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Pakistan's perfect storm

With Imran Khan's ouster, an economy weakened by Covid-19 and climate change, and increasing terrorist attacks, Pakistan's democracy is on the brink

Roadblocks, tear gas, more than 1,000 arrests: At the end of May, in the country's capital, tens of thousands of Pakistanis protested Prime Minister Imran Khan's removal. Once again, the South Asian country finds itself in crisis mode. Just in late March, there was cause for celebration when the government closed the national Covid-19 crisis centre because of low case numbers and a high rate of vaccination.

Although affected by the pandemic, Pakistan rode it out better than many other countries. But now, instead of '*Freedom Day*' festivities, Pakistan's leadership is being bitterly contested, economic prospects are bleak, and extremist violence is on the rise. Political instability, a weakened economy, and terrorism are creating a perfect storm, further weakening Pakistan's fragile democracy.

The first political thunderstorm hit on 10 April 2022 when, after a two weeks long struggle, the day ended with the National Assembly voting to oust Premier Imran Khan. Since then, Pakistani politics have been particularly tumultuous.

Imran Khan's promise

Imran Khan was elected in 2018 on a promise to end the country's endemic corruption, nepotism, and economic stagnation. The charismatic former cricket star's nationalistic populism won over many voters disenchanted with the political dynasties that make up Pakistan's large PML-N and PPP parties.

However, three years later, Khan had nothing to show: There was no revival, and Khan's own party, the PTI, also stood for corruption and cronyism. External influences, along with bad decisions and mismanagement, had damaged the economy. When Khan made a controversial decision regarding an appointment in the army's leadership,

it cost him the support of its top brass, and his days as prime minister were numbered. The PML-N, PPP, and smaller parties elected Shehbaz Sharif, brother of former Prime Minister Nawaz Sharif, putting the old elites back at the helm.

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But Khan is by no means defeated. Even before his involuntary departure, he had begun to rally supporters and the PTI announced that a 'freedom march' beginning on 25 May would converge on Islamabad. Khan threatened to keep his supporters in the streets of the capital until new elections were held. Just like in 2014, when the PTI was in the opposition and more than 100,000 people marched to Islamabad and occupied its central squares for 126 days, he cleverly played the populist game.

The West's bad reputation

The US-led wars in Iraq and Afghanistan consolidated the already negative view many Pakistanis had of the West: They readily believe when Khan claims the West conspired to overthrow his government. He insists that the new government 'imported' from the West is illegitimate and must be removed by all means. At mass demonstrations across the country, Khan and his supporters attack the legitimacy of the no-confidence vote and the Supreme Court. They even dare to criticise the military now.

In anticipation of the freedom march, which organisers said would draw more than 100,000 participants while security forces estimated later tens of thousands, access to Islamabad was blocked. Adding to the tension, numerous PTI leaders were arrested. Without the military establishment's backing, Khan's showdown with the government didn't go well for him. For now, he seems to have lost some momentum but given the overall fragility of the situation he can still create political chaos that will further destabilise Pakistan's democracy and economy.

Concerns about violent discontent are growing in Islamabad. Although Shebaz Sherif is regarded as a man of action, he inherited a disastrous economic situation from the previous government and has his hands full trying to keep Pakistan financially afloat. National debt has exploded in recent years, the budget has huge gaps and the central bank's currency reserves have shrunk to under $10bn. With 10 per cent inflation and the exchange rate of the Pakistani rupee continuing to fall to new lows, basic foodstuffs, gas, and petrol are becoming increasingly unaffordable for

many, especially poorer families.

The economy's weakeness

Although the Covid-19 pandemic and heat waves caused by climate change are partly to blame for Pakistan's poor economic situation, the economy suffers most from serious structural weaknesses. With a few exceptions such as the textile industry, Pakistan is hardly integrated into global supply chains. Antiquated farming methods and water scarcity keep the important agricultural economic sector well below its potential. Instead of helping the ailing educational system, scarce public funds are used to satisfy the ruling elite's economic interests. As a result, Pakistan is becoming economically dependent on foreign donors and its fast-growing population lacks jobs and good prospects.

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Prime Minister Sharif has pledged improvements, but real change requires a strong government with a clear mandate from the electorate to institute far-reaching economic, political, and societal reforms. The shaky alliance of the PML-N and PPP that emerged from the vote of no confidence in Khan is unlikely to last because the parties' rifts and their leaders' mutual dislike are too deep.

New elections are likely to be held before those scheduled for autumn 2023. But they cost time and money – both of which are in short supply in Pakistan. There are worrying parallels between Pakistan and Sri Lanka, where similar conditions recently caused this century's first Asian state bankruptcy and massive social protest.

Pakistan's security threat

Pakistan's rapidly deteriorating security situation and political and economic turmoil are combining to create a perfect storm *despite* successful military offensives that significantly improved the security situation since 2014. The Taliban's return to power in Afghanistan changed all that, encouraging the Pakistani Taliban, the TTP, and the Afghan-Pakistani branch of IS.

In March, IS pulled off the biggest terrorist attack on a Shiite mosque in Peshawar in years. Pakistani security authorities are growing more and more nervous that extremists – particularly the TTP – could exploit the volatile domestic political situation. Just last year, Islamabad was hoping

that good relations with the Taliban in Kabul would help moderate the TTP.

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Instead, the Pakistani Taliban are suspected of planning attacks from Afghanistan to which Pakistan has reportedly responded with airstrikes inside the neighbouring country. A recently announced truce between the Pakistani government and the TTP brokered by Kabul seems all but reliable.

Help from abroad

Where can the new Pakistani government find help? China has been its most important partner for many years. In the long term, the gigantic China-Pakistan Economic Corridor infrastructure project should put Pakistan's economy on its feet. But the implementation of many projects is faltering and encountering fierce resistance in strongly affected areas.

The two countries' decades-old relations is a sign that even in hard times, China will remain Pakistan's key strategic partner. However, Pakistan's needs have become so great that Beijing alone cannot (or will not) relieve them. Early this year, Imran Khan was pinning his hopes on Russia. Energy-starved Pakistan is a likely customer for cheap Russian gas and oil. Moscow appreciated Pakistan's abstention from the UN General Assembly resolution demanding that Russia end its offensive in Ukraine as well as Khan's official visit to Vladimir Putin the day of the invasion.

But Pakistan's military establishment, which has lots of ties to the US, did not approve and countered Khan's overtures to Russia by condemning its war of aggression after Khan was ousted. Given the political and economic consequences of the war in Ukraine, Pakistan's hopes that cooperating with Russia will be an economic game changer now seem overly optimistic. The new government is setting different priorities. Foreign Minister Bilawal Bhutto Zardari's first trip abroad was to the United Nations in New York, where he met his American counterpart Antony Blinken for bilateral talks in a decidedly friendly atmosphere.

Even if the war in Ukraine is focusing most of the West's attention on Central and Eastern Europe, future geopolitical conflicts will be fought in Asia. With its three nuclear powers – China, Pakistan, and India – South Asia occupies a key position in the Asia-Pacific strategies of the European Union. For that reason, it is in the West's own interest to do

everything it can to help Pakistan's tottering democracy – for all its failings and shortcomings – weather its perfect storm.



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