**Estimating sleaze**

BY N I A Z M U R T A Z A 2020-12-29

THE national narrative is stubbornly fixed: we lack progress due to the huge pillage by the Sharifs and Zardaris. Even many educated folks blindly believe any high but unproven corruption figure given on social media. In fact, anyone asking for proof getsincredulous stares reservedfor imbeciles.

Scholars too are a stubborn lot and oppose many dominant views. Like others, they call sleaze immoral and want the corrupt to be tried, but fairly, unlike many who want instant hanging. While others use moral and legal lenses only, they use political economy lenses as well to identify the causes of sleaze, how soon it may end and its impact. Even if their results differ from the common view, it doesn`t mean they don`t want the corrupt to be tried. So using this lens, I tried to estimate the sleaze levels of the Zardaris and Sharifs.

I hrst checked their assets declared for polls, which seem underreported at around $50 million to $60m each for both clans. I next totalled the charges levelled in all cases pending against each clan. Many cases haven`t started and none has exhausted appeals. Some look strong at least commonsensically, some not even that. But even including all, the total charges against the Sharifs are around $350m and less for the Zardaris.

Finally, there are unproven online wealth estimates of around $2 billion to $2.5bn each for both. Now our total GDP for the number of years that each clan has ruled is around $3.5 trillion to $4tr. Using even the highest unproven online figures, their total wealth is around 0.15 per cent of this GDP. Using only strong data shrinks this closer to zero. Thus, the correct term to use is not pillage but pilferage. Can such a relatively puny figure choke progress? Sages may say this is the tip of the iceberg.

Butthathas tobe proved.

Given the media reach today, there may be little left hidden. Despite this political economy view, they must still be tried (the corrupt elements in the PTI too), but via fair trials which we don`t see today. So verdicts against Nawaz Sharif appear to be flawed and the accountability exercise one-sided. Before 2018, Imran Khan said that accountability must start from the top, ie the prime minister and his party.

Why not do so now, even concurrently? We go next to khaki domains gingerly.

The defence budget in Bangladesh (which is Asia`s growth star) is 6pc of its overall budget; ours allincluded is around 18pc.

This means $3bn to $4bn annually. True, we face more threats but the security establishment`s sway jacks up the budgets.

The State Bank says that terrorism caused$118bn in losses during 2002-2016. Its roots mainly reflect Zia and Musharraf`s acts. Thus such controversial hgures are higher and stronger than those for the top civvies.

Other damages are tougher to calculate.

Ayesha Siddiga valued the military business empire at above £10bn in 2007. Then there are plush housing societies in most large cities linked to the security apparatus. The value of 16,000-kanals of one society in Islamabad is reported to be around $1.5bn. The oldest such society in Karachi covers a huge area with a far higher land value. These empires and estates don`t all reflect khaki wealth. But how much profit was made via misuse of state fiat would be interesting to know.

However, the losses from the ineptness of civvies and khakis may be bigger than from their misuse of fiat. A top media sleuth says that the PTI has caused losses of Rs550bn on wheat, sugar and LNG issues in just a few months. This is nominally close to the wildest estimates ofZardari`s and Sharif`s wealth made over 25 years. Similar charges exist for previous civil and military regimes too, though of course all must be fairly reviewed like sleaze ones.

I said in thesepages two years ago that regime ineptness is a bigger issue than sleaze. Atif Mian, our famed economist, said so too later. The figures support this logic. It`s tough to estimate the sleaze. But the wisdom from globaltrendsis that allstates progressing rapidly in recent decades have done so despite high sleaze and not by ending it first. Thus, sleaze is neither a major block on progress nor its end a major driver of progress globally. Competence reduces its drag.

Finally a few titbits. Our first top corrupt ruler was allegedly Ayub. Sleaze spread hugely to lower political levels first under Zia. Some say the security establishment enters politics to nix corrupt civvies. But elements within the former allegedly broughtthefoundersofourthreebiginept, corrupt parties into politics. That`s why even the worst civvie kakistocracy is better than the best khakistocracy.  The writer is a political economist and heads INSPIR ING Pakistan, a progressive policy unit.

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