

A zero-sum game

Opinion | [Ahsan Iqbal](#) | May 10, 2017

In a few months we shall be celebrating our 70th independence anniversary as a nation. It is a long enough period for any nation to learn from its history and become stable. Particularly, for a country that has experienced such a chequered political history and, as a result, lost decades, now there is no room for further experimentation.

Recent events show that – far from maturity – we are yearning for a Roulette game between the executive, the establishment and the judiciary like a teenager. Can we afford such drama in times when nations are fiercely competing for every slice of economic development under global slowdown, disruptive knowledge and digital economy paradigms are making national capabilities redundant, and rising regional and global geopolitical tensions are posing serious challenges?

Pakistan has missed several opportunities for economic takeoff in its history; the first time in the 1960s when we were seen as the next Japan of Asia and crash-landed with the 1965 war. The second time was in the 1990s when under the first Nawaz government Pakistan embarked upon a path of economic reforms, and was the leading economy in South Asia. We again crash-landed through premature dissolutions of successive governments in the 1990s and were overtaken by India and Bangladesh, who followed the same policy path that we introduced in 1990-91. In between, we had periods of borrowed growth in lieu of liberal foreign aid and inflows in return for geostrategic wars that we fought for the US; these only lasted for as long as foreign inflows kept coming in.

We need to examine the major root cause of our failure to grow as fast as South Korea, Singapore, Malaysia, China, India and Bangladesh. We never lacked policies and plans. It was simply a case of political instability and policy disruptions. No nation has ever developed without first achieving stability and internal consistency.

In 2013, when the present government took over, Pakistan was labelled the most dangerous country in the world. Power shortages of 18-20 hours had nearly crippled the economy and industry; the scenes of riots on the streets were terrifying. Foreign investors were leaving Pakistan and the stock exchange had crashed. The country's reserves were fast depleting and rating agencies had given us lowest ever ratings. Karachi, our financial capital, had fallen hostage to criminal gangs bringing to halt all economic activity.

Fast forward to 2017. The economy is set to achieve five percent GDP growth after a decade. We have internationally earned an 'emerging economy' status. Industry is enjoying uninterrupted power supply for the past one year. The security situation has greatly improved. CPEC has changed the investment profile of Pakistan, with the stock exchange making new records, highest ever investment in the energy sector and completion of new projects, resulting in almost 10,000MW additional power energy. So our reserves have more than doubled, Karachi is back in business, and Pakistan's ratings have improved.

Reversing the tide was not easy. It took a concerted effort led by the prime minister and the PML-N's experienced team. If the country had continued on a pre-2013 trajectory or had been led by novices where would we be today? This is not to say that all problems have been fixed. We are facing pressures on the exports front due to global recession and the commodity nature of our economy. We must achieve 7-8 percent growth level to create two million new jobs every year. On the security front many challenges remain to be addressed.

One major contributing factor which enabled us to turn the tide and was equally relevant for the future was a sense of political stability and civil-military harmony. In management theory, 'alignment' and 'synergy' are two important concepts in any healthy organisation and play a key role in its success. All functional units within an organisation must align themselves with its overall



goals. Not only must they align, they must also synergise in a positive manner to produce results greater than the sum total of their individual effort.

On the contrary, sick organisations are characterised by ‘conflict’ and ‘cannibalisation’. Instead of following organisational goals, units follow their narrow group agendas and indulge in turf battles to maximise their power. This becomes a zero-sum game in which no one wins. When an organisation fails, it becomes inconsequential which department or unit enjoyed how much budget and power. All take the hit. If the pie doesn’t expand, then different actors have to cut each other’s throats to survive. One’s victory is the other’s loss. But, if the pie expands then everyone is a winner.

Pakistan enjoys a unique position with its economic and security potential. We live in an age where the economy defines the primary strength of any nation. If nuclear weapons and militaries played a decisive role, the power of the Soviet Union would not have diminished before our eyes. We have both friends and enemies. Our friends want to see a stable and a progressing Pakistan through a strong economy. But our enemies want to see an unstable and a fractured Pakistan through a failed economy.

‘Game Theory’ describes how various actors pursue their agendas and are manipulated through a deep understanding of their psyche to make them work in a manner where they believe to be following their agenda but are in reality pursuing someone else’s agenda. Internally, we have political actors and institutional actors; externally, we have friends and foes.

As elections approach in 2018, internal political actors will compete to project their narratives based on their political agendas. On the external front, our enemies would like our economic revival to crash due to conflict and chaos. Institutional actors have a bigger responsibility because they represent continuity and permanence. Narrow and myopic agendas must not be allowed to play havoc.

It took us 65 years to show to the world that the transfer of power in Pakistan can take place in an orderly manner. The gains which have been made in the last three years are more precious than any person’s ego or any institution’s group interest. As we march towards our 70th independence anniversary, history waits to see which path we follow: the path of ‘alignment and synergy’ or ‘conflict and cannibalisation’? This is where leadership matters.

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