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Is a 'new economic order' being established?

LAHORE: The army chief's personally lending his battle-trained ears to the beleaguered businessmen to extract a first-hand account of economic horrors facing them is an extraordinary event, depicting the country's powerful establishment was not very pleased with the way economy is being handled.

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That said, following that unusual meeting, we might see some grievances redressed right away, which is good, but is not without a catch as if that becomes the "new order" of things, it would definitely cost the ruling party its credibility.

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The economic managers are confidently boasting a turnaround in economy is round the corner. However, the ground reality is totally different. Investment is declining, workers are losing jobs regularly and job creation is negligible.

For over a year the businesses have been interacting with the economic planners to chalk out a viable economic revival path. Top businessmen at least realise this economy needs massive reforms. They also realise the small businesses would be hard hit by any reform agenda.

Moreover, they emphasise reforms in the bureaucracy as well. They want governance improved with technology. They also desire full accountability in case of violation of rules by a bureaucrat or delay in settling cases that come to them.

It is worth noting that if a businessman breaks the rules and deposits lower duties or income tax, he is liable to heavy penalties. In the same way they desire for the sake of good governance that all bureaucrats breaking rules, passing on undue favours or denying people their due rights should be taken to the task and made to pay for the violations perpetrated.

The entire economic crisis is because of granting immunity to bureaucrats or their corruption, nepotism or undue favours, while making all other segments of the society accountable even for slips and gaffes.

The accountability should be on both sides and with equal vigour. As things stand now, those who have the ability to grease the palms of bureaucracy face no hurdles in their path. They know how to bypass the transparent measures and twist the rules.

It was under this culture that the economic managers introduced sweeping economic reforms and expected the bureaucrats to implement them transparently. As expected the reforms slowed down the growth and created hardship for masses much beyond the expectations of economic planners. These reforms hit the businesses and the households with equal force.

The manufacturers are at loss on how to keep their processes going, while households are unable to find a way to live comfortably on current incomes and increasing costs.

This government gave false hopes to the common person and negotiated with the businesses for a long time but nothing changed.

The cost kept increasing both for business and the non-business persons. The ordinary citizen has no way to register his/her grievances, but the businesses and traders were given audience not only by the top economic planners but also the chief executive of the country.

Their problems remained unresolved and things continued to become dearer and dearer. It looks the businessmen are on the verge of losing their patience as they cannot take it anymore. Most of them of late started thinking about closing their plants and some even explored the possibility of setting up their businesses abroad. It was under these circumstances the concerned circles thought it fit to interfere. The economic situation is very complex and the concerned circles are not economic experts.

The army chief would probably take these issues with the economic planners and certain government agencies.

The businessmen are wary of witch hunt by accountability watchdog that has power to detain an accused for 90 days for investigation. They want their cases to be investigated by other agencies like FIA where obtaining bail till the completion of trial is possible.

Economy is a package that has to be dealt with in totality. The government would have to protect the businesspersons from falling victims to the witch-hunt by corrupt officials. The reforms have to be really implemented transparently without fear or favor. All corrupt on either side of political divide should be apprehended and punished. The meeting of the businessmen with the army chief should be the last of its kind.

The civilian government should address all genuine worries of businesses and make efforts to improve the business climate to ensure its writ and credibility.