

Political instability continues as Pakistan cobbles together a pro-austerity minority government

Sampath Perera
15 March 2024

Pakistan's ruling elite has now cobbled together a minority government led by the Muslim League-Nawaz (PML-N) with Shehbaz Sharif as its prime minister. This follows weeks of political instability after elections in February, which were manipulated and rigged on the orders of the military high command to prevent the party of jailed former Prime Minister Imran Khan from emerging victorious.

The new government of the world's fifth-most populous country will be called upon to enforce vicious austerity on the orders of the International Monetary Fund (IMF), which is dominated by US imperialism and global capital.

With reason, it is widely described as “weak,” “unstable” and “unpopular.”

Sharif's 19-member cabinet was sworn in last Monday, but his government's primary agenda is predetermined. It will continue and expand IMF-dictated austerity policies and capitalist restructuring (privatization, deregulation etc.). This program is the same one as that the previous coalition government headed by Shehbaz Sharif implemented during its 16 months in office from April 2022-August 2023 and which was intensified under the caretaker administration appointed to “oversee” the general elections.

The entire establishment is committed to the IMF diktats. However, deep divisions exist over how best to implement the politically explosive reforms. The government is also expected to maintain a servile relationship with the US-backed military, especially in relation to the country's foreign and security policies. Pakistan has been ruled for nearly half of its existence by the military and in recent years, with Pakistan facing an intersecting cascade of economic, political and geopolitical crises, it has increasingly bullied and dominated the civilian government.

Under pressure from Washington, the military deemed Imran Khan and his Tehreek-i-Insaf (PTI) party unsuitable for holding office as early as 2022 and organized the downfall of their government via a parliamentary non-confidence vote.

However, blatant widespread interference by government agencies and the military in the Feb. 8 vote aimed at preventing the PTI from returning to office, including denying it the right to stand candidates in its own name, badly backfired. The PML-N and the Pakistan People's Party (PPP)—the two traditional parties of the Pakistani establishment and the principal components of the coalition that succeeded Imran Khan's government—won 73 and 54 seats respectively. Meanwhile, PTI-backed “independent” candidates emerged as the strongest group, winning 93 out of the 266 National Assembly constituencies.

Despite this rebuke, the military persisted in demanding a government that excludes the PTI. Army Chief Gen Syed Asim Munir rejected the popular vote and communicated the military's own demand to the Islamabad political elite. “The nation needs stable hands and a healing touch to move on from the politics of anarchy and polarisation,” Munir said in a statement, essentially declaring any form of participation by the PTI in the government as unacceptable to the military.

In his statement, Munir referred to nationwide protests by PTI supporters against the seizing of Khan by paramilitary forces during a court appearance last year. The protests included the storming of a handful of military installations and the residence of at least one senior officer.

The generals played a crucial role in Khan's own ascendancy to government office in 2018. However, they had a falling out over his backtracking on some IMF-dictated energy subsidy cuts in the face of widespread popular protests and, most importantly, his defiance of Washington at the outset of the Ukraine War.

Underscoring Washington's involvement in the behind-the-scenes wrangling to form a new government, PPP chairman Bilawal Bhutto-Zardari was summoned to Islamabad to meet with US Ambassador to Pakistan, Donald Blome. As the Islamabad elite was struggling to stomach the “shock election,” the emissary from Washington was discussing “federal government's formation” with the former foreign minister in the previous Shehbaz Sharif-led government, according to a Feb. 12 *Dawn* report.

However, those most involved in stitching the new government together were eager to keep their distance from it in the end. Nawaz Sharif, the three-time prime minister and dynastic leader of the big-business PML-N, arrived in Pakistan in October ending four years of self-imposed exile in London and ran as his party's much-touted prime ministerial candidate. The top judges in Pakistan set aside all previous convictions in various corruption cases so as to make him eligible for the office even as they were delivering one verdict after another against Khan and the PTI. Post-election, however, the elder Sharif anointed his younger brother Shehbaz as prime minister of what may prove to be a short-lived government.

The PPP, without whose support the government could not survive, has refused to join Shehbaz Sharif's cabinet. It has also reserved the right to support the government only on a case-by-case basis. This is an obvious attempt to detach its name from the socially devastating and politically disastrous policies the government will inevitably implement. In exchange for supporting the coalition, however, the

PPP's boss, Asif Ali Zardari, a notoriously corrupt political conspirator, was installed as the country's president.

Powerful sections of the Islamabad elite recognize that the new army-installed government is viewed by huge swathes of the population as illegitimate. The thoroughly anti-democratic measures deployed against the PTI provoked widespread public outrage and mass protests.

The latest of these measures was the Election Commission's refusal to award any of some 70 National Assembly seats "reserved" for women and "religious minorities" and distributed on the basis of the respective parties' seat-share to the PTI, thereby weakening its position in opposition. The PTI-elected independents had joined another party, the Islamist Sunni Ittehad Council (SIC), which according to precedent should have allowed for PTI supporters to be nominated under the SIC's banner. But the Election Commission ruled 4-1 to disallow this on the grounds the SIC had not submitted a list of candidates for the reserved seats prior to the election.

The ruling elite is worried by the fact that the PTI, which has cultivated an image as a party of "outsiders," will posture as an opponent of IMF austerity. No matter that when in office it served as a pliant instrument of the IMF and the frontbenches of the Imran Khan-led government were filled with leading lights of General Pervez Musharraf's US-backed dictatorial regime.

There is no question that Khan and his the PTI were the electoral beneficiaries of widespread popular sympathy due to their arbitrary persecution by the military and the courts.

However, the Feb. 8 vote was above all an expression of anger and opposition to the military's vast power and reach and to the traditional ruling establishment as a whole. It was this that allowed Khan, a former cricket star, to rally support far beyond his traditional base in the urban professional middle class.

Using an eclectic mixture of messages, Khan has demagogically presented himself as an opponent of austerity and US imperialism and its wars, which have ravaged neighbouring Afghanistan and subjected millions in Pakistan's tribal regions to years of drone surveillance and strikes. Yet, he has indicated time and again his willingness to patch up relations with Washington and above all to accept the military's dominant role in Pakistan's politics and government. His government implemented two rounds of some of the harshest IMF austerity in the country's history, leading to a substantial erosion of his popular support prior to his ouster from office.

The new government assumes office amid an unprecedented and protracted social crisis produced by years of austerity policies, privatization and economic reforms leading to a horrendous economic situation. The crisis is compounded by climate-change-induced natural disasters and the ruinous mishandling of the global COVID-19 pandemic. Conservative World Bank estimates place 40 percent of Pakistan's population below the poverty line. The cost of basic necessities has skyrocketed as a result of protracted high inflation in the last two years. Prices are continuing to rise at an annual rate of 34 percent.

Sharif appointed political outsider Muhammad Aurangzeb as finance minister. He resigned as CEO from Pakistan's largest private bank, the Habib Bank, to assume the position. Aurangzeb, also the former CEO of JP Morgan's Asia Corp, is leading a 4-day review with the IMF that began on Thursday to secure the release of the last tranche of a \$3 billion emergency loan program.

Although he was selected for the finance post because of his close ties to global capital, Aurangzeb was given a dressing down by IMF

officials for presenting it with a document that claimed, Pakistan "has met all structural benchmarks, qualitative performance criteria and indicative targets for successful completion of the IMF review."

Aurangzeb announced on Tuesday that Pakistan will use the review to start negotiations for another loan of \$6 billion or more from the IMF. In a statement communicating the IMF board decision to release the previous tranche of the loan, it indicated the type of conditions that will be attached. It asked for "broad-based reforms to improve the fiscal framework," that is reduce social spending and drive up tax revenue, and "cost-side power sector reforms." The latter is a euphemism for the gutting of subsidies and other steps to make the sector "profitable."

It is also insisting on a "market-determined exchange rate" so as to ensure the full cost of the Pakistan rupee's erosion is immediately borne by the poverty-stricken masses. Pakistan's currency was the worst performing in Asia last year. A new loan will inevitably involve draconian reforms connected with these measures leading to a further impoverishment of the people.

In response to a question from *Dawn*, the US State Department urged "Pakistan to continue working with the IMF and other international financial institutions to implement long-overdue macroeconomic reforms," it reported on March 8. Given Washington's dominant position in the IMF, its endorsement is critical for Pakistan to secure another loan facility.

The revival of the badly frayed Pakistani-US relationship after Imran Khan's ouster in 2022 was almost certainly bound up with Islamabad supplying weapons to Ukraine via a back channel. But as Washington prepares for war with Iran to consolidate its dominance in the Middle East, Islamabad will also come under pressure to take an increasingly confrontational stance towards Tehran, on issues ranging from trade to cross-border security.

Islamabad's capitalist elite is well aware that there is overwhelming opposition among the population to the imperialist-backed genocide in Gaza and widespread recognition that this crime is only possible due to US imperialism's active role in it. This is adding fuel to the fire of the longstanding anti-imperialist sentiments of the population. There is no sign of a let up in the compounded crises Pakistan is facing. Rather, the fragile government is on a collision course with the masses, whose genuine democratic and egalitarian aspirations place them in irreconcilable opposition to the coalition's subservience to the IMF. The government will embrace ever-more authoritarian forms of rule as it seeks to ram through another austerity program, while conceding more say and power to the military to secure its continued support.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact