**It is going to be the economy, stupid**

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Most of the discussion about the economy in the mainstream media in Pakistan suffers from a universal malaise that afflicts conversation everywhere: the infantilisation of discourse.

In the infantilised discourse we are all now subjects of, you must pick a side. The side you choose needs to be able to articulate its core values and mission unambiguously, ideally in a video that makes its point in seven seconds or less, and at worst in words that can easily fit within two, or at the most three short sentences.

If you can’t spot the difference between good and evil in a single tweet, or Facebook post, or a short video, the problem in this brave new world isn’t complexity, it is you. In the infantilised discourse, the easiest and most natural thing in the world is to rely on singular bad (or good) guys, and true, but useless truisms.

Obviously, this isn’t a very smart way to figure things out. The infantilised discourse transforms grownups into children, and conversations into shouting and pouting competitions. No matter how complex the issues, an infantilised discourse will destroy evidence, insights and knowledge for the fallacious higher purpose of ‘simplicity’ and ‘clarity’.

Complex phenomena are complex because they are NOT simple. The problem of an infantilised discourse is that it deliberately and consciously ignores detail, evades nuance and reduces arguments to single entry and exit points in which everyone but the makers of noise end up losing. In times of an infantilised discourse, families, neighbourhoods, communities, countries and even companies need leaders that have the capacity to resist the sway of what immediately, and obviously, and ‘clearly’ feels good. That sway is nearly always the first sign that you are about to make a mistake.

What happens when leaders have low attention spans, and the need for constant and unending affirmation? Their vulnerability to infantilised discourse, and their capability to master such a discourse are both next-level. Prime Minister Imran Khan’s mastery of the container – the most epic symbol of the infantilised discourse – is partly why he is prime minister today. But his vulnerability to the thinner air at that altitude is the biggest threat to him remaining prime minister.

Notification Gate’s most important lesson is that the prime minister of Pakistan is the most powerful position in the country – exactly as the constitution envisages. It is not all-powerful (which is a good thing), but it is the most powerful. All those people that whine about the need for a presidential system cite the fact that a PM can’t do as he pleases. Well, Notification Gate demonstrated that the problem of the Pakistani constitution may not be that it doesn’t give the PM enough power to do as he pleases. It may be that there are other organisations and offices that have more power and less accountability than they should.

More simply put: it is economic performance that will be the undoing of PM Khan, not the state of his relationship with the military. A weak economic performance in the second half of fiscal year 2021-2022 will create the grounds for a political undoing of the political compact of 2017 – as a result of which PM Khan ascended to high office.

This political compact’s survival required not a spectacular performance in governance, but a competent one. In some areas, the beginning of competence was immediately manifest. The Benazir Income Support Programme (BISP) is a rose, and will remain so, no matter what name is used to refer to it. The Ehsaas programme has vastly expanded and improved Pakistan’s social protection canopy. In other areas, competence was manufactured. The NCOC’s important contribution to managing the Covid-19 pandemic requires a lot of research – both for what it got right, and what it didn’t – but it is a case study for timeliness and effectiveness in crisis. In many other areas however, competence has been compromised at the altar of what can only be described as PM Khan’s intense vulnerability to infantile descriptions of good and evil. Pakistan’s economy has been one of those areas.

The economy is one area in which infantilisation is a killer flaw. The child-like obsession with the current account deficit helped reduce it, only to watch it balloon again. Similar binary truisms are currently wreaking havoc in economic policy making. To retain power, PM Khan needs to focus on getting fiscal and monetary policy right. But to get them right, he needs to prioritise the protection of the Pakistani people, rather than trying to win social media and television debates. The fight for the economy is won in the trenches of the microeconomy. Even in his most prized constituency: how people feel about the economy is shaped by the lived experience of transactions, purchases and incomes.

In the six months that remain in this fiscal year, no serious reforms can be undertaken, and none should be attempted – not with the circus that the PM has assembled around him. Nor should PM Khan expect any major change in exports or FDI. The current account deficit can only be fixed (in the short run) through the support of foreign governments and multilateral organizations – securing good terms from them should be the singular focus of the Ministry of Foreign Affairs and Ministry of Finance. Domestically, there are three things that PM Khan can indulge in without any major obstacles (other than bad advice).

The first is a massive expansion of the BISP/Ehsaas window. The 2021 Ehsaas Emergency Cash programme delivered a one-time Rs12,000 payment to over 15 million households. It was most likely a central feature of the economic survival of the majority of Pakistani households during the early days of the Covid-19 pandemic. A renewed 2022 Ehsaas Emergency Cash programme at Rs15,000 for the exact same families, to be disbursed in late March and early April – timed with the holy month of Ramazan – will cushion the inflationary impact of the last several months. At a total of Rs225 billion, a new EEC will boost the incomes of retailers at the micro level, and serve as a reminder to families across the country that the Islamic Republic of Pakistan is answerable to them, and responsive to their needs.

The second is a series of new luxury taxes, applied to high-end property, business class travel, restaurant bills in excess of a luxury threshold, food and drink that includes the use of sugar, hi-octane petroleum and other luxury lifestyle and consumption choices that elite and quasi elite Pakistanis make. One million Pakistanis that end up paying around Rs20,000 per month in luxury taxes can yield an additional Rs240 billion a year for the exchequer. More than enough to pay for the 2022 EEC.

The third is a doubling down on bank lending. Housing finance under the Naya Pakistan housing initiative, and small business loans under the Kamyab Jawan programme have already shown what a little push from the State Bank of Pakistan can help achieve. Banks themselves have responded constructively to the prodding for easier terms and more consumer-friendly behaviour. This isn’t about allocating public funds, but rather about unlocking existing stocks of cash that are otherwise held by banks. Deploying this capital toward increased economic activity is essential for short-term fixes to the impact of inflation and the need for new jobs.

Combined these three measures will demonstrate the importance PM Khan places on helping ordinary Pakistanis survive the day-to-day economic grind caused by the misgovernance, corruption and incompetence that define both his regime, and previous ones. Pakistani leaders can survive intra-elite feuds, but not the wrath of the people. Zulfikar Ali Bhutto and Nawaz Sharif didn’t begin as glorious men of the people, they earned their stripes. Too many people think those stripes are earned through conflict with Rawalpindi. Not enough understand that those stripes are only issued by the people– through tangible and material expansions of the state’s utility to them.

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