

More changes

Chaos seems to be the essential characteristic of the PTI government's economic strategy, and questions over what is going on at the helm cannot be withheld simply because the government is (relatively) new. The grace period is over. If anything, it is the business end of economic affairs. An IMF delegation is in Pakistan to negotiate a bailout package. And somehow Prime Minister Imran Khan has decided that this is the right time to ask for the resignations of State Bank of Pakistan governor Tariq Bajwa and the Federal Board of Revenue chairman Jahanzeb Khan.

The situation has left most economic analysts baffled. The removal of former finance minister Asad Umar seemed to have been in the pipeline for months before the trigger was pulled. In this most recent case, the move has caught everyone by surprise. According to reports, the SBP governor was in Islamabad for talks with the IMF when he was told to resign while the FBR chairman had meetings scheduled into the night. How can the heads of the two most crucial economic agencies be changed right in the middle of talks with the IMF? But then we have asked before how a finance minister that negotiated the entire deal be removed before it was signed.

Whatever the conspiracy theories may be, the situation looks like a complete mess. And one must wonder if the only thing that matters is what one man is thinking. One might also wonder how high the economic cost of this bailout is going to be. It is hard to remember so much chaos within the first year of any previous government. The decision of Finance Adviser Hafeez Sheikh to refuse to comment on the matter is – to some commentators – also telling. According to him, 'The markets will look at our actions and decide'. If the markets are run by rational minds, there is but only one way to look at what is happening – and it is not the government's way. The promise that the PTI had made to people to not let politics interfere in matters of the economy was bid farewell a long time ago – but if there was any doubt left, then it has been clarified. In the case of the FBR, Jahanzeb Khan was known not to favour inflating revenue figures, but failed to improve the performance of the FBR during his tenure. There could be grounds for removal, but to start with these must be made public if the government wants the public's trust. Such winds of change need to be contained lest they do more damage than good.

Editorial