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Pakistan

# Imran Khan's Pyrrhic Victory

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## Description:

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However, it's not only due to the manipulations and intimidations of the deep state's pre-poll rigging that the PML and other parties lost the elections. There was a genuine PTI vote bank, based on disillusioned youth suffering from the curse of unemployment and social neglect. Imran Khan's main political rhetoric has been to 'end corruption' - something that he portrays as the fundamental cause of all the ills affecting Pakistan. He has used it to create hatred against his obscenely wealthy rivals within the ruling class - targeting only the Sharif clan.

And yet there is no dearth of billionaires, corrupt land grabbers and Mafiosi in his own party, the PTI. With the full involvement of the corrupt barons of the corporate media linked to the bosses of Gig economy, the media stirred a malicious campaign against the Sharif and his meteorically rising daughter Maryam. Those sections of the deep state that Nawaz Sharif had dared to defy backed his campaign with a vengeance. This discourse was also intended to push into political oblivion those seething issues tormenting the masses, from poverty to unemployment and from deprivation to lack of health care and education. It was an elections campaign sans the real issues. The reality is that with two-thirds of Pakistan's economy operating as a "gig" or black economy, corruption is an indispensable ingredient of Pakistan's economic existence; Pakistani capitalism survives and breeds on corruption. It's the main component of the buffer that protects it from total collapse.

Although the PML (N) government did largely end the traumatising power blackouts and carried out several reforms, the limitations of Pakistan's debt-ridden capitalist economy and the rottenness of the system could not bring any significant development or prosperity for the masses. When the repression came the PML's dynastic leadership seemed to be divided on what line of action to take. Nawaz and Maryam were using a radical rhetoric of defiance but were very careful not to touch on the class question, as they were themselves ultimately representatives of the bourgeoisie and were unwilling to infringe their class base by raising the class contradictions. At the same time, Nawaz's heir and younger brother Shahbaz wanted to reach some sort of a deal with the military. Being at the helm of the party, with Nawaz and Maryam incarcerated he actually put in jeopardy the mass procession in Lahore to welcome and support of Sharif and Maryam against their conviction, which many people thought was an act of revenge for their defiance of the powers that be. Shahbaz wanted to play the 'development' card - something that didn't have much appeal, since the lives of ordinary people under the shadows of the huge monuments he had built in Lahore didn't bring them much relief from the miseries inflicted under capitalist rule. Similarly, Nawaz Sharif's narrative of the "sanctity of the vote" and "democracy" didn't fire much mass enthusiasm amongst the oppressed classes.

The uneven and fragile growth in the last five years brought more social discontent rather than any satisfaction or improvement in the conditions of the oppressed masses in the country. Imran Khan's victory is analogous with the wave of right-wing populism that we are witnessing worldwide, from the electoral triumphs of Duarte in the Philippines, Donald Trump in the USA, and to a certain extent the emergence of Narendra Modi in India, Erdogan in

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Turkey, Orban in Hungary and similar demagogues playing on the deprivations and grievances of the masses with their populist rhetoric promising development and an end to corruption. Imran Khan also whipped up support using anti-India rhetoric and Pakistani chauvinism to appeal the reactionary sentiments of the frustrated petty-bourgeois youth, the middle class and primitive sections of the population. He also combined a queer hybrid of liberalism and Islamic fundamentalist rhetoric to reach sections of these strata of society.

However, now the chickens have come home to roost. The achievement of Imran Khan's desperate yearning to be prime minister is just days away. The PTI is a right-wing bourgeois, or rather a "lumpen-bourgeois" party, with a social base in the liberal and religious petit bourgeois and a leader who has strong Bonapartist tendencies, in some ways more right-wing than the current PML(N)'s Sharif/ Maryam faction. His ideology is an amalgamation of contradictions; no one has yet defined what it really is.

After his victory in Wednesday's election, Khan made a televised address which was a sort of rehearsal for his inaugural speech as prime minister. Once in office he vowed to improve the lives of the poor, fight corruption, plant ten billion trees, issue health and education cards, create ten million jobs in the next five years, build half a million houses... and several other tall promises. Even if all these were ever fulfilled, they will fall far short of the needs of society, considering the existing levels of deprivation. The macro-economy is in a catastrophic state. There is no new plan to fix it apart from the age-old solution of borrowing from imperialist financial institutions. One of the first challenges he'll need to tackle is easing a foreign-reserves crunch. The country's buffers have been steadily dwindling as a result of surging imports and debt, forcing the central bank to devalue the currency four times since December. All of that comes against a global backdrop of higher oil prices, trade war tensions and an emerging-market sell-off. Asad Umar, the PTI's shadow finance minister, says no option will be ruled out as a way out of a severe economic crisis, including knocking on the doors of the International Monetary Fund (IMF). Pakistan's reserves have dropped at the fastest rate in Asia to \$9.1 billion, according to data compiled by Bloomberg. Reserves are now below the level reached when the country approached the IMF for a bailout on the last two occasions. Bloomberg wrote

<<https://www.bloomberg.com/news/articles/2018-07-26/an-economic-crisis-awaits-pakistan-s-new-leader-imran-khan>> : "The IMF will not be that easy this time around. Lots of structural reforms were delayed or not done last time. They will be much tougher in the enforcement process, whether it's privatization program, revamping the tax infrastructure, or widening the tax net. It's not going to be easy on the ground level." The economy is already expected to slow down for the first time in six years to 5.2 per cent or even less this year.

Like most populists, Imran Khan's 'easy' solution to raise finances is to increase the tax base. While Pakistan has increased its tax-to-GDP ratio in recent years to 12.5 per cent in the year through June, that's still among the lowest in Asia and globally. Most of the government's tax revenue comes from indirect levies, and there's a huge pool of untaxed money that can be tapped in real estate and savings instruments, as well as non-declaration of income. Pakistan's bourgeois cannot exist as such if they pay their taxes and stop plundering the exchequer. Foreign investors only bring in their money on harsh conditions, including tax reliefs on their profits and their smooth and unhindered transfers to their headquarters. That leaves almost no room for the PTI government to raise the funds needed to pay the interest on loans and reduce the deficits in the trade, budget and fiscal sectors. In fact, Pakistan faces a mammoth task in this fiscal year alone: to arrange around \$11 billion to fill its external financing gap. The deficit is higher than Pakistan's gross official foreign currency reserves, which currently stand at \$9 billion. Experts say that even the IMF cannot fill this gap. Its last bailout in 2013 brought Pakistan over \$6 billion spread across three years.

The Ministry of Finance, the IMF and independent economists have assessed Pakistan's gross external financing needs for 2018-19 to fall in the range of \$23 billion to \$28 billion. In any case, it will not be that easy to seek an IMF package. The lender will impose certain politically unpopular actions, including privatisation of state-owned enterprises, severe cuts, price hikes through indirect taxation and other stringent austerity measures that will squeeze the working classes and play havoc with the lives of the already impoverished masses.

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With this level of dependence on the IMF and other imperialist institutions, Imran Khan won't have much say in economic affairs. The IMF will call the shots, and this government will have no option but to carry out imperialist demands that will have drastic impacts on society. Like all its predecessors, the PTI government will not be able to touch the largest chunk of the country's GDP: imperialist (Western or Eastern) debt servicing. Similarly, it would be considered a sin to even think of cutting military expenditure. More than two-thirds of the budget is spent on these two sectors, while the rest is mostly spent on the functioning of the state. The funds raised by turning government rest houses into hotels and other tourism projects will not be able to raise even a trickle towards the massive debts and deficits that have to be paid back and filled. As for health and education, it will yet again be the private sector that will suck the blood of poor patients and parents, as neither the system's ideology nor its near-bankrupt financial condition have much to offer in terms of human development. Imran's assertion of turning the prime minister and Governor's houses into public places is cheap gimmickry borrowed from Gandhi and other Indian elite politicians. It will not solve any of the agonising problems inflicted upon the masses.

Imran may be the blue-eyed boy of his country's masters, but still he will not be allowed to dabble in the domain of foreign affairs or security issues. His powers will be no greater than those of Sharif or any previous civilian prime ministers. Despite his macho imaging, he will remain subservient to the state in all the crucial policies of the country, including relations with India. His utopian promises will soon be exposed, and his honeymoon period could be much shorter than he envisages. The current crisis will only worsen, exacerbating the problems of the economy and the resulting social and political turbulence.

Illusions in Imran Khan's 'new Pakistan' will inevitably evaporate much sooner than most experts think. There is no room for any reforms that will improve the plight of the masses. The astrologers' predictions so dear to Imran will fail as the excruciating material conditions of life sweep away superstition, and the socio-economic contradictions will explode, creating even greater instability and turmoil. However, the reality of Imran Khan's 'change' can prove a qualitative breaking point for social consciousness.

Lenin described this controlled democracy long ago when he wrote; "Bourgeois democracy is the democracy of pompous phrases, solemn words, exuberant promises and the high-sounding slogans of freedom and equality. But, in fact, it screens the non-freedom and inferiority of women, the non-freedom and inferiority of the toilers and exploited." The masses of Pakistan have voted in this moneyed democracy so many times and yet their plight only worsened. Now a time is coming when these working classes will, in Lenin's words, "vote with their feet." The oppressed classes shall enter the arena of history, not to change the faces or methods of governance but to challenge and overthrow this obsolete and inhuman capitalist system through a revolutionary insurrection.

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