



Indian Council  
of World Affairs

# THE DOWNFALL OF THE STATE OF PAKISTAN

**A DECADE OF  
DECADENCE AND DEGENERATION**

INDIAN COUNCIL OF WORLD AFFAIRS

SAPRU HOUSE, NEW DELHI

2025





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**Indian Council of World Affairs**

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While India prepares to take on the mantle of global leadership, Pakistan wallows in being a militarized society, a feudal set-up stuck in a time warp, and a den of obscurantist mind-sets. Only destiny can be said to be the architect of this stark contrariety.



## FOREWORD

In Pakistan's tiny three quarters of century history, the past decade and a half or so have been unprecedented – unprecedented because of the extraordinary meltdown that Pakistan's quagmire of a polity, rentier military and near-insolvent economy has witnessed; 'Unprecedented' also in terms of the non-entities that its leaders – both civilian and military – have been reduced to – as compared to say the yesteryear's despotic, 'larger-than-life' military dictators Pervez Musharraf, Zia-ul-Haq, Yahya Khan, Ayub Khan and the so called 'democratic', 'bigger-than-their-own-country' leaders like the father-daughter Bhutto duo. Past decade and a half have also been 'unprecedented' in crushing and bringing to nought Pakistan's undisguised ambition since inception for regional dominance, for consistently seeking to get the better of India – its 'many-times-over' larger neighbour and equally 'many-times-over' mature state.

At the time of India-Pakistan partition in 1947, India inherited the ancient Indian civilization; while Pakistan assumed the role of a religious state which only grew more radical, more rabid over the decades. Over the past decade, Pakistan has accelerated its spiral down this path with deeply entrenched state-sponsored jihadi terror networks and radical elements having made home in every corner of Pakistan, harbouring anti-India, anti-Hindu sentiment.

It was to catalogue this decadence and degeneration of the State of Pakistan in the past decade or so that ICWA decided to bring out this Special Publication.

In his paper, Dr. Ajay Darshan Behera essays the rise and political decay of the national security state of Pakistan. He posits that the divisive two-nation theory, which defines Muslims and Hindus as distinct nations unable to coexist and on which the foundation of Pakistan is based, embedded a perpetual sense of insecurity and hate viz-a-viz India and that over time this identity hardened into a strategic culture where India was not merely a geopolitical rival over which dominance was sought but also seen as an existential threat, a perception that was not merely internal to Pakistan but was fanned by Cold War politics and subsequently. The author is further of the view that Pakistan's trajectory as a national security state has entered a phase of profound crisis over the last decade

or so and the historical compact that has sustained this model since Pakistan's inception is visibly fracturing.

In their paper, Ambassador Ajay Bisaria and Abhishek Kumar study the steady economic decay that Pakistan has witnessed over the past decade caused by deep-seated political instability and recurring security crises accentuated by bureaucratic inefficiencies. Pakistan's repeated reliance on IMF programs has entrenched a cycle of dependency. Moreover, austerity measures mandated under these programmes have never worked given the public unrest they have often triggered causing tensions between fiscal discipline and social stability. Additionally, the military's dominance in key industries and the lack of transparency in military-controlled economic activities make fiscal reforms all the more challenging.

In his paper, Ambassador Dr. TCA Raghavan states that, since the Uri surgical strikes by India in 2016, India-Pak ties have been reduced to absolutely minimal. However, this bare and minimal relationship has strangely also been reasonably stable. He is of the view that this prolonged downturn since 2016 stands out as unusual for India-Pakistan relations where upswings and downswings have generally been much shorter. He also expresses the view that the strategic advantage that Pakistan has been used to drawing from its valuable geopolitical location has been dented by the current geopolitical shifts underway in the region and globally.

Since inception and right from the founder of the Pakistani state Muhammad Ali Jinnah, Pakistani leaders have consistently displayed and borne animosity towards India, and the past decade was no different; Pakistani leadership continues to degenerate in this regard. What was decidedly different this past decade was that, while successive generations of Indian leaders prior to Prime Minister Narendra Modi openly harboured the desire to resolve for posterity the Indo-Pak imbroglio in a mutually agreed way, Prime Minister Modi well understood that this was actually being read by the rest of the world as a sign of weakness and consequently focused instead on his counter-terror Uri, Pulwama and Pahalgam posture, an evolving clean break from the past.

India and Pakistan presently share a 'zero relationship' – a term used by Ambassador Dr. TCA Raghavan in his paper. The near absence of diplomatic ties, especially working level, since 2016 have however led to a semblance of stability in the



relationship. Likewise, little reliance on military to military communication channels have led to success for India in counter-terror military operations. Media too has contributed to this end having been resorted to not only for messaging the other side but also to shape opinion among the public in both countries though quite independently of each other. This semblance of stability is a paradoxical situation, inexplicable in terms of traditional theories of conflict resolution, de-escalation and restoration of peace and stability, and peculiar to the politics of the India-Pakistan situation.

While comparing Pakistan to India is like comparing apples to oranges, Pakistan's slow and steady hurtle into the abyss post-Musharraf is in stark contrast to India's own story over the same period. Buoyant economic growth, stable polity, growing confidence, rising international stature, growing international interest in India's civilizational ethos and strengths, rising appreciation for the calibre of the Indian people are together making what is being described as 'India's rise'. While India prepares to take on the mantle of global leadership, Pakistan wallows in being a militarized society, a feudal set-up stuck in a time warp, and a den of obscurantist mind-sets. Only destiny can be said to be the architect of this stark contrariety.

The preparation of this Special Publication was coordinated by Dr. Dhrubajyoti Bhattacharjee, Senior Research Fellow, ICWA. I hope scholars, observers and practitioners with an interest in Pakistan's domestic polity and external relations especially with India will find this Special Publication of ICWA useful in understanding the geo-political dynamics of the Indian sub-continent and its trajectories.

**Ms. Nutan Kapoor Mahawar**

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September 2025



# THE RISE AND POLITICAL DECAY OF THE NATIONAL SECURITY STATE IN PAKISTAN



**AJAY DARSHAN BEHERA**

## ABSTRACT

This article analyses the rise and contemporary crisis of Pakistan's national security state through the lenses of realism, constructivism, and critical security studies. It traces the military's consolidation of power since 1947, highlighting how security narratives, ideological constructions, and elite interests have sustained authoritarian control. The breakdown of the alliance between Imran Khan and the military, and the subsequent institutional backlash, reveal deep fractures within this model. While the May 2025 military clash with India temporarily revived the army's legitimacy, it failed to reverse long-term political decay. The article argues that Pakistan stands at a crossroads: either toward democratic reform or the reconfiguration of military dominance under new conditions.

## INTRODUCTION

Pakistan has long epitomised the characteristics of a “national security state,” a political system in which military and security institutions dominate governance, often at the expense of democratic development and socio-economic progress (Ahmed, 2013). In such states, the military wields predominant power, often overshadowing civilian authorities and shaping both political and economic agendas. Although national security states may retain the formal structures of democracy, such as elections, constitutions, and civilian offices, these institutions are often manipulated or subordinated to serve security interests. The military typically portrays itself as the guardian of national unity and stability, prioritising defence and internal order over civil liberties, pluralism, and civilian supremacy.

Pakistan has long epitomised the characteristics of a “national security state,” a political system in which military and security institutions dominate governance, often at the expense of democratic development and socio-economic progress.

Successive military regimes and prolonged periods of indirect military influence over civilian governments have institutionalised a powerful establishment comprising the military, bureaucracy, judiciary, and selected media and political elites.

Since its inception in 1947, Pakistan's political evolution has been shaped by a predominant focus on security, particularly the perceived existential threat posed by neighbouring India. This security-centric orientation emerged amidst the trauma of Partition, the Kashmir conflict, and the broader insecurity of a divided, resource-limited state. In response, Pakistan's early leadership made significant investments in the military, establishing it as the primary institution capable of safeguarding national survival. Over time, this investment solidified into a durable structure of military dominance.

Political scientists have described Pakistan in various ways as a "garrison state," a "praetorian polity," and a "tutelary democracy"—each term highlighting the Army's disproportionate role in shaping national policy (Ahmed, 2013; Raza, 2019). Successive military regimes and

prolonged periods of indirect military influence over civilian governments have institutionalised a powerful establishment comprising the military, bureaucracy, judiciary, and selected media and political elites. This Establishment, in Pakistani parlance, has come to define the contours of power, particularly in foreign policy, internal security, and even electoral politics. As former Army Chief and President Pervez Musharraf once proclaimed, the Army sees itself as "the saviour of Pakistan... without it, the entity of Pakistan cannot exist"—a mindset emblematic of the securitised ethos that governs the state (Fair, 2014).

The implications of Pakistan's national security state model have been far-reaching. Domestically, it has undermined constitutional democracy, weakened civilian institutions, and stifled dissent. Internationally, it has shaped Pakistan's strategic alignments, from Cold War-era alliances with the

The breakdown of the alliance between the military and former Prime Minister Imran Khan, once its favoured political partner, has exposed deep fractures within the system. Mass protests, assaults on military installations, and a heavy-handed authoritarian response have shattered the illusion of institutional cohesion. What once appeared to be a unified power structure now reveals significant internal discord.

West to post-9/11 cooperation with the United States, primarily to balance India or confront ideological threats (Ahmed, 2013; Weinbaum, 2023).

Despite this historically consistent strategic posture, the state now faces an unprecedented internal crisis.

The breakdown of the alliance between the military and former Prime Minister Imran Khan, once its favoured political partner, has exposed deep fractures within the system. Mass protests, assaults on military installations, and a heavy-handed authoritarian response have shattered the illusion of institutional cohesion. What once appeared to be a unified power structure now reveals significant internal discord. The India–Pakistan military clash of May 2025 temporarily bolstered the military’s domestic legitimacy, reinforcing its self-styled role as the guardian of national

sovereignty and briefly muting public criticism. Yet, it remains uncertain whether this external confrontation has meaningfully reversed the structural decay and legitimacy crisis that continues to erode the foundations of Pakistan’s security state.

This article aims to examine how Pakistan has arrived at its current critical juncture by analysing the evolution and crisis of its national security state. It begins by situating the concept within key theoretical frameworks—realism, constructivism, and critical security studies—to establish an analytical foundation. The discussion then traces Pakistan’s historical trajectory through several distinct phases: the insecurity and militarisation of the early post-independence period; formal military rule under Ayub Khan; the ideological shift and Islamisation under Zia-ul-

Haq; the emergence of hybrid regimes after 1990; and the consolidation of controlled democracy during and after the Musharraf era. The contemporary confrontation between Imran Khan and the military is analysed as both a culmination of this model and a symptom of its deeper crisis. The article also examines how the May 2025 military clash with India has affected the military's domestic standing and may have reinforced, albeit temporarily, its dominant role in the polity. In conclusion, it reflects on the broader implications of this unravelling: is Pakistan moving beyond military dominance, or merely entering a new phase of elite-driven reconfiguration?

## **THEORETICAL FRAMEWORK: PERSPECTIVES ON THE SECURITY STATE**

Understanding the evolution of Pakistan's national security state requires a theoretical grounding in how states prioritise and interpret security. Three dominant schools of thought—realism, constructivism, and critical security studies—provide distinct yet complementary lenses through which to analyse Pakistan's securitised

governance. Each of these perspectives offers valuable insights into different dimensions of the Pakistani state's behaviour: realism emphasises material threats and survival imperatives, constructivism highlights the role of identity and social narratives, and critical security studies interrogate whose security is being prioritised and at what cost. Together, they illuminate both the origins and the contradictions of Pakistan's enduring security state paradigm.

### **Realism: The Imperatives of Survival, Ambition for Dominance, and Power**

Realism, the cornerstone of traditional international relations theory, posits that the international system is anarchic and that states are rational actors primarily concerned with their own survival. This survival often necessitates the accumulation of power, particularly military power, as a deterrent against external threats. In this framework, states operate under a perpetual security dilemma, where efforts to enhance one's security can be perceived as threatening by others, thus perpetuating arms races and regional instability.

From a realist standpoint, Pakistan's security posture is a logical outcome of its geopolitical circumstances. Born amid the violent partition of British India, embroiled in a territorial conflict over Jammu and Kashmir (J&K) within months of independence, and dwarfed by a much larger adversary in India, Pakistan's military orientation appears to be a rational response to a hostile environment. The security dilemma with India has been the defining feature of Pakistan's strategic calculus, compelling it to prioritise defence over development and to seek external alliances, first with the United States during the Cold War and later with China, as a means of counterbalancing Indian power (Ahmed, 2013).

Realism explains the recurring pattern of military interventions in Pakistan's politics. When civilian governments are perceived as incompetent or overly accommodating towards adversaries, the military often frames its political interventions as necessary to safeguard national integrity. Each coup—Ayub Khan in 1958, Zia-ul-Haq in 1977, and Pervez Musharraf in 1999—was justified by invoking national security and the failure of civilian leadership. The military's alliance with China, particularly in the nuclear and defence

sectors, further reflects classic balance-of-power logic. From this perspective, the Pakistani military's dominance over state affairs, while undemocratic, is regarded as a pragmatic response to systemic vulnerabilities.

However, realism's explanatory power is limited and inadequate in understanding the internal dynamics of constructing an exaggerated threat perception and the socio-political narratives that sustain them. For this, one must turn to constructivist analysis.

### **Constructivism: Identity, Narrative, and the Social Construction of Security**

Constructivist theory challenges the material determinism of realism by emphasising that threats and security imperatives are socially constructed. States act not only according to material interests but also based on identities, norms, and historical narratives. As Alexander Wendt famously asserted, "anarchy is what states make of it." (Wendt, 1992). In other words, it is not merely the structure of the international system that dictates behaviour, but the meanings states attach to their environment and relationships.





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In the Pakistani context, constructivism highlights how national identity and ideological narratives have shaped its security policies. Pakistan was founded on the two-nation theory, which defined Muslims and Hindus as distinct nations unable to coexist. This divisive foundational belief embedded a perpetual sense of insecurity and hate vis-à-vis India. Over time, this identity hardened into a strategic culture where India was not merely a geopolitical rival over which dominance was sought but also an existential threat, a perception that was not merely internal to Pakistan but was also fanned by Cold War politics. The security discourse in Pakistan is deeply infused with religious and ideological symbolism, portraying the nation at times as a beleaguered Islamic fortress encircled by hostile forces.

This 'crisis of identity' worldview has legitimised both the expansion of military power and the central role of the armed forces in national life. The military has presented itself not merely as a defender of borders but as the custodian of Pakistan's ideological foundations (Fair, 2014). This ideological role intensified during General Zia-ul-Haq's Islamisation drive in the 1980s when religion became explicitly linked to the state's security


agenda. School curricula, media narratives, and state rhetoric reinforced the belief that Pakistan's survival depended on its Islamic character and vigilance against external and internal enemies—be they India, secularists, or ethnic separatists.

Constructivism also explains the process of "securitisation" of domestic dissent. Movements for provincial autonomy, civil rights, or political opposition have often been cast not as legitimate political challenges but as existential threats backed by foreign conspiracies. The 1971 crackdown in East Pakistan, the suppression of the Baloch insurgency, and the post-9/11 military operations in the northwest all illustrate how the state has framed internal dissent as a security problem. These narratives, rooted in Pakistan's ideological identity, foster public support for authoritarian measures, even at the expense of democracy and civil liberties.

However, identity search and construction and ideological narratives alone do not explain the distributional consequences of security policies—who benefits, who suffers, and how security is leveraged as a tool of elite domination. For this reason, critical security studies provide a more insightful perspective.



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## Critical Security Studies: Securitisation and Elite Power

Critical security studies (CSS) broaden the inquiry by fundamentally questioning the traditional concept of security. Unlike realism, which centres on the state, CSS poses the questions: whose security is being prioritised? What are the political and social repercussions of securitising various issues? CSS critiques how the concept of “national security” is often employed to justify extraordinary measures that safeguard ruling elites rather than the general population.

In the context of Pakistan, the CSS illustrates how the national security state has primarily served the institutional interests of the military rather than those of the average citizen (Buzan et al., 1998; Raza, 2019). Enormous defence expenditures, often constituting a disproportionately large share of the national budget, have been made at the cost of human

development. Health, education, and welfare have suffered from chronic underfunding, leaving Pakistan with some of the lowest human development indicators in South Asia. Meanwhile, the military has accumulated vast economic assets through military-operated businesses and landholdings, giving rise to what Ayesha Siddiqi famously termed “Military Inc.” (Siddiqi, 2017). This entrenched military-commercial complex has blurred the distinction between national defence and institutional profiteering.

Securitisation theory, as developed by the Copenhagen School, further elucidates how the Pakistani military has consistently framed political and social issues as security threats to consolidate power (Buzan et al., 1998). Civilian politicians who challenge military prerogatives are frequently portrayed as security risks or foreign agents, justifying their removal or disqualification. Legal frameworks,

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such as the Army Act and the Official Secrets Act, have been employed not only to address external threats but also to counter domestic dissent (Ahmed, 2003). The military's capacity to define the national interest and to enforce that definition through coercive means has rendered it the ultimate arbiter of political legitimacy in Pakistan.

Recent developments, particularly the crackdown on former Prime Minister Imran Khan and his party, exemplify this trend. Khan's popular mobilisation, once nurtured by the military, is now framed as a threat to national security. Protesters have been labelled as insurgents, military courts have been invoked for civilian trials, and the media has been censored in the name of stability. Such measures demonstrate how securitisation is used to delegitimise democratic opposition and justify authoritarian control, reinforcing the military's supremacy over the political domain.

### **An Integrated Lens on the Security State**

Each theoretical perspective contributes to a more comprehensive understanding of Pakistan's security state. Realism tries to give form to external imperatives and strategic logic behind Pakistan's militarisation,

alliance behaviour as also behaviour and influence of the allies.

Constructivism explains the ideological narratives and identity politics that have sustained public support for a security-dominated polity. Critical security studies expose the internal consequences of this paradigm, particularly the authoritarianism, economic distortions, and social inequalities it perpetuates.

Collectively, these frameworks reveal a security state that is not only a response to perceived existential threats but also a product of internal narratives, elite interests, and external influence. The fusion of external insecurity, ideological rigidity, and institutional self-preservation has created a system where "national security" is invoked to justify nearly all forms of state power—regardless of efficacy, legality, or public welfare. It is this deeply embedded paradigm that is now under strain, as explored in the subsequent sections.

## **HISTORICAL EVOLUTION OF PAKISTAN AS A SECURITY STATE**

To understand the contemporary unravelling of Pakistan's security-centric political order, one must

examine the historical trajectory through which the country transformed into a quintessential security state. Since its birth in 1947, Pakistan's national experience has been shaped by recurring military interventions, territorial conflicts, and a persistent struggle to forge a unified national identity. These historical forces enabled the consolidation of military dominance and produced a political culture where security imperatives consistently overrode democratic norms. This section traces the key phases of this evolution, from post-independence insecurity to the institutionalisation of military power, the fusion of religion with security under General Zia, and the adaptation of military tutelage through hybrid regimes since the 2000s.

While emerging victorious in the call for India's partition by its founders, Pakistan emerged from the violent partition of British India with certain structural vulnerabilities. It was geographically bifurcated, separated into East and West Pakistan by over a thousand miles. Like India, it was economically underdeveloped, and socially destabilised by the mass movement of people owing to Partition. Within months of independence,

the first Indo-Pak war erupted over Kashmir, reinforcing Pakistan's hatred for India and Hindus specifically that the partition symbolized and its quest for parity with India, even the ambition of regional dominance.

Institutionally, the state was taking birth. The early deaths of key leaders, including Muhammad Ali Jinnah in 1948 and the assassination of Prime Minister Liaquat Ali Khan in 1951, created a leadership vacuum. In this environment, both the military and civil bureaucracy gained ground. By the early 1950s, the military had already begun to receive significant U.S. aid under Cold War alliances such as SEATO and CENTO. The alliance with the United States was not driven by ideological affinity, but by Pakistan's calculation that external partnerships would provide advantage viz-a-viz India. The inflow of foreign arms and funds professionalised the Army and boosted its prestige, enabling it to step confidently into the political vacuum (Cohen, 2004).

By 1958, frequent political instability, the failure to uphold constitutional order, and the absence of credible civilian leadership culminated in Pakistan's first military coup. General Ayub Khan, with the consent of

President Iskander Mirza, abrogated the constitution and declared martial law. Within weeks, General Ayub ousted Mirza and took full control, inaugurating Pakistan's first military regime and establishing a precedent for future interventions.

General Ayub Khan's regime represented the formal institutionalisation of the security state. While his tenure is often remembered for economic modernisation and infrastructure development, it also entrenched the military's dominance over civilian structures. General Ayub introduced the Basic Democracies system, a controlled political arrangement designed to bypass mass political mobilisation while centralising authority. During this period, the military-bureaucratic elite, judiciary, and aligned political actors coalesced into what came to be known as "the Establishment."

General Ayub's foreign policy was based on realist logic. He maintained close ties with the United States, strengthened relations with China, and sought military parity with India. The 1965 war with India over J&K, though militarily inconclusive, was framed domestically as a triumph

that further enhanced the military's image. However, the war also revealed weaknesses, particularly the vulnerability of East Pakistan, which received little attention or support during the conflict. The sense of alienation was deepening. Despite being the majority in population, Bengalis were underrepresented in the military and bureaucracy. Their demands for autonomy were viewed through a securitised lens, as potential threats to national unity, possibly abetted by India. General Ayub's failure to address these grievances sowed the seeds of future rupture.

The security state's inability to accommodate political diversity was laid bare during the East Pakistan crisis. After General Ayub's resignation in 1969, General Yahya Khan took over and presided over Pakistan's first general elections in 1970. The Awami League, representing Bengali interests, won a majority, yet the military refused to transfer power. In March 1971, Operation Searchlight, a brutal crackdown on Bengali dissent, sparked a civil war and led to massive refugee flows into India.

India's armed humanitarian intervention later that year resulted in a decisive defeat for Pakistan and



the creation of Bangladesh. This was a moment of profound reckoning. The military had failed in its core mission of preserving territorial integrity. Yet, in the aftermath, the official narrative emphasised Indian interference more than internal policy failures. This false externalisation of blame allowed the military to partially rehabilitate its role and maintain centrality in post-1971 Pakistan.

Zulfiqar Ali Bhutto emerged as Pakistan's new civilian leader following the 1971 debacle. Initially seen as a break from military rule, Bhutto nonetheless embraced many aspects of the security state. He launched Pakistan's nuclear programme, famously declaring that the nation would "eat grass" if necessary to acquire the bomb. His regime also depended heavily on the military to suppress the Baloch insurgency, reflecting a persistent tendency to securitise political dissent (Fair, 2014). While Bhutto sought to assert civilian supremacy and establish a new constitution in 1973, his authoritarian tendencies and centralisation of power alienated both political opponents and the military.

In July 1977, General Zia deposed Bhutto in yet another military

coup, reinstating overt military rule under the pretext of restoring order amid political chaos. His eleven-year rule represented a significant deepening of Pakistan's security state. Unlike General Ayub, who pursued modernisation, General Zia combined authoritarian rule with a clear religious agenda. His regime enacted extensive Islamisation measures, redefining national security not only in terms of territorial integrity but also as the defence of Islamic identity, giving a decidedly religious and radical flavour to the Indo-Pak equation from Pakistan's perspective.

General Zia's strategic position was bolstered by the Soviet intervention in Afghanistan in 1979. Pakistan emerged as the frontline state in the U.S.-backed anti-Soviet jihad. Billions of dollars in aid and military assistance poured into the country, strengthening the Inter-Services Intelligence (ISI) and the military hierarchy. The Afghan war provided not only external legitimacy to General Zia's regime but also internal mechanisms of control—religious networks, jihadist proxies, and expanded intelligence operations. This period institutionalised the use of Pakistani militants as instruments of foreign and domestic policy. The



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ideological synergy between the military and Islamist groups hardened Pakistan's identity as a security state based on both strategic paranoia and religious exceptionalism (Fair, 2014).

General Zia's sudden death in a 1988 plane crash paved the way for the return of formal democracy. However, the military's behind-the-scenes influence remained unchanged. The 1990s witnessed alternating civilian governments led by Benazir Bhutto and Nawaz Sharif, neither of whom completed a full term. The military-maintained veto power over key decisions, particularly those related to defence, foreign policy, and nuclear strategy. During this period, Pakistan conducted nuclear tests in 1998, cementing its widely suspected status as a clandestine nuclear weapons state. The Kargil conflict in 1999, orchestrated by the Army without civilian oversight, exposed the limits of democratic control over strategic decisions (Weinbaum, 2023). When

Nawaz Sharif attempted to assert authority, particularly by dismissing Army Chief General Pervez Musharraf, he was deposed in Pakistan's fourth military coup.

General Musharraf's regime marked a new phase in the security state, characterised by a hybrid model. After 9/11, Pakistan once again became a frontline state—this time in the U.S.-led War on Terror. General Musharraf leveraged this role to secure international legitimacy, foreign aid, and expanded military prerogatives. While maintaining the façade of civilian rule through controlled elections and a loyalist political party (PML-Q), real power remained in the hands of the military. The ISI continued to shape internal politics, and General Musharraf governed through a combination of martial law and selective liberal policies. His concept of “enlightened moderation” aimed to balance Pakistan's Islamist inclinations with Western expectations, but

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ultimately deepened internal contradictions and was a failure.

Following Musharraf's exit, Pakistan experienced its first democratic transition between elected governments. The PPP (2008–2013) and PML-N (2013–2018) completed full terms, marking a historic first. However, civilian rule remained limited. The military continued to influence national security and foreign policy decisions, intervening indirectly through manipulation of the judiciary and media. Nawaz Sharif's efforts to assert civilian supremacy and normalise relations with India provoked institutional backlash. His disqualification by the judiciary in 2017, widely viewed as orchestrated by the military, reaffirmed the resilience of the hybrid regime. Despite the formal restoration of democracy, real power remained concentrated in unelected security institutions.

Imran Khan's rise to power in 2018 represented another iteration of the hybrid model. The military was widely perceived as having facilitated his electoral victory, with the intention of governing through a pliant civilian figurehead (Behera). Khan adopted hardline positions aligned with military interests and publicly praised

the Army as a patriotic institution.

Initially, the arrangement functioned smoothly. The Army expanded its influence into economic policymaking and crisis management. However, Khan's governance deficiencies, economic mismanagement, and increasing autonomy gradually strained the alliance. A critical moment emerged in 2021 when Khan resisted the Army's preferred appointment for the ISI chief, marking a clear rupture in civil-military relations.

By early 2022, the military professed a stance of "neutrality," effectively facilitating Khan's removal through a no-confidence vote (Weinbaum, 2023). The alliance that had produced Pakistan's most conducive civilian-military hybrid had collapsed.

What followed was a confrontation unprecedented in Pakistan's history, as the military faced open public defiance.

## **CONTEMPORARY DYNAMICS: IMRAN KHAN VS. THE SECURITY ESTABLISHMENT**

The rise and fall of Imran Khan as Pakistan's Prime Minister, followed by his confrontation with the military establishment, presents a compelling

case study of a national security state in crisis. What distinguishes this phase is that the challenge to military dominance did not arise outside the system but emerged from within. Khan himself was a product of the very political engineering that the military orchestrated. Yet, he ultimately transformed into its most formidable political adversary (Weinbaum, 2023). This section traces the course of the Khan–military relationship: beginning with strategic co-optation and political alignment, progressing through escalating tensions and eventual rupture, and culminating in repression, polarisation, and institutional decay.

When Imran Khan took office in August 2018, his elevation was widely perceived as the result of a managed electoral process. The military establishment was believed to have facilitated his victory by pressuring rival political elites, influencing media narratives, and even shaping electoral outcomes (Behera). In this “hybrid regime 2.0,” Khan’s Pakistan Tehreek-e-Insaf (PTI) government became the civilian face of a system in which the military retained control over strategic policy domains.

Initially, the alliance seemed stable. Khan expressed unreserved admiration

for the military and aligned his foreign and domestic positions with its institutional preferences. He endorsed a hardline approach towards India, supported negotiations with the Pakistani Taliban, and deferred to the Army on issues of diplomacy, especially regional, and internal security. General Qamar Javed Bajwa, the Army Chief, was granted an extension in 2019, and military officers were appointed to key roles in economic and pandemic policymaking, thereby expanding the military’s influence beyond traditional domains.

Yet, cracks soon emerged beneath this surface alignment. Khan’s administration, though rhetorically ambitious, grappled with economic instability, inflation, and poor governance. These failures began to tarnish the military’s reputation by association. More significantly, Khan’s increasing assertiveness, especially in matters of appointments within the security apparatus, began to irritate the generals. The turning point came in late 2021, when Khan delayed the appointment of the new Director General of the ISI, signalling his preference for retaining a loyal incumbent. This apparent defiance signalled a clear departure from the

deferential posture that the military had come to expect.

By early 2022, the military had recalibrated its position. Publicly proclaiming a policy of “neutrality,” it distanced itself from Khan’s increasingly polarising governance. In practice, this withdrawal of support enabled the opposition, an alliance of formerly marginalised parties led by the Pakistan Democratic Movement (PDM), to initiate a no-confidence motion. In April 2022, Khan was ousted through a parliamentary vote, losing his majority after coalition allies defected from his party. Khan blamed his removal on a foreign conspiracy, alleging U.S. involvement and insinuating that the military had abetted the plot (Weinbaum, 2023). The military, while denying any role, was widely believed to have orchestrated or facilitated the transition. The rupture was now complete. What had begun as a cooperative experiment had devolved into a power struggle between Pakistan’s most popular civilian leader and its most powerful institution.

Rather than exiting quietly, Khan transformed his ouster into a populist crusade. He launched nationwide protests, rallying tens of thousands

under the slogan of an “imported government” imposed by foreign powers and domestic collaborators. His narrative fused anti-establishment sentiment with nationalist rhetoric, portraying himself as the true representative of the people against a corrupt elite and its military patrons.

Initially, Khan calibrated his criticism by targeting individual generals while avoiding a wholesale denunciation of the military. However, this changed following an assassination attempt in November 2022, from which Khan narrowly survived. He directly accused senior intelligence officials of plotting the attack, publicly implicating the military in what amounted to an attempted political elimination. This unprecedented act crossed a red line in Pakistan’s civil-military relations.

General Asim Munir, who was appointed Army Chief in late 2022, inherited an institution facing internal dissent and external defiance. As Khan intensified his campaign, the establishment responded with legal, political, and coercive measures to curtail his momentum. On May 9, 2023, Khan was arrested by paramilitary forces at the Islamabad High Court on charges of corruption. What followed was extraordinary. Tens of thousands

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of PTI supporters took to the streets in spontaneous protests across the country. In Lahore, they attacked the Corps Commander's residence; in Rawalpindi, the gates of the Army's General Headquarters were breached—acts previously unimaginable in a country where military installations are considered sacred symbols of power.

The state's response was swift and uncompromising. The events of May 9 were branded an "insurrection," and a national security narrative was invoked to justify a sweeping crackdown. Thousands of PTI leaders and supporters were arrested, and many were detained without due process. Prominent figures were compelled to renounce the party in televised statements. Military courts were authorised to prosecute civilians, and the media were prohibited from airing Khan's speeches or mentioning his name (Ahmed, 2023). The events

signalled a return to a securitised political order in which dissent, particularly that which challenges the military, would be met with state-sanctioned repression. Ironically, the same institutional machinery that once promoted Khan now sought to erase his political footprint.

The Khan-establishment confrontation has exposed the fragility of Pakistan's political institutions. Parliament has largely functioned as a rubber stamp, enacting sweeping laws to bolster military authority, including amendments to the Army Act and the Official Secrets Act. Initially supportive of Khan's constitutional rights, the judiciary has grown increasingly deferential to the establishment following leadership changes. Legal actions against Khan have intensified, and court rulings have increasingly aligned with the military's preferences. The media, once

robust, has been subdued through coercion and censorship. Independent journalists have faced intimidation or silencing, and digital platforms have been subjected to surveillance and control. As a result, the hybrid regime has regressed to a more explicit form of authoritarianism.

Political decay, as theorised by Samuel Huntington, occurs when political institutions cannot channel participation or resolve conflict, leading to institutional paralysis or collapse. In the case of Pakistan, decades of praetorian dominance have stunted institutional development (Huntington, 1968; Pitafi, 2023). The current crisis illustrates how those brittle structures—parliament, judiciary, media—are unable to absorb popular dissent or mediate elite conflict. Instead, the state defaults to repression.

Perhaps the most alarming outcome of the Khan episode is the apparent erosion of military cohesion. Reports, though unconfirmed, suggest that discontent exists within the ranks, particularly among junior and mid-level officers who may sympathise with Khan or disapprove of the crackdown on civilians. For an institution that has historically prided itself on unity and discipline, such internal fractures could have long-term consequences.

The broader societal implications are equally troubling. By branding a significant segment of the population as traitors or terrorists, the state risks deepening polarisation and sowing the seeds of radicalisation. Khan's continued popularity, especially among the youth and urban middle class, cannot be wished away through coercion. The attempt to surgically remove him from the political landscape may provide short-term

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The confrontation between Khan and the military establishment marks a critical turning point in Pakistan's security state model. The regime's reliance on legal repression, institutional co-optation, and brute force reflects not strength but desperation. The fact that the military, once the unassailable core of the state, is now openly contested in the streets, courts, and political discourse indicates that the old methods of control are faltering. This episode reveals the paradox of the Pakistani security state: its instruments of coercion are formidable, yet its political legitimacy is eroding. The very tools that once ensured stability now exacerbate instability. The system, long sustained by elite consensus and public deference, is buckling under the weight of its contradictions.

Against this backdrop of internal turmoil and eroding legitimacy, an external conflict in May 2025 paradoxically presented the military with an unexpected opportunity to reclaim its centrality. The brief but intense India–Pakistan military clash offered the armed forces a platform to reassert their role as defenders

of national sovereignty, potentially recalibrating the domestic narrative in their favour.

## **IMPACT OF THE MAY 2025 INDIA–PAKISTAN MILITARY CLASH ON DOMESTIC MILITARY DOMINANCE**

In early May 2025, Pakistan and India experienced their most intense military escalation in decades—a brief yet fierce conflict that significantly influenced Pakistan's civil-military dynamics. The crisis was triggered by a terrorist attack in Pahalgam on April 22, 2025, which India attributed to militants based in Pakistan. On the night of May 6, India launched Operation Sindoor, targeting nine terrorist camps in Pakistan-occupied Kashmir (POK) and Punjab, prompting a retaliatory response from Pakistan under Operation Bunyan Marsoos (“Structure of Lead”). Over the course of four days, both sides engaged in aerial and missile exchanges, raising fears of a broader conflict (The Times, 2025). A ceasefire was reached by May 10. Although short-lived, the conflict, characterised by the deployment of fighter jets, missiles, and drones, had



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an immediate effect on Pakistan’s domestic narrative (Shah, 2025).

Domestically, the Pakistan Army swiftly portrayed the conflict as a resounding defensive success. May 10, the day the ceasefire was declared, was heralded as “The Day of the Righteous Battle,” contrasting sharply with May 9, 2023, remembered as a “Black Day” because of anti-army riots (Hussain, 2025). Prime Minister Shehbaz Sharif called the episode a “golden chapter in military history” (Hussain, 2025). At the same time, state media amplified this narrative by praising Army Chief General Asim Munir, who was elevated to the rank of Field Marshal. The messaging aimed to restore the military’s image as the nation’s guardian after a period of eroding legitimacy (Shah, 2025).

The conflict stirred nationalism and momentarily improved the military’s public image. Even jailed former Prime Minister Imran Khan, a fierce critic of the military, adopted a conciliatory

tone. Through his lawyers, Khan commended the armed forces, stating that national morale empowers military strength and cautioning against alienating the public. His message, while supporting national unity, also subtly emphasised the need for justice and inclusive governance, implicitly urging the military not to suppress dissent (Hussain, 2025). Khan’s response underscored the enduring centrality of the national security mindset in Pakistan’s politics.

The military’s resurgence in public support was most apparent in Punjab, the political heartland and home to a significant portion of its personnel. Many citizens there took pride in the armed forces’ response, viewing the conflict as a revival of its heroic image. For the military, the timing was opportune. After a year of diminishing legitimacy, the external threat provided a fleeting opportunity to reset the narrative. Confrontation with India has long served to justify the military’s

dominant role in Pakistan's politics (Shah, 2025). Once again, external conflict helped deflect attention from domestic dissent.

However, this patriotic fervour was uneven across regions and unlikely to be durable. Support for the military varied sharply across provinces. In provinces like Khyber Pakhtunkhwa (KP) and Balochistan, which have been alienated by years of military operations and rights abuses, people remained sceptical. In these areas, the brief war did little to repair deep-seated mistrust. Likewise, Imran Khan's base in KP and urban Punjab may have supported the military's external actions but remained critical of its political dominance, especially with Khan still in prison (Hussain, 2025). Among these constituencies, the military's image remained deeply ambivalent.

As the initial celebrations faded, a more measured assessment of the situation began to emerge. While continued tensions with India might have prolonged a sense of unity, rising domestic dissatisfaction, driven by economic instability, inflation, and curtailed political freedoms, quickly regained focus. IMF-imposed austerity and the absence of governance reform exposed the limits of symbolic military victories. It became evident that lasting public support would hinge more on economic performance and political accountability than on episodic displays of strength. (Hussain, 2025).

The May 2025 conflict enabled the Pakistani military to briefly restore its image as the guardian of national sovereignty, thereby reinforcing the narrative of a national security state. It strengthened the argument that persistent external threats justify the military's continued political influence.

The May 2025 conflict followed a familiar pattern whereby external threats are used to legitimise military dominance by Pakistan. Pakistan's military has repeatedly invoked the threat from India to deflect attention from its own shortcomings. The 2025 confrontation fits this pattern.

However, this strategy remains precarious. As the immediacy of the crisis fades and time passes, it will become clear that the core challenges confronting Pakistan are economic decline, institutional decay, and democratic erosion. Public admiration may soon give way to frustration if systemic issues persist (Hussain, 2025).

Although the clash temporarily boosted the military's domestic standing and muted its critics, it failed to address the deeper fractures in civil-military relations. The May 2025 conflict followed a familiar pattern whereby external threats are used to legitimise military dominance by Pakistan. Pakistan's military has repeatedly invoked the threat from India to deflect attention from its own shortcomings. The 2025 confrontation fits this pattern. Without a transition from wartime popularity to meaningful governance reforms, the military's renewed legitimacy is unlikely to endure. The public is likely to demand more than symbolic victories, instead calling for economic relief, political accountability, and the restoration of civilian authority. As tensions ease, the same military must grapple with a reality shaped more by economic decline and governance failures than

by external threats. If these internal challenges remain unresolved, popular support could swiftly give way to discontent.

## **CONCLUSION: THE UNRAVELLING OF PAKISTAN'S SECURITY STATE**

Pakistan's trajectory as a national security state, rooted in the logic of alternating existential threats and ambition for dominance, military guardianship, and securitised governance, has entered a phase of profound crisis. The historical compact that sustained this model for over seven decades is visibly fracturing. This article traces the theoretical foundations and historical development of Pakistan's security-centric paradigm, demonstrating how realist imperatives, constructivist identity narratives, and critical securitisation practices have converged to produce an enduring yet increasingly fragile political order.

The logic of the security state has historically been compelling: born amidst trauma and surrounded by both perceived and real threats, Pakistan relied on the military as a stabilising



Pakistan's trajectory as a national security state, rooted in the logic of alternating perceived existential threat from India and ambition for regional dominance, as well as military guardianship and securitised governance has entered a phase of profound crisis. The historical compact that sustained this model for over seven decades is visibly fracturing.



force amid weak civilian institutions. Realism aids in understanding why successive regimes—civilian and military—prioritised alliances, armament, and deterrence as essential for state survival. Constructivism reveals how identity-based anxieties and ideological narratives, particularly in relation to India and the “Islamic fortress” notion, have embedded militarisation within Pakistan’s political culture. Critical security studies highlight the flaws of this model, including the militarisation of development, the weakening of democratic institutions, the silencing of dissent, and the concentration of power among elites.

These contradictions are now converging into an unprecedented rupture. The Imran Khan–military confrontation is not merely a clash of personalities but signifies a systemic unravelling of the security state’s internal logic. A political figure, once nurtured by the military, has mobilised mass support against it, invoking popular sovereignty in opposition to elite domination. The military’s response, mass arrests, military trials for civilians, media censorship, and judicial engineering, reveals an establishment unable to manage

dissent politically, relying instead on coercion.

This episode also exposes the political decay of Pakistan’s institutions. Parliament functions largely as a conduit for military interests. The judiciary wavers between assertion and capitulation, often influenced by changing elite alignments. The media, once a site of pluralism and critique, has been hollowed out by censorship and intimidation. Political parties, whether co-opted, fractured, or banned, are often incapable of representing dissent in structured, institutional ways. As a result, Pakistan risks slipping from hybrid authoritarianism into outright autocracy (Jalal, 2024).

The paradox is glaring: a state designed to ensure national security is now undermining its internal cohesion. By securitising dissent, the establishment alienates a significant portion of the population. By criminalising electoral competition, it delegitimises future governance. By silencing opposition leaders, it forecloses a democratic resolution. In doing so, the security state undermines the stability it claims to uphold.

Yet, despite these challenges, the security state is unlikely to collapse

For now, Pakistan's trajectory can be summed up as a reckoning deferred. The rise of the national security state has been unmistakable over the past seven decades. Its decay is increasingly evident in the challenges of the last few years. Whether that decay leads to demise or a hardened rebirth is the existential question facing Pakistan.

overnight. Pakistan's military remains the country's most organised institution, with deep roots in the economy, bureaucracy, and intelligence services. It has survived previous crises—1971, 1988, 2007—by adapting, co-opting new political actors, and reasserting its relevance. A similar pattern may emerge: the establishment may seek to engineer a post-Khan dispensation through the selective inclusion of compliant politicians, the legal proscription of PTI, and tightly managed elections. However, this path is unlikely to yield long-term legitimacy. Public expectations have shifted. A younger, digitally connected population, exposed to global narratives of rights and accountability, is less willing to accept military oversight as the natural order. The economic crisis has further eroded the social contract; the vast expenditures on defence seem

untenable amid economic turmoil and infrastructural decline.

The India-Pakistan clash of 2025 briefly revitalised the Pakistani military's domestic image, reinforcing its self-portrayal as the nation's saviour and temporarily muting dissent. Yet, it did little to address the deep-rooted structural challenges facing the state. The episode underscored a familiar pattern: external conflict is often used to legitimise military dominance by portraying the army as the sole guardian of national sovereignty. While this narrative may resonate in the short term, its effect is fleeting without tangible improvements in governance. Public support, fuelled by nationalism, is unlikely to endure amid persistent economic hardship and political exclusion. Thus, the May 2025 conflict may merely delay an inevitable reckoning rather than reverse the decay of the national security state's unquestioned dominance.

Pakistan stands at a crossroads. The old formula of managed democracy under military supervision is failing to contain the pressures of popular mobilisation, economic despair, and global scrutiny. Whether the country can move toward a more balanced, accountable, and democratic order will depend on the choices made in the coming years by political leaders, civil society, and crucially, the military itself. The survival of the national security state now depends not on more security, but on better governance. For now, Pakistan's trajectory can be summed up as a reckoning deferred.

The rise of the national security state has been unmistakable over the past seven decades. Its decay is increasingly evident in the challenges of the last few years. Whether that decay leads to demise or a hardened rebirth is the existential question facing Pakistan. The answer will determine if Pakistan can finally transition to a more balanced civil-military equation, or if it remains locked in the paradigm of the national security state. Pakistan now faces a choice: genuine transformation toward civilian supremacy, or a reconstituted national security state continuing its hold, albeit under new conditions.



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# **A DECADE OF STEADY ECONOMIC DECAY**



**AJAY BISARIA & ABHISHEK KUMAR**


## ABSTRACT

This piece analyses Pakistan's persistent economic challenges, particularly in the decade from 2013 to 2024. It links the country's financial crises with structural weaknesses, primarily military dominance, that has led to political instability, flawed economic choices and an addiction to IMF bailouts. The economic crisis has aggravated from 2021, since when the Pakistani rupee has depreciated drastically, inflation surged, GDP growth stagnated, and foreign reserves plunged. The failure to implement tax reforms, fix chronic energy sector inefficiencies, or to attract foreign direct investment (FDI), together with populist schemes, have further exacerbated economic instability. The military's control over key industries and excessive defence spending have diverted resources from essential development. The article highlights Pakistan's cyclical dependence on IMF's Extended Fund Facility (EFF), noting how successive programs in 2013, 2019, and 2024 provided temporary relief but failed to address deep-rooted economic problems. While the 2024 EFF emphasizes climate resilience and digital transformation, Pakistan remains trapped in a cycle


of debt and economic stagnation, without deep structural reforms—such as broadening the tax base, privatizing inefficient state-owned enterprises, and reducing military influence. Moreover, in May 2025 the IMF approved a fresh disbursement of approximately \$1 billion under the ongoing 2024 EFF, and concurrently green-lit a new \$1.4 billion Resilience & Sustainability Facility to support climate adaptation—further entrenching Pakistan's bailout dependency.

## INTRODUCTION: AN IMPLoding ECONOMY

Pakistan's economy has faced profound challenges in recent years, driven by continued mismanagement that has stifled growth and stability. According to *Topline Securities*, the Pakistani rupee has undergone severe devaluation, with an average annual decline of 10% in nine consecutive years, to 279 PKR against the US dollar in 2024<sup>1</sup>. This depreciation drastically inflated the cost of critical imports such as energy, machinery, and pharmaceuticals, exacerbating trade deficits and draining foreign exchange reserves to 10.7 bn USD in 2024, barely enough



Political instability and security crises have destabilized Pakistan's economy. Frequent changes in leadership, contentious elections, and bureaucratic inefficiencies have disrupted policy continuity... Pakistan's repeated reliance on IMF programs has entrenched a cycle of dependency. Austerity measures—such as subsidy reductions and tax increases—often mandated under these programs have historically triggered public unrest, revealing a deep tension between fiscal discipline and social stability.



The World Bank estimates that over 40% of Pakistanis now live in poverty, with household purchasing power eroded by stagnant wages and unemployment rates exceeding 8%. Political instability and security crises have destabilized Pakistan's economy. Frequent changes in leadership, contentious elections, and bureaucratic inefficiencies have disrupted policy continuity.

to cover 2 months of import<sup>2</sup>. As a consequence, according to the *Pakistan Bureau of statistics*, the GDP growth rate contracted to -0.2% in 2023, (and was an estimated 2.5 percent in 2024), reflecting stagnation across key sectors like agriculture, manufacturing, and services. Simultaneously, inflation surged to 23.4% in 2024, driven by rising food, fuel, and utility prices, pushing millions below the poverty line. The World Bank estimates that over 40% of Pakistanis now live in poverty, with household purchasing power eroded by stagnant wages and unemployment rates exceeding 8%.

Political instability and security crises have destabilized Pakistan's economy. Frequent changes in leadership, contentious elections, and bureaucratic inefficiencies have disrupted policy continuity. At the same time, security challenges including the resurgence of the *Tehrik-i-Taliban Pakistan (TTP)*

and the Balochistan Liberation Army (BLA), have heightened the security risks, deterring foreign investors and tourism. Foreign Direct Investment (FDI) plummeted by 35% in 2021<sup>3</sup>, with critical infrastructure projects delayed or abandoned.

In response to mounting fiscal pressures, Pakistan once again turned to the International Monetary Fund (IMF) for external assistance—especially after a caretaker regime assumed power in 2022. The IMF, a long-standing financial lifeline for Pakistan, approved the country's 7th Extended Fund Facility (EFF) after protracted negotiations across successive civilian governments. This \$7 billion bailout, which took effect in September 2024, was designed to avert default and provide short-term liquidity. However, critics argue that Pakistan's repeated reliance on IMF programs since the 1980s has

entrenched a cycle of dependency. Austerity measures—such as subsidy reductions and tax increases—often mandated under these programs have historically triggered public unrest, revealing a deep tension between fiscal discipline and social stability.

As Pakistan began to draw on the 2024 EFF, the IMF's Executive Board completed its first review on May 9, 2025, releasing an additional \$1 billion disbursement (SDR 760 million). It also approved \$1.4 billion under the Resilience and Sustainability Facility (RSF), intended to bolster climate and disaster resilience <sup>4</sup>.

While these disbursements provide temporary relief, they also highlight the government's reactive posture—remaining financially tethered to IMF cycles rather than initiating proactive, homegrown reforms. This pattern reinforces concerns that Pakistan is managing crises rather than addressing the structural weaknesses that perpetuate them.

Structural taxation weaknesses persist: the tax-to-GDP ratio remains a meagre 8.77% <sup>5</sup> (compared to 11.7% <sup>6</sup> in India and around 40% per cent in Europe <sup>7</sup>), hindered by evasion and a narrow tax base, while loss-making state-owned enterprises drain billions annually.

Additionally, climate change has devastated agriculture—contributing 23% to GDP <sup>8</sup>—through floods and droughts, displacing communities and disrupting supply chains. Human capital development lags, with literacy rates stagnant at 62% <sup>8</sup> and vocational training inadequate to meet labour market demands, fueling a brain drain as skilled workers emigrate.

The IMF's recent downgrade of Pakistan's 2025 GDP growth forecast from 3.2% to 3% <sup>9</sup> reflects skepticism about reform implementation. Sustainable recovery hinges on systemic changes: broadening tax reforms, privatizing inefficient industries, combating corruption, and investing in education and technology. Without such measures, Pakistan risks entrenching a “beg-and-borrow” economy, jeopardizing sovereignty and long-term resilience. Lessons from India and from nations like Indonesia and Egypt—which combined IMF support with homegrown reforms to stabilize economies—offer a potential roadmap. Achieving this requires systemic overhaul: political consensus, security enhancements, and a commitment to equitable growth to ensure sustainable transformation is prioritized over short-term relief.

Most importantly, it requires removing the structural anomaly of ‘Military Inc’, an army deeply entrenched in the economy, triggering inefficiencies and blocking reform.

## HOW THE IMF’S EXTENDED FUND FACILITY HAS FOSTERED DEPENDENCY

The Extended Fund Facility (EFF), established by the International Monetary Fund (IMF) in 1974, was designed to address the unique economic challenges faced by countries grappling with chronic structural weaknesses and protracted balance of payments (BoP) crises—precisely the issues plaguing Pakistan today. Created in the wake of the 1970s global oil shocks and inflationary pressures, the EFF emerged as a response to the limitations of the IMF’s traditional short-term lending instruments, such as Stand-By Arrangements (SBAs), which were ill-suited for nations requiring deeper, longer-term reforms. Unlike SBAs, which typically span 12–24 months and focus on immediate liquidity needs, the EFF allows for extended engagement, with repayment periods ranging from 4.5 to 10 years<sup>10</sup>. This longer horizon was

meant to provide breathing room for governments to implement structural reforms—such as overhauling tax systems, privatizing state-owned enterprises, or modernizing infrastructure—that may take years to yield tangible economic benefits<sup>10</sup>.

Countries eligible for the EFF, like Pakistan, often suffer from chronic structural impediments, including rigid fiscal frameworks, inefficient public sectors, energy shortages, and low export diversification. These issues contribute to persistent BoP deficits, where a nation’s imports and debt repayments consistently outstrip its export earnings and foreign exchange reserves. For instance, Pakistan’s BoP crisis is exacerbated by its reliance on costly energy imports, a narrow tax base (with a tax-to-GDP ratio of just 8.77%<sup>5</sup>), and stagnant export sectors like textiles, which face competition from regional rivals. The EFF’s extended timeline aims to break this cycle by enabling reforms such as broadening the tax base, reducing energy subsidies, and improving governance—measures that require political stamina and time to gain public acceptance.

Pakistan’s history with the EFF illustrates both its potential and

pitfalls: with the 2024 EFF, the country has availed twenty-five IMF programs, since 1958, including EFF arrangements. Many reform programs stalled due to political resistance or external shocks (e.g., floods, pandemics). The 2019 EFF, a \$6 billion package, demanded politically tough reforms like hiking energy prices and increasing tax revenues, but compliance wavered amid inflationary backlash and governance gaps <sup>11</sup>.

Critics argue that the EFF's success hinges on domestic political will and institutional capacity—factors often in short supply in crisis-hit nations. While Indonesia's post-1997 EFF program stabilized its economy through banking reforms and deregulation <sup>12</sup>, Pakistan's repeated reliance on the facility underscores a cycle of dependency, with short-term gains overshadowed by unmet structural benchmarks. Nevertheless, the EFF remains a critical lifeline for countries like Pakistan, offering not just financing but a framework for credibility with international lenders. The challenge lies in ensuring that borrowed time translates into sustainable change, rather than perpetuating a pattern of crisis and rescue.

## IMF LENDING DATA TO PAKISTAN FROM 1958 TO 2024

*Note: The amount in this table is in SDR (Special Drawing Rights) value: The currency value of the SDR is determined by summing the values in U.S. dollars, based on market exchange rates, of a basket of major currencies (the U.S. dollar, Euro, Japanese yen, pound sterling and the Chinese renminbi). The SDR currency value is calculated daily except on IMF holidays, or whenever the IMF is closed for business, or on an ad-hoc basis to facilitate unscheduled IMF operations. The SDR valuation basket is reviewed and adjusted every five years.*

## THE 2013 IMF EXTENDED FUND FACILITY (EFF) TO PAKISTAN

In September 2013, Pakistan secured a three-year, \$6.6 billion Extended Fund Facility (EFF) from the IMF to address a dire economic crisis <sup>14</sup>. At the time, the country faced plummeting foreign reserves (down to \$3.2 billion <sup>15</sup>, covering just three weeks of imports), a fiscal deficit exceeding 8% of GDP <sup>14</sup>, chronic energy shortages fueled by



Sr No	Facility	Date of Arrangement	Expiration Date	Amount Agreed	Amount Drawn	Amount Outstanding
1.	Extended Fund Facility	Sep 25, 2024	Oct 24, 2027	53,20,000	7,60,000	7,60,000
2.	Standby Arrangement	Jul 12, 2023	Apr 29, 2024	22,50,000	22,50,000	22,50,000
3.	Extended Fund Facility	Jul 03, 2019	Jun 30, 2023	49,88,000	30,38,000	28,91,333
4.	Rapid Financing Instrument	Apr 16, 2020	Apr 20, 2020	10,15,500	10,15,500	2,53,875
5.	Extended Fund Facility	Sep 04, 2013	Sep 30, 2016	43,93,000	43,93,000	5,34,333
6.	Standby Arrangement	Nov 24, 2008	Sep 30, 2011	72,35,900	49,36,035	0
7.	Extended Credit Facility	Dec 06, 2001	Dec 05, 2004	10,33,700	8,61,420	0
8.	Standby Arrangement	Nov 29, 2000	Sep 30, 2001	4,65,000	4,65,000	0
9.	Extended Fund Facility	Oct 20, 1997	Oct 19, 2000	4,54,920	1,13,740	0
10.	Standby Arrangement	Dec 13, 1995	Sep 30, 1997	5,62,590	2,94,690	0
11.	Extended Credit Facility	Feb 22, 1994	Dec 13, 1995	6,06,600	1,72,200	0
12.	Extended Fund Facility	Feb 22, 1994	Dec 04, 1995	3,79,100	1,23,200	0
13.	Standby Arrangement	Sep 16, 1993	Feb 22, 1994	2,65,400	88,000	0
14.	Structural Adjustment Facility Commitment	Dec 28, 1988	Dec 27, 1991	3,82,410	3,82,410	0
15.	Standby Arrangement	Dec 28, 1988	Nov 30, 1990	2,73,150	1,94,480	0
16.	Extended Fund Facility	Dec 02, 1981	Nov 23, 1983	9,19,000	7,30,000	0
17.	Extended Fund Facility	Nov 24, 1980	Dec 01, 1981	12,68,000	3,49,000	0
18.	Standby Arrangement	Mar 09, 1977	Mar 08, 1978	80,000	80,000	0
19.	Standby Arrangement	Nov 11, 1974	Nov 10, 1975	75,000	75,000	0
20.	Standby Arrangement	Aug 11, 1973	Aug 10, 1974	75,000	75,000	0
21.	Standby Arrangement	May 18, 1972	May 17, 1973	1,00,000	84,000	0
22.	Standby Arrangement	Oct 17, 1968	Oct 16, 1969	75,000	75,000	0
23.	Standby Arrangement	Mar 16, 1965	Mar 15, 1966	37,500	37,500	0
24.	Standby Arrangement	Dec 08, 1958	Sep 22, 1959	25,000	0	0

Table 1 Source: IMF<sup>13</sup>



\$5 billion in circular debt, the unpaid financial shortfall in Pakistan's energy sector, causing cash flow disruptions across the supply chain.) and sluggish GDP growth of 3.7%.<sup>16</sup> The program aimed to stabilize the economy through fiscal consolidation, structural reforms, and restoring investor confidence. Key components included reducing the fiscal deficit to 3.5% of GDP by 2016<sup>14</sup>, broadening the tax base, eliminating energy subsidies, privatizing loss-making state-owned enterprises (SOEs), and transitioning to a market-driven exchange rate. Structural benchmarks included overhauling tax administration, introducing a VAT-style sales tax, and strengthening social safety nets to cushion austerity impacts.

The 2013 Extended Fund Facility (EFF) from the IMF was granted to Pakistan in the context of a relatively stable political transition following the first democratic transfer of power after the Musharraf era. The general elections in May 2013 were considered relatively free and competitive, leading to Nawaz Sharif's Pakistan Muslim League-Nawaz (PML-N) forming the government. This political stability, along with the commitment to economic reforms, created a

favourable environment for securing the \$6.6 billion IMF bailout to address Pakistan's economic crisis, including dwindling foreign reserves, a high fiscal deficit, and chronic energy shortages.

However, despite initial progress, Pakistan's implementation of the program was inconsistent and politically compromised. Tax reforms, a cornerstone of the EFF, faltered due to elite resistance. The government avoided taxing politically sensitive sectors like agriculture and real estate, which contributed 23%<sup>8</sup> and 2.8%<sup>17</sup> respectively to GDP but only 0.6% (agriculture, 2017-18)<sup>18</sup> and 0.003% (real estate, 2020-21)<sup>19</sup> to tax revenues, and instead relied on regressive indirect taxes that burdened the poor. Efforts to modernize the Federal Board of Revenue (FBR) were undermined by corruption and inefficiency, failing to reach the 13% tax to GDP 20 target. Energy reforms also stalled. Though electricity tariffs were raised public backlash and pre-election populism forced the government to delay further hikes. Privatisation of SOEs like Pakistan International Airlines (PIA) and power distribution companies collapsed due to union strikes and political opposition<sup>21</sup>.

Structural reforms, such as the proposed VAT-style RGST, were abandoned amid opposition from traders and provinces. Loss-making SOEs continued to drain \$4 billion annually in subsidies, while external shocks—like the 2014–2015 global oil price crash and the costs of counterterrorism operations (e.g., Zarb-e-Azb)—diverted attention and resources from reform agendas.

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By the program's conclusion in 2016 (extended to 2018), Pakistan achieved superficial stability: foreign reserves rebounded to \$18 billion<sup>22</sup>, aided by IMF inflows and Chinese CPEC investments, and GDP growth rose to 5.5% in 2017<sup>23</sup>. However, these gains masked unresolved structural flaws. Tax evasion, energy inefficiencies, and public debt (72% of GDP by 2018<sup>24</sup>) worsened, setting the stage for a renewed crisis by 2018, which necessitated another IMF bailout in 2019. The 2013 EFF's failure

underscored a recurring pattern: short-term compliance with IMF conditions without confronting vested interests—feudal elites, energy unions, or the military-industrial complex—yielded temporary relief but entrenched long-term fragility. The episode highlighted how political unwillingness to prioritize systemic reform over populist concessions perpetuates a cycle of dependency, rendering IMF programs Band-Aid solutions rather than catalysts for sustainable transformation. Taimur Rahman, a political economist teaching at the Lahore University of Management Science, blamed the ruling classes for these dismal conditions and drew a comparison between India and Pakistan: “The ruling class of Pakistan, unlike their Indian counterparts, have always splurged on luxury products and the military”<sup>25</sup>.

## THE 2019 IMF EXTENDED FUND FACILITY (EFF) TO PAKISTAN

In July 2019, Pakistan entered a 39-month, \$6 billion Extended Fund Facility (EFF) with the IMF, marking its 22nd program since 1958. The agreement came amid a deepening economic crisis: foreign reserves had dwindled to \$7.2 billion (covering less than two months of imports) 26, the budget deficit stood at 8.9% of GDP<sup>27</sup>, and public debt soared to 84% of GDP<sup>28</sup>. The PTI government, led by Prime Minister Imran Khan, sought the EFF to avert a balance-of-payments crisis, stabilize the rupee and restore investor confidence. While the 2019 EFF shared core objectives with the 2013 program—fiscal consolidation, tax reforms, and energy sector overhauls—it diverged in its

emphasis on social spending, anti-corruption measures, and adjustments for external shocks like COVID-19<sup>11</sup>.

However, similar structural challenges and political constraints undermined its implementation.

This happened in the political context of the same-page hybrid government with army chief Bajwa and a new ‘same-page’ Prime Minister, Imran Khan, who took over after the elections in 2018. Despite the advice to go into an IMF program, he initially resisted, trying to tap the largesse of friendly governments like Saudi Arabia and China. He eventually succumbed and bowed to the tradition of new civilian governments rushing to the IMF to stabilise their regimes.

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According to the 2019 IMF EFF package had five key components. First, fiscal consolidation aimed to reduce the fiscal deficit to 2.4% of GDP by 2023 through austerity measures, including subsidy cuts, tax revenue increases, and reductions in development spending. The program sought to expand the tax-to-GDP ratio by broadening the tax base, eliminating exemptions, and cracking down on evasion.

of GDP by 2023 through austerity measures, including subsidy cuts, tax revenue increases, and reductions in development spending. The program sought to expand the tax-to-GDP ratio by broadening the tax base, eliminating exemptions, and cracking down on evasion. Second, monetary and exchange rate reforms mandated a shift to a market-determined exchange rate, ending the State Bank of Pakistan's (SBP) interventions to stabilize the rupee. Monetary policy was tightened to curb inflation while granting the SBP greater autonomy to target inflation. Third, energy sector overhauls targeted Pakistan's chronic circular debt, which had surged to \$17.5 billion by 2019<sup>29</sup>. The program mandated electricity tariff hikes, reductions in transmission losses, and restructuring of power-sector contracts. Subsidies for electricity and gas were to be phased out, particularly for non-residential consumers. Fourth, structural reforms included the privatisation or restructuring of loss-making state-owned enterprises (SOEs) such as Pakistan Steel Mills and PIA. The government also pledged to strengthen governance through anti-corruption initiatives, including

digitizing procurement and enhancing transparency in public-sector projects.

Finally, the EFF expanded the Ehsaas Program, Pakistan's social safety net, to mitigate the impact of austerity on low-income households. The 2019 EFF bore several similarities to the 2013 program. Both focused on fiscal and tax reforms, prioritizing subsidy reductions and tax base expansion, though resistance from elites remained a common obstacle. Agriculture and real estate—contributing 23%<sup>8</sup> and 2.8% to GDP<sup>17</sup>, respectively—remained undertaxed, while indirect taxes such as sales tax hikes and petroleum levies disproportionately burdened lower-income groups. The energy sector challenges persisted, with circular debt rising despite tariff hikes. Privatisation of power distribution companies (DISCOs) was planned but met with significant political resistance and public protests, leading to delays<sup>30</sup>. Similarly, SOE privatisation gridlock hindered reforms, as the PTI government faced strikes from PIA employees and legal challenges, mirroring the difficulties faced by the PML-N administration in 2013. Additionally, external shocks disrupted the programs. While the 2013 EFF dealt with oil price volatility and military

expenditures from Operation Zarb-e-Azb, the 2019 program was severely impacted by the COVID-19 pandemic.

Despite these similarities, the 2019 EFF also introduced some new elements. One major shift was the program's social spending focus, with the Ehsaas Program expanded to cover 12 million families, up from 5.3 million under the Benazir Income Support Program (BISP) in 2013<sup>11</sup>. The government also introduced emergency cash transfers during COVID-19 to support vulnerable populations. Another distinction was the anti-corruption agenda, which saw reforms tied to digitizing tax filings, public procurement, and asset declarations for officials. However, these measures faced bureaucratic pushback and limited enforcement. Additionally, the monetary policy autonomy aspect of the 2019 program was unprecedented. Legislative amendments were introduced to grant the SBP operational independence—a structural shift absent in 2013.

Critics argued that this prioritisation of inflation control over growth worsened unemployment. The China-Pakistan Economic Corridor (CPEC) debt also distinguished the 2019 program from its predecessor. With repayments to Chinese power plants

adding to circular debt, the IMF urged transparency in CPEC contracts, but disclosures remained minimal.

Finally, this EFF faced major challenges due to political instability in Pakistan. In early April 2022, the program hit a deadlock when then-Prime Minister Imran Khan announced a relief package that included tax amnesty schemes and energy price cuts, which were seen as reversals of previously agreed reforms with the IMF<sup>31</sup>.

The PTI government's collapse in April 2022, amid political turmoil, further derailed the reform agenda. By 2023, Pakistan once again faced balance-of-payments pressures, forcing the new PDM coalition to seek another IMF bailout.

## THE 2024 IMF EXTENDED FUND FACILITY (EFF) TO PAKISTAN

The 2024 Extended Fund Facility (EFF) for Pakistan is a 37-month program approved by the International Monetary Fund (IMF) to support Pakistan's efforts in tackling economic challenges, strengthening resilience, and fostering sustainable growth. The program built on the macroeconomic

stability achieved over the past year and focuses on strengthening public finances, reducing inflation, rebuilding external buffers, and eliminating economic distortions to promote private sector-led growth.

According to the IMF Country Report 24/310, One of the core priorities of the 2024 EFF was macroeconomic sustainability, which involved enhancing policy-making credibility through consistent fiscal, monetary, and exchange rate policies<sup>32</sup>. The program also emphasized improving public spending efficiency and raising fairer and more effective taxation, particularly by targeting under-taxed sectors. Another key focus area is productivity and competitiveness, which sought to improve Pakistan's business environment by eliminating state-created distortions, increasing competition, streamlining subsidies, improving the foreign direct investment (FDI) framework, strengthening banking intermediation, and investing in human capital.

The program also prioritized state-owned enterprise (SOE) and public service reforms, aiming to improve SOE governance through restructuring and privatisation. It also sought to reduce inefficiencies in the energy

sector by addressing cost structures and gradually phasing out government intervention in price setting.

Additionally, the 2024 EFF had a strong emphasis on climate resilience, supporting the implementation of Pakistan's C-PIMA Action Plan and its National Adaptation Plan to tackle environmental challenges<sup>32</sup>.

To qualify for the EFF funding, Pakistan had to undertake several policy measures, including significant tax reforms to broaden the tax base. The government also had to increase electricity prices and generate more revenue from non-tax sources, such as petroleum levies and electricity tariffs. Additionally, fiscal measures were introduced to maintain a balance between federal and provincial government spending, imposing taxes on the agricultural sector and prohibiting new subsidies.

Like previous IMF bailout programs, the 2024 EFF focused on addressing Pakistan's balance of payments issues and implementing long-term structural reforms. The program demands strict policy measures that, while necessary for economic stability, were viewed as harsh by some experts. Key elements such as fiscal consolidation, monetary policy adjustments, energy sector



Like previous IMF bailout programs, the 2024 EFF focused on addressing Pakistan's balance of payments issues and implementing long-term structural reforms. The program demands strict policy measures that, while necessary for economic stability, were viewed as harsh by some experts. Key elements such as fiscal consolidation, monetary policy adjustments, energy sector reforms, and SOE restructuring are also consistent with previous IMF programs for Pakistan.

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A key distinction of the 2024 EFF is its strong focus on climate resilience, which was not as prominent in earlier IMF packages. Additionally, this program is designed to align with the new government's broader reform agenda, emphasizing inclusive and long-term economic growth. Another major difference is that the 2024 EFF is integrated with Pakistan's Thirteenth Five-Year Plan (2024–2029), which introduces the 5E Framework—focusing on Exports, E-Pakistan (digital economy), Energy & Infrastructure, Environment & Climate Change, and Equity & Empowerment<sup>32 33</sup>. This broader framework sets a more strategic direction for Pakistan's economic recovery beyond immediate stabilisation measures.

Overall, while the 2024 EFF shares similarities with previous IMF programs in its emphasis on economic stabilisation, fiscal discipline, and structural reforms, its distinct focus on climate resilience, digital economy, and inclusive growth reflects a more modernized approach to addressing Pakistan's long-term economic challenges<sup>32</sup>.

## MAY 2025 DISBURSEMENT & RSF: ANOTHER CYCLE BEGINS

Pakistan's May 2025 IMF review reinforced its dependency cycle. The Executive Board approved approximately \$1 billion under the 2024 EFF following the first performance review 4. Simultaneously, it authorized a \$1.4 billion Resilience

& Sustainability Facility (RSF), tied to climate adaptation, natural disaster preparedness, and structural reforms in SOEs, energy, agriculture, public services, and water management<sup>4</sup>.

Along with fresh financing, the IMF introduced 11 new structural benchmarks—the total now reaching 50—underscoring elevated oversight and skepticism toward Pakistan’s reform commitment<sup>34</sup>.

These conditions are:

- **Approval of the ₹17.6 trillion budget:** The IMF has imposed that Pakistan must pass a new federal budget for the financial year 2025-26, which is in line with the IMF targets by June 2025<sup>35</sup>.
- **Agricultural Income Tax reforms:** The international body also imposed another condition where four units will be implemented through the Agricultural Income Tax laws<sup>35</sup>.
- **Governance Action plan:** The Pakistan government is directed to publish a governance action plan based on the recommendations from the IMF’s Governance Diagnostic Assessment to identify reform measures<sup>35</sup>.
- **Maintain real purchasing power:** To maintain the real purchasing power of the people of the nation,

IMF has directed Pakistan to give annual inflation adjustment of the unconditional cash transfer programme<sup>35</sup>.

- **Post-2027 financial sector strategy:** The government has also been directed to make and publish a plan to outline the post-2027 financial sector strategy to highlight the regulatory environment from 2028 onwards, according to the local news portal’s report<sup>35</sup>.
- **Electricity Tariff:** The government of Pakistan will issue a notification of the annual electricity tariff rebasing by 1 July 2025 to maintain energy tariffs at cost recovery levels<sup>35</sup>.
- **Semi-annual Gas Tariff:** The IMF also directed the government to issue a notification on semi-annual gas tariffs to maintain the energy tariffs at cost recovery levels by February 15, 2026<sup>35</sup>.
- **Power Levy:** The nation’s parliament will also adopt legislation to permanently establish the captive power levy ordinance by the end of May 2025. This aims to shift industrial energy usage to the national grid<sup>35</sup>.
- **Remove cap on debt service surcharge:** Pakistan will also adopt a law to remove the maximum ₹3.21 per unit cap on debt service



surcharge, which is to punish honest electricity consumers to pay for inefficiency in the power sector, as per the news portal's report<sup>35</sup>.

- **Special Technology Zones:**

Pakistan will also prepare a plan based on the assessment conducted to fully phase out all incentives in relation to Special Technology Zones and other industrial parts by 2035<sup>35</sup>.

- **Used-car import:** As part of the condition, Pakistan also has to submit a bill for listing all quantitative restrictions on used motor vehicle imports, which are less than five years old by end of July 2025<sup>35</sup>.

This sweep of conditions—spanning fiscal discipline, governance, social protection, energy cost recovery, trade liberalisation, and disaster resilience—marks a bold escalation in IMF demands.

While Pakistan's Finance Ministry views these as 'continuation' and 'natural next step' of existing aims<sup>36</sup>, the depth and breadth of the demands—from taxing the agricultural sector to deregulating energy and trade—reflect IMF's hardline posture amid political instability and regional tensions.

## PERPETUAL ECONOMIC PROBLEMS OF PAKISTAN

Pakistan's economic crisis is rooted in four perpetual causes: weak economic structure, failed land reforms, military influence in the economy and politics, and low foreign direct investment (FDI). The country's economic foundation remains fragile due to a narrow industrial base, an inefficient taxation system, and a reliance on imports over exports, leading to persistent trade deficits. Failed land reforms have resulted in feudal dominance, preventing equitable wealth distribution and hindering agricultural productivity. The military's deep involvement in both economic and political affairs has led to resource misallocation, weakened civilian institutions, and deterred investor confidence. It led to extreme elite capture of Pakistan's institutions the 1950s which became another impediment to reform. Additionally, low FDI, driven by political instability, security concerns, and inconsistent policies, has stifled economic growth and technological advancement. Each of these factors provided unique headwinds to economic expansion, as elaborated below.

## Weak Economic Structure

Pakistan's perpetual economic crisis is rooted in its weak economic structure, which manifests through several critical issues, including low tax revenue, high external debt, and inefficiencies in the energy sector. These structural weaknesses create a vicious cycle of low growth, fiscal deficits, and economic instability, preventing the country from achieving sustainable development.

### Weak Tax Revenue and Resource Mobilisation

One of the fundamental causes of Pakistan's economic crisis is its chronically low tax revenue, which accounts for less than 10% of GDP<sup>5</sup> a stark contrast to the OECD average of around 34%<sup>37</sup>. This low tax collection is a result of widespread tax evasion, weak enforcement mechanisms, a narrow tax base, and a reliance on indirect taxation rather than progressive direct taxation. Large segments of the economy, including agriculture, retail, and informal businesses, remain under-taxed or entirely outside the tax net, leading to a severe shortfall in government revenues.

The consequences of this weak tax system are profound. With limited

fiscal resources, the government struggles to invest in critical public services such as education, healthcare, and infrastructure. This underinvestment further exacerbates poverty, income inequality, and low productivity, hindering long-term economic growth. Additionally, inadequate tax revenue forces the government to rely on deficit financing and external borrowing, leading to a continuous rise in national debt. Without substantial reforms to broaden the tax base and improve compliance, Pakistan's ability to fund development projects and stabilize its economy remains severely constrained.

### High External Debt and Dependency

Pakistan's heavy reliance on external borrowing has created a debt trap that threatens long-term economic stability. According to *Trading economics* the country's external debt currently stands at approximately \$131 billion<sup>38</sup>, and debt servicing consumes a significant portion of the national budget, leaving little fiscal space for developmental spending. A major issue is that Pakistan often borrows to repay existing debt rather than investing in productive sectors, leading to a cycle of dependency on international lenders, including the International Monetary Fund (IMF),

World Bank, and bilateral creditors such as China and Gulf nations.

Repeated IMF bailout programs highlight the government's failure to implement necessary structural reforms, such as broadening the tax base, improving public sector efficiency, and reducing fiscal deficits. Instead of long-term solutions, policymakers resort to short-term rollovers, austerity measures, and new loans, which further constrain economic growth and increase social unrest. The depreciation of the Pakistani Rupee, coupled with rising global interest rates, has worsened debt servicing costs, making it even more difficult for Pakistan to break free from this financial cycle.

### **Energy Sector Inefficiencies**

Pakistan's energy sector is one of the most inefficient and poorly managed sectors of the economy, posing a major obstacle to industrial growth and economic stability. The country faces frequent power shortages, unreliable electricity supply, and a heavy reliance on imported fossil fuels, which exposes it to global price volatility. Currently, energy imports account for a significant share of Pakistan's trade deficit, increasing inflationary pressures

and reducing the competitiveness of local industries.

The energy crisis is further exacerbated by poor governance, circular debt, and outdated infrastructure. The circular debt problem, where power producers are unable to recover costs from distributors due to high transmission losses and unpaid bills, has reached alarming levels, exceeding 2.8 trillion PKR (\$10 billion)<sup>39</sup>. This financial strain forces the government to subsidize electricity prices, adding to fiscal deficits and diverting resources from essential development projects.

Moreover, despite having vast renewable energy potential, including solar, wind, and hydropower, Pakistan has failed to diversify its energy mix due to a lack of investment and policy incentives. According to *Institute for Energy Economics and Financial Analysis*, Dependence on imported liquefied natural gas (LNG) and furnace oil has made the energy sector highly vulnerable to external shocks, affecting businesses, inflation, and overall economic productivity<sup>40</sup>.

### **Failed Land Reforms**

The history of land reforms in Pakistan reflects a persistent struggle between economic equity and entrenched

feudal power, shaping the country's socio-economic landscape over decades. Land ownership has long been concentrated in the hands of a small elite, creating stark economic inequalities and limiting opportunities for the broader rural population. Recognizing this issue, successive governments attempted to introduce land reforms to break feudal control, promote equitable wealth distribution, and enhance agricultural productivity. However, these efforts largely failed due to legal loopholes, elite resistance, and weak enforcement, leading to continued economic disparity and underdevelopment.

While India had rolled out democratic elections from 1951 and land reforms from, the first weak attempt at land reform in Pakistan came in 1959 under dictator Ayub Khan, who sought to limit landlord dominance by imposing a ceiling of 500 acres for irrigated land and 1,000 acres for unirrigated land<sup>41</sup>. The objective was to redistribute surplus land among landless farmers and weaken the power of the feudal class that had historically controlled agricultural production and rural labour. However, the implementation of these reforms was flawed. Large landowners exploited legal loopholes,

transferring land to family members or establishing fake cooperative farms to evade ceilings. As a result, the intended redistribution remained minimal, and the entrenched economic disparities persisted. While Ayub's reforms introduced a legal framework for land ownership regulation, they failed to bring about substantial structural change.

A more ambitious effort was undertaken in 1972 by Prime Minister Zulfikar Ali Bhutto, leader of the socialist PPP, who sought to push the boundaries of land redistribution further. His reforms lowered land ceilings to 100 acres for irrigated land and 200 acres for unirrigated land, a drastic reduction aimed at dismantling feudal control over rural Pakistan<sup>42</sup>.

However, despite the progressive rhetoric surrounding these measures, their execution was hampered by corruption and political favouritism. Many influential landlords, often with strong political connections, managed to bypass the restrictions through bureaucratic manipulations and forged land records. Instead of empowering small farmers, these reforms primarily served to consolidate the power of the ruling class while providing only a symbolic gesture towards land equity.

Consequently, rural feudal structures remained intact, and the economic benefits of land redistribution failed to materialize for the majority of landless peasants.

The final major land reform initiative occurred in 1977, also under Bhutto, in an attempt to further curtail large landholdings and empower small farmers<sup>42</sup>. However, these efforts faced fierce resistance from landlords, many of whom held significant political influence. The situation worsened after Bhutto's removal from power, as the new military-led government and judiciary reversed many of the reforms. Courts ruled that the measures were unconstitutional or un-Islamic, effectively restoring the privileges of the landed elite. This not only reinforced the feudal status quo but also created long-term uncertainty in agricultural investment, as frequent legal reversals discouraged structural

improvements and modernisation in the sector.

The failure to effectively implement land reforms has had profound and lasting consequences on Pakistan's economy and society. One of the most significant impacts has been the continued concentration of wealth among a small elite, which has hindered overall economic growth and deepened rural poverty. With much of the land still controlled by a few powerful families, opportunities for upward mobility remain scarce for the majority of Pakistan's rural population. This economic divide has exacerbated social inequalities, limiting access to education, healthcare, and economic opportunities for those in lower socio-economic strata.

Additionally, the persistence of small-scale, fragmented farms has contributed to agricultural inefficiency.

Most glaring is the misallocation of resources, with Pakistan's military budget continuing to grow even in the face of a severe economic crisis. Despite rising inflation, increasing debt, and dwindling foreign reserves, the defence budget hiked by approximately 15% (3.6% of GDP) in 2024-25, further diverting funds from critical sectors such as education, healthcare, and infrastructure.

Many small farmers lack the resources, technology, and access to credit necessary to enhance productivity, resulting in suboptimal yields and stagnation in the agricultural sector. Given that agriculture is a vital component of Pakistan's economy, its inefficiency has broader implications for food security, rural employment, and overall economic development. The lack of large-scale agricultural modernisation has also meant that Pakistan struggles to compete with other nations in agricultural exports, limiting foreign exchange earnings and economic resilience.

These factors collectively contribute to Pakistan's broader economic crisis. The lack of land reform has not only stifled equitable economic growth but also discouraged investment in both agriculture and other sectors due to political instability and economic uncertainty. Without addressing the structural issues embedded in land ownership, efforts to promote sustainable economic development and poverty alleviation will remain limited. Moving forward, any meaningful attempt to tackle Pakistan's economic challenges must involve revisiting land reform policies with a commitment to genuine implementation, ensuring

fair land distribution, and fostering an environment conducive to agricultural innovation and rural prosperity.

## **The Security State Drives Pakistan's Economic Woes**

Pakistan's ongoing economic crisis is deeply intertwined with the military's overwhelming influence over state affairs. The Pakistan Army, historically a dominant force in the country's political and economic landscape, has contributed significantly to the misallocation of resources, control over key economic sectors, and persistent political instability. These factors collectively hinder economic progress, exacerbate financial mismanagement, and limit the country's ability to implement meaningful reforms.

Most glaring is the misallocation of resources, with Pakistan's military budget continuing to grow even in the face of a severe economic crisis. Despite rising inflation, increasing debt, and dwindling foreign reserves, the defence budget hiked by approximately 15% (3.6% of GDP) in 2024-25, published in a report by Business Standard 43, further diverting funds from critical sectors such as education, healthcare, and infrastructure. This excessive spending on defense not



The military's dominance in key industries—ranging from construction to telecommunications—restricts economic dynamism and innovation, as private businesses struggle to compete with state-backed military enterprises. Moreover, the lack of transparency in military-controlled economic activities makes it difficult to implement fiscal reforms, as the military's financial dealings are largely exempt from civilian oversight.

only limits investments in human capital but also curtails social welfare initiatives, exacerbating poverty and slowing economic growth.

Countries that have successfully developed strong economies have prioritized human development, innovation, and industry—areas where Pakistan continues to lag due to its disproportionate focus on military expenditure.

Beyond budgetary concerns, the Pakistan Army's direct control over economic assets has created a parallel economy that fosters inefficiencies and stifles private sector growth. The military owns vast tracts of real estate, dominates large-scale agricultural production, and operates an extensive network of businesses under military-run conglomerates such as the Fauji Foundation, Army Welfare Trust, and Bahria Foundation. These

enterprises of 'Military Inc.' enjoy preferential treatment, including tax exemptions and regulatory leniency, which distort market competition and discourage private sector participation. The military's dominance in key industries—ranging from construction to telecommunications—restricts economic dynamism and innovation, as private businesses struggle to compete with state-backed military enterprises. Moreover, the lack of transparency in military-controlled economic activities makes it difficult to implement fiscal reforms, as the military's financial dealings are largely exempt from civilian oversight. This opaque economic system not only limits government revenue but also fosters corruption and rent-seeking behaviour, further weakening Pakistan's financial stability.

The lack of trust in Pakistan's ability to implement reforms has made it difficult to secure long-term financial aid, forcing the country into repeated cycles of economic bailouts.

Perhaps the most damaging impact of military dominance is its interference in political affairs, which has perpetuated instability and policy inconsistency—two critical factors that deter investment and economic growth. Over the years, the military's influence over civilian governments has led to repeated political upheavals, weakening democratic institutions and preventing the formulation of long-term economic strategies. Military-backed interventions, including frequent government overthrows and engineered political transitions, have resulted in inconsistent economic policies, discouraging both domestic and foreign investors. This instability has contributed to high inflation, increasing public debt, and fiscal mismanagement, as successive governments struggle to implement coherent economic plans. Additionally, the military's direct and indirect control over key policy decisions often obstructs necessary economic reforms, such as taxation restructuring

and privatisation of inefficient state-owned enterprises.

The consequences of military overreach extend to Pakistan's relations with international financial institutions and donor agencies. Global lenders, including the International Monetary Fund (IMF) and the World Bank, often demand structural economic reforms and fiscal discipline as conditions for financial assistance. However, the military's deep entrenchment in the economy, along with its resistance to transparency and accountability, complicates efforts to meet these conditions. The lack of trust in Pakistan's ability to implement reforms has made it difficult to secure long-term financial aid, forcing the country into repeated cycles of economic bailouts. Additionally, the perception of military dominance discourages foreign direct investment (FDI), as businesses fear unpredictable policy shifts, excessive bureaucracy, and regulatory hurdles that favour military-



affiliated enterprises over private-sector growth.

Furthermore, Ayesha Siddiqa examines the extensive involvement of Pakistan's military in commercial enterprises and how this "Milbus" (military business) affects the nation's economy and democratic processes. She argues that the military's economic autonomy fosters a predatory political style, hindering democratic development and economic transparency<sup>44</sup>.

While Shahrukh Rafi Khan, Aasim Sajjad Akhtar, and Sohaib Bodla: In *"The Military and Denied Development in the Pakistani Punjab,"* discuss how the military's dominance in Pakistan has led to economic underdevelopment in certain regions. They highlight the military's accumulation of power through economic ventures and its impact on civilian oversight and democratic sustainability<sup>45</sup> In sum, Pakistan's economic crisis cannot be addressed without confronting the military's outsized role in financial and political decision-making. The unchecked expansion of defence budgets at the cost of essential public services, the monopolisation of key economic sectors, and persistent political interference have all contributed to economic stagnation.

## Low FDI as a Key Factor in Pakistan's Economic Crisis

Foreign Direct Investment (FDI) plays a crucial role in economic growth by providing capital, fostering technological advancements, creating employment opportunities, and stabilizing foreign exchange reserves. However, Pakistan has faced a significant decline in FDI inflows, contributing to its ongoing economic crisis. Several factors, including political instability, security concerns, and inconsistent policies, have driven away potential investors, leading to stagnation and financial vulnerability. One of the primary consequences of low FDI is declining investment which has substantially reduced capital formation and industrial growth. Pakistan's inability to attract foreign investors has limited access to advanced technology, reduced job creation, and hindered economic expansion. The lack of investment in key sectors, such as manufacturing, energy, and infrastructure, has stifled productivity and innovation, causing economic stagnation. This, in turn, has contributed to rising unemployment, decreased economic opportunities, and increased reliance on external borrowing to cover fiscal deficits.

### Country Wise Net FDI in Pakistan (\$ Million)

Country	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
China	695.8	340.8	1,048.30	763.2	1,311.90	130.8	846.6	751.6	531.6	432.2	568.2
UK	157	169.6	151.7	215.4	304.6	185	119.1	141	31.8	65	268.2
USA	212.1	223.9	15.7	45.7	161.7	88.1	99.2	166.4	249.6	89.3	137.3
Hong Kong	228.5	136.2	187	123	183.6	171	190.7	157.2	137.7	101	358.5
Switzerland	209.8	-6.5	59.5	101.7	78.5	21.2	62.8	61.7	146.2	134	28.7
U.A.E.	-47.1	235.3	114.6	120.1	-4.4	103.7	-44	115.7	143.9	180.1	87.3
Italy	97.6	115.4	105.4	61.5	56.6	51.9	57.4	36.3	34.8	8.6	1.9
Netherlands	5.5	-34.5	29.9	457.6	100.3	69	133.2	96.9	104.1	71.9	71
Austria	53.8	24.8	42.7	21.7	27.4	7.6	3.8	1	0	-0.3	-1.7
Japan	30.1	71.1	35.4	57.7	59.8	117.3	52.5	-13	-12.3	183	10.9
Turkey	7.9	43.4	16.9	135.6	29.8	73.8	26.1	13.4	-0.3	17.6	11.1
Others	47.7	-285.7	585.8	303.4	470.5	343	1,076.20	305.7	500.7	173.4	360.2
<b>Total</b>	<b>1,698.60</b>	<b>1,033.80</b>	<b>2,392.90</b>	<b>2,406.60</b>	<b>2,780.30</b>	<b>1,362.40</b>	<b>2,597.50</b>	<b>1,820.50</b>	<b>1,867.80</b>	<b>1,455.80</b>	<b>1,901.60</b>

Figure 1 Source: Pakistan Board of Investment<sup>46</sup>

The Table (figure 1) shows that China has been the backbone of Pakistan's foreign direct investment (FDI) inflows over the past decade, consistently outpacing all other countries. Since the launch of the China-Pakistan Economic Corridor (CPEC) in 2015, Chinese investments have surged, to over \$1 billion in 2015-16 and continuing to dominate in subsequent years with a peak of \$1.3 billion in 2017-18. Even as

global interest in Pakistan's economy fluctuated, China remained a steadfast investor, contributing \$568.2 million in 2023-24—more than double the FDI from the UK, the second-largest contributor. Without Chinese capital, Pakistan's FDI inflows would be significantly weaker, highlighting the country's heavy reliance on Beijing for infrastructure, energy, and industrial investments.

Even as global interest in Pakistan's economy fluctuated, China remained a steadfast investor, contributing \$568.2 million in 2023-24—more than double the FDI from the UK, the second-largest contributor.

If China's strategic investments are removed from this mix, the picture looks even more pessimistic. Geopolitically, at least from 2021 after US withdrawal from Afghanistan in 2021, Pakistan's 'geostrategic rents', based on leveraging its strategic location, have dried up. Apart from the Chinese, most of the global investors would look for economic rather than strategic returns.

The impact on economic stability has been profound, as dwindling FDI inflows have left Pakistan highly vulnerable to external shocks. The country's foreign exchange reserves are critically low, making it difficult to maintain exchange rate stability and meet international financial obligations. A persistent balance of payments crisis has increased reliance on short-term loans and financial bailouts from institutions like the International Monetary Fund (IMF), further exacerbating economic uncertainty. The depreciation of the Pakistani Rupee, driven by a lack of foreign investment and capital inflows, has led to inflationary pressures, making essential goods and services more expensive for the average citizen.

A major factor behind low FDI inflows is the loss of investor confidence, which

has been exacerbated by political instability and security threats.

Pakistan's political landscape has been marred by frequent leadership changes, weak governance, and policy inconsistencies, deterring long-term investment commitments. Investors seek a stable and predictable business environment, yet Pakistan's history of abrupt policy shifts and regulatory uncertainty has made it an unattractive destination. Additionally, the persistent threat of terrorism and regional security challenges has further discouraged foreign businesses from entering or expanding their operations in the country.

Sadia Bano, Yuhuan Zhao, Ashfaq Ahmad, Song Wang, and Ya Liu: In their study titled "*Why Did FDI Inflows of Pakistan Decline? From the Perspective of Terrorism, Energy Shortage, Financial Instability, and Political Instability*", analyze factors contributing to the decline of FDI inflows into Pakistan. They identify terrorism, energy shortages, financial instability, and political instability as significant deterrents to foreign investment, which, in turn, exacerbate the country's economic problems<sup>47</sup>.

The low levels of FDI have also created a vicious cycle in which economic

stagnation fuels political instability, which in turn discourages further investment. Without sufficient foreign capital, Pakistan struggles to develop its infrastructure, modernize industries, and enhance productivity, leaving it increasingly dependent on external financial aid. The inability to generate sustainable economic growth through investment-driven initiatives has contributed to a prolonged financial crisis, limiting the government's capacity to implement long-term economic reforms.

## **CONCLUSION: A WORSENING CRISIS**

Pakistan's "Decade of Decadence" (2013–2025) stands as a stark testament to the consequences of systemic neglect, political short-sightedness, and entrenched power structures. Over these years, the economy spiralled under the weight of chronic structural flaws: a collapsing rupee, inflationary surges, and stagnant growth exposed the fragility of a system reliant on borrowed time and IMF bailouts. Repeated cycles of crisis and rescue—through Extended Fund Facilities in 2013, 2019, 2024 and now in May 2025—have highlighted

a pattern of superficial compliance with reform mandates, undermined by elite capture, military dominance, and a lack of political will. While these programs provided temporary liquidity, they failed to address the root causes of Pakistan's economic malaise—weak tax systems, energy sector decay, feudal agrarian structures and an outsized capture of the economy by Military Inc.—leaving the country trapped in a vortex of debt and dependency.

The military's stranglehold over politics and the economy has driven this decline through multiple pathways. By prioritizing defence spending over human capital, monopolizing key industries, and destabilizing governance, the military-industrial complex stifled innovation, discouraged investment, and diverted resources from critical public services. Similarly, the failure of land reforms cemented rural inequality, perpetuating agricultural inefficiency and social unrest.

Meanwhile, plummeting FDI reflected eroding investor confidence, driven by political volatility, security risks, and regulatory unpredictability.

Yet, amid this bleak landscape, Pakistan's government attempts to highlight a few positives though with

The challenges Pakistan faces go beyond technical fixes. The country's path forward requires more than short-term economic management; it demands the dismantling of entrenched vested interests that perpetuate inequality and inefficiency.

few takers. The 2024 Extended Fund Facility (EFF)'s emphasis on climate resilience, digital transformation, and inclusive growth is presented as evidence of a shift toward modernizing reforms. Lessons from countries like Indonesia and Egypt suggest that IMF-backed stabilization, when coupled with homegrown structural overhauls, can pave the way for sustainable recovery. However, in Pakistan's case, this rhetoric remains largely unaccompanied by sustained or meaningful action.

The challenges Pakistan faces go beyond technical fixes. The country's path forward requires more than short-term economic management; it demands the dismantling of entrenched vested interests that perpetuate inequality and inefficiency. This means taxing untapped sectors such as agriculture and real estate, privatizing chronically loss-making state-owned enterprises (SOEs), and

building autonomous institutions free from military and feudal influence.

Without tackling these systemic distortions, reform efforts risk being cosmetic.

Ultimately, Pakistan's future depends on its willingness to confront some hard truths: economic sovereignty cannot coexist with elite impunity, and political stability cannot flourish amid institutionalized inequity. Breaking free from a decade-long dependence on IMF bailouts and superficial policy shifts will require political courage, transparency, and a collective commitment to prioritize people over power. Absent such transformative action, the country remains trapped—forever teetering on the edge of crisis, yet never leaping toward meaningful reform.

The May 2025 IMF review underscores the persistence of this pattern. Pakistan secured another \$1 billion tranche under the EFF and unlocked

a new \$1.4 billion Resilience and Sustainability Facility (RSF), despite having failed to fully implement the reforms pledged under the 2024 agreement. The increasing scope of IMF conditionality—now extending beyond macroeconomic stabilization to include climate-related benchmarks—indicates that each financial disbursement is tied to more complex and intrusive requirements.

However, without addressing core structural issues—expanding the tax base, reforming the energy sector, restructuring SOEs, and curbing elite capture—these inflows simply prolong the cycle of dependency.

The 11 new benchmarks included in the latest review deepen Pakistan’s ceding of sovereignty over critical policy domains. Yet, as past experience shows—with education and health targets repeatedly missed and tax reforms delayed—implementation often falls short.

Unless Pakistan breaks this ‘agree-to-borrow-to-delay’ cycle, even the most well-intentioned IMF frameworks will become just another layer of dependence. Instead of serving as a foundation for genuine structural reform, they risk entrenching the very dysfunctions they are meant to address.



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# **THE WIDER CONTEXT OF THE INDIA PAKISTAN IMPASSE**

## **OP SINDOOR AND ITS AFTERMATH**

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**T C A RAGHAVAN**


## THE INDIA PAKISTAN INTERFACE: RETROSPECTIVE INEVITABILITY TO THE DOWNTURN OF APRIL MAY 2025?

Is it possible to decipher a retrospective inevitability to the radical regression in the India Pakistan interface this summer? The proximate causes for the sharp downward turn are obvious enough- the terrorist outrage in Pahalgam. The kinetic and military action that it provoked in the form of Operation Sindoor and the escalation that followed thereafter seem consistent with the general downturn in India Pakistan relations since 2016. The principal milestones in that downturn are also well established.


- July 2015 – Ufa India Pakistan Summit.
- December 2015 – EAM visits Islamabad: Agreement on Comprehensive Bilateral Dialogue.
- Indian and Pakistan NSAs meet in Bangkok.
- December 2015- PM visits Lahore.
- January 2016 – Pathankot Airbase Terrorist Attack.
- September 2016 – Uri Terrorist Attack/Surgical Strikes by India.

- February 2019 – Pulwama Terrorist Attack.
- February 2019 – India withdraws MFN; Balakot Air Strike; Pakistan response.
- August 2019 – Legislative changes w.r.t J&K; Pakistan bans Trade; Downgrades Diplomatic Relations. Informal UNSC meeting on J&K.
- June 2020 – Downsizing of Diplomatic Missions
- April 2025- Pahalgam Terrorist Attack.
- May 2025- Op Sindoor.

This chronology brings out the deep strain in bilateral relations since 2016 and that the relationship was progressively thinning out since then. By the time of the May 2025 Pahalgam terrorist attack, India-Pakistan ties had become in fact an absolutely minimal bilateral *relationship*: diplomatic relations downgraded with respective High Commissioners recalled, strength of diplomatic missions severely curtailed, zero high-level contacts, trade banned along with a freeze on civil society, cultural and sporting contacts, and a closure of all transportation links such as bus, train etc.



By the time of the May 2025 Pahalgam terrorist attack, India-Pakistan ties had become in fact an absolutely minimal bilateral relationship: diplomatic relations downgraded with respective High Commissioners recalled, strength of diplomatic missions severely curtailed, zero high-level contacts, trade banned along with a freeze on civil society, cultural and sporting contacts, and a closure of all transportation links such as bus, train, etc. But strangely enough, this minimal and bare relationship since 2016 has also been reasonably stable.



## A MINIMAL STABILITY IN A NEAR ZERO RELATIONSHIP?

But strangely enough, this minimal and bare relationship since 2016 has also been reasonably stable. Illustrations of this paradoxical stability are the reaffirmation of the Line of Control ceasefire in February 2021, the restrained handling of a potentially escalatory situation such as the mistaken launch in India of a missile in March 2022, the establishment of a visa free corridor to enable pilgrims to visit the Kartarpur Saheb shrine in November 2019 and its reopening post Covid and the generally peaceful circumstances of the J & K Union Territory Assembly election in October 2024. In brief the bullet points above have to also be supplemented by the following:

- November, 2019 -Kartarpur Saheb Opening
- February 2021-Reaffirmation of LOC Ceasefire
- November 2021- Reopening of Kartarpur Sahib Corridor.
- March 2022- Restrained and Mature Handling of Mistaken Launch of Brahmos Missile.
- October 2024- J and K UT Assembly Election.

This stability that followed the LOC ceasefire in an otherwise near zero or minimal relationship was admittedly at a low plateau and always fragile but it was still stability. It is also notable that the reaffirmation of the ceasefire in February 2021 coincided with and was notwithstanding the serious dip in the India China political and military relationship. This coincidence between the reiteration of the ceasefire and the sharp downturn in the military situation between India and China on the LAC cannot be easily explained within the context of theories that take at face value a China Pakistan military nexus aimed at India that is posed to create an imminent two-front situation for India.

Finally, and most significantly while over the period 2022-24 while terrorist attacks did not cease in J and K the overall pattern of cross border terrorism was of a relative lull including through sensitive periods such as the J and K Assembly Union Territory Election in October 2024.

Periods of stability in the past had usually led to diplomatic initiatives and further stabilization measures. Unusually however, this time around over the 2021-24 period the relationship remained almost constant,

stationary or even stagnant with virtually an absence of diplomacy to explore whether this minimal stability had some further potential. Finally, the fact that this stability, although admittedly minimal, persisted for a reasonable period of 3 – 4 years. is also noteworthy because it coincided with a crisis ridden period in Pakistan domestically.

## **A CLOSER LOOK AT THE LONG INDIA PAKISTAN DOWNTURN AND PAKISTAN'S CRISIS PERIOD**

The origins of the downturn are evident in the Uri terrorist attack of September 2016. Perhaps a precursor is also provided in the terrorist attack on the Pathankot air base in January 2016 and the failed effort thereafter to establish a joint anti-terror process with Pakistan. What however provides drama and relevance to the pronounced downward trend thereafter is also the fact that 2015 had ended on such a high note.

PM Narendra Modi's Christmas day visit in 2015 draws the most attention but it was preceded and contextualized by the successful visit

of the then EAM to Islamabad and a meeting of the National Security Advisors of India and Pakistan in Bangkok- both of which also happened in December 2015. Earlier 2014 had witnessed another unusual set of developments- the extension of an invitation to Prime Minister Nawaz Sharif to attend the swearing in of PM Narendra Modi and the NDA government and the acceptance of this invitation. These powerful political and diplomatic initiatives were significant but could not result in a tangible diplomatic process of stabilization and incremental normalization.

In effect since 2016 and especially thereafter since 2019 following the J&K legislative and constitutional changes the India-Pakistan relationship had been hollowed out and had become quite close to a zero relationship.

In retrospect also it is clear enough that Pakistan's internal civil-military convulsions at this time provide a reasonable causal explanation for the failure that attended the diplomatic cum political initiatives from 2014 to mid 2016. In brief, Nawaz Sharif's third tenure as Prime Minister from 2013 to 2017 was throughout characterized with civil-military turbulence through the tenures of three chiefs of army

staff. If his final ouster evoked all of Pakistan's tangled history with its military, the fact also is that in the process a larger opportunity had passed Pakistan by. Reduced to its bare bones the process involved was one of the military establishment providing encouragement and covert backing to street protests led by Imran Khan. Simultaneously a spurt of military nudged judicial activism further tightened the screws on an embattled government. This military cum judiciary led sequence was to be described by Pakistani commentators at the time as constituting a "creeping coup". If Nawaz Sharif had completed this tenure, it would have been the first in Pakistan's history of prime ministerial tenures otherwise interrupted by presidential, judicial or military interventions. As it happened this privilege was denied to his successor also.

How do we assess the long diplomatic downturn in India Pakistan relations from 2019 to end 2024 or even perhaps

the even longer 2016- 2024 period in historical context. In the chronology of India Pakistan relations both upswings and down swings have generally been much shorter. This prolonged downturn since 2016 therefore does stand out as unusual. Perhaps the nearest equivalent would be the post 1971 period and the emergence of Bangladesh. Diplomatic relations were fully normalized only by mid-1978 when High Commissioners returned to the respective capitals. The overall bilateral relationship had also been more or less in a state of suspended animation till that time. This was despite the signing of the Simla agreement in 1972. It is generally agreed that the continued downturn was on account of developments such as India's Peaceful Nuclear Explosion of 1974 and the Kashmir Accord between Mrs Indira Gandhi and Sheikh Abdullah in 1975. However as noted earlier in the downturn from 2019 onwards what is also unusual is both the minimum stability that coexisted with a near zero relationship and even

In the chronology of India Pakistan relations both upswings and down swings have generally been much shorter. This prolonged downturn since 2016 therefore does stand out as unusual.

more that no real diplomatic effort was made to use the minimum stability to further push the relationship in a more positive direction.

## **THE FAILED HYBRID EXPERIMENT AND PAKISTAN'S POLY-CRISIS PHASE**

After the 2018 general election Imran Khan came to power representing the end of a process initiated and controlled by the Pakistan military to unseat Nawaz Sharif as Prime Minister and then delegitimize him as a political player in Pakistan. At that time analysis of the new Imran Khan government was in terms of it being an 'hybrid' implying that what comprehensively underwrote its civilian face was the military's support and guidance.

The early phase of the Imran Khan Government did reveal the most friction free interface between a civilian government and the Army. This was possibly the smoothest civil military relationship in a decade since a new phase began in Pakistan's history post Musharraf. Given the facilitation of Imran Khan's route to office by the Army this was not surprising.

Yet as 2021 came to a close it was evident that this experiment had failed. Differences between Prime Minister Imran Khan and the Army were out in the open. There were many causes and symptoms of this but that the process also coincided with a transition in the incumbency of the COAS was not surprising. By April 2022 Imran Khan was no longer Prime Minister after having lost a vote of no confidence in the National Assembly- since he had lost the confidence of the Military this meant that some significant elements of his party had melted away without his quite realizing what was underway. This process itself revealed very vividly how 'hybridity' in Pakistan- a political party underwritten by the military forming the government- is inherently weak as a political approach since it fails to take into account how deeply structural a feature civil military contestation is in the country. In recent decades conflicts between the Prime Minister and the chief of Army Staff have regularly occurred. Imran Khan's trajectory as a chosen favourite of the military turning against his former sponsors is not therefore unusual. Nawaz Sharif's career in the 1990s had followed more or less a similar trajectory. Imran Khan's case



nevertheless does stand out because in 2018 it was generally felt that this was the Military's strongest attempt as yet to evolve a working hybrid system and the general expectation then was that this arrangement would be more durable than its predecessors had been. That it failed so spectacularly underlined how endemic are conflicts between civil and political authority on the one hand and the military establishment on the other.

The civil military conflict drama that provided the sub text underwriting the premature end to Imran Khan's tenure as Prime Minister—coincided with the frequent use of the term *poly crisis* to describe the situation in the country: this was taken to imply Economic, Political, Security and Climate related crisis intersecting and happening together. In some analyses these were only the conjunctural factors or symptoms—in this view the real crisis Pakistan faced was on account of a combination of deeper structural factors and deficiencies: governance, economic, demographic, political and security issues which in combination became more difficult to address, leave alone resolve. Howsoever one puts it this sense of a deep, debilitating and comprehensive crisis impacting

Pakistan seems an accurate depiction of its current domestic reality in 2022 and 2023.

Amidst this deep and multifaceted domestic crisis Pakistan's external environment also was radically different in 2023 and 2024 when compared to the preceding years. With the US withdrawal from Afghanistan, Pakistan's importance in Western agendas and priorities declined and it discovered that new themes and preoccupations now *dominated international politics in which it was not very relevant*. More tangibly, and even more to its surprise and disappointment, the Taliban victory in Afghanistan in August 2021 did not enable a suitable environment to settle the TTP question in Pakistan. In fact, as is well known, the opposite happened. Pakistan found itself struggling to reconcile the contradiction between a supposed strategic victory of the Taliban comeback in Afghanistan with a resurgent TTP within its own territory.

There were other uncertainties. On 16th January, 2024 Iran carried out missile and drone strikes inside targets in Pakistan against anti Iran terrorist groups. Soon thereafter there were retaliatory strikes by Pakistan against

For a strategic elite brought up on the received wisdom of Pakistan's valuable geo political location, the fact that its geography was no longer effective as a lever to mobilize concessional finance was a difficult circumstance to get used to. Could a geo political rentier transform itself into something else- became an important question.

what it claimed were terrorist groups in Iran. Almost immediately thereafter the respective country's Ambassadors were withdrawn and governmental contacts announced as frozen. Statements by both governments underlined that their respective actions were aimed against terrorists and not the other country i.e that there were no fundamental divergences between the two. It would appear that with honour satisfied on both sides a dialing down of tensions quickly gathered traction. On the surface at least tensions dissipated as rapidly as they accumulated. Nevertheless, this was the latest in what is a long history of Iran Pakistan tensions and suspicions that illustrate the volatility that lies cloaked beneath the veneer of friendly good neighbourly relations.

The downturn in relations with its proximate neighbours -the Taliban in Afghanistan and with Iran-coincided

with a wider dilemma- using its geographical location to extract rent was becoming difficult and challenging and this in itself was a relatively novel situation for Pakistan's policy makers. The erosion of possibilities for leveraging geo politics for economic ends also pointed to the phenomenon of the narrowing of Pakistan's options in general and equally to the erosion in its state capacity to address the contradiction at the root of its dilemma. For a strategic elite brought up on the received wisdom of Pakistan's valuable geo political location the fact that its geography was no longer effective as a lever to mobilize concessional finance was a difficult circumstance to get used to. Could a geo political rentier transform itself into something else- became an important question. Underwriting all this was the fact that for the first time in almost half a century there had

been a rapid and radical slackening in interest in the Af Pak region in the United States following its withdrawal in disarray from Kabul in August 2021. The after effects of the pandemic and the eruption of a war in Ukraine cemented this declining interest in the US and to an extent in the rest of the Western alliance. Pakistan suddenly found that far from being a strategically it was having to shoulder its mounting problems on its own without a large quantum of external assistance and political attention it had grown to expect thing different is the question that posed itself.

## THE NEW HYBRID PHASE IN PAKISTAN:

The 2024 general election saw a fresh effort by the Pakistan military to construct a new hybrid architecture. The central pillar of this new architecture was the PML N forming the government. There was simultaneously a tacit concert between it and former President of Pakistan Asaf Ali Zadari, the leader of Pakistan Peoples Party, who was catapulted to the Presidency a second time. Needless to say, it is the Pakistan military

which cemented and dominates this new setup.

The new architecture had however a certain quality of fragility to it also and this had largely to do with the Imran Khan phenomenon. Defiance and resistance to military encroachment in the political sphere is not new in Pakistan. Yet the intensity of Imran Khan's polemic against the military had an almost unprecedented flavour to it. His defiance and opposition certainly energized his supporters. This process was animated by the results of the February 2024 general elections when, at least in popular perception, the real winners were Imran Khan and his supporters, many of whom contested as independents. These independents form the single largest group in the new national assembly and even perhaps balance if not outnumber the two other national parties- the Pakistan Muslim League(N) of the Sharif brothers and the Pakistan Peoples Party of the Zardari-Bhuttos.

The story of that election was not simply that the results showed a stronger showing by Imran Khan than others. The real takeaway was that Imran Khan and his supporters performed so well despite the

strong opposition of the military establishment. More than ever before the anti-military-anti-establishment space in Pakistan was now occupied by Imran Khan.

Overall, through this period, the Military's image was also certainly somewhat dented and eroded although it remained by far the principal political player in Pakistan. There was no rethink about its approach to Imran Khan. A popular leader imprisoned, a restive public and a shaky coalition forming the government may have appeared to be a leaky ship for the Pakistan military to be trying to sail. But it had navigated such situations before and overly pessimistic accounts of Pakistan through this crisis period have since turned out to be inaccurate.

## IN THE AFTERMATH OF OP SINDOOR

The foregoing narrative provides a general background to the dramatic regression in India Pakistan relations in April May 2025 following the long hollowing out since 2016 and especially since 2019 and it becoming close to a zero relationship.

The details of the outrageous terrorist attack in Pahalgam and the subsequent sequence of events are well known and do not require recapitulation. In the immediate aftermath of the attack the package of diplomatic measures announced by the Government of India and the countermeasures announced by the government of Pakistan reflected the overall state of India Pakistan relations - progressively minimal since 2016 following major terrorist attacks and on account of measures announced by the government of Pakistan after the legislative changes concerning J and K. As noted already even before the Pahalgam terrorist attack this was a minimal relationship with High Commissioners recalled, diplomatic relations downgraded and respective high commissions drastically reduced in size, a total absence of high-level contacts, a ban on trade, no civil society, cultural and sporting contacts, a closure of all usual modes of travel such as bus, train etc.

In this background some of the measures announced by India and thereafter reiterated by Pakistan appeared formulaic and a symbolic repetition of earlier measures. The suspension of SAARC visas, the further downsizing of missions, and the

closure of the Attari check point fall in this category. The declaring of military attaches as *Persona Non Grata* is a new step and removed what could potentially be an important source of communication in a deeply adversarial environment. Yet in the absence of high commissioners and downgraded diplomatic ties, it too falls, on balance, also in the symbolic category.

The announcement by India that the Indus Waters Treaty will be kept in abeyance was certainly a far more serious step. Although the impact of this was reduced in public discourse in India because this measure was part of a larger package of largely formulaic and symbolic steps- the keeping of the treaty in abeyance is the invocation of a major sanction. This was not however because of any immediate impact. For Pakistan the Indian announcement is of very great significance for Pakistan as it directly probes its vulnerabilities – real and imagined- as a lower riparian. It is well known that lower riparian anxieties that have been present in Pakistan from 1947 itself. The hyperbolic response which equated interruption of water to an act of war underlines these psychological fears. The Pakistani response that it shall exercise the right to hold all

past treaties, including the Simla Agreement, with India in abeyance also illustrates this very point.

The Pakistani announcement of a ban on over flights for Indian civilian aircraft is on expected lines. In the past such bans had been announced by India first as for instance after the attack on Parliament in 2001. The Pakistanis had then soon discovered that the reciprocal ban announced by them had greater potency since they had very few, and now perhaps none, aircraft flying east while India had a very significant volume of civilian air traffic going west.

In the period that has passed after the termination of hostilities in Operation Sindoor we could stand back and assess this 4-day conflict in the wider context of India Pakistan history. Some refer to the period from 7th to 10th May as constituting the 5th India Pakistan War – the shortest as compared to 1947-48, 1965, 1971 and Kargil yet of sufficient intensity to qualify being termed as a ‘war’. War or not it was certainly the most significant India Pakistan crisis of the past quarter century.

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The messages that have been sent to Pakistan are also clear enough- terrorist attacks will carry major price tags and no aspect of the India Pakistan relationship can be considered insulated from the costs to be paid. That targets were struck deep inside Pakistan underscores this point.

Pakistan relationship can be considered insulated from the costs to be paid. That targets were struck deep inside Pakistan underscores this point. Although, Op Sindoor represents a linear trend from the surgical strikes in 2016 to Balakot in 2019, the intensity and depth of the action this time around also marks a qualitative change. In some accounts this Indian approach amounts to constituting a 'New Normal'. To an extent this may be true but it is also useful to recall in the past too definite red lines were established in often surprising ways. Thus, in late August – early September 1965 faced with a Pakistani armoured attack in Jammu and Kashmir in the form of Operation Grand Slam, Indian forces were ordered to attack Pakistan across the International Border and threaten major Pakistani cities such as Lahore and Sialkot. The point conveyed then, as now, is that an attack on J & K is no different from an attack on any

part of India and all of Pakistan is then open for retaliatory action.

Only time will tell whether the messages conveyed to Pakistan since the terrorist outrage in Pahalgam have been understood and have registered in the way we wanted them too.

In the period ahead focus may shift away from the military to the diplomatic. To many in Pakistan it is fortuitous that it is currently a member of the UN Security Council. There will certainly be a great extent of expectation that India's decision on the Indus Waters Treaty be held up to international scrutiny. Whether there will be a serious move to this effect remains to be seen and Pakistan may well find international support lacking. Nevertheless, the months ahead are going to see a sharper focus in India Pakistan issues than at any time in this decade.



In general, post-Pahalgam the public mood in Pakistan, in so far as it can be deciphered, is upbeat, even triumphant. This is principally on account of the sentiment that India has been effectively deterred by the Pakistan military and in particular by the Pakistan Air Force.

In general, the public mood in Pakistan, in so far as it can be deciphered, is upbeat, even triumphant. This is principally on account of the sentiment that India has been effectively deterred by the Pakistan military and in particular by the Pakistan Air Force. This triumphalism is fueled by the belief that India was left with no option but to agree to a ceasefire. Further icing is provided by the fact that the US President and other senior government figures have spoken about mediating between India and Pakistan and therefore the Kashmir issue has been effectively brought back on the international agenda.


The net result of all this is that the public image of the Pakistan military has received a significant boost. The general consensus in Pakistan appears to be that whatever else may be wrong with the Pakistan military, but at least in its area of core competence – of securing Pakistan from Indian domination- it has performed well. The

longer-term implications of this, apart from the promotion of the Army Chief to Field Marshall and an extension of service tenure to the Air Chief, will only gradually reveal themselves.


Developments in the weeks after Op Sindoor have also confirmed to many in Pakistan an emergent trend that the international climate has started shifting in its favour. That the Pakistan Chief of Army Staff was hosted- somewhat unprecedented in itself in protocol terms- to a lunch by the US President animates this process and suggests that the long down turn in Pakistan US relations may now have bottomed out and the trend may now reverse itself.

In 2018 as the US had entered into a losing endgame in Afghanistan, President Trump's new year tweet accusing Pakistan of lying, deceit and harbouring terrorists had reflected all the accumulated tensions and frustrations of the Pakistan US interface. The US withdrawal from





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Internal security however is not the only vector inching towards a more positive trajectory and there are other moving parts of significance. Firstly, the economy. Over the past 8-10 months the fiscal situation has been stabilizing— inflation is down, foreign exchange reserves have moved up and the fear of default that had so dominated Pakistan’s news cycle in 2022 and 2023 has receded from the news headlines.

Afghanistan in disarray in August 2021 had further cemented a deep sense of cynicism and strategic distrust where Pakistan was concerned. That phase of the US Pakistan interface may well have ended. Firstly, the value Pakistan’s geo political location has reasserted itself with the Israel US Iran crisis moving to central stage. Nobody can quite predict the trajectory that developments in Iran will take henceforth but it is quite obvious that Pakistan’s location as an immediate maritime and continental neighbour of Iran will have a salience in this changed South West Asian environment. From the Pakistani perspective the importance of the US has never reduced notwithstanding all the proximity to China. Pakistan’s own experience of post August 2021 Afghanistan may also have nuanced its own approaches so far to the US’s role in the region.

To many in Pakistan it also appears that in the few weeks post-Pahalgam other positive indications have developed for them. It would appear that there has been a slight easing of the frictions with the Taliban in Afghanistan and possibly one indication of this is provided by the trilateral meeting of China Afghanistan Pakistan Foreign Ministers in Beijing on 21<sup>st</sup> May in the after math of the India Pakistan conflict and ceasefire. It is of course too early to say whether this will imply also some reduction in TTP terrorist attacks and whether the internal security situation is changing trajectory in a positive sense from Pakistan’s point of view.

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the economy. Over the past 8-10 months the fiscal situation has been stabilizing— inflation is down, foreign exchange reserves have moved up and the fear of default that had so dominated Pakistan's news cycle in 2022 and 2023 has receded from the news headlines. While the overall position remains fragile since, the economy's various structural issues remain by and large unchanged, the fact is that this is an upward trend and for a country that has uniformly been in the bad news section for the past 5-6 years. Similarly, while the political situation largely remains static with Imran Khan still in jail, the political system polarized and, more importantly, the concert of the Pakistan Muslim League (N) with the military very unpopular. Yet the overall narrative of having stood up to India in military and diplomatic terms has had an impact on public opinion. It can reasonably be expected that criticism of the military and the government will remain toned down in the immediate future and the intensity of the confrontation with the PTI will also ease for some time at least. Most of all the alliance between the Army, or more specifically the Army Chief, and the PML(N) has been strengthened over

the past 8-10 weeks as a consequence of the confrontation with India.

Where does this leave Indian diplomacy? One challenge in the immediate future is to keep the focus on terrorism in a world which is distracted by numerous pressing issues and looks at South Asia related issues from the vantage point of its disparate interests. There is also the related challenge of convincing outside interlocutors that we do have an effective game plan when it comes to dealing with a troublesome neighbour without triggering fears of a nuclear flashpoint. Finally, there is the larger question of managing the traditionally rough interface with Pakistan in the absence of any bilateral relationship at all. These challenges are not new and have presented themselves repeatedly in the past. To that extent Operation Sindoor has not changed our external environment although it has reinforced our red lines and conveyed a strong message about the associated costs of terrorist provocations. It is also relevant to remind ourselves even in these very strained times that there is a certain utility in viewing the India Pakistan interface not as something *sui generis* but in the context of other difficult neighbourhood relations. Relations with immediate neighbours

have seldom proceed for any length of time on a settled, stable or planned for trajectory. But neighbours and neighbourhoods are fixed features of our external landscape leaving diplomacy as the only sustainable

instrument in the medium and longer term. Military force and kinetic actions have their utilities and relevance and play an important role but the object of force application is also to create space for effective diplomatic initiatives.

# BIO-PROFILES





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Ajay Darshan Behera is a Professor at the Academy of International Studies, Jamia Millia Islamia, New Delhi. He was also the Coordinator of the Centre for Pakistan Studies at the Academy. His main areas of research interest are International Relations Theory, Foreign Policy and Security Issues in South Asia, Political Violence, Insurgency and Terrorism, and India's Foreign Policy. Prior to joining the Academy of International Studies, he was the Officiating Director of the Centre for Strategic and Regional Studies, University of Jammu, Jammu. He has also been a Research Fellow at the Institute for Defence Studies and Analyses (IDSA), New Delhi and Assistant Research Professor at the Centre for Policy Research (CPR), New Delhi. He was the recipient of the 1996 Kodikara Award instituted by the Regional Centre for Strategic Studies, Colombo. He has also been a Visiting Fellow at the Brookings Institution, Washington, D.C. from October 2001 to June 2002 and the University of Illinois at Urbana-Champaign, USA from September 1997 to January 1998. He has contributed several research articles to edited volumes and journals in India and abroad on non-military dimensions of security, transnational security threats, confidence-building and conflict resolution, ethnic conflict, insurgencies and terrorism, and light weapons. He teaches courses on International Relations Theory, Security Studies and Pakistan. He is the author of a book *Violence, Terrorism and Human Security in South Asia* and a monograph *The Politics of Violence and Development in South Asia* and has co-edited the book *Pakistan in a Changing Strategic Context*.



## **Ambassador Ajay Bisaria**

Ajay Bisaria is a corporate strategic advisor and commentator on international affairs. He is a Distinguished Fellow at the Observer Research Foundation. Ambassador Bisaria has had a distinguished diplomatic career spanning 35 years in the Indian Foreign Service, which included serving as Indian envoy to Canada, Pakistan, Poland and Lithuania. He has also represented the country at the World Bank in Washington DC and served in the Prime Minister's Office, where he was a key aide to Prime Minister Vajpayee from 1999 to 2004. He has a Bachelor's Degree in Economics from St Stephen's College, Delhi University; an MBA from IIM Calcutta; and a Master's Degree in Public Policy from Princeton University.





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Abhishek Kumar is an Assistant to Ambassador Ajay Bisaria and a PhD candidate at the School of International Studies, Jawaharlal Nehru University. His doctoral research explores the intersection of press and politics in Pakistan. In addition to his academic pursuits, he serves as a guest faculty member at Jesus and Mary College, University of Delhi.



## **Ambassador TCA Raghavan**

T C A Raghavan retired from the Indian Foreign Service in end 2015 while Indian High Commissioner to Pakistan (2013-15). He had earlier served as Deputy High Commissioner in Pakistan (2003-2007) and High Commissioner to Singapore from 2009 to 2013. During his service tenure apart from deployments in the Ministry of External Affairs, he also served in Indian embassies and high commissions in Kuwait (1983-86), Bhutan (1992-95) and the United Kingdom (1995-1998).

During his last posting in New Delhi (2007-09) in the Ministry of External Affairs Raghavan was Joint Secretary dealing with Pakistan, Afghanistan and Iran. Posts held in the Ministry of External Affairs include Director of the Office of the External Affairs Minister (2000-2003) during the tenure of Shri Jaswant Singh as External Affairs Minister.

He was awarded a PhD by the Jawaharlal Nehru University in 1992 for his dissertation relating to the economic history of India.

His current interests are historical research, strategic analysis and the diplomatic and intellectual history of modern India. He lectures and participates in discussions on issues relating to Indian and South Asian diplomatic history, Pakistan, Iran, Afghanistan and South East Asia. He was Director General of the Indian Council of World Affairs, New Delhi from 2018 to 2021. He is a member of the Governing Council of the Institute of peace and Conflict Studies, New Delhi, Adjunct Professor, School of Conflict and Security Studies, National Institute of Advanced Study, Bangalore and Visiting Professor, Centre for South Asian Studies, School of International Studies, Jawahar Lal Nehru University.

His first book was published in January 2017: Attendant Lords, Bairam Khan and Abdur Rahim - Courtiers and Poets in Mughal India. It was awarded the Mohammad Habib Memorial Prize by the Indian History Congress in December 2017. He is also the author of 'The People Next Door- The Curious History of India's relations with Pakistan', (Hurst & Co, 2017), History Men: Jadunath Sarkar, G S Sardesai, Raghubir Sinh and Their Quest for India's Past (HarperCollins, 2020) and (coauthored) Sapru House, A Story of Institution Building in World Affairs (ICWA, 2021).

## About ICWA

The Indian Council of World Affairs (ICWA) was established in 1943 by a group of eminent intellectuals led by Sir Tej Bahadur Sapru and Dr. H. N. Kunzru. Its principal objective was to create an Indian perspective on international relations and act as a repository of knowledge and thinking on foreign policy issues.



The Council today conducts policy research through an in-house faculty as well as through external experts. It regularly organizes an array of intellectual activities including conference, seminars, roundtable discussions, lectures and brings out a range of publications. It has a well-stocked library, publishes the journal 'India Quarterly', and is active on social media.

ICWA has over 100 MoUs with leading international and national think tanks, research and academic institutions to promote better understanding on international issues and develop areas of mutual cooperation. The Council's international partnerships are focused on dialogue and joint activities like research publications, while its national outreach is focused on creating awareness of and scholarship on issues pertaining to foreign policy and international relations.



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