**Challenges Before the Interim Government**

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Pakistan is in the hands of the interim government (called the caretaker government). Days assigned to it constitutionally are ninety. Nevertheless, the Election Commission of Pakistan (ECP) has announced to consume four months for the delimitation of electoral constituencies.

By the constitutional mandate, the ECP can declare a growth in the number of voters in any electoral constituency and distribute the voters amongst adjacent constituencies to balance the population figure in each constituency, but the ECP cannot create new electoral constituencies, as this act requires a constitutional amendment by an elected parliament. Moreover, the announcement of the ECP indicates that the polling days would be in February next year.

February 2024 is relevant because in March, the third tranche of the International Monetary Fund (IMF) will be due and that for the newly elected government. It seems that more than the command of the Constitution, Pakistan is now abiding by the IMF in letter and spirit. This is called economic expediency.

The tenure of the interim government from mid-August 2023 to the end of February 2024 is not going to smooth. Hiccups and slips are plentiful. On the internal front, the foremost challenge would be to raise the price of electricity and gas without inviting the ire of people. One thing is sure, inflation is about to turn into hyperinflation.

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The challenge is to manage the circular debt in the sectors of power and gas. The debt was around Rs 2.6 trillion and Rs 1.1 trillion respectively at the end of the fiscal year 2023. It simply means that a massive increase in the tariff of both electricity and gas would be witnessed by December this year. It also means that the Pakistanis have to review their habit of luxurious spending of energy, which is mostly produced by imported oil. It also means that the houses which are metered would be paying for those houses which thrive on pilferage. The interim government may have to think of rationing, besides limiting the supply of both electricity and gas. The expected result would be a public outcry: the interim government would do the dirty job.

In the realm of economic survival, the associated challenge is servicing staggering foreign debt amounting to around $2 billion per month for next three years. With each rise in the dollar, the debt is increasing. Even the word “austerity” is a lesser one to meet the challenge. Whereas the country is refusing to reduce its expenditures, tax payers are declining to pay extra taxes. This is a turf war. Moreover, Pakistan’s refusal to be an export-oriented country has added insult to injury. People’s spending habit has made Pakistan overwhelmingly an import-oriented consumer economy, which depletes foreign reserves, making the dollar rise and the rupee fall further.

For mere sustenance, though the support of black economy is available, most Pakistanis still revel in the delusion that the country’s war strategy may somehow build the country’s war economy on the pedestal of the US dollar. This is no more the case. No free lunch is available. The dollar era is over. Windfall now avoids Pakistan. To spend, Pakistan has to earn. This point simply means that the interim government may resort to privatizing national assets including the services sector to earn some money. This would be the beginning of national privatization. A country, which is reluctant to reduce its expenditures and which lacks ability to enhance earning, finds no recourse left other than selling its assets. The country would have to do away with its sovereignty, though gradually. But who cares! Certainly, the interim government would take tough trenchant decisions which an elected government loath to take.

To the interim government, the seething external front would be the next challenge. Pakistan’s relations with the United States (US) deteriorated when the then prime minister of Pakistan visited Russia to buy cheap oil but ended up with giving the impression that Pakistan favoured the Russian invasion of Ukraine on February 24, 2022. Driven by the domestic pressure to reduce oil-price and the resultant inflation, Pakistan’s delegation had selected a wrong occasion, which proved divisive, both internally and externally. The conclusion remained that Pakistan could not rescind the sphere of influence of the US, though Pakistan was disregardful of the wishes of Europe.

The interim government is the period of exposing soft belly. This is known to those who are making their presence felt through terrorist activities in Pakistan’s western half. After May 9, Pakistan’s political unrest has engendered disgruntled political activists. Politics matters because, in the past six years, Pakistan has gone more political than ever before. The youth joining the mainstream have been radicalized in favour of change, for being dissatisfied with the traditional way of politics and discontented with the conventional centers of power.

Pakistan is at the weakest position internally because of two main reasons: first, Pakistan’s debt-oriented economic liabilities are swelling. Any disruption of peace would multiply these liabilities encumbering Pakistan. Second, internal political dissatisfaction is bound to affect the future. Election campaigns would be vulnerable. Any disruption of peace would upset the electoral campaigns and consequently the prospects for safe elections.

Pakistan’s immediate concern is its western border, which is showing all potential to extend a wave of a disturbance inside Pakistan, despite heavy presence of the military and despite fencing the border. The suicide attack on an assembly of the JUI-F was a telling reminder of the potential for disruption. Another such attack may prompt Pakistan into taking a punitive action against any terrorist group, be it the TTP or the ISIS, stationed in Afghanistan. This would be the beginning of flames coming from the western half, spanning two western provinces. Pakistan overlooks the fact that the Kabul government is not obliged to offer a support in the case of whether rooting out safe heaves or stopping cross-border infiltration of terrorists.

In short, the tenure of the interim government will be full of challenges. The interim government will have to take harsh unpopular economic decisions. The same is true for political adventures it would make into body politics to express the continuation of policies. It has to mend fences with the US by appeasing it – the foremost demand would be conducting free and fair elections. Nevertheless, it has to brace for the threat of disruption of peace coming from the western border.

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