



PAKISTAN RUNNING \$2BN DEFICIT A MONTH, SAYS ASAD

[Anwar Iqbal](#)

Updated August 09, 2018

WASHINGTON: Asad Umar, a Pakistan Tehreek-i-Insaf (PTI) leader who is expected to be next finance minister, said on Wednesday that Pakistan had been running a current account deficit of \$2 billion a month for the last three months.

Addressing a US think-tank from Islamabad, Mr Umar suggested resolving the Afghan dispute to improve Pakistan's economic prospects and disagreed with those who say that political governments cannot make decisions about Afghanistan.

Take a look: [Pakistan needs infusion of \\$12 billion in loans immediately: Asad Umar](#)

The PTI leader, who came straight to Skype from Imran Khan's meeting with the acting US ambassador, said that Washington agrees with PTI's observation that Afghanistan was moving closer to a permanent peace.

PTI leader sees a 'potential opportunity' for economic prosperity in Pakistan in restoring peace and stability to Afghanistan

PPP's Naveed Qamar and PML-N's Tariq Fatemi also spoke at the think-tank — the US Institute of Peace — and agreed with the observation that Pakistan was facing a major financial crisis, perhaps the worst ever.

“We are facing a significant current account crisis, it's well-known, well-document,” said Mr Umar. “From the time when the PML-N came in five years back, current account deficit of \$2bn a year, to a situation where in the last three months we have been running a current account deficit of \$2bn a month.”

Noting that this was a 12-fold increase, the future finance minister added: “This is not sustainable. Given that, the most urgent action required of the government will be to deal with this crisis.”

The PTI government, he said, would explore all available opportunities available to us. “But the decision has been left so late that you will have to look at all options ... including discussions with bilateral and multilateral organisations. It is the most immediate crisis that is being faced.”

Mr Umar then talked about an option that has been considered a taboo in Pakistan, changing foreign policies for economic gains. As a member of the audience later pointed out, the conventional wisdom in Pakistan is, a political government has little control over issues like Pakistan's relations with the US, India and Afghanistan. When a political government tries that, it runs into trouble.

“My sense is, at least some of this narrative is used by political governments to find excuses for their failures,” the PTI leader said.

“Imran Khan will stand by the decisions we take. We will not come and say we wanted to do this but did not have control. If Imran Khan does not (have control), he would like to go home.”

Mr Umar, however, acknowledged that the military was the strongest institution in Pakistan, which continued to grow in strength while the civilian capacity eroded. “So, it makes sense for a Pakistani government to make use of that capacity,” he said, noting that US President Donald Trump had also pledged to withdraw from Afghanistan during his campaign but the US military establishment persuaded him not to.

The PTI leader said that he saw “a potential opportunity” for economic prosperity in Pakistan in restoring peace and stability to Afghanistan. He pointed out that in his first speech after the election, Imran Khan too talked about the importance of peace in Afghanistan for Pakistan,

“In the messages that came in the last 10 days, there seems to be a widespread hope for a breakthrough in Afghanistan ... all factors are coming together, and there’s a possibility of Afghanistan moving towards a permanent peace and reconciliation,” he said. “And the two issues are linked because Pakistan’s economic prospects are weighed down by what’s happening in Afghanistan.”

The future finance minister also pointed out that Pakistan’s relationship with the world, in particular with the US, were seen — if not entirely, to a great extent — through the prism of Afghanistan.

“So, obviously it is a vital issue for Pakistan, both in the immediate future as well as in a longer term,” he said while explaining why he believed there’s room for optimism, at least on that front.

Noting that this sense of optimism was also felt in Imran Khan’s meeting with the acting US ambassador, the PTI leader said: “So, in that context, it’s a bit unfortunate that (US Secretary of State Michael) Pompeo decided to make the statement that he did even before we had the opportunity to go into a discussion on the IMF programme.”

The PTI government, he said, would follow a foreign policy of friendship with Pakistan’s neighbours, both east and west of the border. It would also like to rebuild Pakistan’s relationship with the United States, which was not just a superpower but also an old ally.

Similarly, he said, the next government would also like to further strengthen Pakistan’s relations with China.

China was the foremost on Imran Khan’s mind, as “he keeps talking about, how they lifted such a large number of people out of poverty”, Mr Umar said.

“We look forward to constructive relationships with all important countries and the US is the most important. But the PTI will not have “an either-or approach. We want good relations with both the US and China”.

Published in Dawn, August 9th, 2018

For more live updates, follow Dawn.com's official news Instagram account [@dawn.today](https://www.instagram.com/dawn.today)