

## Editorial

**Industry meetings**

INDUSTRY leaders' recent round of meetings with the army chief and then the prime minister betrays a sense of mounting anxiety around the state of the economy. Such meetings have taken place before too, but rarely have they been made into high-profile affairs, complete with press releases and photographs being issued afterwards. Both meetings dragged on for hours, and though the details of what was discussed are sketchy, it is clear that the message given by the army chief to the industry leaders was one of patience. He found it necessary to underscore that the army and government were on the 'same page', and told the attendees that it would take time to stabilise the economy. This message captures the gist of what took place at these meetings. The industry leaders have been asked to not expect rapid changes, and expectations of any revival packages need to be tempered. Why the message could not have been delivered by the government alone is an indictment of the latter's own inefficiencies.

For the moment, the government is constrained to walk the path of adjustment and resources are limited. But beyond resources, two themes that have repeatedly emerged in public pronouncements by these leaders is a runaway accountability drive that is being led by people who do not understand the nature of the business deals they keep interfering in, and the poor quality of implementation of the government's policy direction. These elements are unrelated to the availability of government resources or the ongoing economic adjustment. They relate directly to the political choices being made by the government, as well as the poor quality of leadership coming from the top. This is turning into an unmistakable conclusion. Decisions are made but rarely implemented. Policies are debated, drafted, perhaps even signed, but the wheels of government below the line do not move in tandem with what the policy dictates. The only direction that economic policy has today is a relentless adjustment, gained through taxes and a pitiless strangulation of the economy through 'demand compression'. Beyond this, there is nothing. And the danger now is that after the voice of the industry leaders has been heard but not heeded, we will be left with an economy that has no deficits but not much of a productive base either. Without thinking beyond adjustment, the government will undoubtedly run the risk of repeating yet one more cycle of eternal return to the IMF.