

**SHAHIDA WIZARAT:  
LIBERATING PAKISTAN  
FIGHTING IMPERIALISM  
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Shahida Wizarat is Pakistan's leading industrial economist. Both her University of East Anglia's doctoral dissertation and her book *The Rise and Fall of Industrial Productivity in Pakistan* have proved to be seminal contributions to the debate on the nature and causes of Pakistan's ongoing de-industrialization.

Pakistan has re-appeared on imperialism's strategic maps as a major terrain of combat since the counter attack on America in September 2001. However, imperialist dominance of Pakistan's political economy dates back to the early 1950s when after the American coup against Khawja Nazimudin's government Pakistan joined America's cold war alliances — SEATO and CENTO. In the early years of Ayub Khan's rule economic decision making authority was outsourced to the Harvard Advisory Group — whose experts were the authors of Pakistan Second Five Year Plan (1960-65).

During 1960-1969 when the Ayub regime collapsed Pakistan was cited as a leading imperialist strategic success story — average annual GDP growth rates were unusually twice that of India during this period and often exceeded that of China. But the “robber baron, trickle down” strategy crafted by Emile Despres, Gustav Papanek, S.R Lewes at al collapsed dramatically in the early 1970s when East Pakistan seceded.



The imperialists lost interest in Pakistan during the 1970s and had a hard time regaining power over Pakistan's political economy during the next decade. During 1978-88 Zia succeeded in obtaining imperialist military aid without conceding economic sovereignty. During Zia's rule the financial sector remained nationalized and public corporations dominated the commanding heights of the economy. Interest rates were repressed. Pakistan operated a heavily managed floating exchange rate system and a range of controls restricted and regulated financial outflows on both the current (services and income) and the capital accounts of the country's balance of payments.

It was Benazir Bhutto's betrayal of her father's political legacy that brought the imperialists back with a vengeance — the People Party is imperialism's natural ally in Pakistan today. Benazir's first act as Pakistan's prime minister was the signing of the 1988-1991 Structural Adjustment Agreement with the IMF, soon followed by the Financial Sector Adjustment Loan and the Financial Sector Deepening and Intermediation Project Agreements with the World Bank. By 1993 when the IMF nominee Muhammad Yaqub was appointed State Bank Governor the imperialists were firmly back in the saddle. Pakistan's political economy had been re-conquered by the imperialists.

Since then Pakistan's economic policy has been made by imperialist agencies. Shahida Wizarat's book covers most of this period (1996-2010) and its main concern is to document the costs Pakistan has borne and the injuries it has sustained due to imperialist dominance. Imperialist dominance of any nation's political economy is first and foremost a dominance of discourse (remember Gramsci). This has been facilitated by Pakistan's decision in 1947 to accept the use of English as an official language — those who do not know English are thus automatically excluded from policy discourse. Anglo-centric state policy discourse has two major orthodoxies, liberal and socialist. Since the Reagan-Thatcher revolution of the early 1980s, the liberal orthodoxy has become dominant in all segments of state policy discourse — including that of development policy. This was heralded by Oliver Williamson's "Washington Consensus" crafted initially for Latin America but adopted by imperialist multilateral agencies as a



paradigmatic framework for policy formulation and implementation in all developing countries.

Imperialism's political strategists realized that a prerequisite for liberal policy hegemony in Pakistan — as indeed every where else — was the occupation of positions of state authority by a local elite which accepted liberal dogmas and theoretical presumptions as universal truth. In Pakistan — as in Chile and Mexico and Hungary and Poland and (lamentably) in India — this proved ridiculously easy as ex-socialists and nationalists fought with each other to jump on to the liberal band wagon. They founded imperialist funded NGOs (Omar Asghar Khan) served the imperialist multi lateral agencies as consultants and officials (Akbar Zaidi) and became chief economists of the Planning Ministry (Rashid Amjad). The classic case is of course that of Mahbub-ul-Huq who was a free marketer under Ayub , a socialist under Bhutto an Islamic economist under Zia and a “human developmentalist” in the 1990s (remember Paul Hirst, remember Nigel Harris).

In the chapter ‘The Development Policy Debate’ Shahida Wizarat shows why she has decided not to join these new converts. Her arguments are cogent, lucid and persuasive as she lists the costs of pell-mell privatization, financial sector de regulation and a general return to the trickle down growth strategy of the Ayub era. Her analysis fills the much needed gap which exists between technical and political studies. In several chapters (“Foreign Borrowing”, “Conflict of Interest”, “The Politics of Economics”, “Challenges to National Security” “Averseness to Peace” etc.) she carefully spells out the political implications of subservience to neo liberal imperialist policies. She argues that the implementation of these policies benefit a small microscopic rich, influential elite. These policies exacerbate the distributional inequities which are tearing Pakistani society apart and are doing incalculable damage to its economic infrastructure.

Shahida Wizarat presents a strong case for ending Pakistan's participation in America's war on terror. In the chapter “Where is Bush taking us” she presents the essence of the case made by the global anti war movement for imperialist troop



withdrawal from Iraq, Afghanistan and the 187 countries where the US maintains its military presence. In the chapter on Pak American and British relations she stresses that respecting Pakistan's state sovereignty is ultimately justified on the basis of the national interests of the imperialist countries themselves. She presents the case for building a strong peace movement in Pakistan, defusing regional conflicts and strengthening economic ties within South and Central Asia.

External debt management is a major concern of the book several chapters are devoted to this topic and an innovative strategy for effective external debt management is outlined. This strategy advocates that America, Europe, Japan and the Gulf countries assist Pakistan in repossessing the billions of dollars that have been transferred by the state elite and its financial sector abettors in corrupt transactions. Some of the concern increasingly voiced by imperialist aid agencies about misuse of aid funds is to be found in these chapters.

The main concern in several chapters is on the Pakistan – IMF relationship. Wizarat has spelt out the enormous economic and social costs of IMF subservience. She opposed the 2008 IMF Stand-by Agreement and the case she made then remains as relevant today as the government contemplates a fresh IMF deal for 2011-2014. "Foreign Borrowing and our Political Structure" is particularly incisive. It identifies segments of the political and economic elite that are the main beneficiaries of Pakistan's continued subservience to the IMF.

Shahida Wizarat is a left liberal nationalist. Her arguments are usually Stiglitzean (sometimes even Krugmanite) not taken from Wallerstein or Gowan or Vanaik. She carries her radicalisms as a garland not as a banner. She presents the argument for the type of "special case" treatment of developing countries that is reflected in much of the writings of post structuralist authors. She has a superficial appreciation of Dependencia and in the alternative policies she advocates, she does not draw upon the experiences of Ahmadinejad and Chavez and Morales and Raul Castro. She is no opponent of capitalist order — indeed she



sees herself as a supporter of the 'globalization from below' movement and the world peace movement. She believes in the possibility of a post imperialist capitalist world where human rights are universalized, national sovereignty and self reliance are respected and swords are turned into ploughshares (Remember Cloud Cukoo Land).

This is a very important — indeed a rare — book on Pakistan. In this country the pro imperialist Anglo centric elite exercises monopolistic control (OUP refused to publish this book) control over English publications and dissident voices are never heard. In this book Shahida Wizarat presents a well argued case for delinking Pakistan from America's war of terror and for rejecting IMF subservience.

There are two major shortcomings. There is no theoretical underpinning of the policy position she advocates. The very inadequate and superficial discussion of dependency theory does not lead to the identification of the theoretical paradigm which underlines her own policy analysis. Hence the crucial question — does an agency exist for the implementation of these policies — remains unaddressed.

Secondly as the current imperialist discourse on Pakistan illustrates what is peculiar about Pakistan is the way in which Islam interpolates social action in both its civil society and the state. Like most Anglo centric policy analysts. Shahida Wizarat lacks the theoretical tools to take Islam into account. The word Islam does not appear in her book.

