**Smokescreen statements: Pak-US relations**

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All states issue ‘smokescreen statements’ from time to time and truth about foreign policy and strategic relations is often hidden from the public at large over fears of bad public opinion ratings. However, in recent weeks, Prime Minister Imran Khan, Foreign Minister Shah Mehmood Qureshi, and the establishment leadership in the country have gone into overdrive to cover up Pakistan’s long-standing strategic relationship with the US, in particular, and the West in general. They have issued a number of statements to reflect as if Pakistan’s top civilian and establishment leadership is critical of the US contrary to the ground realities.

The question is why are they doing so?

On June 9, the Financial Times published an article, ‘Pakistan leverages US military co-operation to win IMF concessions’. The article stated that Pakistan is trying to win easier terms on which the IMF were to lend it to it in exchange for Pakistan’s army cooperation in restraining the Taliban in Afghanistan. It is an open secret that the terms on which multilateral financial institutions, such as the IMF and World Bank, issue loans to developing countries are largely determined by the US and other influential countries’ consent as they have the largest votes in the running of the multinational financial institutions. The US and other influential countries use their leverage over the multilateral financial institutions and their lending to serve their foreign policy interests.

Just as the US has leverage over the IMF/World Bank lending, Pakistan has a huge influence in Afghanistan and particularly over the parleys with the Afghan Taliban who seem to be in the driving force militarily in Afghanistan. Pakistan’s economy is starved of resources, it gets very little direct foreign investment and its export base is limited. Pakistan’s economy functions in boom-bust cycles and after every boom, it nearly crashes and needs the IMF support to sustain over to the next phase. The current IMF lending programme for Pakistan is the 23rd since 1950. The IMF lending has particularly increased since the 1990s. Therefore, the US has great leverage over Pakistan to help out not only with the direct economic and military aid that has been greatest from any foreign country for Pakistan historically but also controlling other multilateral and bilateral taps for resources that Pakistan can receive.

Pakistan is hugely important to the US and the West

On the other side of the coin, Pakistan and its establishment and its strategic location was and is still much needed by the US and the West both during the first cold war in the 1950s and 1960s but also in the second cold war since the late 1970s till the dismemberment of the former USSR. The third major leverage that Pakistan wielded was in the post-September 11, 2001 attack on the World Trade Centre phase and then the long-continuing War on Terror. The US is wrapping up its military presence in Afghanistan that has in turn quadrupled Pakistan’s importance for the US and the West due to the influence it exercises in Afghanistan.

In this background, Pakistan has most likely hedged its bets and got the US backing for a relatively eased IMF programme for Pakistan in exchange for some of the cooperation that Pakistan can offer in the quagmire of Afghanistan. The establishment-backed PTI government has been very unpopular since it came to power in August 2018. People are crushed by inflation and Covid-19 related complications have further added to their miseries. The circular debt in the power sector is constantly hemorrhaging Pakistan’s limited resources. The IMF has been pushing Pakistan to increase the power tariff. The PTI government did revise the power tariffs upwards but not as much as the IMF would like them to do so. The PTI government has been losing most of the by-elections in the country that speaks for its unpopularity in the country. It is very keen to improve its prospects for the 2023 general elections and is keen to offer some economic relief to people. That is why we saw a change of leadership in the Ministry of Finance from Hafeez Shaikh to Shaukat Tarin and a pro-spending budget for 2021-2022 that was announced recently.

Pakistan wants relatively easier IMF terms of lending as people are crushed under the austerity-driven conditions. It is in this background that columnist Khurram Husain is quoted in the June 9 Financial Times article that “Pakistan will have to leverage some kind of geopolitical muscle to get the IMF to back down. They’ve done it before”. Mr Husain has written a recent article in Dawn on July 8 in which he has stated that Pakistan is likely going to become eligible for increased SDR disbursements of IMF in the next few months; however, it can qualify for it as long as the US is willing to purchase SDRs considering Pakistan (or any other country)’s policies do not “run counter to the US interests”. Here is another example of the US’s leverage over the economic fate of Pakistan.

To sum it up, Pakistan is hugely important to the US and the West. Both the US and Pakistan’s establishment leverage their positions to influence each other and that is why they have been in a close strategic relationship since the 1950s. So much so that leading investigative journalist Seymour Hersh wrote that the US and Pakistan’s establishment collaborated in taking down Osama Bin Laden that was covered up in “smokescreen statements” both by the US and Pakistan to the point of Imran Khan calling OBL a “martyr” and Shah Mahmood Qureshi validating it through his lack of comment in a recent interview.

Now, in this background, it sounds absurd that PM Khan made a speech critical of the US in the budget session of Parliament towards the end of June. Both Imran Khan and the establishment leadership have made other statements that Pakistan does not want to be dictated over CPEC by the US and will not offer its bases to the US. The truth is that CPEC has slowed down since the PTI government took over and Pakistan-US strategic cooperation is intact over the decades. The question is why is the PTI leadership making statements that show that they are critical of the US while actually, they are underhand striking deals with the US over the strategic relations and bargain for easing IMF terms in exchange for Pakistan’s likely cooperation in Afghanistan. Only time will tell why they are doing so. However, it is time to call out such “smokescreen statements” by our leadership and let them know we are not fooled by their theatrics.

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