people may have voted Mr Sharif to power and others in Karachi may "approve" of the MTCs but the judges have confirmed that the constitution is permanently sacred, stands above the temporary fray and may not be violated by anyone, singly or collectively. Two, the SC's message is equally clear on another front: if the government tries to call a joint-session of both houses of parliament without first debating any bill in the senate, the court is likely to strike such unconstitutional tactics down. Indeed, any attempt to amend the constitution — as for example via the Shariat Bill — and bypass the writ jurisdiction of the superior judiciary is also likely to meet with the same fate. Three, the judges have unequivocally denounced the "law of necessity" which was mercilessly flogged by the Attorney-General in a vain attempt to justify the use of MTCs to deal with the "threat of terrorism".

The SC's judgment comes on the heels of a decision by the Lahore High Court striking down the State Bank's seizure of foreign currency accounts under the "law of necessity". It follows a decision by the Chief Accountability Commissioner asserting his autonomy from the Accountability Cell and another by a bench of the
SC which granted relief to the Jang Group in its life-and-death struggle against victimisation by the same Accountability Cell. These decisions, coupled with rising disgruntlement within the ranks of the ruling Muslim League as demonstrated recently by Mian Azhar's numerous and vocal supporters in Lahore, would suggest that Mr Sharif is not going to have an easy ride. In fact, the opposition may take heart from this ray of light emanating from the SC to resist Mr Sharif's authoritarian ways with greater vigour. Ms Benazir Bhutto, in particular, should be quite pleased with the way events are unfolding. It will not be easy for the judges to convict her of corruption or misuse of power even as similar charges remain pending in the supreme court and the Accountability Commission against her nemesis Nawaz Sharif.

There is, finally, the question of the impact of the SC's decision on the armed forces. General Jehangir Karamat had wisely and discreetly resisted attempts by Mr Sharif to drag the army into the domain of the judiciary. With equal sincerity, however, General Pervaiz Musharraf took the opposite decision. Now the cookie has crumbled in the COAS's fist and he must reckon on how to pick up the pieces. In particular, the officers who manned the MTCs and handed out the summary decisions must be quite peeved at their predicament. But this was a matter of mistaken concreteness and not a blunder. It will pass. What is important is that General Musharraf should learn the right lessons from this experience.

In the final analysis, of course, it is Nawaz Sharif who needs to reassess the dangerous implications of his reckless and authoritarian demeanour. He must learn to use his mandate to strengthen democratic institutions instead of riding rough shod over them. The SC has rapped him on the knuckles. If he doesn't mend his ways, it could be more consequential the next time round.

(TFT Feb 26-04 Mar, 1999, Vol-X No.52 — Editorial)

Defining moment of anti-history

Any dialogue between the governments of Pakistan and India which seeks to lower tensions in the region is most welcome. In particular, we are delighted that the two new nuclear powers have mutually promised to take definite steps to reduce the risk of accidental war. Beyond that, it is difficult not to be swamped by a deep sense of cynicism born from bitter experience. Let's be clear about what has actually transpired and what hurdles lie ahead.

If it was Nawaz Sharif who casually floated the idea of a bus service between the countries last September in a meeting in Islamabad with the Indian foreign secretary — "there's a train and an air service, so why not a bus?", he wondered — it was Atal Behari Vajpayee who caught the imagination of the world media by proposing to ride the bus to Lahore. Accordingly, the idea was firmed up and an invitation was despatched by Islamabad to New Delhi formalising the event.

For Mr Vajpayee's beleaguered BJP government, the month-long media hype has provided sorely needed relief from domestic setbacks. Internationally, too,
India's "peace initiative", as it was billed, has served to deflect criticism from the BJP’s aggressive nuclear posture. Needless to say, the "atmospherics" were beautifully contrived by N Delhi, with a colourful bhangra troupe dancing across the dusty border line at Wagah, heralding the arrival of the Indian prime minister into "enemy territory". The symbolism could not have been lost on the Indian public.

On Mr Sharif’s side, security considerations dominated the show. The public had not been suitably "prepared" to host an Indian prime minister and the Jamaat i Islami was rampaging on the streets. Indeed, Mr Vajpayee’s visits to the Minar-i-Pakistan and Allma Iqbal’s tomb were firmed up by Islamabad only after he was helicoptered to the Governor’s house.

The discussions which followed between the two leaders, privately and with their aides, were deliberately veiled for maximum impact. It was rumoured that the "personal chemistry" between the two prime ministers might lead to some genuine and unexpected "breakthrough". In actual fact, however, the salient features of the joint communique were discussed between foreign office officials of the two sides several days before the two prime ministers actually met, with only the final drafting reserved for the afternoon of February 20th.

In the event, the Lahore Declaration, Joint Statement and MOU were concrete on measures aimed at nuclear risk reduction following the nuclearisation of the sub-continent last May but lacking on everything else. Indeed, there is no mention in any of the documents of any concrete steps or substantive measures to resolve the outstanding issues which have bedeviled the relationship between the two countries for five decades. The Pakistanis have not got the no-war pact they want. India has not got the no-first-strike agreement it covets. Neither side has made any commitment to halt the nuclear and missile arms race in the offing. The "core" issue of Kashmir has been neatly sidestepped. Why then is Pakistan crowing about "a historic breakthrough" and India claiming a "decisive moment in history"?

Islamabad says that Mr Vajpayee’s agreement to discuss the "dispute over Jammu and Kashmir" represents an unprecedented gain for Pakistan because India had thus far refused to acknowledge the disputed status of Kashmir and declined to enter into any negotiations with Pakistan to resolve it. In claiming thus, however, Mr Sharif has conveniently ignored two facts: one, Mr I K Gujral, prime minister of India in 1997, had also agreed to discuss the "dispute over Kashmir" with Pakistan but confined it to "talks about talks on Kashmir" (in other words, talks about how to define the agenda for discussions on Kashmir, which is not a substantive enough measure) and then backtracked on his commitment soon thereafter; two, when pushed to the wall in the past, the Indians have been quick to point out that when they acknowledge a "dispute over Jammu and Kashmir", they refer to the "illegal" occupation of Azad Kashmir by Pakistan! Whether Mr Vajpayee will follow Mr Gujral’s route or move forward is therefore uncertain.

Islamabad is also laying great emphasis on a clause in the agreements which underlines the need by both countries not to violate human rights, an oblique reference to India’s bloody repression in the valley. But the Indians have countered with a clause demanding an end to interference in the internal affairs of each
country, a subtle reference to the alleged Pakistani hand in supporting insurgency in the valley. With one cancelling out the other, where is the gain to Pakistan?

The Indians, however, have reason to be more than satisfied. Their prime minister has been accorded a cordial, even gracious, reception by the government of Pakistan. In weeks to come, perhaps, Mr Vajpayee will lay out the red carpet for Mr Sharif when he visits New Delhi. The Pakistan cricket team has already played to full houses in India and the two hockey teams have split venues in the two countries. The agreement between Mr Sharif and Mr Vajpayee February 21st was followed by another the same day between the top dogs of the chambers of commerce of the two countries advocating greater and freer trade. Pakistan has begun to export sugar to India and wants to export electric power as well. Onions, chillies and potatoes from India have been selling in Pakistani markets. India has now offered wheat. The necessity and "vision" of SAARC and SAFTA have been stressed by the two sides. A parliamentary delegation from India has been to Pakistan and plans are afoot to despatch a Pakistani parliamentary delegation to India in May. Journalists from the two countries have greater access to one another. A couple of Indian film stars are scheduled to visit Pakistan to help raise funds for local charities. Pakistani "artistes" and pop stars are regular features in India. And so on.

All these confidence-building measures are already a far cry from Pakistan's ten year formal position that without a resolution of the "core" Kashmir issue, there can be no confidence-building or bonhomie with India. In fact, to all intents and purposes, it is clear that Mr Sharif has surely but slowly abandoned Pakistan's rigid "core issue" position and is moving in line with that of India and the rest of the world — namely, that the two sides must "break the ice" and establish a measure of bonhomie before "thorny issues like Kashmir" can be earnestly addressed. Indeed, the perceptible thaw in Indo-Pak relations under Mr Sharif suggests that bilateralism, which India has always stressed, is gaining headway at the expense of "multilateralism" which Pakistan has always demanded.

The sweeping evidence of this, if more is needed, is available in the Lahore Declaration of February 21st, 1999, which Mr Sharif has significantly likened to the Lahore Resolution of 1940. The two countries are "convinced that durable peace and development of harmonious relations and friendly cooperation will serve the vital interests of the peoples of the two countries". The two "reiterate their determination to implement the Simla Agreement in letter and spirit" and shall "intensify" their dialogue via the "agreed bilateral agenda". Both will make "concerted efforts for the realisation of the SAARC vision for the year 2000" and "condemn terrorism in all its forms and manifestations". The Joint Statement adds some points of interest: "the two sides shall undertake consultations on WTO related issues with a view to coordinating their positions", "shall determine areas of cooperation in information technology" and "hold consultations with a view to further liberalising the visa and trade regime".

**It is highly significant that issue of "Jammu and Kashmir" (not simply "Kashmir") is mentioned only twice, once in the Lahore Declaration and once in the MOU between the two foreign secretaries. But "Jammu and Kashmir" is referred to as an "outstanding" issue (like the other outstanding issues) on both occasions and**
there is no mention of the words "core dispute" anywhere in the three texts! Equally, the UN resolutions, which have thus far been the bedrock of Pakistan's Kashmir position, are conspicuous by their absence from the texts.

Of course, TFT has no problems with this "new" approach. Indeed, we have argued in the past that the "core issue" formulation which insists upon a resolution of the Kashmir issue according to UN resolutions before any other issue is resolved is not likely to yield dividends for one main reason: neither India nor the UN or the international community are prepared to accept or support it. Similarly, any approach which rules out a third option and does not include the Kashmiris in a dialogue between India and Pakistan is not likely to take us too far. These arguments have acquired greater legitimacy following the overt nuclearisation of the sub-continent in which the option of settling scores between the two countries by means of armed conflict or war can be ruled out because of the prohibitive costs it would impose on both, but especially on Pakistan which is crippled by internal dissension, a bankrupt economy and relatively depleted armed forces.

It also needs to remembered that the "core issue" approach was formulated by Islamabad only in 1990 after the Kashmiris indigenously rebelled against New Delhi's authoritarian incursions into their special autonomous status granted under the Indian constitution. Indeed, from 1972 (when Simla was signed consigning the Kashmir issue into cold storage) to 1989, not once did Pakistan seriously raise the issue of any "core" dispute over Kashmir with India at any international forum. So if the "core" issue was not "sacred" then, and if the "core" issue approach has failed to deliver any dividends in the last decade, there is greater reason now to search for alternative ways of conflict resolution with India.

Mr Sharif, it appears, has begun to understand the lay of the land on the eve of the new millennium. But the transition from a status-quo, jehad-oriented, hawkish foreign policy vis a vis India to a forward-looking, moderate, peace-oriented foreign policy which Mr Sharif appears to be advocating is going to be very difficult. Such a transition cannot take place without Mr Sharif first cobbling a broad political consensus for it and then nudging the national security establishment to review its "historic" assumptions and accord its stamp of approval to a change of tack. Does Mr Sharif realise what his "historic" Lahore Declaration really entails?

It seems not. Mr Sharif has made no effort to take the security establishment or the Pakistani people into confidence. He has taken no steps to bring the political opposition on board his new non-ideological "foreign-policy agenda". Indeed, even the cabinet and parliament are troubled by the lack of any discussion on the subject. This is typical of Nawaz Sharif. Therefore our fear is that, like his many other hastily assembled initiatives in equally contentious areas of economy and law, this initiative too is likely to flounder on the rock of institutional confusion, political indecision and jehadi-counter-pressure. The fact that the three chiefs of the armed forces were absent from Wagah, the fact that the Hizbul Mujahideen carried out its threat and killed 20 Hindus in Kashmir on the day of the talks in Lahore, the fact that the Jamaat i Islami activists vented their anger in no uncertain terms, are all pointers in this direction.
Our cynicism on the Pakistani score is reinforced by our understanding of the hawkish and unbending attitude of the Indian security establishment, especially South Block, which is opposed to any departure from its current perspective not only on Kashmir but also on Siachin and other contentious issues. Also, Mr Vajpayee's government is desperately hanging on to power by the skin of its dentures and may not be in any position to make good on its tall promises made in Lahore. Finally, the continuing inability or unwillingness by both sides to draw the Kashmiris into the dialogue could derail potential progress on other fronts.

If this is a "historic breakthrough" for Nawaz Sharif and a "defining moment" for Atal Vajpayee, the proof of the pudding will come from the eating of it. At the moment, unfortunately, there is no societal consensus in either country on the new recipe in the offing. Indeed, too many cooks in the wings are spoiling to serve the usual, traditional fare to both parties.

(TFT Mar 05-11, 1999, Vol-XI No.1 — Editorial)

**Enigmatic or predictable?**

If one were to be charitable to Nawaz Sharif, one might say that he is an "enigmatic" leader. He makes sweeping promises which he cannot fulfil. He says one thing today and quite the opposite the next day. Sometimes he talks like a liberal and acts like a reactionary and sometimes it’s vice versa. He is secretive, suspicious and vengeful. He has many bizarre ideas but few sensible ones. He has been at the top of the power pyramid since 1981, yet knows nothing of the art of government. He flaunts a business background, yet remains clueless about the market economy. He hates red tape and bureaucracy, yet most of his advisors and consultants are bureaucrats of one ilk or another. He espouses democracy and gloats over his electoral “mandate”, yet resents the press, loathes the opposition, derides the judiciary and wants to acquire absolute power. He thunders against corruption, yet is corrupt of his bones. He has no time for parliamentary niceties and debates and he has no inclination for cabinet consultations or collective responsibility.

Mr Sharif’s indiscretions would be excusable if their repercussions weren’t so calamitous. His mistakes could be shrugged away if they weren’t such monumental blunders. His initiatives could be forsaken if they weren’t so noxious. Consider the evidence in some critical cases.

Conventional political wisdom suggests that all hard, radical or unpopular economic decisions in the national interest should be taken in the first few months after a political party comes to power so that the fruits of early sacrifice and belt-tightening are harvested in the years approaching the general elections. But Mr Sharif has chosen to do the exact opposite. Now, midway through his blundering term, and faced with economic bankruptcy and political anarchy, he is proposing to reverse the disorder he has engineered, which means that the country has lost a
great opportunity for restructuring when things weren’t so dismal and when the opposition wasn’t so united and vociferous.

The nuclear issue, too, could have much better managed if some serious and courageous collective input had been put into it earlier. It was crystal clear that if Pakistan went ahead and tested, crippling international sanctions would be imposed and the economy would face financial default. Why then did it take Mr Sharif eight indecisive months to negotiate an end to the sanctions, during which the economy was set back by a decade at least? If a commitment to sign the CTBT in 1999 and not create any obstacles in the way of the fissile material discussions in Geneva was all that was needed to persuade Washington to lift the sanctions in January 1999 and provide relief, why couldn’t this package have been signed and sealed by Pakistan a day after it tested on May 28th 1998 so that sanctions, and the resultant freeze of foreign currency deposits, loss of domestic and foreign investor confidence, and economic recession could all have been avoided? Indeed, if a harsh IMF package is acceptable today, why wasn’t a more yielding one acceptable in February 1997?

The decision to jump into bed with the MQM in early 1997 was as shortsighted and opportunist as the one to seek divorce from it and unleash the military courts against it in late 1998. One might have also thought, at least, that when the army was roped in to provide military courts and risk unseemly exposure, discreet assurances had already been sought and obtained from the superior judiciary so that the military courts would not be struck down. But no such contingency was envisaged or planned, with the result that the army has been left holding the bathwater after the baby was thrown out by the supreme court.

Much the same sort of impulsive behaviour is evident from Mr Sharif’s recent attempt at “detente” with India. He sought no interaction with the national security established and offered no explanations or justifications for a change of tack. Indeed, he took no one, not even the cabinet or parliament, into confidence, which is why even the Punjab administration was running around like a headless chicken on February 20th and 21st. Now Mr Sharif is blowing hot and cold all over again and “detente” is enveloped in a cloud of institutional confusion and uncertainty which doesn’t augur well for the initiative.

Mr Sharif is also a very stubborn man. He refuses to learn from his mistakes. The yellow-cabs and Lahore-Islamabad Motorway were disastrous legacies of his first coming. These are to be supplemented this time round by more yellow-cabs, tractors, motorways as well as a Rs 250 billion handout scheme for the “unemployed” and “small-businessmen”. For a cash starved government which cannot balance its budgets and whose public sector financial institutions are bust this is the pinnacle of capricious conduct.

The man is not enigmatic in the least. On the contrary, he is totally predictable. Therefore those who are banking upon him to steer this country out of the woods should think again. There may not be much left to salvage of Pakistan by the time Nawaz Sharif is through with it!
Benazir Bhutto has become "chairperson of the PPP for life". This has led pundits to lambast the decision as an extraordinary affront to the principles of party democracy (which it is, of course). But so what? It's not as if Ms Bhutto's PPP is a deserted island in a sea of democracy. On the contrary, hardly any political party in this country practises the lofty democratic principles that it preaches. Indeed, political leaders are "leaders for life" even when they have been pronounced politically dead a long time ago. So if Ms Bhutto has formalised her "leadership for life", it's no big deal. In fact, there may be sound political reasons for doing so.

The fact is that Ms Bhutto's "elevation" comes on the eve of judgments by the Ehtesab benches of the Lahore High Court which are expected to go against her. This has fueled speculation not only about her political future but also about that of her party. Certainly, senator Saifur Rahman is desperately hoping that when Ms Bhutto is knocked out of parliament, the PPP, which has already lost much of its shine, will become "headless", fall victim to infighting and powerplays and slowly disintegrate, leaving Mian Nawaz Sharif master of all he surveys. Nor is the good senator the only one wishing that Ms Bhutto's speedy consignment to the dustbin of history. There is no dearth of Bhutto "loyalists" who would love to don the mantle of PPP leadership after Ms Bhutto has been forced to bite the dust. But everyone must now think again. Ms Bhutto has pre-empted such hopes or divisive tendencies by stressing that she has always been the Peoples Party and will always remain so, come hell or high water, much as it was when she was exiled from Pakistan from 1979 to 1986.

It is also clear that Ms Bhutto had no choice in the matter, even if she has sometimes expressed a wistful longing to retire from active leadership of the party and become an "elder statesman" while tending to her family. The fact is that Ms Bhutto's conviction for corruption may not merely entail disqualification from parliament but also a stiff term in prison, the loss of much of her wealth, an end to her relationship with Mr Asif Zardari and a painful rupture from her children. In short, everything that she loves so dearly and desperately in life. Without the PPP to back her up and bail her out, Ms Bhutto's fate would be personally more traumatic than that of her father. With the personal and the political so inextricably fused in Ms Bhutto's life at this stage of her political career, is it any wonder then that she has chosen to formalise the situation by becoming "leader of the PPP for life"?

Indeed, Ms Bhutto's witting estrangement from the likes of Mr Aftab Sherpao falls perfectly into context. Mr Sherpao has long harboured ambitions of being his own leader. In fact, he could have been counted upon to make a serious play for the leadership of the PPP in the event of Ms Bhutto's conviction. That would have spelt the death-knell of Benazir Bhutto because it would have split the party badly at a moment of confusion and demoralisation and precluded it from mounting a strong counter-attack to save its beleaguered leader. So Mr Sherpao had to be
isolated, weeded out and replaced by a more loyal provincial leadership before time ran out. That, too, has been accomplished.

For much the same sort of reasons, it was also time for Ms Bhutto to part ways with Maulana Tahirur Qadri. The maulana was angling for a stake in the Pakistan Awami Ittehad which would have spelt trouble for Ms Bhutto in her hour of need. If she had given in to him, he would have exploited the platform of the PAT to "negotiate" with the government rather than try and "bail" Ms Bhutto out of her impending travails. Nawabzada Nasrullah, however, is a big nobody without the PPP, so he can be handed over the reins of PAT because Ms Bhutto now holds the reins of the PPP for life!

But Ms Bhutto isn't quite finished with preparations for "life after death". She is trying to woo the Americans by all manner of political somersaults. She is gearing up her party by raising the tempo of political agitation. She is attacking the "partiality" of the judges sitting in judgment over her. And she may be expected to raise the spectre of Sindhi nationalism before long. She is digging her heals in and she won't be thwarted without a bruising fight.

This is excellent politics! One would not have expected anything less than this from the daughter of the East. But, from the point of view of the people of Pakistan, it would make for even better politics if senator Saifur Rahman should succeed in his efforts to have Ms Bhutto convicted, disqualified and knocked out "for life". In the event, we would be rid of one of the two most corrupt political "leaders" in the history of Pakistan while creating the necessary pre-conditions of eliminating the other one in time to come.


Physician, heal thyself!

WAPDA is teetering on bankruptcy because its deficit has soared to Rs 67 billion. Therefore Mr Ishaq Dar, the finance minister, wants to increase everyone's electricity bills by 15% immediately. But Mr Gohar Ayub, the water and power minister, wants the rates to be reduced so that relatively more power is consumed. The end of both ministers (increasing WAPDA's revenues) is the same but the means they advocate are diametrically opposed. Who is right?

Until recently, every WAPDA chairman has argued for a rate increase in every cabinet meeting on the subject under every government to date. Yet, despite a steep climb in rates, WAPDA's deficit has grown. This means that the argument is deeply flawed and misplaced.

To be sure, deficits can be reduced by increasing revenues. But increasing power rates is a highly dubious way of increasing WAPDA's revenues. Its deficits can also be reduced by combatting theft, reducing transmission inefficiencies and abolishing hidden subsidies. This has been partly demonstrated by WAPDA's new chairman, General Zulfikar Ali, who has injected about Rs 6 billion into the WAPDA
kitty in three months by fixing the fixers. But, apart from putting a stop to the free electricity granted to WAPDA employees, there is precious little the good general can do about the subsidies to agricultural tubewell owners, to FATA and to Azad Kashmir. That is an issue for the federal government to resolve. If any subsidy is politically required, it must be tagged to the federal budget instead of being shoved into WAPDA's balance sheet.

The question of increasing revenues by increasing power rates in a recessionary economy is problematic. It is related to the price and demand of power, or its price elasticity. If a given percentage increase in flat power rates should lead to a smaller percentage decrease in the demand for power, there should be an absolute increase in WAPDA's revenues. But if a given percentage increase in power rates leads to a bigger percentage decrease in the demand for power, absolute revenues will fall. The alternative is equally true. A calibrated reduction in power rates could lead to a surge in consumer demand and an increase in revenues. Has NEPRA, the power regulatory body considering a rate increase, done its homework and determined the price elasticities of demand for power by various categories of consumers? Have detailed references to WAPDA's economic and operational inefficiencies, its cost overruns, its financial imprudence and its dismal service standards been taken into account? If not, there is no justification for a flat 11% increase in power rates.

There is an additional factor which merits consideration. Mr Ayub and General Ali claim that we have a potential power surplus on our hands in excess of 2000 MW which translates into idle capacity costing WAPDA about Rs 25 billion annually in payments to the IPPs. If that is true, we must ask why the export power rate demanded from India by Mr Dar's ministry is 7 cents PKW (India is demanding 2-3 cents PKW) while that currently charged to the Pakistani consumer is equivalent to about 10 cents PKW? Indeed, if a surplus is available, why shouldn't the Pakistani consumer benefit from it in the form of reduced power rates instead of the foreigner?

The case for a reduction in power rates for domestic consumers as demanded by Mr Ayub and General Ali is therefore quite strong. Our arguments in favour of it last year (TFT Editorial "IPP Policy is Misplaced", May 17-22, 1998) bear repeating: "While it goes about firmly restructuring WAPDA, the government should offer incentives to domestic consumers so that the 2000 MW in excess capacity is mopped up swiftly. This should take the form of a downward sliding scale of electricity rates related to increased consumption by various types of users. The advantages of this approach are obvious enough. It will help reduce the cost of excess power. It will make our industry more competitive in the international arena by reducing its power input costs. It will considerably enhance the value of the government's moral pressure on the IPPs to voluntarily reduce their profit margins and power rates. Above all, a reduction of electricity rates across the board will yield a political bonanza to the Sharif government at a time of great difficulty".

The same sort of arguments can be applied to the income tax system. The more complicated the tax system, the greater the disinclination of the tax payer to cough up and the greater the disposition for administrative corruption. Similarly, the greater the government's yen for raising tax rates or imposing additional taxes,
the greater the determination of the citizen to resist such encroachments. In the end, government revenues remain stagnant while the underground economy continues to grow.

The point we are making is simple. If WAPDA wants to be viable, it should slash its operational inefficiencies, curb its corrupt practices, reduce its power rates and provide good service. If the government wants to raise its revenue base, it should simplify the tax system, abstain from corruption, reduce tax rates and give value for money to the people. It's time the physician healed himself instead of trying to heal us!

(TFT Mar 26-01 Apr, 1999, Vol-XI No.4 — Editorial)

Criminalisation of society

When we survey the landscape, we find that "justice" is in short supply. Terrorism is rife but terrorists cannot be convicted. Banks are crippled but cannot compel defaulters to cough up. Businessmen cannot enforce contracts. Citizens cannot obtain fundamental rights. Kabza groups cannot be deterred. Kidnappers cannot be foiled. Rapists cannot be clobbered. Corruption cannot be weeded out. In short, crime is soaring but criminals go unpunished. Why is this so?

Part of the reason has to do with an unwarranted duality in our legal structure. A politically opportunist "Shariah" system has been imposed on our traditional legal system. This makes for confusion and miscarriage of justice in many cases. Part of the reason lies with the concept of "due process" which has come to be routinely abused by litigants and judges alike. And part of the reason lies in the fact that the legal system is not sufficiently decentralised and demarcated so that most civil conflicts can be swiftly concluded at the local level. But there are other reasons as well.

Judges and prosecutors at all tiers are lacking in both quality and quantity. They are also inadequately paid, which leads not only to a lack of motivation but also to widespread corruption. The propensity of our citizens for frivolous litigation, aided and abetted by unscrupulous lawyers, and the lack of a well-defined mechanism to combat it has clogged the courts and delayed dispensation of justice. Finally, the politicisation of the judiciary — unmerited appointments on the basis of political affiliation, caste, clan or even friendship — has made matters worse.

Clearly, the case for a radical reform of the judicial system is quite compelling. Indeed, a number of judicial commissions have shown the way forward. But their recommendations remain unaddressed. Instead, governments have tended to focus on the structure and content of the laws in the misplaced belief that a mere revision of these will lead to a substantial improvement in the "law and order" situation.

Now Mr Nawaz Sharif has come along to propose an altogether different way of resolving the problem. Abnormal "due process" is sought to be replaced by selective "summary justice". Imperfect parliamentary legislation is to be replaced
by impulsive cabinet decree. Judicial lassitude is to be swept aside by executive aggression. An unsatisfactory system is to be scrapped at the alter of an unacceptable one. This is bound to pervert the course of justice, create tensions with the judiciary and lead to renewed constitutional and political instability. Consider the evidence so far.

In March 1996, the supreme court laid down a reasonable procedure for the appointment of judges free from executive pressure. Mr Sharif, then opposition leader, was quick to heap laurels on the chief justice. However, when the same chief justice insisted on implementing the same judgment in 1997 during Mr Sharif's prime ministership, he was doggedly thwarted at every step. Then Mr Sharif floated the anti-terrorist courts and ordained them outside the purview of the superior judiciary. When the chief justice offered a viable alternative means to the same end within the purview of the constitution, Mr Sharif spurned the offer and conspired to divide the supreme court. And when the president sided with the chief justice Mr Sharif got rid of both of them immediately. Much the same sort of approach is manifest today.

When Benazir Bhutto "cracked" down on terrorism in Karachi in 1994-95, Mr Sharif instantly denounced the move. Then, after coming to power, he made an unholy pact with the MQM, released scores of alleged terrorists from prison, compensated the MQM and formed a coalition government with it. However, when the MQM balked at supporting Mr Sharif's shariat bill, he ousted the provincial government and unleashed military tribunals against the MQM. And now, following the supreme court's unanimous decision to outlaw such courts, he has launched a barrage of vicious propaganda on PTV against the judiciary. In fact, he has gone so far as to obstruct the superior judiciary from appointing judges of its choice to the anti-terrorist courts in Karachi and elsewhere so that the judiciary's alternative modus operandi is not allowed to bear fruit.

Clearly, Mr Sharif is not interested in either genuinely reforming the judiciary or allowing it to reform itself. His purpose is altogether different from combating crime and providing speedy justice. The fact is that he wants the judiciary and the army and the press to be totally subservient to the executive and serve his political agenda blindly. The fact is that he wants to be God Almighty so that he can rule forever and determine who will go to hell or heaven on earth. How can he be stopped from clinching his villainous agenda?

He can be stopped in his tracks only if the pillars of the state are able to reassert their independence. The judiciary must quickly strengthen itself by initiating a radical internal reform process which endears it to the people and takes the venom out of Mr Sharif's sting. The armed forces must resist from entangling themselves in civilian affairs. And the press must stand up and be counted. The criminalisation of society cannot be countered by becoming state accessories to the criminals who rule Pakistan.

(TFT Apr 02-08, 1999, Vol-XI No.5 — Editorial)

Yellow policies
Since 1988 several IMF programmes have been negotiated and abandoned by successive governments. Each year, however, has brought the economy closer to breakdown and financial default. When Nawaz Sharif left office in 1993, reserves had plummeted to US$ 200 million, equivalent to about one week's import bill, and financial default was imminent. Mr Moeen Qureshi steadied the boat temporarily but Benazir Bhutto broke every covenant in the IMF's book and brought the country back to the brink of default in 1996. The IMF's refusal to play ball with her was one reason why Mr Farooq Leghari dismissed her government, negotiated a new programme with the IMF and asked Mr Sharif's government to stick to it like glue. However, Mr Sharif quickly stood the IMF's "demand-management" programme on its head with his "supply-side economics" and brought the economy back to square-one in 1998.

We now have a critical situation on our hands. Following the nuclear explosions and sanctions, the economy has crashed, Pakistan has defaulted on its foreign payments and been declared "insolvent". This has compelled Mr Sharif to sign a new covenant with the IMF which includes a three-year debt moratorium from the Paris and London Clubs in exchange for a commitment to sign the CTBT this year and restrain the country's fissile material programme. How will the economy fare?

The IMF programme involves currency devaluation to boost exports; public expenditure curtailment to reduce the fiscal deficit; import tariff reduction to stimulate international competitiveness and integration with the WTO regime; restructuring-downsizing-privatisation of public financial institutions to promote efficiency, reduce interest rates and spur private sector investment; revamping of the power sector (including an increase in electricity rates) in order to get rid of its huge losses and debts; and default on its international bonds so that all lenders are treated at par. The IMF believes that if its programme is followed meticulously, the economy will become stable and gradually return to GDP growth of 6% at the end of FY 2000-2001.

Mr Sharif has embraced the IMF but his heart is not in the programme. His trade managers tell him that devaluation will not work, given the relatively inelastic nature of our exports. His political advisors tell him that the need of the hour is to jump-start the economy by massive government spending rather than worry about the fiscal deficit. His energy experts tell him that power rates must be reduced in order to mop up surplus power and increase WAPDA's revenues rather than the other way round. His financial whiz kids tell him that Pakistan must not default on its sovereign bonds because it will lose all credibility in the eyes of the world market. And so on. What is he likely to do?

A veritable hotchpotch may be in the offing. On the one hand, devaluation has been stayed and WAPDA rates have been reduced. This goes against the IMF programme. On the other, import tariffs have been reduced. This is an IMF conditionality. Meanwhile, Mr Sharif is busy thinking up schemes of massive public spending in order to jump-start the economy. The IMF won't like this. The government is pegging its approach on the argument that high public spending will lead to an increase in GDP growth which in turn will lead to a rise in autonomous
tax revenues, thereby alleviating a high fiscal deficit which is abhorred by the IMF. Who is right?

The IMF and the Sharif government are both wrong because each is pursuing a strong political vested interest. The IMF’s programme may temporarily stabilise the Pakistani economy at a low level of economic activity but it is also aimed at keeping Pakistan totally dependent on Western largesse until Western anti-nuclear proliferation concerns have been satisfactorily addressed. That is why the IMF has given no significant concessionary assistance to Pakistan. That is also why the Paris and London Clubs have merely given a short term debt reprieve and are insisting that Pakistan should default on its sovereign financial bonds in the international marketplace so that it remains in the grip of the donor countries.

Mr Sharif is also wrong on one critical count. High levels of public expenditures and deficits by themselves do not necessarily lead to high levels of GDP growth. In fact, public expenditures and fiscal deficits have soared but GDP growth rates have barely managed 3% per year on average in the last ten years. Much depends on what public money is spent on. If it is spent on yellow cabs, yellow motorways, yellow airports, yellow bicycles, yellow loan schemes and now yellow housing — all unproductive expenditures geared towards political ends — we have a sure-shot recipe for unmitigated economic disaster.

The current challenge is to exploit the budgetary space made available by the debt-moratorium not only to jump-start the economy but also to restructure it in such a manner so that we can service our accumulated debts without sacrificing national security. This entails restoring domestic and international confidence in economic policy by transparent, consistent and prudent financial management coupled with rapid export-led growth to improve the balance of payments. Unfortunately, the evidence so far on both counts amounts to one big zero.

Eggs and Omelettes

It is a common refrain that the time has come to restructure the political system and the state in Pakistan so that the principles of devolution and peoples’ empowerment are implemented in letter and spirit. For example, Benazir Bhutto’s 1993 manifesto talked of establishing "district governments". The nationalist parties which have joined hands in the Pakistan Oppressed Nations Movement (PONM) are clamouring for a wide range of provincial rights which amount to no less than "independence minus secession". Mr Farooq Leghari’s Millat Party manifesto promises to fully restore the concurrent list of subjects to the provinces, enlarge and empower the Senate to initiate money bills and enable the Election Commission to conduct local body elections. The proponents of "good governance" among the NGOs have also made similar demands integral to their charters. The approaches vary but the concerns are similar: how do we change the system so that it becomes more responsive to the everyday needs of
ordinary people across the diverse ethnic and linguistic regions of Pakistan and leads to the consolidation of a dynamic and creative nationhood which has eluded us so far.

We believe that marginal tinkering with the system will not yield any dividends, given the strong, and often violent, conflicting claims on the spoils of the current discredited system. But we also believe that PONM’s agenda is not amenable to the creation of a vibrant sense of Pakistani nationhood. Is there an an alternative package which might fit the bill? Given courage and vision to view things dispassionately instead of cowering in fear of opening a Pandora’s Box, we proffer some pointers below.

1. Karachi was the capital of Pakistan before conventional defence and security calculations ostensibly weighed in for Islamabad. In the post-nuclear sub-continent, however, such considerations amount to nought. The city should be granted federal status and several federal ministries, especially finance, commerce and related directorates, should be moved to it immediately. The economic merits of this suggestion are obvious enough: given federal patronage and neutral law enforcement, the city will boom once again, open up the Baluchistan and Sindh coastline and hinterland for foreign investment and become the gateway to the Middle-East and South-Central Asia. The political merits are equally significant: as Pakistan's truest cultural melting pot, the federal arrangement will bury the Sindhi-Mohajir ethnic conflict for control of the city for all time to come.

2. The four-province arrangement has become untenable. Nationalist sentiments against the overbearing weight of Punjab in the federation are on the rise. This has created a situation in which, in order to govern effectively, the ruling party in Islamabad is compelled to thrust its own party governments in all the provinces. This leads to constitutional breakdown and political instability, quite apart from opening up channels for corruption and abuse of power on a large scale. Instead of four provinces, therefore, we should have 30 or so "states", each with its own elected chief minister, assembly, local government, state court system and police. Each such state should conform to its peoples' linguistic, regional or ethnic peculiarities, including its name. Each state should be vested with the power to apply a range of local taxes, including sales tax, so that its political autonomy is based on sound economic footing. There should be absolutely free and unencumbered movement of people and goods between states. The provincial and federally administered tribal areas should also be merged into this state system.

3. The federal government should have control over only currency, defence, foreign affairs, finance, communication, energy development, ports and international trade. The national assembly and senate should be significantly enlarged through proportional representation and constituency limitation so that professional, technocratic and minority/women's representation is satisfactory.

4. The legal system should be revamped and extended at the local and state levels; the high courts should be replaced with federal courts for inter-state adjudication while the supreme court may decide matters relating to the constitution or federal subjects, including those currently within the ambit of the federal shariat court (which should be abolished).
5. The Federal Accountability Commission and Ombudsman should be merged, enlarged, made truly independent and granted sweeping powers for plugging corruption and reducing inefficiency across state boundaries. Its head and members, like those of the FIA, should be approved by a Senate Committee comprising the leaders of the house and opposition in open hearings and they should be appointed for a fixed term.

6. The armed forces should be given exclusive responsibility of combatting smuggling and narcotics across borders and ports.

7. The press should be strengthened in its role as a watchdog over public interests by means of a strong Freedom of Information Act. Each state, as well as the private sector, should be allowed public broadcasting rights within established federal guidelines approved by parliament.

This is a broad outline of the sort of changes Pakistan's political system needs for stability and efficiency in a fiercely competitive new millennium. But the question remains: who will break the egg and make the Pakistani omelette?

(TFT Apr 16-22, 1999 Vol-XI No.7 — Editorial)

Murder most foul

In a premeditated "honour" killing, a young woman was cold-bloodedly murdered last week in the Lahore office of lawyers Asma Jehangir and Hina Jilani, two courageous and upright campaigners for women and minority rights. The manner in which this barbaric act was planned and committed, the implicit protection afforded to the murderers and their accomplices by the police and the politicians of the ruling party, the fact that the father of the murdered women who organised and ordered the murder is a "respected" and "leading" light of the business elite in Peshawar and the brazen manner in which the murderers are openly inciting people to violence against Asma and Hina have raised the hackles of every law-abiding citizen of Pakistan. The tragedy is all the more perverse because there has not been a single word of condemnation from any member of the ruling party in or out of parliament, let alone the prime minister or the Punjab and NWFP chief ministers, who are supposed to protect the victims of injustice.

The incident points, once again, to several deplorable factors which continue to undermine state and civil society in this country. Tribal or feudal values such as "honour" killings are routinely accorded legitimacy, even though they are clearly repugnant to the Holy Quran and the teachings of the Prophet (pbuh) as well as to the existing corpus of law. This is evident, for example, from a recent judgment in which a lower court had awarded 25 years imprisonment to two convicted murderers but a judge of the Lahore High Court reduced this to 18 months on the plea that "in our society nobody forgives any person who marries his sister or daughter without the consent of her parents or near relatives". In this instance, a rather mundane explanation was propped up as a legal justification to let the murderers off the hook.
But there is more to it. Ill-conceived and opportunist attempts, first by Zia ul Haq and then by Nawaz Sharif, to "Islamise" society have wrought havoc with the norms of civilised behaviour and emboldened obscurantist vested interests to undermine the foundations of law and order. The Qisas and Diyat ordinances masquerade as elements of "Islamic" justice even as they are heavily loaded against the poor and oppressed sections of society. In this particular case, even if the dead woman's father, mother and uncle are hauled up and convicted for murder, they can obtain their freedom on the basis of the Qisas and Diyat laws when the woman's husband or another member of the family is "persuaded" to "pardon" them.

What is more worrying, however, as a societal tendency towards anarchy and violence is the increasing currency afforded to fundamentalist elements and values by those in power today. In this context, we might recall the exhortations of Mr Sharif, especially to people in the tribal areas, to support the "Shariah" constitutional amendment bill by physically attacking those who are opposed to it. Similarly, the recent enactment of "shariah" laws in Malakand and other provincially administered tribal areas by the Muslim League government in the NWFP is designed to exacerbate the problem. Finally, Mr Sharif's partiality for speedy justice a la Taliban "Islam", expressed publicly and passionately on more than one occasion, is a sure shot recipe for violence and anarchy. Is it any surprise then that misguided people in Peshawar should be protesting against Asma and Hina and inciting others to violence against them in the name of "Islam" rather than demanding the death penalty for the murderers?

That said, one last point needs to be made. Many people in public life opposed to religious fundamentalism and legal distortions which are cloaked in the guise of Islam are, nonetheless, afraid of standing up and articulating their views. This is indefensible. In fact, it is this self-defeating attitude which has helped the fundamentalists to acquire an influence on public policy totally out of proportion to their numbers and strength. The problem is, however, accentuated when such people take refuge in testy statements whose gist is that those who espouse such human rights should expect to be treated roughly by the fanatics and should therefore seek no sympathy or support from their timid compatriots. This is hypocrisy of a high order.

Asma Jehangir and Hina Jilani have been threatened with death for their courageous defense of a twenty-nine year old woman murdered by her family for trying to obtain a divorce from an abusive husband. The death threats were issued by a number of fundamentalist organisations and backed by a group of individuals who are leading members of the Peshawar Chamber of Commerce. The authorities have yet to make arrests in the case. The irony is that Asma Jehangir is chairperson of the Human Rights Commission of Pakistan and a respected Rapporteur for the United Nations on "extra-judicial killings". The outrage is that such murderous customs are allowed to exist and are calmly dismissed by the government as long standing "social evils". In fact, the failure to punish such crimes signals government acceptance of a social and legal system that devalues women's lives and is totally abhorrent.

(TFT Apr 23-29, 1999 Vol-XI No.8 — Editorial)
Set a thief to catch a thief

The conviction of Benazir Bhutto and Asif Zardari for corruption in the SGS\Cotecna case isn't surprising in terms of its legality. It is not true that Justice Abdul Qayyum was historically "biased" because "his brother is a Muslim League legislator and his father was on the bench which sentenced Mr Z A Bhutto to death". Ms Bhutto made these allegations not when the supreme court established the bench, not when the trial began, not while it was conducted over many months, but at its fag end when cast-iron proof of massive kickbacks, authenticated by the Swiss authorities who have already indicted husband and wife along with three Swiss nationals (two of whom are former employees of SGS\Cotecna), was presented by the prosecution.

For much the same reason, Ms Bhutto is not the victim of a "witch-hunt". Since there are no such things as witches, a "witch-hunt" connotes a frame-up; it refers to an innocent person wrongly accused and unfairly adjudged. But Ms Bhutto and her husband were guilty as hell and they have been adjudged as such.

However, if the decision was anticipated for legal reasons, there were doubts whether Senator Saif ur Rehman would pursue the case to its political end. Indeed, when delays set in, we wondered whether the senator merely intended to harass his leader's political opponents rather than to seek their conviction, much as Ms Bhutto had done as prime minister when she used DG-FIA Rehman Malik to investigate and lodge fool-proof cases of corruption and misuse of power against Nawaz Sharif and his family members but studiously refrained from seeking their conviction. Since there is an "honour among thieves", we reasoned, Mr Sharif might also stop short of convicting his opponent because, once such a precedence is set, there is no guarantee that the noose might not be around his neck in time to come. That is why no one of any political substance has ever been convicted and sentenced for corruption in this country. In the end, however, one wise adage was finessed by another: it took a thief to catch a thief!

The facts are clear. Ms Bhutto prolonged the case by shrieking "due process" even when "due process" was patently exhausted — the trial dragged on for over a year but should have concluded within three months as per the law. On the strength of the evidence, this was an open and shut case. That it took so long to conclude attests to the ingenuity and doggedness of Ms Bhutto's lawyers rather than to any doubts about her guilt. In fact, any "procedural" lapses by the high court were duly resolved by the supreme court during the trial.

That said, it is absolutely true that this is no "accountability". Far from it. Accountability is supposed to be transparent and across the board. That is why the accountability law framed by the much-vilified caretaker regime in 1996 has sprung to everyone's lips as the only true yardstick by which it should be measured. But two critical amendments made in it by the Muslim League government have made it farcical. In order to protect Nawaz Sharif and his cohorts, the cut-off date of the original law was changed from 1985 to 1991 and the writ of the Chief Accountability Commissioner was circumscribed by making it impossible for him to
accept or investigate corruption cases without the approval and backing of senator Saif ur Rehman's notorious Accountability Bureau.

This trial has led to three far-reaching and irrevocable conclusions. One, the verdict against Ms Bhutto and Mr Zardari, however well deserved, is not likely to be perceived as fair or just because it is one-sided; two, it is likely to create some unmerited sympathy for the couple, especially for the lady, and reinvent her as a martyr, which is most unfortunate because she is not one; and three, the verdict is likely to raise the even more critical, urgent and principled demand that Nawaz Sharif and Shahbaz Sharif should also be subjected to the same fate. In this sense, clearly and decisively, the two set of thieves are bound one day to be hoist by their own petards!

Of course, many legal and political battles lie ahead and there will be some instability. But that is nothing new. Of course, there will be exaggerated talk of ethnic passions and federal disunity. That, too, will pass. Of course, Nawaz Sharif will appear omnipotent and despotic. But no mortal is invincible and history has always exacted a full-blooded revenge from dictators. Therefore we should be patient and far-sighted. We must not quibble about this verdict.

If an unstable, immoral, iniquitous and thoroughly discredited two-leader (not two-party) system is in danger of losing its bearings, we must shed no tears for it. If certain highly dubious individual "human rights" have been legally restricted, as alleged by some well-meaning groups, we must applaud the fact that society's collective "human rights" have been immeasurably enlarged by such a political precedent. If "one-sided accountability" has been rejected by some, "even-handed accountability" is now demanded by many. If this seems like one step back today, it is destined to lead us two steps forward tomorrow.

(TFT Apr 30-06 May, 1999 Vol-XI No.9 — Editorial)

**Personal Vs public interest**

The unsavoury saga of massive loan defaults by Nawaz Sharif's family since 1993 continues shamelessly. Now a British court has ordered Mr Sharif's father and two brothers to cough up £32 million in outstanding loan defaults to Al Towfeeq Bank of the Middle-East. The Sharifs have refused to comply. Instead, they have obtained a verdict from a lower court in Pakistan which waives the interest on the loan because it is "un-Islamic". To add insult to injury, the Sharifs are insisting that the London court has no jurisdiction over this international contract.

Much the same sort of legal reasoning was recently applied by Mr Sharif's right-hand man, Senator Saif ur Rahman, whose loan default to United Bank Ltd amounts to about Rs 930 million. The senator's lawyer wanted the Lahore High Court to waive the mark-up since it was "un-Islamic". When the court was not impressed, the senator sought relief, pleading that his loan default "had been engineered" by the Bhutto government.
This is not the first time that a hypocritical argument about the "un-Islamic" nature of interest or mark-up has been presented before a banking tribunal. But it is the first time that the prime minister's family and that of a leading member of the prime minister's government have resorted to such appalling tactics. The implications for the country are mind-boggling. If the argument were to be accepted by the courts, the banking system in Pakistan would collapse overnight and no foreign investor or financial institution would touch Pakistan with a barge pole. Indeed, they would come to the inescapable conclusion that Pakistan had renounced interest payments on its accumulated foreign loans and was financially in default.

The Sharifs' attempt to challenge the London Court's verdict in a lower Pakistani court also raises fundamental questions about the jurisdiction and validity of international contracts. If every Pakistani businessman or financial institution in this country with international obligations were to resort to the same irresponsible tactics, no foreigner would ever dare lend a sou to anyone in Pakistan. In fact, the whole basis of the international law of contract would be knocked out, with Pakistan's sovereign credit ratings suffering unmitigated and irrevocable damage.

Then there is the question of "engineered default". This term was coined and applied by the Sharifs some years ago and has now been adopted by Senator Saif ur Rahman to avoid the penalties of a loan default. The Sharifs say they could not pay back their loans because the banks, under pressure from the Bhutto government, refused to provide them with additional finance facilities to service their loans. This is another dangerous argument. If every businessman who is refused fresh credits by a bank because he has not provided sufficient financial justification were to resort to it, the banks would end up being routinely blackmailed by their clients and fresh loan defaults would pile up on the back of previous loan defaults, bad loan portfolios would skyrocket and banks would go bankrupt. The argument doesn't wash for another major reason: the Sharifs were confirmed loan defaulters much before Ms Bhutto tried to stop them from milking the public sector banks in 1994!

The Sharifs have set a third precedent with far reaching consequences. They have sued the public sector banks to the tune of Rs 10 billion in damages for allegedly "engineering" their bank loan default. So we now face the astonishing spectacle of the prime minister's family, which is a confirmed loan defaulter, actually suing the public sector banks which are controlled by the prime minister and inclined to do his bidding. In other words, instead of paying back the Rs 10 billion which they owe the public sector banks, the Sharifs are demanding that the public sector banks should pay them Rs 10 billion in damages!

The prime minister has now gone the whole hog. He has "voluntarily" handed over a set of family assets to the banks and has washed his hands of the whole affair. "Let the banks evaluate and sell these assets in the market and adjust the receipts against my family's outstanding loans", he says smugly. On the face of it this seems fair enough. But the reality is otherwise. One, the assets are to be evaluated and sold off by a crony committee handpicked by Mr Sharif. Two, the Sharifs want these assets to be adjusted against loans of Rs 5.5 billion whereas their value is about Rs 2.5 billion according to a British surveyor company. Three, the Sharifs believe they have fulfilled their responsibility although there may be no
takers for the assets even at rock bottom prices. Just think about it. If every loan defaulter followed suit, the banks would be lumped with junk assets which can't be sold off even as loan defaulters could strut about as respectable and responsible citizens of Pakistan!

Have the Sharifs and Senator Saif ur Rahman gone mad? How can they blithely jeopardise the national interest by setting ruinous legal and financial precedents for the country? Is there no one who can tell them where to get off for the sake of this poor, God-forsaken country?

(TFT May 07-13, 1999 Vol-XI No.10 — Editorial)

What price, freedom?

We have long argued that Nawaz Sharif cannot tolerate a free and independent press. This is so for one main reason: the Sharifs are guilty of much wrongdoing and an independent press which seeks to take the lid off the sordid drama of their wheelings and dealings is anathema to them. Recent events have confirmed the veracity of our observations and made TFT and the BBC a prime target of the ruling family's ire. (What a happy coincidence for TFT to be in such exalted company!).

A BBC film crew was in Pakistan recently. According to press reports, it interviewed many people, including Air Marshal (retd) Asghar Khan, ex-President Farooq Leghari, ex-CJP Sajjad Ali Shah, Imran Khan and Yusuf Aziz (one of the estranged cousins of Nawaz Sharif). We do not know whether the BBC's request to interview the prime minister or any other senior member of his government or family was entertained by the government. But we can confirm that the BBC also talked to Najam Sethi, editor of TFT.

The government's reaction has been appallingly ham-handed. Even as the BBC was filming in the country, the IB picked up a local journalist by the name of MAK Lodhi and kept him in custody for three days, during which he was interrogated about the BBC's "intentions" and asked about the "role played by Mr Sethi in aiding and abetting the BBC". Subsequently, a senior government official in Islamabad called up Mr Sethi's home and talked to his wife Jugnu Mohsin (Mr Sethi had meanwhile gone to New Delhi to deliver a lecture on "Pakistan in the new millennium"). The official told Ms Mohsin that "the agencies have reported that Najam Sethi has organised the BBC trip in order to splash dirt on the PM and his family because Sethi wants to overthrow the Nawaz government and install a national government in Islamabad!!" Ms Mohsin admitted that Mr Sethi had been interviewed by the BBC but found the other charges utterly ridiculous. "Do you seriously believe that anyone can tell the BBC to do his bidding", she mocked the official, adding that Mr Sethi would be tickled pink when he learnt that Islamabad thought him powerful enough to overthrow the government! The official made some threatening noises but backed off when Ms Mohsin snapped at him.
The next day, a report by a government sponsored news agency was uncritically splashed in the newspapers. It alleged that "the editor of an English language weekly based in Lahore had evaded taxes and was trying to blackmail the government by hobnobbing with the BBC"! Meanwhile, the government responded to the BBC's protests by promising to release Mr Lodhi. When Mr Sethi returned to Pakistan and confronted the senior official in Islamabad, he appeared to backtrack and promised that the matter would be buried. In the event, however, the government has upped the stakes, forcing TFT to write this editorial.

On Tuesday May 4th, the government launched a direct attack on Mr Sethi in a PTV programme compered by a lily-livered, paid toady by the name of Khalil Malik. Talking about accountability, Mr Malik wondered whether the press also ought to be held accountable. Came the pat reply from another well-briefed hack: "Yes, especially when people like Najam Sethi go to India and talk against Pakistan". A derogatory reference was made to Mr Sethi's lecture four days earlier in New Delhi on the subject of "Pakistan on the eve of the new millennium". The same allegation of "unpatriotic behaviour" against Mr Sethi was trotted out by the same toady in the same disgusting PTV programme the next day, May 5th, except that this time Mr Sethi's remarks in New Delhi were torn out of context and flogged before an unsuspecting public. The same morning, a highly distorted, contradictory and unsigned news report of Mr Sethi's lecture was published by Nawa i Waqt and The Nation, two papers which lay exclusive claim to revealed truth and objectivity in Pakistan, without seeking a word of clarification or explanation from Mr Sethi!

Two other "happenings" on May 4th and May 5th confirm that the worst has come to pass. Hussain Haqqani, who writes a critical weekly column for TFT, was picked up from his brother's house in Islamabad by the IB on the night of May 4th, after having been inexplicably off-loaded from a flight to London a day earlier. We may expect the government to lump a load of baseless charges against him soon. And a car belonging to Imtiaz Alam, who writes a critical column for The News, was burnt to cinders by unknown miscreants in the porch of his house at 4 am on May 5th. On May 4th, unknown persons knocked on the door of TFT's news editor, Ejaz Haider, and told his 7 year old son that Haider should "put up bullet-proof windows on his car if he knew what was good for him!"

Mr Sethi's allegedly "anti-Pakistan" lecture in New Delhi is reproduced word for word on page 2 and 3, along with a brief transcript of the Q/A session which followed. TFT readers will recognise the first part relating to Pakistan as a reproduction of TFT's editorial "What is to be done", January 1-7, 1999, an editorial that was much applauded at home when it was published. The second part refers to the injustice done by India to Pakistan and explains why it is also in India's long-term interest to make an honourable settlement with Pakistan over Kashmir. The lecture prompted the Pakistan High Commissioner in New Delhi, Ashraf Jehangir Qazi, to disagree with Mr Sethi's analysis and remark that "there is no reason to be as pessimistic as Najam has chosen to be", which has now been translated by minions of the information ministry in Islamabad as a rebuff to the "anti-patriotic" sentiments of Mr Sethi. When Mr Sethi was later asked in a TV interview in Delhi to comment on the High Commissioner's remarks, he simply said: "We are good
friends. I am proud of him. It is his business to defend the government and its policies and he did what was expected of him."

Why is the government so afraid of an independent press in general and of the BBC in particular? What skeletons does it have hidden in its closets? Has it targeted Najam Sethi because Mr Sethi was privy to some of the most irrefutable pieces of evidence of wrong-doing by Nawaz Sharif from 1985 to 1993 while Mr Sethi was advisor to the prime minister on accountability and political affairs during the caretaker government in 1996-97 and TFT was strongly urging President Farooq Leghari to hold across-the-board accountability even at the cost of postponing the elections?

Mr Nawaz Sharif's panic is unseemly. His advisors have done him no good by targeting the BBC and the small independent press in Pakistan. If there is a conspiracy to undermine Mr Sharif's government, it exists in the guilty corridors of power within his own government rather than in a handful of voices in the wilderness outside.

(TFT May 07-13, 1999 Vol-XI No.10 — Article)

Pakistan on the eve of the new millenium

Mr I K Gujral, Prof Satish Kumar, ladies and gentlemen, I am honoured to be here among such a distinguished gathering of Indian policy makers, scholars, senior journalists, analysts and keen Pakistan watchers. I will keep my lecture short so that we can spend time on questions and answers and benefit from an informal dialogue at the end of the lecture. I assume that most people here today are broadly familiar with political developments in Pakistan.

At the start, I should like to inform you that the gist of this lecture has been made at various Pakistani forums already. Indeed, the part relating to Pakistan was published almost word for word in my newspaper as an editorial some months ago. So it should not come as a surprise to my Pakistani compatriots here and at home. I do not practice double-standards, as will be evident in due course. I am deeply and passionately concerned about what is going on in my country and I am not afraid of speaking the truth at any forum in my quest for posing the problem.

Pakistan's socio-political environment is in the throes of a severe multi-dimensional crisis. I refer to six major crises which confront Pakistan on the eve of the new millennium: (1) the crisis of identity and ideology; (2) the crisis of law, constitution and political system; (3) the crisis of economy; (4) the crisis of foreign policy; (5) the crisis of civil society; and (6) the crisis of national security.

These crises haven't suddenly emerged out of the blue. I have been talking and writing about the inexorable germination and development of these crises for many years. Now they are all upon Pakistan simultaneously, with greater or lesser intensity.
1. The crisis of identity and ideology refers to the fact that after fifty years, Pakistanis are still unable to collectively agree upon who we are as a nation, where we belong, what we believe in and where we want to go. In terms of our identity and our demands, are we Pakistanis first and then Punjabis, Sindhis, Baloch, Pathan or Mohajirs or vice versa? Do we belong — in the sense of our future bearings and anchors — do we belong to South Asia or do we belong to the Middle-East? In terms of ideology, are we Muslims in a moderate Muslim state or Muslims in an orthodox Islamic state? In other words, are we supposed to be like Saudi Arabia or Iran — which are orthodox Islamic states — or are we supposed to be like Jordan, Egypt, Syria, Algeria etc which are supposed to be liberal Muslim states? And if none of these fits the bill, what then? Whose version and vision of Islam do we follow? The Quran and Sunnah, say some people. Well, if the Quaid i Azam and Allama Iqbal both had their own interpretations of how the Quran and Sunnah were to be applied in the real life of a modern state like Pakistan, the problem has been compounded by the myriad interpretations of their interpretations of an Islamic state. And the problem doesn't end there. The Jamaat i Islami, the Sipah i Sahaba, the Jamiat i Ulema i Islam and countless other Islamic parties and Islamic sects all have their so-called exclusive Islamic axes to grind. So there is no agreement, no consensus on this issue. Indeed, there is so much tension, violence and confusion associated with this issue that it has begun to hurt Pakistan considerably. It has assumed the form of an identity and ideological crisis.

2. The crisis of law, constitution and political system refers to the fact that (a) there is not one set of laws in Pakistan but two — the Anglo-Saxon tradition which we inherited from the past and the Islamic tradition which we have foisted in recent times. Most Pakistanis are trained and experienced in the former but some Pakistanis hanker for the latter. The two traditions co-exist in an environment of fear, corruption and hypocrisy. Increasingly, they seem to be at serious odds with each other, as for example on the question of how to treat interest rates in a modern capitalist economy, what status to grant to universal human and fundamental rights, how to treat women and minorities; etc. (b) The crisis is also reflected in the nature and extent to which the constitution has been mangled by democrats and dictators, lawyers and judges, all alike. The reference here is to several highly controversial constitutional amendments, past and pending; but it is also to highly contentious, even suspect, decisions by the courts acting as handmaidens to the executive; and to the motivations and actions of certain judges in pursuit of personal ambition, pecuniary gains or political advancement. Indeed, many lawmakers do not obey the law and some of our judges are perceived in contemptuous terms by the public. (c) The crisis is manifest, above all, in the rapid public disenchantment with the political system of so-called democracy. Democracy is supposed to be about the supremacy of the law and constitution, about the necessity of checks and balances between the different organs of the state, about the on-going accountability of public office holders, and so on. But it has degenerated into a system based exclusively on elections which return deaf and dumb public representatives to rubber stamp parliaments. So we have the form of democracy but not its essence or content. We have the rituals of democracy but not its soul. I don't know what this system is, but it is certainly not democracy.
3. The crisis of economy refers to the fact that (a) Pakistan is well and truly bankrupt – indeed if the international community had not bailed out Pakistan recently, the country would have succumbed to financial default. (b) Worse, we appear to have no means left by which to lift ourselves up by our own bootstraps without a massive convulsion in state and society. This is manifest in our total dependence on foreign assistance. Indeed, the crisis of economy is so severe that it has begun to impinge on our sovereignty as an independent state and is eroding our traditional construction of national security. The economic crisis is reflected in a crisis of growth, a crisis of distribution, a crisis of production and a crisis of finance. It is threatening massive and violent dislocations in state and society.

4. The crisis of foreign policy is now coming home to roost. We are not only friendless in the region in which we live, we are being blackballed and blackmailed by the international community to which we are indebted up to our ears. If foreign policy is supposed to be rooted in and geared to domestic objectives and concerns, we have reversed the order of things. Our foreign policy seems to have a life of its own. It dictates our domestic policies rather than the other way round. This is why there is no long term consistency or strength in it. One day, we say that Kashmir is the "core issue without whose prior settlement none of the other contentious issues with India can be resolved". The next day, we say that progress on the other issues can be made without a settlement of the Kashmir issue. One day we say that Kashmir is a multilateral issue, the next day we emphasise the urgency of bilateral dialogue with India. One day, we are quick to recognise the Taliban government in Kabul and exhort the other nations of the world to follow suit; the next day we give our blessings to the idea of a broad-based, multi-ethnic, multi-religious "consensus" government in Kabul. One day Iran is our historic and strategic friend, the next day we stand accused by Iran of unmentionable actions. One day, Central Asia is billed as the promised land. The next day, it is arrayed against us in hostile terms. One day, the United States is our Godfather. The next day it is the ugly American. The worst has now come to pass. For fifty years we worried about the threat on our eastern borders with India. Today we are anxious about our western front with Iran and Afghanistan.

5. The crisis of civil society is demonstrated in many ways. In increasingly low turnouts for elections. In continuing deterioration of law and order. In rising sectarianism, ethnicity and regionalism. In the breakdown of civil utilities and amenities. In the erosion of the administrative system. In violence and armed conflict. In mass criminalisation and alienation of the people. In a rising graph of mental disorders, suicides, drug abuse, rape, kidnappings and outright terrorism. The rise of criminal and religious mafias, kabza groups, extra-judicial killings etc testify to the breakdown of social connections and civil compacts between the Pakistani state and the Pakistani people.

6. These crises have all culminated into a severe crisis of national security. Pakistan’s political system, its political leadership, its structure of law and constitution, its administrative framework, its economic stagnation, its ideological hypocrisy and its friendless foreign policy are no longer tenable. They have all contributed to a comprehensive erosion of National Security. If the tide is not reversed quickly, it will engulf Pakistan in its wake. Indeed, the argument that
Pakistan is a “failing state” made by some people is based on perceptions of this multi-dimensional crisis.

7. So, if Pakistanis know what the hell is going on, and if Pakistanis know where the hell they are going, the question remains: how the hell do Pakistanis get out of this hell?

8. This question has two parts. First, what sort of agendas are required to be implemented to get out of this hell? Second, who will implement such agendas?

9. The answer to the first question is simple enough. Or at least it is simple enough for me. I ask my fellow Pakistanis to look at each of the crises referred to above and then I demand that the factors which have led to the crisis should be swiftly addressed. Let us take each of the crises and remark on how to resolve the crisis.

   (a) Crisis of ideology: In my view, there is only one modern day ideology over whose application there can be no bitter or divisive controversy and which will be acceptable to all Pakistanis, irrespective of caste, creed, gender, region, ethnicity, sect, etc. And that is the ideology of economic growth, the ideology of full employment, the ideology of distributive justice and social welfare. I say Pakistan should make this ideology the ideology of the state and thereby bury all false consciousness and false ideologies. (b) Crisis of Law, Constitution and Political System: I say Pakistan must revamp the political system and revise the Constitution so that the political system and the constitution are made to serve the people below instead of the corrupt elites above. (c) Crisis of Economy: I say that the Pakistani state should honour its international contracts; enforce its domestic loan repayments; tax the rich; dispossess the corrupt; live within its means; vitalise its human resources; export the value of its scientific talents; establish and enforce a genuine private-public partnership in which the private sector produces efficiently and the public sector regulates effectively. (d) Crisis of civil society: I say enforce the rule of law; disarm society; disband militias; decentralise decision-making and power; establish accountability; protect minorities and women; create social nets for the disadvantaged, poor and destitute; provide decentralised and quick justice (e) Crisis of Foreign Policy: I say make friends not masters or enemies; bury cold-war hatchets; renounce post-cold-war jihads; negotiate terms of trade not territorial ambitions; redefine strategic depth to mean emphasis on internal will rather than external space; (f) Crisis of National Security: I say redefine security to mean not only military defense but also economic vitality, social cohesion and international respect; and I say Pakistan should determine its minimal optimal defence deterrent but shun an arms race.

10. The answer to the second question — namely, who will pursue and implement this agenda — is difficult only for one reason: I cannot see even one leader or institution in Pakistan who or which personifies National Power and has the three virtues or elements which are required to get Pakistan out of this mess. These are: vision, courage and integrity. The vision to chart a particular course; the courage to implement it ruthlessly; and the integrity to ensure that it doesn't get derailed. My hope, of course, is that someone or some institution will throw up such leadership in time to come. My fear is that if this doesn't happen soon enough, it may be too late later.
I would now like to turn briefly to one factor that impinges greatly on Pakistan's past, present and future, one which should concern all of you who are assembled here today. That is Pakistan's relationship with India. In one crucial sense, India remains a determining factor vis a vis Pakistan. The Pakistani state has come to be fashioned largely in response to perceived and propagated, real and imagined threats to its national security from India. The mentality and outlook of the Pakistani state is therefore that of a historically besieged state. That is why conceptions of national security, defined in conventional military terms, dominate the Pakistani state's thinking on many issues. Indeed, that is why state outlook dominates government policies. That is why Pakistan's foreign policy runs its domestic policy rather than the other way round. That is why Pakistan's economy is hostage to Pakistan's cold war conceptions of "national security" rather than being an integral part of it. That is why Pakistan is more a state-nation rather than a nation-state.

This has had far-reaching implications for the lack of development of a sustainable and stable democratic political culture in Pakistan. Indeed, and more critically, it has directly spawned extra-state institutions espousing Islamic fundamentalism and jehad. And it is these forces which are undermining the compact between the state and people of Pakistan, thereby adversely impacting on political discourse in the country.

Pakistan's obsession with India hurts Pakistan deeply. But the roots of this obsession cannot be shrugged away by India. Indeed, India may be said to be the root cause of Pakistan's insecurity. Apart from pre-partition history, there is the fact of a great injustice done to Pakistan by India over Kashmir and the dismemberment of Pakistan in which India played a critical and leading role. For precisely this reason, one of the fallouts of this obsession is the decade long low-intensity-conflict in Kashmir. Another is the tit-for-tat nuclear and missile tests by Pakistan and its refusal to sign a no-first-strike agreement with India which in turn means that Pakistan cannot get a no-war pact from India.

In this way, if Pakistan's past is umbilically linked to that of India, its future cannot but be shaped by India's future, as well as have an impact on it. If the rise of fundamentalist Islam threatens Pakistan's body-politic, India cannot expect to escape its negative fallout. If a nuclear arsenal is assembled in Pakistan, India's security cannot be vouchsafed by all the nuclear weapons at its disposal. If Pakistan fails as a nation-state and becomes a rogue regime marked by social anarchy and upheaval, India's army will not be able to contain its disruptive and destabilising impact. If Pakistan is drawn in to an arms race with India, the logic of the situation will fuel the sources of conflict between the two countries rather than provide security to either country.

Of course, this does not mean that India should constantly look over its shoulder while seeking to determine its own national security policies. But it does mean that India cannot ever be a great power or great nation if its own backyard is seething with resentment and turmoil. Indeed, as long as India's quest for great powerdom is based on its strategy of military outreach, it is bound to be thwarted in its ambitions by tit-for-tat Pakistan. Therefore India will be recognised as a great power in the new millenium not on the basis of its numerical military superiority in the region but by the
extent to which the countries of South Asia, including Pakistan, are economically inter-
dependent on each other and take their lead independent of super powers. A pre-
requisite for this is that India should make enduring peace with Pakistan on principled
and honourable terms and resolve the Kashmir dispute, thereby helping the forces of
civil society in Pakistan to fashion a new state which is subservient to the Pakistani
nation instead of the other way round.

By way of concluding, I should just like to remind everyone one lesson of
modern history: vibrant and stable democracies are less likely to go to war than
authoritarian states which live and survive on the basis or threat of war.

Thank you very much for your patience. I would be happy to take your questions
now.

Q: If Pakistan is in such a crisis, why should the Kashmiris want to join it?

NS: That is a question which you Indians should ask the Kashmiris. But you know
what they will say, that is why you don’t ask this question of them. At any rate, if
100 million people in Pakistan are in a bad way, over 400 million people in India
are worse off. So let us not try to score points over each other. Let us try and
address the real issues.

Q: Will Pakistan accept the LOC as an international border?

NS. No, never. It is only in India’s interest to legitimise the status quo. We want to
change it because it is illegitimate.

Q: Is the Lahore Summit a historic event?

NS: The Lahore Summit will only go down in history if it is an anti-history event, if
it succeeds in burying the history of the last 50 years. But that is the great
challenge. And this is not the first time that the ball is in India’s court. In 1989,
both countries agreed in Islamabad to resolve the Siachin dispute. An agreement
was drafted and settled. But then Rajiv Gandhi went back to India and resiled from
it. Again, in 1997, Nawaz Sharif and I K Gujral were said to have made a “historic
breakthrough.” Eight working groups on eight outstanding disputes, including
Kashmir, were supposed to be set up. But India resiled from setting up the Kashmir
working group some months later. This time, Nawaz Sharif and Atal Behari
Vajpayee have agreed to the same agenda as in 1997. Will India start discussing
Kashmir seriously with a view to finding a solution? On Pakistan’s side, this is the
best opportunity for progress because Nawaz Sharif has gone out of his way to
start the dialogue by implicitly making two informal concessions: there is no
mention of Kashmir as the “core” issue in the Lahore declaration and there is no
reference to the UN resolutions. This means that Pakistan is prepared to start
talking with India over all issues simultaneously, something it was not prepared to
do for many years. So the ball is in India’s court yet again. Unless India makes an
enduring and honourable settlement with Pakistan over Kashmir, there will be no
peace in the sub-continent. If this dialogue doesn’t take off, a great opportunity will
be lost. No PM other than Nawaz Sharif could have gone so far, so quickly, reaching
out to India. Will India reciprocate?

Q: Why doesn’t Pakistan accept a no-first-strike agreement with India?
NS: Pakistan’s conventional defense capabilities have been greatly reduced since the Americans cut off all assistance to Pakistan in 1990. Its reliance on the nuclear deterrent is therefore all the greater. That is why India should be cautioned about considering “hot-pursuit” into Pakistani territory. Our retaliation would be swift and massive. My question to all of you is: why doesn’t India agree to a no-war pact with Pakistan if its intentions are honourable?

Q: Is Nawaz Sharif trying to Islamise Pakistan via the Shariah Bill?

NS: No. The 15th amendment is a horrendous piece of pending legislation. It has nothing to do with Islam. Its sole purpose is to make Nawaz Sharif an absolute dictator. If that amendment is passed, it will lead to bitter strife and instability which will worsen the crises I have been talking about.

(TFT May 14-20, 1999 Vol-XI No.11 — Editorial)

Reducing democracy to a farce

On Wednesday, 12 May 1999, the Lahore High Court turned down the petition of habeas corpus of Mr Najam Sethi after three hearings. The Muslim League government had raided the house of Chief Editor, The Friday Times, Najam Sethi, in Lahore at 2:45 am on 8 May 1999, and arrested him without a legal warrant after roughing him up.

May 8 was a Saturday. When the Lahore High Court was moved for habeas corpus by Ms Jugnu Mohsin, Najam’s wife and TFT’s publisher, honourable Justice Faqir Muhammad Khokhar adjourned the writ to give time for tracing the detenu. The honourable judge thought it fit to ignore the plea that Mr Sethi’s life could be in danger. He asked the Punjab advocate general and the deputy attorney general to appear again on Monday, May 10, and designate the authority which had picked up Mr Sethi.

On May 10, the petition was heard again. The advocate general Punjab told the honourable court that he did not know who had arrested Mr Sethi. The deputy attorney general however said that he could only verify that the Federal Investigation Agency (FIA) was not involved. On May 10 newspapers had carried a news item from a state-owned news agency that the arresting authority was Inter-Services Intelligence (ISI). (The ISI kept silent throughout the hearing despite appeals from the petitioner).

The same day, as the Punjab advocate general and the deputy attorney general asserted their ignorance in the court, federal interior minister Chaudhry Shujaat Hussain told a newspaper that whoever had picked up Mr Sethi had done so on the instructions of the government and therefore the government was responsible for the arrest.

The honourable court had been moved because the government was refusing to accept that it had kidnapped Mr Sethi without a warrant. When the honourable
judge was informed that the government had committed an illegal act, the deputy attorney general protested its innocence. The honourable judge once again adjourned hearing and set another hearing for Wednesday, May 12.

Even as the silence at the Lahore High Court about the whereabouts of Mr Sethi was defeaning, the Senate was resounding with it. Minister for parliamentary affairs, Mian Yasin Wattoo, stated that the "law-enforcement" agencies had in fact arrested Mr Sethi for investigation into his conduct in New Delhi which, according to him, had damaged the image of Pakistan. He declined to give details of the case because "the case was sub-judice". On May 11, PM Nawaz Sharif left for a three-day tour of Southeast Asia.

On Monday, the day the honourable court thought it fit to postpone the hearing of the writ once again, the country’s top editors’ forum, the CPNE, published its strong protest at the manner in which an editor had been roughed up and spirited away. It held the government responsible for a barbaric act and asked the PM to intervene personally and order the release of Mr Sethi. It stated that the action was ill-advised and had damaged the reputation of his government.

The same day, the other top newspapers forum, APNS, held its session and condemned the arrest and vowed to lead the journalists’ community in a campaign to free Mr Sethi. The APNS, in its session, read out the text of the speech by Mr Sethi and arrived at the conclusion that it did not constitute an act against the law. The APNS representatives decided to attend the Court on Wednesday, when the habeas corpus petition was heard, in a show of solidarity.

The legal way to act for the government was to first own up the arrest, then produce the accused in court, and thereafter proceed to investigate the case it thought it had against Mr Sethi. The Lahore High Court Bar Association resolved on may 11 that no case pertaining to citizens’ right be referred to honourable Justice Faqir Muhammad Khokhar’s court.

Mr Sethi’s New Delhi speech was on The Friday Times web-page on the Internet (till it was hacked into the disabled) and had been read not only in Pakistan but all over the world. What the government didn’t do was done by public opinion in Pakistan and the world over. it found nothing offensive in the text of the speech. There was an instant reaction against the government. Had the government followed the legal path, this reaction could have been avoided.

But the legal codes contain laws that no respectable government can enforce in Pakistan without demeaning itself and reducing democracy to a farce. There is a law (PPC Section 124-A) that awards life imprisonment to anyone who opposes the government; there is another law (PPC Section 123-A) that awards ten years’ rigorous imprisonment to anyone who expresses or implies criticism of the ideology of Pakistan, whatever that may mean.

The Lahore High Court has dismissed the petition habeas and filing of FIR on the grounds that Article 199(3) of the Constitution could not be invoked against anyone’s custody with the ISI. It was however kind enough to observe that Mr Sethi was not an accused so far. The struggle for Mr Sethi’s rights will now have to shift to the Supreme Court of Pakistan.
(TFT May 21-27, 1999 Vol-XI No.12 — Editorial)

The price we pay

After the abduction of Najam Sethi and the following condemnation, the government’s disinformation machinery has launched a campaign against him and his newspaper *The Friday Times*. TFT’s readers and concerned citizens of the world have already recognised this dirty tricks campaign for what it is. In Pakistan, “jobs” done on persons and institutions have been so frequent in the past that this one too is recognisable from a mile.

New definitions of journalism have been coined in the past fortnight. According to some, a journalist has to come from the womb with pen in hand. The quality of journalism practised in Pakistan does not seem to be a criterion. Is the “genuine” journalist fearless in his criticism of the government? Has he a reputation for calling a spade a spade no matter which government is in power? Are his writings backed by facts that can stand up to scrutiny? If these are not the criteria, what then passes as true profession? Succumbing to blackmail and “lifafa”?

Journalism is a tough job in countries where the tradition of freedom is weak, where governments are intolerant, where rulers have skeletons rattling away in their cupboards. It is made all the tougher when the pen is lured by the good life that comes from supporting those in power. Since 1986, however, Pakistan’s press has been more free than ever before. Governments have had to rely on all sorts of machinations and sinister devices to tame the profession. From tax evasion to spurious cases to harassment to apostasy and now to downright abduction, every trick has been tried to tame the profession. Lately, an “ideological” divide within the profession has been encouraged and financed with hidden and not so hidden handouts.

All said and done, in the recent case, the press has stood together more than in the past. The reason for this is not far to seek. *The Friday Times* has stuck to its point of view and offered comment and criticism for ten years, including that of the caretaker government of Malik Meraj Khalid of which Najam Sethi was a member. Over the past decade, since the paper has been in the market, a “democratic” Pakistan has seen a scale of misgovernment unprecedented in its history. Its economy has been destroyed, its internal security blown to smithereens and its foreign policy made hostage to adventurism.

Alternating governments have dipped into the public till, enriched their supporters with misappropriation of the state assets, leaving the common man to struggle with a bankrupt economy. To make all this possible, ruler after ruler has mined the state institutions and destroyed their public trust. *The Friday Times* has spoken out loudly against governments steadily bringing Pakistan to its knees. It has clearly defined the imbroglio of governance that would strike at the roots of the state and render it dysfunctional.
TFT has stood up for human rights under threat from intolerant law-making but by far the most crucial issue has been that of accountability. Insisting non even-handed accountability has proved to be a dangerous undertaking. Where politicians and bureaucrats have felt threatened, they have stooped to the lowest tactics. In the beginning, the political party out of power patted TFT on the back when the rival party was being exposed and held to account. But soon it was seen as the enemy of both. So widespread was the rot of corruption and incompetence within the state structure, that TFT ended up taking on almost everyone with any power. It had no choice, as a power that wishes to remain an honest commentator. It is not possible to slant the truth and say the emperor is wearing full regalia when he is actually prancing around in his birthday suit.

Pakistan has suffered in the past because of the silence of its conscientious citizens. The country’s break-up in 1971 owed to this silence. Long years of dictatorship, both civilian and military, owed to this silence. the alienation of Pakistan’s oppressed communities and provinces owed to this silence. Today we find that all these problems have been compounded. The Friday Times has remained consistent since the day Pakistan entered this decade of crisis. Even those who feel constrained to condone what is happening to this newspaper today know in their hearts that TFT has done nothing new to merit punishment. It is simply journalism itself that is being punished, the kind of journalism that the oppressed of Pakistan deserve but don’t always get.

(TFT May 28-03 June, 1999 Vol-XI No.13 — Editorial)

Citizens and institutions

Hearing Najam Sethi’s habeas corpus petition, the Supreme Court has observed that the matter of arrest without warrant and the indeterminate jurisdictional ambit of the Army Act will be decided. With this announcement of the apex court’s intention to clear up the jurisdictional confusion that has prevailed since Mr Sethi’s arrest, citizens are hoping that the case will become a milestone in Pakistan’s judicial history.

Habeas corpus is the most fundamental concept of municipal law. If a government arrests a citizen it must produce him before a court within a stipulated period. This is meant to protect the citizen from the brute power of the state. A society cannot be called democratic if habeas corpus is not ensured. It is more important than representative government itself.

Najam Sethi’s case has thrown up important questions: who gives the orders and who makes arrests? If the police does the job, the court can ask it to produce the detenu and show cause. In this case, the government initially said it was the ISI which had effected the arrest, although the detene’s wife from day one that that was not the case. She had seen her husband’s captors. They were Punjab policemen and IB personnel. In the Lahore High Court, the deputy attorney general said habeas corpus didn’t apply because the ISI functions under the Army Act.
Following that, the Inter-Services Public Relations (ISPR) announced that the army was not involved in the arrest of Najam Sethi. If the ISI had acted under the Army Act, why should the army disavow responsibility? Either the Army Act was invoked or it was not invoked. Then the ISI stated that it was not involved in Mr Sethi’s arrest. This was confusion worst confounded. One legal opinion was that since the ISI was run by in-service army officers, the habeas corpus petition didn’t lie.

Article 199 of the Constitution exempts in-service army officers from accountability before civilian courts in general. Should this be applied to civilian institutions not answerable to the army? Can an in-service army officer working in WAPDA pick up a citizen in the middle of the night and be exempt from the jurisdiction of the civilian court? If a literalist gloss is put on Article 199, it gives the government impunity from law.

Section 123-A of the Pakistan Penal Code on sedition was always vague but it acquired more abstractions in 1992 to seize just about anyone for offending against the sovereignty of the state and its ideology. The current state of affairs is such that Section 123-A is either not invoked by reason of being a bad law or it can be used even against Pakistani singers performing in India.

Having shot first and thought later, the government has got snarled up in its own web of lies. Mr Sethi has been accused, unheard, of being alternately a RAW agent, then a CIA agent and now an offender against the ideology of Pakistan. Before we come to the question of what that ideology might be, let us state that even the otherwise spiteful Pakistani High Commissioner in New Delhi has denied that he had sought to establish links between Mr Sethi and RAW in his inflammatory missive to the Foreign Office.

The truth is that it is not Mr Sethi’s "espionage" activities that have upset the government. It is his decade-long crusade against the corruption and undemocratic practices of successive rulers which the government has not been able to stomach. The rage against Mr Sethi and The Friday Times has been commutative. It has built up over the years as TFT has sought to unveil the government’s misdeeds. Mr Sethi’s interview to the BBC was the proverbial last straw. It was after that that the go-ahead was given to an illegal operation reminiscent of the fascist regimes of Central and South America.

Najam Sethi is the most well-known Pakistani journalist in the world. International forums have been inviting him to speak on Pakistan and South Asia for a decade because they see in him a perceptive and lucid commentator. They see in him an honest citizen who subjects both Pakistan and India to criticism for their short-sighted policies. Mr Sethi stands for civil liberties and supports the countervailing forces of civil society. Above all, he speaks with brutal honesty about the corruption that has laid his country low. It is understandable therefore that his case has become an international cause caliber.

Does this make him an agent of "foreign powers" or an offender against the ideology of Pakistan? For that matter, what is the ideology of Pakistan? If it is Islam, are all governments abiding by it? Can a head of government claim to be ideologically immaculate just because he is in power? And can anyone critical of the government
be proceeded against under Section 123-A? What criterion is there to decide that an
offence under this law outside Pakistan is justiciable while the same is not an offence
outside Pakistan?

Answers to these questions are important not only for the safety and
reassurance of Pakistan’s citizens but also for the integrity of our institutions. The
ISI is an important organ functioning under the civilian government. It works to
safeguard the security of the state, which impinges directly on the security of its
citizens Using it indiscriminately to claim impunity from the law demeans it and
damages its reputation among the very citizens it wishes to protect.

(TFT June 04-10, 1999 Vol-XI No.14 — Editorial)

March of folly

One year after their nuclear explosions, India and Pakistan are busy fighting the most
dangerous low-intensity war since 1990. After losing a few high altitude skirmishes
against the Pakistan Army, India has targeted the Kargil sector on LOC in Kashmir
with troops and aircraft — against what is says is an unprecedented influx of
infiltrators from Pakistan. In this process, two Indian MiG aircraft have been downed
by Pakistan well within its territory, while two helicopters have been shot down by the
mujahideen.

This action has been seen the world over as a big setback for India. Cut to the
quick, and faced with elections in September, the BJP caretaker government has
accused Pakistan of “stabbing India in the back”. In fact, even as Islamabad has
offered bilateral talks at the foreign-minister level, New Delhi has upped the ante
by inducting Mirage 2000 warplanes into the border fray, reinforced troops in the
sector, and launched a massive artillery barrage in the Bhimber and Neelam Valleys
inside the Pakistani-controlled area, killing innocent citizens.

This is yet another folly on India’s part. In 1984, New Delhi suddenly decided
to climb atop Siachen and has remained stuck there, spending several crores a day
on the operation. Now, after its new adventure, the supply line on this precarious
perch has been virtually cut off, thereby plunging the warlike right-wing
government in India into deep trouble.

India’s “peace-loving” leaders have steadily escalated. Under I K Gujral’s United
Front dispensation, even as the government fraternised with Islamabad, the military
was given the go-ahead to deploy the Pakistan-specific Prithvi missile. This forced
Pakistan to test its own Ghauri. Then, under the “statesman” prime minister Atal
Bihari Vajpayee, India shocked the world with its second nuclear test at Pokhran,
followed by acute provocations aimed at forcing Pakistan to follow suit. This put paid
to Pakistan’s policy of restraint and proved how wrong the world had been in
depending on India’s democracy to act with wisdom.
Mr Vajpayee has proved more two-faced than his predecessor. He gave the go-ahead for further Agni missile tests, forcing an equal response from Pakistan. India’s claim that it is testing nuclear devices and preparing a delivery system as a deterrence against China just doesn’t wash. To deliver a nuclear device into China’s heartland, India has to test both warheads and missiles several times more before it can achieve miniaturisation of its payload. Yet it has already announced a moratorium on further testing which it will not be able to violate in the face of world opinion.

Kashmir is far more politicised in India than the world releases. The BJP government has collapsed despite its “popular” nuclear policy but it still clings to old political tricks to garner votes. It is also hostage to an aggressive policy in Kashmir. If it lets up, the Congress will pillory it by adopting a more hawkish stance. India’s politicians have therefore hog-tied themselves by their devotion to this great vote-getting gimmick. They have made de-escalation more difficult all round. The Congress government committed the “popular” folly of sending troops to Siachen. But no later government has dared to withdraw troops from it. This folly was terminally confirmed when Siachen ceased to be a counter in negotiations with Pakistan after 1990.

Mr Vapayee’s latest botch-up in Kashmir also reveals the low level of competence demonstrated by the Indian military leadership after a decade of involvement in Kashmir. Using supersonic aircraft against guerrilla fighters active at such high altitudes is not a professional tactic but a political one. It has predictably backfired and succeeded instead in convincing Pakistan that the MiGs could easily target objectives across the LOC.

Some people say that Pakistan has raised the stakes by “infiltrating” a large, cohesive, group of mujahideen into a potentially sensitive area. There is no evidence of this. At any rate, one must remember that for the past year and more, Indian forces have shelled and even machine-gunned exposed civilians on the Pakistani side of the LOC, particularly the Neelam valley. Therefore, if the Pakistanis have chosen to retaliate in a way that will register with the Indians, it should come as no surprise.

The BJP is now challenged with an electoral reversal in September. Instead of covering itself with glory, it is now seen by the Indian masses as a party whose policy of derring-do is a hoax. It is this that has brought India and Pakistan to the threshold of a new escalation. The Indian media, writing under the influence of the Ministry of External Affairs, must realise that war with Pakistan will solve nothing. Indeed, most experts who dismiss the prospect of nuclear war in South Asia, should understand that escalation will bring Pakistan to the nuclear precipice.

Both countries must swiftly begin bilateral talks aimed at a peaceful resolution of issues. Vote-winning strategies must exclude the gimmickry of military adventures. Both the BJP and the PML should know that neither would survive politically if the low-intensity-conflict escalates into a full-fledged war. The crisis in South Asia is economic and fighting wars while the masses sink steadily below the poverty line is a preoccupation of fools.
Truth will out

Najam Sethi, editor of The Friday Times, was freed from captivity on 2nd June, more than three weeks after he was brutally abducted from his home at about 2.45 am on Saturday 8th May by a civilian agency of the government. The trials and tribulations of TFT's editor, its publisher Jugnu Mohsin, their colleagues and the paper itself, bear noting, if only for the record.

TFT readers and friends should also know that the ordeal of the paper and its editor and publisher is by no means over. The Attorney General has formally told the Supreme Court that the government retains the right to proceed with "fresh cases" against Mr Sethi. Official efforts have therefore been swiftly launched to cripple TFT financially. Mr Sethi has also been put on the Exit Control List which bars him from traveling abroad. Most alarmingly, senior officials sympathetic to Mr Sethi have advised him to severely restrict his movements even in his hometown of Lahore.

This is how it all began. It is the truth, the whole truth and nothing but the truth.

Relations between Nawaz Sharif and Najam Sethi were severely strained in late 1992 when TFT became critical of Mr Sharif's policies, carried articles alleging wrongdoing by the Sharif family and launched the satirical column titled "Ittefaqnama" on the back page. The then DG-IB Brig Imtiaz Billa and DIG Police Rana Maqbool in Punjab were accordingly deputed to "teach Sethi a lesson". While both gentlemen went about their assignment assiduously, Mr Sethi and Ms Mohsin survived the threats and income tax notices because Mr Sharif fell from grace in early 1993. In due course, Rana Maqbool apologised to Mr Sethi ("I had no choice"...."I was only doing a job"...) while Mr Sharif unexpectedly arrived at Mr Sethi's front door one day in 1994 saying "I have come to apologise....I had no idea of what my people did to you". In due course, with everything forgiven and forgotten, Mr Sharif began to cultivate Mr Sethi through the good offices of a mutual friend-associate.

In November 1996, Benazir Bhutto was eased out of office by President Farooq Leghari, and Mr Sethi was inducted into the caretaker cabinet entrusted with the job of initiating accountability and holding elections. Mr Sethi, however, ran afoot of Mr Sharif when he proposed disqualification laws relating to bank loan defaulters which would have hurt the Muslim League more than the PPP and especially diminished the prospects of many top PML leaders from contesting the elections. Mr Sharif formally protested to Mr Leghari and the law was amended. Mr Sethi was among two or three members of the cabinet who vigourously opposed the amendment but were overruled. Mr Sharif therefore had occasion to record a minor "personal grudge" against Mr Sethi. Fortunately, however, this incident was soon forgotten in the flush of Mr Sharif's stunning victory at the polls soon thereafter.
Mr Sharif and Mr Sethi retained a measure of mutual warmth after the former became prime minister in February 1997. Indeed, on at least two occasions, once over a one-on-one breakfast meeting in March and again over another one-on-one lunch in April 1997 at the PM House in Islamabad, Mr Sharif asked Mr Sethi to give up journalism and join his team at the "highest level". But Mr Sethi politely declined, arguing that he could better demonstrate his "friendship" for Mr Sharif by remaining out of the political fray and commenting on Mr Sharif's policies and conduct objectively from the sidelines of independent journalism. This was exactly what Mr Sethi had said to Ms Bhutto in 1994 when she too had hinted at "rewarding" Mr Sethi for his "outstanding services to the cause to democracy" (read: "cause of the opposition").

But Mr Sethi's budding personal relationship with Mr Sharif was fated to flounder on the rock of intellectual and moral incompatibility in much the same manner in which his warm relationship with Ms Bhutto had come to be severed in 1995. The Friday Times had been a crusading voice against corruption and stood for good governance since it was founded in 1989. It did not spare Ms Bhutto or Mr Sharif in their first misguided tenures but gave them both the benefit of the doubt at the beginning of their second terms. Then, when each began to go seriously astray, TFT lashed out at them, in the process derailing the personal relations between Mr Sethi and the two prime ministers respectively. At no stage, incidentally, from 1989 to 1999, were any favours asked of the two PMs, although both offered state largesse and were visibly surprised when it was promptly refused.

Mr Sethi's relationship with Mr Sharif began to sour in May 1997 when TFT wrote editorials against Mr Sharif's attempt to undermine the judiciary, in particular the March 1996 decisions in the famous Judges Case. TFT then went on to support Chief Justice Sajjad Ali Shah's endeavours to strengthen the supreme court against the executive. And when the battle royale between Justice Shah/President Leghari and Mr Sharif erupted with full force in October 1997, TFT made no bones about opposing Mr Sharif's attempts to become all powerful. Indeed, TFT was so outspoken that Mr Sharif was led by conspiracy-minded advisers into believing that Mr Sethi might have actually "conspired" with President Leghari into trying to overthrow his regime. Nothing was further from the truth. But Mr Sharif believed otherwise and was stung into vengeful spite by Mr Sethi's alleged "betrayal". Later in 1998, when Sethi and Sharif were totally estranged, Shahbaz Sharif was to comment that Nawaz Sharif could not bring himself to "forgive" Najam Sethi because he had expected Sethi to side with him instead of Leghari, whereupon Mr Sethi had remarked that the choice for him had never been between Leghari and Benazir or Leghari and Sharif but between right and wrong, between the rule of law and the law of the jungle, between good and bad governance and between accountability and corruption.

Relations between TFT and the Sharif government went from bad to worse in 1998. TFT was appalled by the choice of Mr Rafiq Tarar as president of Pakistan. TFT was opposed to the misguided economic policies of the finance ministry presided over by Mr Sartaj Aziz. TFT was aghast at the one-sided "accountability" of the PPP and IPPs orchestrated by Senator Saif ur Rehman. TFT was alarmed at the nationalist backlash engineered by the unilateral announcement of the Kalabagh Dam by Mr Sharif. TFT was terrified of the proposed 15th amendment bill
aimed at making Mr Sharif all-powerful. And TFT didn’t mince its words and opinions when it lambasted the Nawaz Sharif government for abject failure on the most important issues of the day.

Matters came to a head in April 1999 when TFT commented on the conviction of Benazir Bhutto for corruption in an editorial titled: "Set a thief to catch a thief". The editorial argued that Ms Bhutto had been rightly adjudged guilty of corruption but ended with the hope that "if one-sided accountability had been rejected by some today, even-handed accountability would be demanded by many tomorrow". This was correctly interpreted in Islamabad as a fervent hope for the accountability of Mr Sharif one day. Therefore it did not endear Mr Sethi to either Mr Sharif or Senator Saif ur Rehman.

This editorial was followed by one titled "Personal Vs public interest" in which it was argued that the Sharifs and Senator Saif ur Rehman were setting ruinous legal and financial precedents for the country by refusing to pay back their accumulated defaults on the plea that "interest was un-Islamic", or that their defaults had been "engineered", or that foreign courts had no jurisdictions over loans contracted abroad. The same issue of TFT carried a story on the inside pages titled "Saif in the soup" describing the Senator’s attempt in the Lahore High Court to avoid payments of Rs 930 million demanded by United Bank Ltd. It is understood that both Mr Sharif and Mr Rehman were outraged at this "personal" affront by TFT.

Then came the proverbial straw which broke the camel’s back. A BBC team investigating allegations of money laundering by members of the Sharif family arrived in Pakistan and set about interviewing people. Among those interviewed was TFT’s editor Najam Sethi and Mr Sharif’s estranged cousin Yusuf Aziz. The IB reported the BBC team’s movements and contacts to the authorities in Islamabad and concluded that Mr Sethi had probably arranged for the BBC to contact Mr Aziz via a local journalist named MAK Lodhi. Alarmèd, the government picked up Mr Lodhi and shook him up. Lodhi is said by officials to have pointed the finger at Sethi in order to save his skin.

The dye was cast. Islamabad is favourably inclined towards conspiracy theories. The one at hand suggested a "dark plot by Najam Sethi, in cahoots with the BBC, to discredit and undermine the Sharif family and government". Or so alleged Senator Saif ur Rahman on April 30th to Jugnu Mohsin on the phone while Mr Sethi was away in New Delhi delivering a lecture on "Indo-Pak relations in the new millennium". It was time to teach Sethi a lesson as well as send a strong message to the small independent press that its days were also numbered, like that of Jang and the big groups earlier.

The rest, as they say, is history. Mr Sethi’s speech in New Delhi was painted as "anti-Pakistan" by paid hacks and lackeys of the government and provided the perfect excuse to punish Mr Sethi for his anti-government views.

The bad news is that Mr Sethi’s fundamental rights were trampled upon with unmitigated glee by an authoritarian regime in full flow. He could have choked to death on the night he was abducted and beaten up. Certain sections of the press took great pleasure from Mr Sethi’s acute discomfort, partly out of personal jealously and partly due to government pressure or vested financial interests. The
Pakistani High Commissioner in New Delhi behaved abominably in pursuit of an appointment to Washington. And many unsuspecting but well intentioned patriotic Pakistanis were led into believing the government-sponsored falsehood in the government-controlled press that Mr Sethi had committed sedition and deserved to be punished.

The good news is that the Pakistani army, ISI and Supreme Court were not prepared to lend their shoulders to such outlandish allegations against Mr Sethi. Many sections of the domestic press discerned the truth and sided with Mr Sethi. To a man, the political opposition supported the cause of Mr Sethi. The international community woke up to the demand for press freedom and human rights and castigated the government of Pakistan for detaining Mr Sethi. In the end, most Pakistanis cast their lot with Mr Sethi instead of his detractors.

The best news is that by making Najam Sethi an international cause celebre the government has unwittingly strengthened the cause of press freedom and human rights in Pakistan.

But the saga of Najam Sethi, TFT, press freedom and democracy may not yet be over. The first trumped-up income tax notices were issued to Jugnu Mohsin, Najam Sethi, TFT and Vanguard Books Pvt Ltd on 19th May, over a week after Mr Sethi was detained. The second lot was slapped on 3rd June, a day after Mr Sethi was set free before the Supreme Court. The third installment was delivered on 8th June. Jugnu Mohsin's bank accounts have been frozen and all monies illegally transferred to the income tax department. The settled income tax accounts of Najam Sethi and Jugnu Mohsin from 1994-95 to 1995-96 have been reopened for scrutiny and additional demands. The properties of both Jugnu Mohsin and Najam Sethi were "attached" for auction by the tax department on 7th June without giving them a chance to file their rejoinders. The accounts of Vanguard Books Pvt Ltd for 1994-95 have been reopened also. Exorbitant, illegal and false claims are being made by the IT department under pressure from Islamabad. The idea is clearly to cripple TFT financially and force it to close down.

All this is totally unnecessary and counter-productive. It gives Mr Sharif a bad name. And it paints Pakistan in unflattering colours before its friends abroad. The repression of TFT's editor must stop. Wiser council must prevail. The personal hostility of Mr Sharif or Senator Saif against Najam Sethi should not be taken to such absurd limits where it begins to encroach upon the interests of the government and country at a time when both need all the friends and assistance they can muster at home and abroad.

(TFT June 18-24, 1999 Vol-XI No.16 — Editorial)

First things first
Finance minister Ishaq Dar has set some difficult targets in the 1999-2000 budget unveiled June 12. But he claims that his objectives are "optimistic" rather than "over-ambitious". His "optimism" is based, apparently, on "international signals that the worldwide recession, especially in the SE Asian region, is declining". We hope and pray he is right. But we fear he may be wrong on the most important counts. Consider.

Contrary to Mr Dar's assessment of a favourable external trading environment for Pakistan, The Economist Intelligence Unit's (EIU) review for 1999-2000 forecasts that "world trade growth will remain well below the level of 1997". In particular, says the EIU, "Pakistan's top export markets (for textiles, yarn and leather goods) will offer little succour: growth in the US is projected to slow further, while GDP growth in the EU and Japan, though rising, will remain weak". This means that Mr Dar's projected 18% increase in exports, in the face of an 11% decrease in 1998-99, is totally misplaced.

Mr Dar also predicts that GDP will grow by 5%. There is one major unspoken assumption behind this figure: that large-scale manufacturing industry will grow by about 5%. But large-scale manufacturing industry grew by only 2% or so in 1998-99 and to expect it to leapfrog to 5% without any fundamental change in the insecure domestic environment is profoundly unrealistic. Foreign and domestic investment is down and business confidence is at rock bottom. It is therefore more realistic to believe that industrial output will grow by no more than 3%, with marginal growth in construction and manufacturing and a slight contraction in utilities. Similarly, one should not expect more than a 3% increase in fixed investment (which fell by 5% in 1998-99). Pakistan's industrial sector will also face rising costs and the impact of reduced import tariffs will be more than offset by exchange rate depreciation and rising oil and non-oil commodity prices in 2000. Likewise, the agricultural sector targets (in particular cotton and wheat) will remain out of reach for several reasons, such as the vagaries of the weather, poor seed quality, widespread fertiliser and pesticide adulteration and deteriorating irrigation facilities. All this will be coupled with continuing hiccups in the government's relationship with the IMF, international donors and the United States over economic and foreign policy and is likely to reinforce uncertainty about the country's stability and direction. Indeed, business confidence in the economy may evaporate altogether if the current military conflict with India escalates into war or is prolonged over any significant period of time. Under the circumstances, Mr Dar would be lucky to get GDP growth of about 3.5% in 1999-2000.

Finally, Mr Dar expects to collect Rs 356 billion in revenues in the next twelve months. This is wishful thinking. For the third year in a row, the government has set a target of over Rs 350 billion. In the last two years, however, the target was progressively revised downwards and actual collection was barely Rs 300 billion in the year. With GDP expected to remain about 3.5% and without any fundamental reform in tax structure or signs of change in tax-paying culture, Mr Dar will be extraordinarily lucky if he can collect Rs 325 billion through various arm-twisting methods and rationalisations. That would push up the fiscal deficit from its targeted Rs 113 billion (3.3% of anticipated GDP, assuming 5% growth) to Rs 144 billion (4.5% of actual GDP, assuming 3.5% growth). And if the usual pattern of financial profligacy...
characteristic of Nawaz Sharif's style of governance is manifest again, the fiscal deficit is bound to overshoot 5%.

Let's face facts. For some years now, the budget exercise has become quite meaningless. Figures are routinely fudged. Targets are inevitably inflated. Reform is predictably postponed. Performance is consistently dismal. The rich refuse to pay up, yet complain of a rapidly deteriorating quality of life. The poor get poorer but are unable to articulate their protest in any radical manner. The middle-classes cannot make ends meet. Income inequality is rising. Poverty alleviation is non-existent. Meanwhile, the country continues to sink into debt and we are increasingly beholden to the international community.

Pakistan needs to grow by at least 8%-10% every year for the next decade or so if living standards for a majority of Pakistanis are to rise appreciably. This is not possible without a radical transformation or restructuring of economy and society. Nor, indeed, is it possible without accountability of all and transparency in everything — accountability of politicians so that revenues are not siphoned off; of businessmen so that taxes are paid in full; of landlords so that unearned income is not unduly rewarded; of civil servants so that inefficiency is reduced. It is also not possible without the independence of the judiciary and sanctity of the rule of law — so that economic contracts and obligations are fairly enforced and economic transactions are transparent.

Such a necessary transformation cannot be accomplished by any amount of budgetary juggling. The health of the economy is now inextricably linked to the health of the political system. Without an overhaul in the latter, there can be no meaningful improvement in the former.

(TFT June 25-01 Jul, 1999 Vol-XI No.17 — Editorial)

KKK of Sindh?

The politics of Sindh has taken a potentially destabilising turn with the ouster of Governor Lt-Gen (r) Moinuddin Haider and the installation of Mr Ghaus Ali Shah, MNA, as Islamabad's plenipotentiary "advisor" in the province. But this development hasn't come as a surprise to Sindh-watchers. In fact, shortly after the arrant Rana Maqbool was appointed IGP Sindh last October and there was talk of establishing an "advisory council" to the Governor, we feared that Governor Haider's stint in Karachi would be short and bitter (TFT Editorial "Time long past", November 6-12, 1998): "As a simple soldier newly arrived in the sordid and treacherous world of Sharifian politics, General Haider has been squarely placed in the eye of a federally generated storm....we feel sorry for him. Unless he has nerves of steel and has thoroughly imbibed the invaluable Discourses of Machiavelli, he could be among the eventual casualties of Nawaz Sharif's circus". In the event, Mr Haider's insistence on remaining a "neutral" umpire in a politically volatile situation was unacceptable to Mr Sharif and he was given his marching
orders last week. What is Mr Sharif's agenda and how does Mr Shah expect to fulfil it in Sindh?

As everyone knows, Mr Sharif went out of his way to mollycoddle the MQM during the better part of 1997. The relationship began to sour in 1998 when the MQM wanted more power in Sindh at the expense of the PML. But it actually broke down when the MQM refused to support Mr Sharif's proposed 15th amendment Shariat bill on the grounds that the bill had less to do with Shari'ah and more to do with the prime minister's quest for absolute power. Mr Sharif responded by sacking the coalition government, suspending the provincial assembly and promulgating Governor's Rule. When the MQM flexed its muscle on the streets, the Sindh police retaliated with "encounters" and Islamabad hauled up MQM militants before speedy anti-terrorist courts.

Having "defeated" the MQM in Sindh last year, Mr Sharif now sought to "conquer" Benazir Bhutto in 1999. She was convicted for corruption in April. Fearing arrest, she decided to stay away from Pakistan. That suited Mr Sharif because it led to considerable demoralisation in the PPP. Then the noose was tightened around Asif Zardari with the same result. It was now time to send Governor Haider packing and establish the writ of the PML in Sindh through Mr Shah.

Mr Ghaus Ali Shah's agenda is simple enough. His job is to browbeat, cajole, bamboozle, con and hustle demoralised and fatigued sections of the PPP and MQM to join hands with him so that a PML-dominated assembly and government can be restored to the province. The aim of such a government would be to supply the maximum number of Sindhi votes in favour of Mr Sharif in the Senate elections in March 2000 when the prime minister hopes to demonstrate the required 2/3rds majority in both houses of parliament in order to push through the 15th amendment. (Incidentally, Mr Sharif's recent overtures to the Awami National Party in the NWFP are also aimed at achieving the same objective.) What are Mr Shah's chances of success?

Mr Shah is not Jam Sadiq Ali. The latter was a Piplia who knew how to make inroads into his old party. He was also given a free hand by President Ghulam Ishaq Khan to make whatever deals he liked with the MQM. But Mr Shah will have to deal with two bitter adversaries instead of one. And if the PPP and the MQM can demonstrate the tactical wisdom to jointly resist his encroachments, he may end up sorely disappointing Mr Sharif in time to come.

There is one other lesson from the Jam Sadiq era which Mr Sharif might be advised to remember as he waylays Sindh. When the Jam and the MQM raped the province in 1992, even President Ishaq Khan couldn't allay the fears of the Pakistan army about the likely national security consequences of the duo's repressive policies. What, therefore, will Mr Shah do if and when law and order breaks down in the province at the alter of political expediency, if foreign inspired urban terrorism or rural sub-nationalism rears its ugly head again in the charged environment triggered by unfolding events along the Line of Control in Kashmir? Will Islamabad's desperate party-political gambit in Sindh flounder on the rock of the three Ks Karachi, Kashmir and Kalashnikov? And if so, who will be the loser?
The decision to appoint Mr. Shah as de facto chief minister of Sindh in the absence of a functioning provincial assembly is also likely to be challenged in the courts. This is just as well. If Mr. Sharif is to govern Sindh his way, it is better that he should have the stamp of supreme court authority on his advisor's writ. And if he is to be stopped in his tracks for one weighty reason or another, it is best that he is derailed by the courts than by anybody else. In either case, however, we may be assured that Sindh is in for a rocky ride once again.

(TFT Jul 02-08, 1999 Vol-XI No.18 — Editorial)

Groping in the dark

There is a definite sense of drift in the air. It suggests more than a hint of danger. It evokes more than a distant alarm. The "never-say-die" thunder of our ideologues doesn't seem to bind. The "all-is-under-control" reassurance of our politicians doesn't seem to inspire. In fact, it looks as though our leaders are groping in the dark and don't know what to say or do.

Kargil is at the top of the heap. There are many simple questions but few straightforward answers. The irony is that everyone in Pakistan claims to "know" exactly what has happened even though nobody "knows" for sure what will follow.

One official says that the Kashmiri "mujahideen" have captured some strategic ridges which lie on India's side of the LoC. Therefore the question of "infiltrators" from Pakistan doesn't arise. It follows then that the USA and G-8 are victims of misplaced concreteness engineered by Indian propaganda when they demand that Pakistan should "withdraw" these "infiltrators" from India's side of the LoC.

Another official admits that regular troops of the Pakistan army have, over a period of time, seized heights which lie in no-man's land on and around the LoC in the Kargil-Drass-Batalik sector. This is no big deal, the world is told, because India did much the same sort of thing when it seized similarly placed territory, including Siachin, in the past. The question of a Pakistani "withdrawal" from these heights is therefore linked, at the very least, to India's withdrawal from similar heights seized in the past.

Both officials claim that a military conflict is raging in the snow clad regions of Kargil between the Kashmiri mujahideen and Pakistani troops on one side and Indian soldiers on the other. But both are sanguine that a full-fledged war between Pakistan and India can be ruled out.

Such dubious certainties aside, we are confounded by statements from our leaders which seem to suggest a disquieting degree of divergence. The PM is apparently keen that both Pakistan and India should go "beyond their stated positions on Kashmir" in quest of enduring peace in the region, a remark which raises the hackles of many people in the country. The unfortunate impression has also been created that the political leadership was not adequately consulted by the
military leadership before Kargil was embroiled in conflict. The military leadership has countered with the remark that only the political leadership of the country can order a "withdrawal" from Kargil even as it insists in the same breath that such a withdrawal cannot possibly be "unilateral"! The mood was recently captured by a front-page photograph in the newspapers which showed the PM waving serenely to the troops at the LoC even as the COAS was punching the air with a fist. There is more.

We were informed last week by the Indian press that a certain Mr Niaz Naik, a former foreign secretary, acting as a personal emissary of the Pakistani PM, had flown to New Delhi in a Falcon jet to meet with the Indian PM and explore avenues for a mutually "face-saving" settlement. But before we could analyse the implications of this "back-door" diplomacy, a Pakistani Foreign Office "spokesman" firmly put down such speculation. Two days later, however, Mr Naik was reported to have confirmed his trip to New Delhi which included a discreet meeting with the Indian PM. What are we to make of this?

On the other side of the border, the mood is belligerent and uncompromising. Indians of every shade have donned the war-paint. Indeed, as the body bags mount, the clamour to "teach Pakistan a lesson" rises ominously. An election year in India has never impinged so gravely on Pakistan's fate as 1999.

Meanwhile, the international community is openly tilting towards India. This is not surprising. India has successfully portrayed itself as the aggrieved party. But the real reason is that Kargil has all but derailed the February Summit on which Western hopes for confidence-building measures between the two countries, without significantly addressing the core issue of Kashmir, were based. The threat of a nuclear war in South Asia also gives many people sleepless nights in the West.

Mr Sartaj Aziz has been to New Delhi without much luck. General Zinni of Centcom has talked to the Pakistani PM and COAS. Now Niaz Niak has hobnobbed with Atal Behari Vajpayee. Is a solution in sight?

Some Pakistanis say that "it's now or never because we have India by the throat". While we share their passion and outrage, we cannot accept the logic of their statement which inevitably leads to war. No nuclear-weapons state can grab another nuclear-weapons state by the throat and get away with it. Then there are Pakistanis who want "peace at all costs". While we share their concern and fear, we cannot accept the logic of their statement which also leads to war. In the foreseeable future, peace between Pakistan and India can only be built on the deterrence provided by nuclear weapons. In other words, we have to be ready for war if we want peace.

Pakistan needs decisive and visionary leadership to tackle this crisis. If Nawaz Sharif fails, he will not be the only loser.

Historic turning point

Nawaz Sharif’s desire for "normalisation" of relations with India, however necessary or merited, has floundered on the rock of political opportunism. In 1997, Mr Sharif jumped into an "historic" accord with Mr Inder Kumar Gujral, the then Indian prime minister, only to abandon it later when New Delhi reneged on its promise to start "talks about talks" on Kashmir. But Mr Sharif was not suitably chastened by that experience. In February 1999, he went much further with Mr Atal Behari Vajpayee in Lahore. This time he effectively committed himself to a "speedy" "normalisation" of relations with India without even the fig leaf of a commitment by New Delhi to resolve the Kashmir dispute in a mutually satisfactory manner.

The Lahore Summit was doomed from the start. This is what we said on the issue (TFT Editorial "Defining moment of anti-history", February 26-March 4, 1999): The transition from a status-quo, jehad-oriented, hawkish foreign policy vis a vis India to a forward-looking, moderate, peace-oriented foreign policy which Mr Sharif appears to be advocating is going to be very difficult. Such a transition cannot take place without Mr Sharif first cobbling a broad political consensus for it and then nudging the national security establishment to review its "historic" assumptions and accord its stamp of approval to a change of tack... But Mr Sharif has made no effort to take the security establishment or the Pakistani people into confidence. He has taken no steps to bring the political opposition on board his new nonideological "foreign-policy agenda"... Therefore our fear is that, like his many other hastily assembled initiatives on equally contentious areas of economy and law, this initiative too is likely to flounder on the rock of institutional confusion, political indecision and jehadi-counter pressure...Our cynicism on the Pakistani score is reinforced by our understanding of the hawkish and unbending attitude of the Indian security establishment, especially South Block (Ministry of External Affairs), which is opposed to any departure from its current perspective not only on Kashmir but also on Siachin and other contentious issues..."

Is it any wonder then that "Kargil" has "happened" even before the ink on the Lahore Summit has dried? Is it any wonder then that India has donned the "war-paint" and set bellicose pre-conditions for peace-talks? Is it any wonder then that the jehadi forces are shrieking a "sell-out" by Nawaz Sharif in Washington and vowing to fight to the bitter end? Is it any wonder then that the opposition is banding together to try and destabilise the government? Is it any wonder then that Mr Sharif had to fly to Washington for help and advice? Indeed, is it any wonder then that Washington has responded by reading out the Riot Act to Mr Sharif?

Let us now be clear about the content and implications of the "agreement" between Pakistan's Prime Minister and America's President in Washington on July 4th. The transcript of the White House briefing after the Clinton-Sharif meeting suggests an "agreement" along the following sequential lines: (1) The Simla Agreement between Pakistan and India has become sacrosanct. Multilateralism is dead. Long live bilateralism. (Round One to India). (2) The sanctity of the LoC must be respected. The status quo in Kashmir has been frozen. (Round Two to India). (3) Pakistan is responsible for violating the LoC. It must undo its transgression
unilaterally by positively withdrawing its forces which are on India's side of the LoC to positions on the Pakistani side. (Round Three to India) (4) Only after this has been done may the dialogue between India and Pakistan be resumed. Furthermore, this dialogue must remain within the confines of the Lahore Summit. (Round Four to India). Has Pakistan been technically knocked out?

Mr Sharif is desperately trying to put a gloss over his "surrender" in Washington. "Mr Clinton has personally promised to take an interest in Kashmir...Kargil has internationalised the Kashmir dispute...the trip to Washington has helped avert a calamitous war....". Meanwhile, the Pakistan army's spokesman has said that "there is no question of any pullout of Pakistani troops on the LoC" and the army chief has "reserved judgment" pending a discussion with the prime minister when he gets back to Islamabad. Several critical questions arise.

What if the army chief doesn't agree with the Washington agreement inked by the prime minister? Indeed, what if he does, notwithstanding a certain sentiment in the armed forces? What if Mr Sharif decides to backtrack on his commitment to President Clinton? What if the Indians renege on any secret understandings with the American president aimed at making a Pakistani "withdrawal" palatable to the Pakistani prime minister, army and public? What if the opposition gangs up with the jehadi groups and a movement to topple the government gains momentum? What if the Lahore Summit is successfully revived and one Kargil is followed by other Kargils in time to come?

War or peace with India, good or bad relations with Washington, civilian supremacy or military autonomy, democracy or autocracy, economic autarky or dependence, xenophobia or globalisation — whatever comes to pass, Kargil 1999 is fated to become a turning point in Pakistan's history.

(TFT Jul 16-22, 1999 Vol-XI No.20 — Editorial)

**Confrontation of another kind?**

After a moment of paralysis, those opposed to Nawaz Sharif's Washington Agreement are banding together. Ex-COAS General Aslam Beg, for one, has written a virulent article accusing Mr Sharif of first approving the Kargil Operation and then abandoning it because it threatened to tilt into an all-out war with India. The article, published in a pro-Sharif newspaper, was menacing in tone. It likened Mr Sharif to the last Shah of Iran who found nowhere to go after the Revolution in Iran.

Then there are the jehadi militias who were said by the government to have generally agreed to withdraw from positions across the LOC at its request. These seem to have changed their mind now. At least fifteen of them have got together under the banner of a 'council' (unthinkable proposition until yesterday, given their religious character) to declare their rejection of the LOC and assert their intention
to begin the 'second round' across it. As if to prove this point, a jehadi militia has struck at the field headquarters of India's BSF and killed several men including its commander. Meanwhile, one dominant jehadi faction has sent a delegation for talks with the Jamaat-i-Islami to evolve a joint strategy, even as the Jamaat chief, Qazi Hussain Ahmad, is readying for "a million-strong protest march" in Lahore on July 25. Finally, the PPP, together with three other parties, has announced a 'tehreek' against the government and threatened to convene an all-parties conference next month.

At least three prominent retired generals have also taken on the government. General Javed Nasir, ex-DG-ISI under the first Nawaz Sharif regime, is still employed by the government. He has therefore toned down his earlier savage attacks to put the onus for mishandling the Kargil "triumph" on the Information Ministry and the Foreign Office. The maverick PML MNA, Ijazul Haq, has also jumped in to say that "withdrawal has actually bailed out India without benefiting Pakistan". He wants Mr Sharif to sack the two ministries for losing the battle on the media and diplomatic fronts.

More ominously, the Urdu press that initially seemed to rally around Mr Sharif's "great feat of statesmanship in Washington" has also begun to tilt in favour of the "rejectionist columnists". The opposition to the government has therefore spring up in many unexpected quarters and newspaper pages seem to point to a sinister orchestration of these rejectionist views.

The government, on its part, says it hasn't promised Washington any reduction of the Pakistan Army in the future and has not secretly signed the CTBT. The ramifications of these statements are sinister, to say the least. Meanwhile, several News Agencies have started to dish out speculative stories about the "increasing" American pressure on Pakistan to sign the CTBT and freeze its nuclear programme. This alarmist environment has been exacerbated by the foreign press which reports that Nawaz Sharif "begged" President Clinton for a meeting and got no quid pro quo from him for withdrawing from Kargil. Foreign observers also think that the US will not do much to push India into starting a meaningful dialogue on Kashmir, which seems to give the lie to the Pakistani government's claim that the US has become an arbiter ('saalis') on Kashmir and that President Clinton is now personally committed to the resolution of the Kashmir dispute. As if on cue, the Indians have refused to talk about talks with Pakistan in the foreseeable future.

On the Indian side, the anti-BJP forces took the opportunity of attacking Atal Behari Vajpayee for allowing Kargil to happen and for not coping well after the fighting erupted. A lame-duck caretaker, Mr Vajpayee, instead of garnering electoral support from his Lahore Declaration, may now end up losing votes in September. His only desperate strategy might be to join the anti-Pakistan chorus in India and outdo the Congress-I in its electoral hysteria about Pakistan.

But no matter who comes to power in India, Nawaz Sharif and President Clinton are going to find it very difficult to get the Lahore Declaration process restarted soon. Kargil will therefore rankle in Pakistan more if Islamabad's claim of 'internationalisation' doesn't show results soon.
This is a dangerous situation for all in Pakistan. The post-Kargil promises are predictably doomed to failure in the short term. Another Kargil, as promised by the militias, is also foredoomed because it will bring greater international isolation and punishment for an economically crippled Pakistan.

Therefore, in such a scenario, the Nawaz Sharif government must arrive at a deeper understanding of the crisis and evolve a joint strategy with the Army high-command to cope with the dangers that lie ahead. Pakistan's multiple internal crises have to be frankly discussed after removing the smoke-screen of the Government propaganda of 'all is well' on all fronts. Additionally, the in-depth analysis that was not done before the Kargil Operation should now be focused on how to avert the fallout from it. Finally, the pressure on the 'enemies' created in civil society and the independent press by the Sharif government in its drive to achieve absolute power should now be taken off to allow a more genuine and necessary consensus to emerge on the Kargil crisis.

(TFT Jul 23-29, 1999 Vol-XI No.21 — Editorial)

Theatre of the absurd

The honourable Chief Election Commissioner will hear a most provocative petition on July 28th. It was filed by PML-MNA Zafar Ali Shah who, in relation to "respondent" Najam Sethi, Editor of this paper, calls upon the CEC to: (a) determine the religious status of the Respondent (b) strike off his name from the voter list to a Muslim seat of any Assembly if he isn't a Muslim as per the constitution (c) strike off his name from the electoral rolls to a non-Muslim seat as well because he has violated constitutional articles 62(h) and 63(1)(g).

Article 62(h) says that a person shall not be qualified to be elected or chosen as a member of the Majlis-e-Shoora (Parliament) unless he has not, after the establishment of Pakistan, worked against the integrity of the country or opposed the Ideology of Pakistan. Article 63(1)(g) says that a person shall be disqualified from being elected or chosen as, and from being, a member of the Majlis-e-Shoora (Parliament) if he is propagating any opinion, or acting in any manner, prejudicial to the Ideology of Pakistan, or the sovereignty, integrity or security of Pakistan, or morality, or the maintenance of public order, or the integrity or independence of the judiciary of Pakistan, or which defames or brings into ridicule the Judiciary or the Armed Forces of Pakistan.

The "basis" of this petition is a "report" contrived from Pakistan's High Commissioner to India in which various allegations were trumped-up against Mr Sethi in the context of a speech he made on April 30th in New Delhi.

When news of the petition was flashed some weeks ago, most lawyers and jurists opined that the CEC would swiftly quash it "in chambers". After all, they reasoned, the High Commissioner's "report", which forms the "basis" of this
petition, had already been trashed for several reasons. First, after three weeks of investigation, the ISI did not press charges of sedition against Mr Sethi under the army act either on the basis of this "report" or on any other findings. Second, Mr Sethi’s lawyers had so successfully junked the "report" in the Supreme Court of Pakistan that the government was compelled to drop the charges of sedition and set Mr Sethi free on June 2. Third, on June 8th, the special judge of the anti-terrorist court in Islamabad "discharged" Mr Sethi because the police cited "lack of evidence" in proceeding against him in relation to the sedition case brought by PML MNA Amanullah Niazi whose FIR was based on the same High Commissioner's "report".

But the High Commissioner's phony "report" was not the only reason for believing that the CEC would swiftly dispose of the petition in chambers. How on earth, it was wondered, could anyone "prove" that anyone else was not a "Muslim" when he/she absolutely insisted that he/she was one and when he/she had never personally said or done anything which could be construed as repudiating or suggesting a religious faith other than that of a Muslim as defined in Islamic jurisprudence as well as the 1973 constitution.

In the event, however, the honourable CEC served notice on the Attorney-General to appear before him and acquaint him with his views on the matter. Subsequently, a notice was served on Mr Sethi warning him that if he did not attend the hearing of the case at 10 am on July 28, "the matter will be heard and decided" in his absence!

However motivated, and whatever the legal questions about jurisdiction, this petition raises potentially destabilising and dangerous questions which could rebound to everyone's agony, seriously erode civil society and paint the country in the most primitive colours internationally: Can anyone go to the CEC and demand that anyone else's religious status be determined to the detriment of his/her own defined status? Indeed, on the principle of primacy, why cannot any citizen of Pakistan petition the CEC to check out the religious status of the prime minister and all the MNAs and MPAs of Pakistan, including all those tens of millions of Pakistanis who were listed on the Muslim rolls before Mr Sethi was listed, as a prelude to determining Mr Sethi's status as demanded by Mr Shah?

Further, in the absence of any expressly delineated or annotated definition of the "integrity" of Pakistan in the constitution, how can anyone determine any opinion "prejudicial" to it, especially since the fundamental right to free speech and thought is also enshrined in the constitution? Worse, if the yardstick of "morality", or "independence of the judiciary", or "security of Pakistan", or anything "which defames or brings into ridicule the judiciary or the Armed Forces of Pakistan" is to be applied for qualification as a member of the Majlis-e-Shoora, then the CEC would most respectfully be advised to consider, suo moto if necessary, the disqualification of the PM and most members of the PML on each and every such count, individually and collectively, before taking up the case of a journalist who is not even a member of the Majlis-e-Shoora!

This is a potentially inflammatory and divisive matter. The CEC's judgement will impact on the lives of all Muslims and all Pakistanis.
Dangerous discourse

The "Kargil" operation was put on the drawing boards by competent military minds many years ago. But there was nothing extraordinary about this. Military men are paid to play war games in times of peace. "Kargil" was subsequently presented as a militarily "do-able" option, when the time was ripe, partly as military revenge for the loss of Siachin and partly as a political device to spur the Kashmiri mujahidin towards greater sacrifice and heroism. But the plan was not executed because one or more of the members of the "troika" of yore (President, Prime Minister, COAS) thought better of it and restrained the others.

Unfortunately, the troika was ruthlessly dismantled by Nawaz Sharif from 1997-98 in his quest for absolute power. Since then, Mr Sharif has listened to no one except sycophants and flatterers. Indeed, since institutional decision-making is anathema to him it was inevitable that we would have to swallow one bitter pill after another, with Kargil being the most poisonous of them all.

Of course, experts have offered all sorts of profound explanations of why Kargil "happened". And they are probably more or less true. But, at the end of the day, the buck stops at the prime minister. Kargil "happened" only because Nawaz Sharif saw a mirage in which he was bathed in immortal glory. When the mountain turned ash-white, Mr Sharif was beside himself with joy. Fateh Chagai. When Pakistan swept into the World Cup finals, Mr Sharif imagined himself as Fateh Lords. When fate beckoned him to sleepwalk across the LoC, he saw himself as the Conqueror of all Conquerors. Greater than Field Marshal Ayub Khan who waged a war and lost at Tashkent. Greater than Z A Bhutto who vowed to wage a 1000 year war and lost at Simla without fighting a battle. Fateh Kashmir.

To be sure, Fateh Kashmir has "sanctified" the LoC and "internationalised" the Kashmir dispute. But what of the fact that for fifty years we have been desperately trying to change the LoC? Indeed, how can we come to terms with the fact that the international community seems irrevocably "tilted" towards India instead of Pakistan?

Mr Sharif has also rubbished the whole idea of the nuclear deterrent. The bomb, we were told, had to be sprung out of the basement and tested, not once but six times over, so that there would never be a fourth war with India. Now we have to thank Mr Sharif for "personally" averting a nuclear war by surrendering the deterrent in Washington! The final irony is that after fifty years of crying hoarse about the UN resolutions and ten years of screaming about the core issue of Kashmir, Mr Sharif is suing for "unconditional talks" with India. And the final humiliation is that the Indians have spurned his offer!
The right-wing religious parties and groups in whose company Mr Sharif grew up to political adulthood and whose backs he has been scratching through the various Hadood Ordinances and Islamic laws and Kashmir jehads are now up in arms against him. They are full of rage and fury because they believe they have been betrayed by "one of them". This is a new situation. In the past, Mr Sharif could rest assured of his flanks in the event of an attack by the mainstream opposition because the Islamic groups saw him as a potential ally against the centrist, western-oriented, PPP and allied groups. Today, the fundamentalists see him as the very personification of the Western evil they have vowed to fight.

If that were all, we could live with it, arguing that Mr Sharif was simply getting the just desserts of his opportunist labours. But the situation is much more problematic and alarming. By crushing the mainstream opposition and by silencing all dissent within his own party, Mr Sharif has usurped the legal, democratic political framework of civil society, and handed over the parameters of political discourse to the fundamentalists. This is unprecedented. And it is very dangerous. It means that the coming battles will be pitched between the fascists and the fundamentalists while the great democratic defenders of civil society, of the law and constitution, of the independence of the judiciary, of human and minority rights and of press freedoms, are marginalised and made redundant. Consider.

The Jamaat i Islami has notched up the first impressive anti-government demonstration in Lahore since Mr Sharif assumed power. Mr Imran Khan and Dr Tahir-ul-Qadri are joining hands to put up a second "Islamic-minded" front. The various Islamic-jehadi organisations have banded together in a 15-member alliance and are vowing to extract revenge for the "surrender" in Washington. Retired army generals with Islamic agendas are exhorting an all-out war against India. Where are the centrist parties? Where are the liberal-democrats? Where are the representatives of civil society?

Nawaz Sharif has brought Pakistan to the precipice of civil disaster. To still imagine that he can turn the tide when he is responsible for making the wave is to court unmitigated disaster. The sooner this lesson sinks into everyone, the better. Pakistan cannot be allowed to become another Sudan or Ethiopia or Yugoslavia. Nor can it be "saved" after the event, as Algeria or Egypt, because it does not have the same "nationalist" state institutions as them.

(TFT Aug 06-12, 1999 Vol-XI No.23 — Editorial)

**Year of reckoning**

Exactly six years ago, Mr Moeen Qureshi drew our attention to the dismal state of the economy as bequeathed to him by Nawaz Sharif in August 1993. At the time, GDP growth had sunk to 2%, forex reserves had shrunk to US$ 300 million, domestic bank loan defaults had soared to Rs 200 billion and the fiscal deficit had
skyrocketed to over 7%. From 1990 to 1993, it transpired, Mr Sharif had ransacked the country like the Mongol invaders of yore.

Three years later, when Mr Farooq Leghari sacked the Benazir Bhutto government, he believed the country was on the verge of financial default. The IMF, he claimed, had finally refused to throw good money after bad. Like her democratically elected predecessor, Ms Bhutto had made a royal mess by abandoning all the economic targets laid down by the donors. Like Mr Qureshi, Mr Leghari tried to mollify the IMF during the interim period. But, like him, he failed to ensure that his advice and policy prescriptions would outlast his regime. Then Mr Sharif arrived back on the scene in 1997 and started from where he had left off in 1993.

Neither Ms Bhutto nor Mr Sharif have been ready to take hard, necessary decisions. Pakistan was saved from financial default and unprecedented disaster last year only because the IMF/World Bank and the Paris/London Clubs were persuaded by Washington and the G-8 countries to give the Sharif government a one-time "shot-in-the arm" for political reasons. But no one knows what will happen to either side's position if and when this "political" space is squeezed beyond acceptable limits by the one or the other.

Unfortunately, the problem is no longer merely one of avoiding default by meeting the economic and political targets of the international donor community. Actually, it has now become one of urgently reviving domestic and international confidence in the medium and long-term economic and political prospects of the country so that the belt-tightening ordered by the IMF becomes a structural prelude to sustainable economic development rather than a gambit for economic stagflation and political unrest.

Two sets of major issues now form the core conditionalities of economic revival. One, the ability of Nawaz Sharif to put public over private interest and restore our faith, confidence and stake in the country; to focus on long-term agendas rather than short-term fancies so that economic objectivity rather than political subjectivity is made the basis for sound decision-making; to implement hard options rather than soft choices so that there is a purpose and direction to economic and financial management; to stand above class or group interests so that competition rather than contradiction is integrated into the rules of the game. Two, the willingness of our propertied classes and vested interest-groups to part with a chunk of their income and wealth for the sake of the common good so that a sense of nationhood is cemented and the feeling of separateness is uprooted.

On current form, however, each of these objectives seems unattainable. Mr Sharif's private obsession with unproductive public expenditures shows no sign of abating. His family and friends remain the country's leading loan defaulters, notwithstanding all the enforced write-offs and loan rescheduling by the public sector banks. The prime minister has also squandered opportunities to impose GST, to haul up loan defaulters, to rightsise government, to levy an agricultural income tax, to restore confidence in the IPPs, to manage utility companies efficiently, to launch privatisation transparently, etc. Now, past the mid-way mark to the next elections, and in the throes of a yet another self-engineered political crisis, he is afraid of riling
those classes which returned him to power or alienating those groups which claim to prop him up. Similarly, the “ruling classes” of Pakistan seem more interested in transferring their wealth abroad or acquiring new “nationalities” and “citi"-

Under the circumstances, the more things appear to change, the more they actually remain the same. Mr Nawaz Sharif is always jetting to Lahore for urgent consultations; Mr Ishaq Dar is constantly flying to Washington to clinch final deals with the IMF; Senator Saifur Rahman is forever tilting at the windmills in search of imaginary enemies; Mr Shahbaz Sharif never has time to spare from his onerous duties; Mr Mushahid Hussain is perennially blundering into trouble; Mr Sartaj Aziz cannot wipe the smile off his face even when he is fibbing through his teeth; parliament is invariably seized of critical matters; and so on.

Meanwhile, the day of reckoning has arrived. An "ignominious diplomatic defeat" was recently snatched from the jaws of a "glorious military victory" at Kargil only because the stricken economy could not cope with the threat of haemorrhaging. More shocks are in the offing for those who refuse to heed the writing on the wall. Caught between the "failing state" of Nawaz Sharif and the "rogue regime" of the fundamentalists, the pivotal state of Pakistan does not know which way to turn or what to do. Can there be a more emphatic indictment of our leadership on the eve of a new century?


Shame

On August 2nd the Senate refused to discuss a proposed resolution condemning the tribal practise of killing women for “honour” in Pakistan. Worse, a majority of the members of various parties in the Senate blithely abandoned the field to a retrograde minority unwilling to decry a despicable custom that is against all secular norms and religious laws. This has confirmed the international community’s fears that Pakistan is an uncivilised country.

In April 1999, a young woman from Peshawar (Samia) was killed in Lahore in a lawyer’s office by a gunman hired by her father because she sought a divorce from her abusive husband. The event so shocked the nation that at least 20 senators from the opposition and treasury benches issued a signed statement against the practise of killing women “to save the honour of a family”. A watered-down resolution came up before the Senate in August. But by now many of the Senators had revised their allegiance to the law and ideology of Pakistan. The worthy Speaker of the Senate, Mr Wasim Sajjad, was also no longer keen to support the resolution. So he agreed to take a vote on whether or not it should be discussed at all. This was a signal to most Senators to slink off to the cafe so that the few who were most adamant about the righteousness of “honour-kilings” could strike it down by a “majority” of 20 to 2. In all this, the most shocking behaviour was
betrayed by the 'secular' ANP Senators and their leader Mr Ajmal Khattak, who were all in favour of defending the murderous actions of Samia's influential killers.

This is a disgraceful day in the history of Pakistan. The message to the women of Pakistan is that they should not trust the law to save them against the primitive tribal custom of killing for honour. This concretises the investigations of a recent BBC documentary on karokari in Sindh which reveals that "women-killers" tended to be let off in Pakistan because state institutions are inclined to put the dubious custom of "honour" above the law of the land. It is ironic, of course, that when the BBC documentary was shown, the reaction of many in Pakistan was that of incredulity and suspicion. Indeed, some people actually wrote to say that the BBC had been deliberately negative because of Western prejudice (how often do we hear such holier-than-thou comments these days!)

The Senate has now proved that the law in Pakistan is worth no more than the 'flatulence of a camel', as they say in Urdu. In fact, Islamic family law is explicit in its edict that a wife may seek divorce from her husband as an inalienable right and Islamic jurists opine that a wife seeking divorce may not even give any reason for so doing. Of course, under Pakistan's Penal Code no one may murder to seek revenge or satisfy honour.

But conditions in Pakistan openly and violently militate against the law. Every day, newspapers report the murder of women by male family members on suspicion of 'dishonour'. The tragedy is compounded by the fact that the lower judiciary has begun to interpret the "honour-killing of women" as a mitigating factor in murder cases. This is jahiliya, pure and simple, the pre-Islamic dark-age which the Holy Prophet (PBUH)sought to end.

The Senate, instead of choosing to stand by the Prophet (PBUH) in his mission to end male savagery against women, has chosen the jahiliya as its model. In so doing, it has confirmed the general Western misperception that "Islamic" law targets women unfairly. Therefore those who are angered by this Western opinion should take another look at our honourable Senators and decide whether they should be covered with glory or tarred and feathered.

On 6 August 1999, the World Bank Resident Mission in Islamabad presented finance minister Ishaq Dar with a memorandum on the violation of human rights in Pakistan on behalf of the ambassadors of the Pakistan Development Forum which keeps Pakistan afloat. Their message is clear. The Human Rights Commission in Geneva will take a dim view of the ruling party’s handling of the Samia case, of the relentless attacks on civil society by representatives of state institutions, of the persecution of NGOs working for the welfare of the minorities and women, and of the abduction, imprisonment and harassment of journalists in Pakistan.

What kind of image is the state of Pakistan presenting to the world on the eve of the new millennium? How can we now argue that the decline of state institutions and the rise of a culture of cruelty towards human beings is owed more to 'functional' aberration than to law-making?

The human face of Pakistan is being systematically disfigured by our politicians, thereby inviting punitive measures from the world. That is why, for example, our just
cause on Kashmir has been rejected internationally because we, rather than our cause, are seen to be lacking in morality. Now the Senate has veritably killed whatever “honour” we had left in the eyes of the world. Shame. Shame. Shame.

(TFT Aug 20-26, 1999 Vol-XI No.25 — Editorial)

**After Kargil, Sindh**

When Ghous Ali Shah took over as Sindh’s de facto chief executive last June, we feared that the province would go on the boil (*TFT* editorial “KKK of Sindh?”, dated June 25-July 1). Our predictions have unfortunately come true. Kidnappings have peaked, car-lifting has resumed and “police encounters” are on the rise. The MQM and the PPP are also up in arms. They know that the PML wants to rule the province, despite a minority of 12 seats out of 109 in the Assembly, with the objective of setting the stage for a Muslim League majority in local government elections, followed by general elections in 2002. And they won’t let that happen.

On July 14, the first of the many Punjabi-style ‘police encounters’ took place. Within a week, a dozen MQM ‘terrorists’ were killed while they were allegedly ‘assaulting’ policemen sent out on duty by the province’s new Punjabi IG Police. On July 28, the MQM struck back by opening fire on a police check-post in North Karachi; the next day, the MQM reverted to shutting down markets and burning down vehicles. The city, liberated from fear not long ago, was gripped by it once again.

Mr Altaf Hussain has complained of “state terror” but says he does not want a violent confrontation. But on July 1, seven ‘radical’ MQM leaders, including an ex-federal minister, a current MNA and two sitting MPAs, resigned from the party in London by declaring “dissatisfaction” with the Pakistan-based MQM Coordination Committee’s ‘soft’ policy in the face of the alleged centre-imposed violence in Karachi. On August 12, Mr Hussain’s London-based political secretary also resigned in protest against the Coordination Committee’s anti-confrontational stance. Interestingly enough, none of the rebels have challenged Mr Hussain. This suggests that the MQM leader is laying the groundwork for a new, albeit covert, policy of confrontation. His “isolation” has been reinforced by the inclusion in the Exit Control List (ECL) of his power base in Pakistan: 28 MPAs, 12 MNAs and 5 Senators. Therefore the “revolt” against the Coordination Committee is meant to absolve it of the violence that has erupted under Ghous Ali Shah’s administration.

Kidnappings have restarted in the province after a year’s reprieve. Employees of certain multinationals were recently picked up for ransom on the Karachi-Hyderabad highway, forcing the companies to close down their regional offices and plan a general cut-back of operations. Ordinary citizens have also been kidnapped and killed in Shikarpur, Khairpur and Larkana, once again creating the environment that doomed Sindh in the early 1990s. In Karachi, it is the MQM ‘responding’ to the appointment of Ghous Ali Shah; on the Highway, it is the PPP landlords who are
sending out signals through their ‘protected’ dacoits. The press has published lists of scores of dacoit ‘gangs’ once again in business. And in Karachi, a citizens’ committee has listed 15 urban kidnapping gangs.

We are back in the old game. The triangle of MQM-PPP-Nationalists is girding up to face off the new political order imposed from Islamabad. The PPP’s Qaim Ali Shah is trying to cobble together a PPP-MQM ‘alliance’ which is bound to be no different from the one that brought misfortune to the urban people of Sindh in the past. The Nationalists, seeing an opportunity for their extremist doctrines, are spurning the PPP in favour of more radical action on their own. It therefore seems that Ghous Ali Shah is once again a catalytic agent for disorder as in 1987 when he was chief minister of the province. The hapless population is being compelled once again to take sides with forces that are far from being their democratic representatives.

The MQM’s terror of the past was based in great part on the sympathy it enjoyed among the ‘muhajir’ citizens who were despairing of the writ of the state. Mr Hussain relied on this support to become the arbiter of Sindh’s politics from London. But his stature began to decline when peace returned to the cities and economic activity began to look up.

The MQM was once in partnership with the PPP and it didn’t work. It was then wooed by the PML and given a ‘package’ for the restitution of MQM criminals to please the boss in London. But once again a compact based on opportunism and malice has come apart. And once again the people of Sindh will pay for it with misery.

The province desperately needs normal economic functioning. It is Pakistan’s economic backbone, but politicians who plan and prosecute wars abroad and use coercion at home in an endless pursuit of power, have had no time to think of the economy. In fact, after the collapse of 1996, nothing has gone right with the national economy. Now it is firmly set in a trough of recession. The entire country faces a terminal situation while the state-owned media, having swept the economy aside, is spewing a rhetoric of war. The establishment in Islamabad doesn’t realise that the final collapse will begin from Sindh. This is the internal threat Pakistan has ignored since May 1998 when it decided to go nuclear. In the event, Islamabad’s separatist nightmare could become a reality if the government doesn’t mend its modus operandi towards Sindh quickly.

(TFT 27-02 Sep, 1999 Vol-XI No.26 — Editorial)

A poor man's nuclear doctrine

The BJP’s ‘nuclear doctrine’ seeks to persuade the world to agree to the further nuclearisation of South Asia. But there are no buyers for it outside India. The United States views it as another invitation to greater nuclear danger in the region
while Pakistan sees it as another act of escalation in the nuclear equation. This 'nuclear doctrine' arouses fear instead of allaying it. Clearly India's post-Kargil honeymoon with Washington has failed to open the door to the nuclear club.

The 'doctrine' is full of false pieties: India wants to strengthen collective security beyond the discriminatory NPT; it wants the bomb to protect its political, scientific, technological and economic achievements from external assault; it wants 'durable peace' while promoting a just international order through nuclear weapons. And so on. But the world knows that India's nuclear tests in 1998 led to a most dangerous confrontation between India and Pakistan in 1999. In fact, India was saved from humiliation in Kargil only because the United States was able to persuade Pakistan to back off. If that is how nuclear war in South Asia is to be avoided, then the 'nuclear doctrine' isn't worth the paper it is written on.

The doctrine makes much of India's pious abjuration of first use of nuclear weapons, subliminally rebuking the West about NATO's continued reliance on first use, and indirectly scoring a point over Pakistan which also relies on it in the face of India's overwhelming conventional military superiority. It gives 'negative' security guarantees to non-nuclear states while reserving the right to target non-nuclear states 'aligned' with nuclear powers. This means that, since 'alignment' has lost its cold-war meaning, India will subjectively decide which non-nuclear state to target. In other words, a 'nuclear' India has emerged as a 'moral' state telling the nuclear club that its 'nuclear doctrine' is better than theirs. The message is that whereas nuclearisation in the West lacked the underpinning of morality India has filled the gap and made nuclear weapons 'morally' defensible.

Then come nuclear bravado. After telling its rascally nuclear enemies that all ignoble attacks shall meet 'punitive retaliation through nuclear weapons' it reveals India's desire to extend its nuclear outreach to the sea as well. Its nuclear forces will be 'based on a triad of aircraft, mobile land-based missiles and sea-based assets'. There is also a veiled threat in the phrase: 'space-based and other assets to provide early warning, communications, damage/detonation assessment'. The nationalist Indian press has followed up with reports that India's Bhabha Atomic Research Centre is 'in its final stage of assembling a powerful electron accelerating machine named Kali-5000 which, say the scientists, can potentially be used as a beam weapon'. This information is accompanied with the 'leaked' India claim that its 'thermo-nuclear' bomb is ready as well. In effect, this 'escalatory' section of the draft explodes the myth of 'minimal deterrence' by promising a massive expansion of India's nuclear arsenal.

The BJP government has not won any friends with this document outside any friends with this document outside India. In fact, misgivings continue to pile up. But perhaps its real objective is simply to rake in votes in the general elections next month. The element of braggadocio in the draft will certainly appease the nationalists and spread the 'feel-good' message for India's benighted masses. But there is a cost to this benefit. And it will be in the diffusion of the intense international feeling that India was 'cruelly deceived and cheated by Pakistan at Kargil'. In fact, it may be argued that the misplaced political logic that provoked India to shoot down an unarmed navy training aircraft inside Pakistan has led to the doctrine overkill and will hurt its image in the same measure.
What should Pakistan do? For starters, it should definitely not do what it feels like doing, notwithstanding the aggressive comment made by its foreign secretary, Shamshad Ahmad, which the Pakistani press has taken to mean that Islamabad is now working over-time on its own 'nuclear doctrine'. Nor should recourse be taken to crude and misleading devices to gain cheap, local popularity as exemplified by a PML senator, who pretends to be the 'shadow' foreign minister and appeared on PTV recently to say that India's doctrine was announced after a wink from 'chashm-e-yar' (eye of the beloved), meaning the United States. Such statements damage Pakistan's self-interest. The simian instinct of doing what India does must be resisted at this juncture.

In fact, far from inflicting another nuclear doctrine on a scared world, Pakistan must quickly legislate its official pledge not to export nuclear technology. It must begin to take this internal jehadi paranoia off the boil to tell the world that its bomb is not Islamic but a minimal defensive guarantee against India aggression. And instead of 'leaking' news that Pakistan is about to deploy its own thermo-nuclear bomb, the establishment in Islamabad should renew its 'non-imitative' resolve to sign the CTBT, especially after Dr Qadeer Khan has declared that nuclear deterrence will not be adversely affected by signing it. Indeed, given the country's dire economic straits, it would be suicidal for Pakistan to take the bait once again and plunge into a nuclear race with India.

(TFT Sep 03-09, 1999 Vol-XI No.27 — Editorial)

A dying economy

Last week Mr Ishaq Dar presented us with another rosy picture of the economy. The IMF is on board, he says, and new vistas of prosperity are opening up. He claims that the 15$ GST will not bite; that the defense budget has declined from 6% of GDP to 4.6%; that inflation is down to a record low of 5.7%; that forex reserves are more than satisfactory at US$ 1.59 billion; that rising imports mean the economy is picking up; etc. This mid-term economic picture is supposed to lift up our sinking hearts and persuade us to gird up for the next two and a half years of this stinking PML government.

Independent economic experts, however, paint an entirely dismal picture. The low inflation rate is a sign of a deep recession rather than economic prosperity. Worse, it could adversely affect the CBR's ambitious tax targets this year and lead to a yawning fiscal deficit again. Indeed, if the low revenue yield, which has led to a shrinking of the central divisible pool, should lead once again to a fall in grants to the provinces, especially Sindh and Balochistan, nationalist elements will say that central control of the finances is unfair and should come to an end.

Similarly, the GST will raise the price level by more than the percentage of the tax because it will give an opportunity to traders to raise their margins even as
they point an accusing finger at the government. It will also cut into exports, which have been stagnating for several years despite the yearly round of devaluations.

As for domestic investment, Ms Dar refrained from dishing out any figures because he knows the figures are very bad. Forget about foreign investment. Even Pakistani businessmen are not investing in their country. It seems everyone is waiting for Allah to intervene. And if the Supreme Court gives a verdict against bank interest then there will be no savings and no investment in Pakistan at all!

The new mini-budgets indicate the nature of the problem. The IMF’s US$ 280 million will not even make up for the US$ 350 million spent on Kargil. The 15% of GST on petrol will simply plug the gap of Rs 58 billion from falling surcharges. But if the international price of oil goes up from US$ 15 a barrel to US$ 21, the rupee will plunge from its very precarious perch against the dollar and all hell will break loose. But the PML is not worried. Its PTV publicists insist that we should beef up our nuclear programme in response to India’s recently announced "draft" Nuclear Doctrine. No wonder, Mr Dar has already warned ominously of the possibility of more taxes in the current year to buttress the defense budget. The prime minister has also announced a defense fund. But the peoples' patriotism may be in short supply when the private coffers of those who are asking them to make sacrifices are spilling over with the loot and plunder of many years.

Nothing looks very healthy about the national economy. The fact is that if the international community hadn’t bailed out Islamabad, we would have plunged into default. Forex reserves of US$ 1.5 billion dollar are artificially inflated because our loan repayments have been rescheduled and not because we have intrinsically improved our balance of trade or payments. About US$ 10 billion are due for payment of high-interest short-term debts which Mr Dar had hoped might be squeezed out of privatisation. But the Privatisation Commission has ground to a halt after selling bits and pieces of property under a cloud of ugly rumours. ITs Chairman says he is going to sell HBL and UBL in the coming six months, but few are prepared to believe him. Fewer still believe that he is going to be able to sell gas and electric utilities at favourable rates in the current fiscal year. For example, the telecom monopoly, which was worth US$ 12 billion in 1992, is only worth US$ 2 billion today.

If the first year of the PML in government yielded marginally meaningful statistics, the second year has negated all that by the PML's muscle-flexing on the foreign policy front. GDP growth has declined to below 2%, agriculture has tumbled to less than 1%, industry to 4.7% from 7.88% and commodities to 2.14% from 5.34%. The savings rate has gone down to the old low after picking up slightly in the first year. In these circumstances, the levying of additional taxes in an attempt to beef up the revenue base has come under criticism because the additional hardship is a creation of the PML. Instead of buckling down and creating a better environment for investment and growth, the government has taken the path of adventure. The "perks" for the politician in power continue to be high and foreign junkets have increased rather than decreased, while dozens of "private" citizens are ready to travel abroad once again to convince the world for the umpteenth time that our stand on Kashmir is right. The Ehtesab Commission, taking time off from its usual business, has taken on the Keynesian task of building 500,000 houses for the poor costing Rs 65 billion ultimately
before it fizzles out like Mr Mohammad Khan Junejo's 1987 housing scheme which lost Rs 1.2 billion!

In a period of high security peril brought on by the government in 1998, the economy has not responded to stimulants that would have worked in normal peaceful conditions. The Laffer Curve income tax cut remedy applied by Sartaj Aziz has not netted more revenue. The Keynesian injection now being given by the Ehtesab Commission will not pick up the building industry, and the poor will definitely not benefit from the houses being built from them. The banks, already over-stretched on the PM's loans to the unemployed, will find it difficult to remain attractive for privatisation, their infected portfolios having already swelled to Rs 225 billion.

The IMF is going along with Pakistan because the West has decided politically that it cannot allow Pakistan to become a "failed state" spreading terrorist chaos in the world. But international investors are staying away from it after Daewoo lost a billion dollars in the Motorway and the Yellow Cab Scheme, and the IPPs continue to languish in the limbo. Now that Ghous Ali Shah has stirred up things in Sindh and abductions for ransom targeting the multi-nationals are on the rise, this lack of trust will plunge further. Maulana Fazlur Rehman is swearing to kill foreigners on sight and is practically asserting personal sovereignty over the Northern Areas. The united opposition, unmindful of all this, is planning nation-wide agitation against the government. Under the circumstance, the chances are that the economy will go down further. And Mr Dar, along with his great leader, will not be able to rise from the ashes.

(TFT Sep 10-16, 1999 Vol-XI No.28 — Editorial)

A jehadi diaspora?

On August 28, during an open-session discussion of the Taliban offensive in the Panjsher Valley in Afghanistan, the UN Security Council heard complaints that "Pakistani troops were fighting alongside the Taliban". Pakistan's UN representative denied the charge but conceded that "some Pakistanis on their own may have crossed the border to fight along with the Taliban". This accusation came in the middle of similar charges leveled in the Moscow press regarding "Pakistanis who are taking part in the wahabi war against Dagestan", in Russia's North Caucasian region. The newspapers went so far as to even name the Pakistani commander who was training the Chechen-Avar rebels in the Caucasian mountains. This led, once again, to a swift denial from our ambassador in Moscow. A week later, a thousand "Islamic" guerrillas entered Kyrgyzstan from Tajikistan and took four Japanese workers hostage. Their aim was to enter Uzbekistan to fight the government of President Karimov and overthrow it. Interestingly, Kyrgyzstan was venue the same week to a CIS conference against "Islamic terrorism" in which China also participated.
All this seems to have happened in some kind of sequence. During the Kargil Operation, Pakistan was at pains to deny that its troops had taken part in the operations across the Line of Control. Our troops, we said, were in fact martyred by the Indians "on our side" of the LOC. Then India pulled off the high-seas capture of a North Korean ship allegedly carrying cases filled with Scud missile blue-prints meant for Pakistan "in return for Pakistan's bomb technology". Of course, Islamabad strongly denied that this was so.

Pakistan appears to be in a permanent mode of denial. Unfortunately, however, none of the permanent members of the Security Council, barring perhaps China's diplomatic posture, seem to be convinced of our innocence. Outside the Security Council, Japan is increasingly inclined to heed the accusations against Pakistan, especially after the North Korean ship episode engineered by India. And now China, wary of pan-Islamism and pan-Turkism in its neighbourhood, has been compelled to join ranks with the CIS leaders against the business of jehad.

Pakistan should be greatly concerned about its negative global image as a country which happily plays host to all sorts of jehadi organisations. With regard to the Kashmiri mujahideen, while we deny "official" participation, we do not deny their training inside Pakistan. Likewise we do not deny that the Taliban youth studying in Pakistani seminaries regularly cross back into Afghanistan to fight alongside the Taliban troops. Denial of "official" participation therefore does not rule out that the "unofficial" fighters actually train in Pakistan before going for jehad in the neighbouring states.

This, too, is not a good image to flog. In fact this image stands squarely between us and the international reaction to what is happening in South Asia. While we attach blame to poor diplomacy and publicity in Islamabad for the success of India's media campaign against Pakistan, the fact is that Pakistan needs to clean up the free-of-all jehadi environment at home if it wants the world to trust its word. No amount of verbal dueling will offset the basic weakness of our position.

A token move in this direction was discerned last week when a PML's spokesman said in Peshawar that "the government was seriously considering closing down training camps including those run for collection donations for the mujahideen". But the truth of the matter is that the bigger jehadi outfits openly publicise their training in Pakistan and their "adventures" in the neighbouring states. This Urdu journals have a big circulation and their "exploits" are given wide currency by the local press.

The policy of "plausible deniability" was born out of the Afghan war. It worked because it was backed by the US. But what was justified then because of the Soviet invasion is no longer justified today. The jehad in Afghanistan was followed by jehad in Kashmir. In fact, a long period of latitude to the militant groups infiltrating borders and lines of control freely has resulted in considerable diffusion of state authority. And there seems to be a veritable Pakistani jehadi diaspora in the lands adjacent to it. Leaders backed by their own militias threaten other states and issue warnings against foreigners. Increasingly they are also liable to threaten the legally constituted government of Pakistan when they see it acting in a manner hostile to their own warlike plans. Therefore some people in Islamabad fear that an effort to
"wind up" the internal jehadi activity may tilt Pakistan into an unacceptable Algeria-like crisis.

But this analysis is wrong. In Algeria, the FIS won the elections and was deprived of power. But in Pakistan an elected government is in place. What needs to be changed is Islamabad's policy towards the training and movement of militants. This needs to be done not only to improve Pakistan's image abroad but to strengthen Pakistan's own ability to firmly establish the writ of the Pakistani state. The sooner this realisation dawns on policy-makers in Islamabad, the better.

(TFT Sep 17-23, 1999 Vol-XI No.29 — Editorial)

Another farce in Kashmir

On September 5, another Lok Sabha election in India had to be held for six seats in Indian-Occupied Kashmir (IOK). This is what The Times of India said about it: 'The pitifully low turnout for Sunday's Lok Sabha polls in the Srinagar constituency of Jammu and Kashmir is a far more eloquent indicator of what the people of the Valley feel than the distribution of votes totted up by the candidates standing for elections".

Since the population of IOK mostly lives in the Valley, it doesn't matter that the turnout in Ladakh was 70%. Indeed, only 11.8% of the registered voters of IOK voted, including those who did so under the point of bayonet. This means that New Delhi has once again failed to prove that the people of Kashmir want to live in India.

Unfortunately, however, the Western powers whose support Pakistan needs to resolve the Kashmir dispute have been inclined to accept Indian claims about electoral results. Thus, in 1996, the West appeared "satisfied" by the 41% turnout "arranged" by the India security forces in IOK, thereby seeming to accept the Indian argument that the people of Kashmir were under duress from the "militants sent in by Pakistan" rather than from over 700,000 soldiers dispatched by India. The evidence of coercion by Indian forces was blithely ignored.

In the event, the Kashmiris voted with their feet in 1998 when the turnout dropped to 30%. But, once again, the UN Security Council ignored the fact that elections in the presence of a hostile and coercive Indian army could not be called "free". Therefore this time round the campaign of the All-Parties Hurriyat Conference (APHC) has been more effective, delivering a turnout that recalls the pre-1990 elections which the Indian commentators concurred in calling a "farce".

Nonetheless, the Indian "consensus" remains that "the Kashmiris don't vote because of the threat of the militants sent in by Pakistan". Therefore Indian political commentators refuse to accept the validity of the APHC's insistence that elections to the Lok Sabha are no longer a substitute for what the Kashmiris really want: the right to a decision on whether they want to stay with India or not. Regrettably, the
world press has concurred with the Indian view that "there are deep fissures in the APHC which is not a representative Kashmiri body".

Following the recent electoral farce, however, the world may be obliged to take a fresh look at what is really happening in IOK. The truth of the matter is that the APHC has succeeded in convincing the Kashmiris that the elections stage-managed by India are not for them. Thus it is no longer sufficient to register the Indian protest that the "electorate was intimidated by the secessionists". The high-water mark of "militancy" in Kashmir was 1993. After that there has been an internationally recognised downturn in it. By this measure, the turnout in IOK should have steadily climbed, but it has not, suggesting that IOK is irrevocably estranged from India. Furthermore, the strength of India's "security forces" in IOK has increased. The internationally recognised figure of Kashmiris killed by them in 20,000, although the figure quoted by APHC is double that. A report filed by a Washington Post reporter on the eve of the recent elections noted that no Kashmiri Muslim interviewed was inclined to vote in the polls. Almost everyone had had a close relative either killed or savagely tortured by Indian troops.

This is where the truth lies. Neither the "secessionist" APHC, nor the "militants sent in from Pakistan" are responsible for the decline in the turnout. It is the alienation of the people that is now sending out a strong message. The problem is that Pakistan has lost credibility in the world as a champion of Kashmiri rights. Its "moral support" line is no longer taken seriously after the Kargil Operation.

But the world has a "moral obligation" to defend a benighted people forced to defy an army they cannot defeat. That is why it is no longer enough to tell India and Pakistan to sit down and talk". Indeed, if international morality keeps on bending to accommodate India, it will tempt India to "supply" the final "solution" to the Kashmir dispute: kill the Kashmiris till no one is left to vice protest.

This is the kind of solution Milosevic tried in Kosovo and this is the solution sought by the Indonesian army in East Timor. But history shows that real solutions swept under the carpet for expediency come back to haunt the international system. And it should not be forgotten that even though Kashmir may be too distant and too tucked away in the mountains to destabilise the world, it has the potential to seriously destabilise South Asia in palpably new way, negating state sovereignties and state frontiers. Therefore the Security Council must think beyond its "bilateralising" strategies and grasp the nettle of Kashmir under the UN Charter without worrying whether the final solution favoured by the Kashmiris fails to fully please or appease both India and Pakistan.

(TFT Sep 24-30, 1999 Vol-XI No.30 — Editorial)

Optional leaders or policies?

Is some sort of "political change" in the air?
Despite growing differences within the ruling Muslim League, there are no "democratic" channels left for an "in-house" change. Nor is the 19-party Grand Democratic Alliance (GDA) in a position to dislodge the government quickly. It will require much more than a few impressive strikes or shrill rallies to achieve that end. Therefore if "change" is to come, good or bad, it must originate from the direction of GHQ or the PM's House.

The Niaz Naik episode has exploded the myth of "all is well" between the prime minister and the army chief. Denials notwithstanding, the fact is that Mr Naik made an explosive statement aimed at undermining the army high command. How a timid, highly circumspect retired bureaucrat like him could have done so is inexplicable, unless he did so at the behest of the prime minister at whose bidding Mr Naik has been secretly to-ing and fro-ing in recent times.

Now Washington has warned that it would strongly oppose a political intervention by the Pakistan army to oust the Sharif government. The cat is out of the bag. Clearly, MR Shahbaz Sharif was rushed to Washington with instructions to extract precisely such a statement because the contradiction between the civil and military authorities in Pakistan had assumed precipitous proportions.

How did Mr Sharif persuade Washington to come out so openly against an army intervention? What significance should be attached to this "warning"? What did Mr Sharif offer Washington "in exchange" for such critical support?

Too much ingenuity was not required to persuade Washington to back the Sharif cause. Step one was the "Naik brief": that the army high command was exclusively responsible for the Kargil "adventure". Step two: that the GDA was an alliance of "conservative or Islamic anti-American, anti-India elements" who were being egged on by similarly inclined "rogue officer" in the army to overthrow a "pro-West, moderate, democratically elected regime". Step three: that in the event of the ouster of the Sharif regime at the hand so this "unholy" alliance, many new Kargils and Osama bin Ladens would erupt in this nuclear tipped region, with far-reaching consequences. Step four: that since Islamabad had ordered the "withdrawal" from Kargil at the behest of Washington, it now deserved to be bailed out of a situation created by an angry public perception of its "surrender" in Washington. Step five: that Islamabad was now ready to append a conditional signature on the CTBT immediately provided some anti-sanction concessions could be made available through a quick passage of the Brown-back amendment.

The significance of the Washington statement is also clear. The Clinton administration will support any government in Pakistan so long as it fulfils certain basic conditions: sign the CTBT; reign in the country's nuclear and missile programme; start talking stabilisation policies with India; and stop the manufacture and export of Islamic fundamentalist jehads. Washington is disposed favourably towards the Sharif regime despite its undemocratic nature because it believes that the other "options" (GDA or army) are bigger non-starters in that direction. In other word, it is policies rather than leaders which attract Washington's favour or ire. Therefore an "opportunist" like Mr Sharif with whom one can do business is preferable to a principled "hawk" like Imran Khan or an anti-India, pro-jihad, pro-bomb conglomerate like the GDA. Indeed, Mr Sharif's "acceptability" in the US exists in
direct proportion to the unacceptable global views and policies of his detractors, whether in the political opposition or in the military.

The likelihood of a quick, conditional Pakistani signature on the CTBT is therefore quite high. MR Sharif will also continue to make all the right noises about restarting "talks" with the new government in India. Finally, he may be expected to purge the army high command in pursuit of this opportunist agenda. Despite all this, his survival is not assured.

Washington's support is ephemeral. It is here today, gone tomorrow. If some other Pakistani civil or military leadership demonstrates a better and more credible ability and willingness to do business with American while turning Pakistan around, the soul of democracy may be allowed to take a back seat to the form of it. Likewise, once the CTBT is behind Mr Sharif, his usefulness may be severely curtailed, especially if he seems to be sowing the long-term seeds of anti-Western Islamic fundamentalism by moving inexorably towards the enforcement of a "shariah" designed to make himself all-powerful. He cannot tame the fundamentalists by playing games with them. Nor can he change the ethos of the military overnight merely by making whimsical changes in its high command. Both will catch up with him sooner or later.

At this very critical juncture, Pakistan doesn't need unthinking political change for the sake of it. Indeed, if change is to be welcome at home and abroad, it must be for the right reasons. Indeed, it must reverse the order of economic and political development in a transparently wise and equitable manner. Anything less than that is doomed to failure on a grand scale.

(TFT Oct 1-7, 1999 Vol-XI No.31 — Editorial)

A season of exploding myths

The myth of "Made in Pakistan" was tagged to Prime Minister Nawaz Sharif by Goebbels wannabe Mushahid Hussain. It was meant to suggest that Mr Sharif would take "dictation" from no one because his policies and actions were based on "independent" criteria. That myth now lies shattered after the imprimatur received from Washington for the sake of the "legitimacy" of Mr Sharif's government. Mixed with these shards is the broken myth of the "heavy mandate" which PML publicists have never tired of trundling out whenever Mr Sharif's autocratic fiats are announced to the nation. But other myths nursed by the "experts" are also exploding in Mr Sharif's face.

The most misleading perception of Nawaz Sharif, promoted by "neutral" observers, was of a pragmatist grown out of his identity as a grand entrepreneur. Ms Bhutto, they said, postured as an intellectual who was unable to deal realistically with the establishment. But Sharif, they insisted, was an alliance maker who mended fences and avoided confrontation, something that a cruelly divided country in the
post-Zia era craved. They forgave him the fall in 1993 putting the blame on the Constitution which, they said, was programmed to subvert elected governments. But subsequent events have proved them wrong on all counts.

Our "pragmatic" prime minister was overwhelmed with a "heavy mandate" in 1997 and immediately set about remedying the situation. He got rid of Article 58-2(B) and was showered with plaudits. But then, inexplicably, he set about repeating the very mistakes that had prompted General Zia ul Haq to insert the restraining Article in the first place. He "sorted out" the judiciary and added insult to injury by physically assaulting its apex court. HE got rid of the president and appointed a Punjabi who was loyal only to the Sharif family and had no standing either in the country or his party. The party could only squirm because it was hamstrung by another constitutional amendment outlawing even honest intra-party dissent. The metamorphosis was complete. The pragmatic entrepreneur had changed into the autocrat That his supporters had always refused to acknowledge.

The myth that right wing Nawaz Sharif was better able to work "in harmony with the right wing army" was unpardonable because it never had any basis. Mr Sharif conspired with President Ghulam Ishaq Khan to get rid of COAS General Aslam Beg by nominating his successor far in advance. Then the successor, General Asif Nawaz, was given short shrift and died in office complaining of interference from the PM. The next COAS, General Waheed, had to show Mr Sharif the door in 1993. And, after coming to power in 1997, Mr Sharif's purges have included the cashiering of COAS General Jehangir Karamat. Finally, though the choice of General Pervez Musharraf was the next COAS was entirely his own less than a year ago, the new army chief is under pressure from Mr Sharif, and rumours are that the PM's next "pragmatic" coup will bring to the top another general of his "personal" liking. If that happens, Mr Sharif will have "been through" five Chiefs of Army Staff! So much for the army-friendly myth.

The myth was that Nawaz Sharif was a successful businessman who would bring his practical acumen to bear on the economy. But he economic disasters which have befallen Pakistan during MR Sharif’s stint are unprecedented. His first "practical" move was to persuade expatriate Pakistanis to send their dollars back. Those that did had their dollars confiscated in 1998 when he froze forex accounts. Then he went one-up on Ms Bhutto. She had been faulted for not employing an "expert" as her finance minister. Mr Sharif got rid of his expert finance minister Sartaj Aziz and gave the portfolio to another family loyalist, Ishaq Dar. He went further by insulting the Governor of the State Bank. Muhammad Yaqub, and then "taming" him to accept the revival of "pragmatic" schemes that had bled the banks while during his first tenure. Experts who had admired his business acumen now fear that his Rs 400 billion housing scheme will make the rupee disappear in the same way as his Yellow Cab and Motorway schemes did. The great entrepreneur has crashed the economy beyond repair.

Nawaz Sharif’s policy of normalisation with India was welcomed by all realists as a "practical" step. But anyone watching his media experts on PTV would have realised that it was just a ruse and doomed t backfire. Then he tested the nuclear device in 1998 and propagated the myth that Pakistan had now become "a nuclear power", equal not only to India but to the other nuclear powers seated in the UN
Security Council. Indeed, he argued that Pakistan had achieved "irreducible security" and could now develop economically without fear of any external mischief.

But this myth was also shattered when the great entrepreneur led Pakistan into a humiliating war with India. In the bargain, Pakistan is economically more broke than ever before. The begging-bowl which Mushahid Hussain said had been shattered has had to be polished, enlarged and extended to the IMF more slavishly than ever before.

The myth of the "great alliance-maker" has also taken a beating. Speeches written by Mr Sharif's favourite Urdu journalist promised us the Kalabagh Dam without consulting his allies in the NWFP and Sindh. The Kalabagh dam is gone forever, just like Kashmir after the great Kargil fiasco. ANP is now in the grand opposition alliance and Sindh is being ruled by a minion in tandem with a policeman famous for serving The Family; and Mr Sharif's erstwhile allies, the MQM, are also on the warpath. The "great alliance-maker" has lost all his old allies and is now reduced to making secret pacts with the sectarian clergy.

In fact, far from gathering a consensus around his "heavy mandate", Mr Sharif has been unable to hold his own party together. If Sindh and the NWFP are destabilised by a breakdown of old alliances, Punjab is threatened by a party split. His cabinet, rarely consulted on important decisions made in the PM's House, has been regaled to Tablighi sermons as compensation, foreshadowing the Shariat Bill that the cabinet fears will finally replace them. In September, the most faithful of Mr Sharif's various constituencies, the shopkeepers, joined ranks with the opposition and refused to pay the sales tax he thought would bridge the revenue gap created by his extravagant spending. Meanwhile, the industrialists who had put faith in his ability to manage their sector are hamstrung by his extremely variable policy decisions even as the stock market continues to totter.

Those who thought that Pakistan's problems were no insuperable and could be resolved through patient remedies must now focus on the personal disabilities of an autocrat who cannot help creating new crises. The last myth, that "there is no alternative to Nawaz Sharif", is now being put to the test for his apologists in and out of Pakistan. Having hounded the democrats to the wall, Mr Sharif now seeks to usurp the space of the Islamic fundamentalists so that he can claim to be all things to all men. It won't work. The myths have all exploded. The emperor has no clothes.

(TFT Oct 8-14, 1999 Vol-XI No.32 — Editorial)

State strategy and sectarianism

Pakistan has once again hit international headlines, this time for its sectarian mayhem. In the last few days, dozens of followers of various religious organisations as well as innocent citizens have been murdered. But the government, as usual,
seems confused about the identity of the perpetrators of the bloodbath. Punjab governor Zulfiqar Khosa who had done it"; Punjab chief minister Shehbaz Sharif has angrily pointed the finger at RAW; and federal interior minister Chaudhary Shujaat is double-minded -- he says that while the intelligence agencies don't have a clue, he personally believes that the assassins have come from Afghanistan! To top it all, a Shia senator in Islamabad had put the blame squarely on the usual, elusive 'agencies'.

The murders started in Punjab in September after the prime minister released the chief of the biggest sectarian Sunni party, Maulana Azam Tariq of the Sipah-i-Sahaba, following some sort of an 'understanding' between the two of them. But no one paid attention to this development even though the Shia party aligned to the PML, the Tehreek-i-Jafria Pakistan, lodged a strong protest. It is said that Mr Sharif staked Maulana Tariq's release on his promise to oppose the Grand Democratic Alliance agitating against the government.

However, as if one cue after three sectarian shia murders in Punjab, the killing fields have rapidly spread to Sindh and the NWFP. The intelligence agencies say that this is not a RAW operation, even though RAW may have been responsible for certain other acts of unexplained terrorism. Indeed, closer-to-home facts may be more relevant. The sectarian blood-letting is directly connected to the state's internal and external strategies. It may be recalled that General Zia ul Haq, aided and abetted by General Fazle Haq, tried to get rid of the Shias in Parachinar to facilitate their Afghan jihad. General Zia also encouraged the rise of sectarianism in Punjab so that, in due course, the demand for the apostatisation of the Shias arose from Punjab when the province became the centre of anti-Shia sentiment and much blood was spilled regularly, including the blood of Iranian diplomats.

Now the trail of blood is leading to Sindh and the NWFP. What was considered a Punjab problem has become an all-Pakistan crisis. Whether was like it or not, the "Sunni state" is willy-nilly in the process of cleansing its Shia population. Despite the government's pious declarations and the lack of involvement of the people of Pakistan, Shias are being killed because of the state's "strategic reflex". And the fact that the Shias have retaliated by killing Sunnis in Karachi who belonged to two sectarian outfits also involved in the Kashmir jihad suggests that the state's 'low-cost external option' is taking a heavy toll at home. Therefore, instead of knee-jerk answers, we must look at the strategic picture closely in order to get at the other face of the truth.

Pakistan is "supporting" two jehads in territories on its borders where the majority populations are Sunni. The mujahideen who enter these territories from Pakistan are exclusively Sunni, belonging to militias that have an anti-Shia dogma. On the other hand, and from the start, the Shia groups have stayed away from the jihad in Afghanistan and Kashmir -- the Hazaras of Afghanistan looking to Iran for their safety and the Shias of Kargil staying clear of the struggle. But in Pakistani cities, where the Shia-Sunni populations are less imbalanced, the sectarian war is popular and intense, instigated by the militias which also pose as the mujahideen. And in the three areas of balanced populations -- Jhang in Punjab, Gilgit, in the Northern Areas and Parachinar in the Tribal Areas -- the rise of the jehadi policy in Pakistan vis-a-vis Afghanistan and Kashmir has led to sinister consequences. Certain state agencies allow publication of
patently anti-Shia articles in the national press which also warn against the setting up of a 'new pro-American' province in Gilgit-Baltistan. Therefore, when the jehadi militias become hostile to the government in power, it is the latter which is forced to 'remove the misunderstandings'. Governments are also inclined to take steps without thinking of the consequences: Benazir Bhutto unwittingly chose to back the Pakistan-supported mujahideen who were intensely anti-Shia; and Nawaz Sharif has freed sectarian Sunni leader Azam Tariq of Jhang from jail while kicking Shia minister Abida Husain from Jhang out of his cabinet.

The tilt of the state in favour of jehad actually means the arming of the Sunni fanatics against the Shias. But when the Shias arm themselves in defence, they are immediately branded as "sectarian" and disarmed through appropriate police operations. The state is thus seen as taking sides in the sectarian war. This is a very dangerous perception. The Shia population is very large, the Shias are found in all the institutions of the state, including the armed forces, and they occupy important professional positions in civil society. But, barring the Shia organisations which have spawned in reaction to Sunni fanaticism, the Shias are non-sectarian and unconnected with Iran's regional strategy. Unfortunately, however, the sectarian elimination of the Shias is gradually sowing the seeds in the Shia community of a subconscious reaction and inclination to become a separate 'nation' within Pakistan.

Pakistan's regional strategy has also brought it into collision with Iran. It is Pakistan's Sunni-centric policy that renders it helpless in the face of the compulsion for policy-change in Kashmir, Central Asia and Afghanistan. The Shia of the region can no longer communicate with it. The moderate Muslims of Central Asia have been forced to lean towards Iran and India. Pakistan's biggest reversal has actually been brought on by this brand of politics. India is consulting with the US on the fanaticism of the Taliban whose anti-Shia politics actually unfolds in Pakistan; Iran is consulting with India on the terrorism that emanates from the seminaries of Pakistan; and China is inclined to consult with India, Russia, Iran and the US to rein in the Sunni terror 'blowback' reaching it in the province of Sinkiang. Now Russia is consulting with the US on the Sunni-Islamic terrorism in Chechnya and Dagestan.

The killing fields of sectarianism in Pakistan actually reflect a strategy that has become obsolete over the years, causing extreme isolationism. The burden of this isolation is now falling on the people of Pakistan. The establishment is no longer able to junk this obsolescence because its 'experts' have acquired partisan vested interests not only for themselves but also for their Sunni seminaries. In exchange, the seminaries continue to prepare the ground for the strategy of jehad within civil society, thus building up an irresistible pressure on the politicians. Therefore everybody in Pakistan seems to be committed to a strategy that increases Pakistan's isolation and brings it diplomatic reversals.

Is Pakistan condemned to creating new nations within itself because of its rigid strategies? Has it progressed unthinkingly in the direction of creating a Sunni state on top of a mixed population? The Shias were the first to rebel when Zakat was imposed by General Zia as a device of self-legitimisation. This was the most thoughtless step taken by the dictator which his successors have adopted as an article of faith. The non-Muslims were also reduced to a nation of 'zimmis' through
the introduction of separate electorates, which helped produced the demand among Sunni extremists for the apostatisation of the Shias. The state also nurtured the muhajirs of Karachi into a new 'nation' but was offended when they demanded their own homeland within Pakistan. And so on.

The killing of the Shias in Pakistan is an unwitting progression of the state towards the spawning of a new disaffected 'nation'. The tragedy is that there is little ability within the establishment and among the politicians to grasp the danger and change the strategy of the state to save it from imploding under the weight of its own ideological rigidity.

An institutional reform within the state is a Herculean task and may not be within the capacity of any government. But a gradual and sensitive change of the grand strategy of the state that has brought about the present state of affairs remains possible. For starters, the government can implement the Supreme Curt decision on Zakat to remove the 'distance' which has been created over the years between the two religious communities. Islamabad can also make a gradual advance on the Afghan and India fronts vis-a-vis policies started by prime minister Nawaz Sharif in 1997, now bogged down after the Kargil crisis. Indeed, if an ISI general can make an objective analysis of the national situation in Washington, why can't the same general help the government in overcoming the negative effects of the old cold-war 'grand strategy'?