

## This is the wrong time to punish Pakistan

Financial Times FT.com, 01/04/2011

By Ahmed Rashid

The assassination on Tuesday of Salman Taseer, governor of Punjab province and one of the most powerful voices for democracy and secularism in the ruling Pakistan People's party, has only highlighted the deepening political and social divide in his country.

The assassin, a police officer in the security detail guarding Taseer, is believed to have been motivated by his victim's strong opposition to a controversial blasphemy law that targets Christians and other minorities. It is the highest-level assassination since the killing of PPP leader Benazir Bhutto three years ago.

Pakistan faces a catastrophe that has been brewing for months. Forget about increased co-operation from Islamabad on international terrorism or Afghanistan. The government is in crisis yet again, but more importantly it is paralysed, unable to legislate, unwilling to take any hard decisions or even to rule effectively as politicians in the provinces defy the central government.

Today the world should be concerned that the situation in Pakistan is probably worse than in Afghanistan. The country needs help.

The PPP-led coalition of Yusuf Raza Gilani is tottering but it will not fall - yet. The headline in Tuesday's daily Pakistan Today said it all: "PM running from pillar to post."

The government lost its majority in parliament after two coalition partners walked out. The first was the Jamiat-Ulema-e-Islam, a religious party with eight seats in the 342-seat National Assembly, which objected to any reforms of the blasphemy law. The second was the Karachi-based Muttahida Qaumi Movement, with 25 seats, which objected to new price increases in energy. The coalition now has fewer than the 172 votes needed to pass any legislation.

There is the possibility of a vote of no confidence in Mr Gilani, but it will probably not happen for several reasons. The opposition parties are divided as to what to do, no party has a majority in parliament, there is no obvious replacement for Mr Gilani, and Nawaz Sharif, the main opposition figure, does not want the government to fall at this moment.

No party wants elections right now, with the country in the midst of hyperinflation and riots in the streets over shortages of fuel, electricity, gas and other essentials. The economy is in virtual freefall after the International Monetary Fund stopped a payment of \$3.5bn of its \$11.3bn loan to Islamabad - a decision that followed the government's failure to push through parliament a general sales tax and a tax on agricultural incomes demanded by the IMF as part of a much-needed reforms package.

The budget deficit has soared to 6 per cent in spite of a 4 per cent target for the current financial year. It is expected to increase further to 8 per cent before the year is out. Corruption, chronic mismanagement and a lack of political will have fuelled the crisis. There have been four finance ministers in the space of three years.

The IMF withdrawal is likely to lead other big lenders such as the World Bank, the Asian Development Bank, the US, Japan and the European Union to halt or delay payment of their promised loans and aid. Donors have said they will not bail out Pakistan unless reforms are implemented first.

Equally dangerous is that political chaos will encourage efforts by the Afghan and Pakistani Taliban and al-Qaeda to enlarge the territory under their control in Pakistan's tribal areas. That is already happening. A government trying to survive is not the best morale booster for those at the front line against the extremists.

Meanwhile, there has been a spate of foiled terrorist attacks across Europe. Dozens of would-be plotters arrested in Britain, Germany and last week in Sweden and Denmark over a plan to massacre the staff of a Danish newspaper all have large or minor links to groups based in Pakistan.

Those links are becoming ever more complex. A suicide bomber who killed himself in Stockholm in December as he was trying to explode a bomb among Christmas shoppers was of Arab origin, but was linked to Pakistan-born British extremists in Luton, England. Senior US officials said recently they had warned Islamabad that any successful terrorist strike in the US that could be traced back to Pakistan would have instant and enormous repercussions.

The international community cannot afford to let Pakistan - a nuclear-armed state critical to securing Afghanistan and the region - fail or go down the tubes. Western capitals cannot do much to calm the political factionalism, but continued economic assistance and a loud public declaration of that by key western donors are urgently needed. A resumption of IMF money would send a crucial positive signal.

Even more dangerous than a political meltdown would be large-scale, directionless unrest on the streets due to further price rises. International economic support could help stabilise the political crisis; inaction can only benefit the extremists.

Source: <http://www.ft.com/cms/s/0/a549737c-1845-11e0-88c9-00144feab49a.html#axzz1A9vSthgM>

*The writer's latest book is *Descent into Chaos*. A revised edition of his *Taliban* was published last summer.*