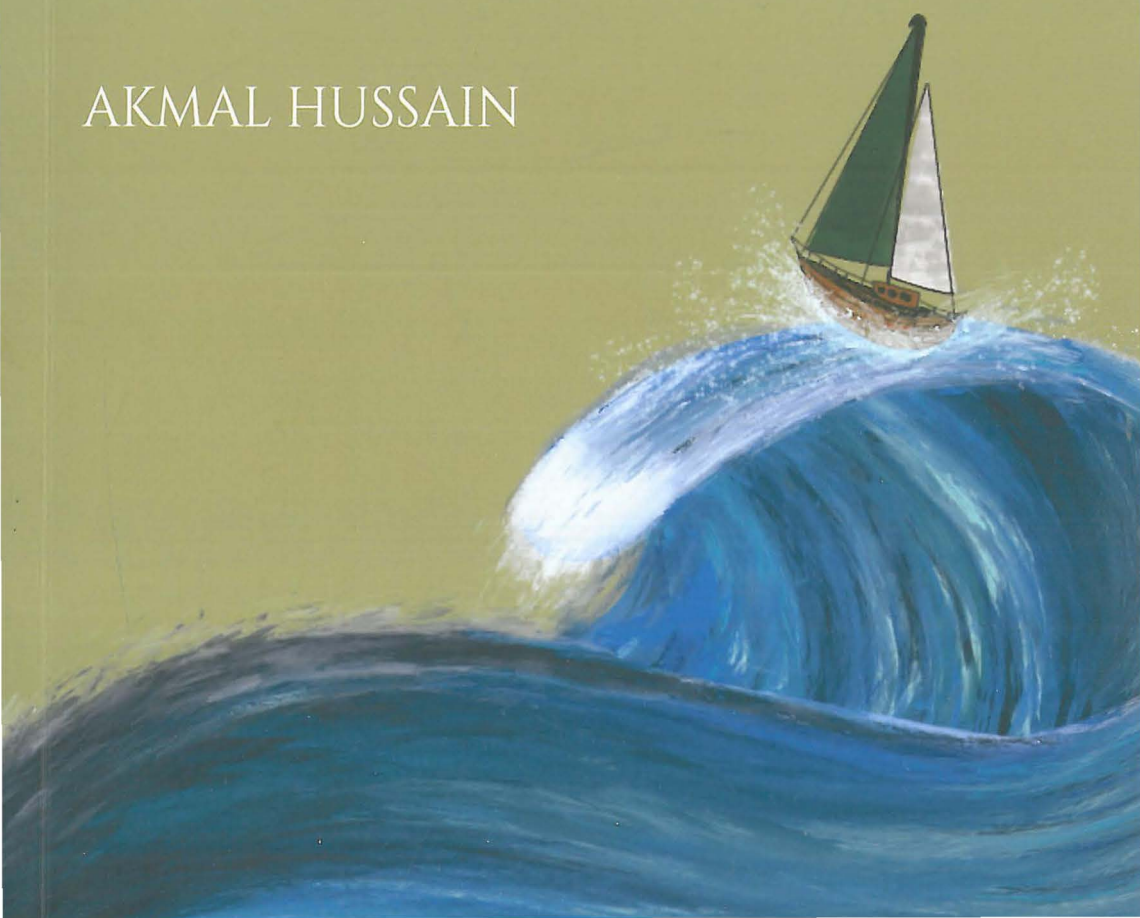
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PAKISTAN, INSTITUTIONAL INSTABILITY & UNDERDEVELOPMENT

STATE, PEOPLE AND CONSCIOUSNESS

AKMAL HUSSAIN



Pakistan, Institutional Instability and Underdevelopment: State, People and Consciousness analyses institutional instability in Pakistan and shows how the trajectories of instability in different periods are largely determined by the dynamics within the underlying power structure. Diverging from the framework of New Institutional Economics (NIE), Akmal Hussain shows how power mediates the functioning of the social order in a particular period. This power has its roots in the Raj and it continues to manifest itself in perpetuating underdevelopment in akistan. In analysing the relationship between the colonised psyche and underdevelopment, the book extends the frontiers of knowledge in the existing literature on the NIE in particular and development in general.

Examining political power dynamics, Hussain analyses the psyche of the elite coalition and how it was moulded by the colonial encounter. The book contrasts this psyche with the repeated episodes of resistance against authoritarian rule demonstrating the consciousness of the downtrodden classes and the sources of the impulse for revolt against oppression in their literature, legends and myths. The idea of consciousness also draws upon recent works in neuroscience, on the one hand, and the ancient religious and wisdom traditions, on the other.

Akmal Hussain outlines a strategy of development for and by the people, of building equality into the structure of the growth process and of protecting the environment. Such a strategy could place Pakistan on the path of what Hussain calls, a "Human Economy".

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For my students,
whose love and knowledge
give hope for a better world

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Glossary of Terms

Rent	Rent is unearned income, accruing to the owner of an economic asset (including skills) when the return on that asset exceeds the return from its best alternative use.
Institution	An institution, in line with Douglass C. North, is a set of formal rules and informal norms, which together with their enforcement mechanisms structure human interaction.
Organisation	An organisation, by contrast to an institution, is a group of individuals pursuing a set of shared goals through varying degrees of coordinated behaviour, within the rules embodied in the institution. Thus, while an institution defines the rules of the game, organisations are the players who play that game.
Social Order	A Social Order, is defined as in North, et.al., as encompassing the political, economic, cultural, religious, military and educational systems of a society.
Path Dependence	Path Dependence is the tendency of individuals and groups to resist institutional change where such change threatens their interests. Such individuals and groups are willing to invest their energy, resources and time to resist institutional change.

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Consciousness

The term consciousness is used in this book as a sense of awareness at different levels. The concept has been applied in various contexts in the course of our analysis:

(i) *Historical consciousness* of a particular community is defined as a source of values of that community and the associated norms.

(ii) *Inter-subjectivity of collective experience,* refers to the shared memory of the lived experience of a community through its history. This experience is manifested in its literature, folklore and the arts.

(iii) We also apply the term consciousness to the psyche, wherein the colonial encounter had left its mark on the colonised elites that persisted in the post-independence period.

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1

Introduction: Institutional Instability, Norms and Consciousness

Institutions* understood as humanly devised rules have been in existence since the beginning of human society. The aim is to enable orderly conduct of the whole range of transactions in the spheres of production, politics, social, and cultural life, that define a functioning society. Institutions have existed to also facilitate religious practice through which humans experience and affirm their relatedness with a transcendent reality.

In this context, we argue that the use of language is inseparable from the functioning of society. Indeed, language emerged out of the sociality of humans and in turn served to develop society as it enabled complex forms of understanding and their communication.[1] Noam Chomsky proposed a theory of "generative grammar" that was common to all languages. He argued that this universal language structure represented a unique system of integrating information and making it meaningful.[2]

We suggest that language articulates the sayable, while the silences within, gesture towards the unsayable (See chapter 12, section 4.1). Language in the form of poetry, or music, or, at its limit, silence, helps express intuitive insights into reality using perhaps the uniquely human faculty of the intellect. (See section 1.15 of this introduction for a discussion of the traditional, as opposed to the modern idea of the intellect).

Institutions, as rules, both formal and informal, are integral to the organisation of society. This is because it was recognised early on,[3] that orderly interaction with each other in a group, on the basis of shared goals, gave humans better chances of survival than if they acted alone. Recent research by Suzanne Schultz et al. has shown that the earliest *Homo sapiens* like their primate ancestors functioned in groups because it gave an advantage in foraging and hunting which required teamwork. These groups were initially loose but gradually

* Note: In this and all other chapters, an institution is defined (in line with North, et. al.,) as a set of formal rules and informal norms which together with their enforcement mechanisms structure human interaction.

bonded together to form a stable sociality.[4] Human interaction also helped develop their higher intellectual functions. As research by David Despain has shown, humans developed their creativity and capacity for innovation in the process of social interaction and language use.[5]

In the epochs that followed, in some traditional societies, there was an awareness that nurturing the sense of a fundamental harmony between our own nature and nature, sustained and also enriched human life. It helped to devise methods of production, patterns of consumption and forms of waste disposal that maintained the integrity of the eco-system. At the same time, we argue that harmony with our own nature evokes a connection with all humanity, indeed with all creation. We suggest that such an awareness arises out of the very experience of being in this world. There is an aesthetic dimension to human consciousness through which we experience beauty and, when absent in particular forms of social existence, suffering.

In the human encounter with the world, we have experienced the mystery of knowing each other, the harmony of nature and the awesome intimations of a transcendent reality. These experiences are manifested in art through the ages. For example, the Indonesian cave paintings (42,000 B.C.) that express our wonder at the living creatures around us; the *Dancing Girl* of Mohenjo Daro (2,500 B.C.) in her stillness, moving to the dance of the spheres; the Gandharan statue of the *Fasting Buddha* (first century B.C. to fifth century A.D.) expressing the relationship between the eternal Spirit and transient flesh: the bare rib cage, standing testimony to the discipline involved in connecting with the Divine; Michelangelo's fresco of *The Creation of Adam,* in the Sistine Chapel, (sixteenth century A.D.) celebrating that magnificent moment when earthbound Man receives the impulse of creativity as he reaches out to the transcendent; Sadeqain's calligraphic representation of the human intellectual endeavour through the ages in his *Treasures of Time* (twentieth century A.D.); Leonardo Da Vinci's *Mona Lisa* (sixteenth century), whose intriguing smile, evokes a moment of contact with the other, and, through it, a gaze into timeless spaces; and Ijaz ul Hasan's, painting *Khooni Chauk* depicting death as well as the affirmation of life in memory of the industrial workers shot down by police during a strike in Karachi, (twentieth century A.D.). Thus art, and our shared response to it across time, implies the consciousness of being in this world.

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This book is about institutional instability in Pakistan, and how its trajectories in different periods are driven by the political dynamics between the elite factions within the underlying power structure. A key factor in fuelling institutional instability as much as perpetuating underdevelopment is that Pakistan's rent-based institutional structure systematically constrains human potential. It thereby prevents equitable, sustained, and environmentally protective economic growth.

1. Some New Questions Posed, New Themes Explored

1.1. Institutional instability, colonised psyche, and re-connection with history

The instability in the apex institution, the Constitution, is related with the need to embed the formal rules in the informal norms: the reference points in the culture and history of the people. In exploring this question, we have analysed the psychology of the colonised mind amongst the ruling elites and its implications for politics and public policy. We have also counterposed the psyche of the elite forged in the colonial mould of dependence with the consciousness of the ancient people who inhabit this land. Re-experiencing their dignity and collective identity requires re-connecting with their history embodied in their literature, art, myths, and legends. This is the cultural tradition from which the people draw their impulse of love and resistance against injustice.

1.2. Institutions, human behaviour, and consciousness

In the existing literature on the New Institutional Economics (NIE), the establishment of institutions, or rules, takes account of the aim of how a particular society is to be organised. Rules, whether formal or informal, are devised, albeit by quite different agencies, on the basis of a particular understanding of human cognition and the way it can be expected to induce particular forms of behaviour. The agency of formulating formal rules is the state at a particular time, while informal norms emerge from the precipitate of the lived experience of a community over a long historical period. We would suggest therefore that cognition becomes important to the formation and observance of rules.

We have argued that cognition is rooted in consciousness. It underlies both action and reflection, the words as well as the silences

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of individuals. Accordingly, consciousness crucially affects the interactions between individuals that institutions aim to structure. This vital aspect of human behaviour has not been considered in the literature on the New Institutional Economics (NIE) that Douglass C. North and others had pioneered. We hope in this study to make a modest start towards filling this gap.

1.3. Consciousness and how we know the world

We argue that the sources of both formal rules and informal norms lie in differing cultures of the elites and the people respectively. These in turn originate in distinct forms of consciousness.

In examining the nature of consciousness and the associated phenomenon of perception, we briefly critiqued the bifurcation between subject and object assumed in the materialist paradigm of science, since Descartes in the seventeenth century. In this context two questions emerge initially, apart from the question of matter itself: first, in what sense are subject and object related in the process of comprehending the world? Second, is comprehension a phenomenon limited to the material activity of the brain or is there another dimension to the way we know the world?

Exploring the first question required an analysis of how perception involves a relationship between subject and object. The second question involves examining the material activity of the brain combined with the non-material operation of the mind. The mind-brain relationship was first pointed out by the neuro-physiologist, Nobel Laureate, Sir Charles Sherrington (See sections 1.13 and 1.14 of the Introduction for an elaboration of this point).

On the basis of recent work on the subject-object relationship by Wolfgang Smith, we discussed how perception involves not only visual sensory impulses and their image formation by the brain, but also the operation of an "unerring" intuitive faculty that the ancients called the intellect. For example, it is on the basis of this faculty, Smith suggests, that a person is able to perceive another person's face, not as an image inside the head but as an aspect of that person located out there where s/he actually stands.[6] We argued that the very intellect that is involved in every day perception, at a deeper level, can also be the means of experiencing transcendent truths in a direct and unmediated manner.

In understanding consciousness, we also brought to bear ideas

from religion and ancient wisdom traditions to show that compassion, which is at the deepest centre of consciousness, is essential to the experience of being human. Bringing compassion into awareness could have important implications for politics, economics, and the design of institutions.

1.4 Understanding an institution, formal laws, informal norms and legitimacy

Based on the work of Douglass C. North, we define an institution as a set of formal rules and informal norms that together with their enforcement mechanisms structure human interaction.[7] An institution is distinct from an organisation, which is a group of people engaged in coordinated behaviour to achieve shared goals. For example, the rules of cricket constitute an institution, while organisations are the teams that play according to those rules. Since institutions are rules, formal as well as informal, they embody incentives and disincentives that influence the behaviour of individuals and organisations. How then do we understand the basis of formal laws?

Hans Kelson postulates that law can be understood as a system of rules designed to order human behaviour.[8] The question here is what is the ethical and not just the logical principle underlying the ordering of human behaviour through law? In his attempt to give a "scientific" theory of law, Kelson excludes this question from consideration. He argues that the legality of human behaviour within the system would be derived from the scheme of interpretation, that confers legality or illegality to a particular act.[9] He argues that "justice is a subjective judgement of value" referring to the social order, and hence outside the ambit of a "positive" theory of law.[10] Accordingly, in this view, law in so far as it is scientific, must be morally neutral. Thus, in Kelson's theory, law is separated from the idea of justice and the practice of law simply derived from the system of rules within which it is located.[11]

Kelson's view is in contrast to Aristotle who argued that every citizen as a social animal, has in his nature a sense of justice on the basis of which a civilised community becomes viable.[12] So for Aristotle, the aim of law, was to pursue the fundamental virtue of justice, which constituted an ethical principle of civilised society. Earlier, Socrates held the view that justice was a jewel of the soul,[13] which in the Perennial wisdom tradition is synonymous with the heart, the centre of consciousness.[14] (See chapter 12). Thus, Kelson in divorcing law from justice, was essentially separating the principle of ordering

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human behaviour in society from human consciousness. Formal rules in terms of laws and regulations are specified and enforced through systematic processes of state authority. With reference to the New Institutional Economics (NIE), we have suggested that while laws are formulated by the state, they imply a relationship between state and society. This raises a question that the NIE does not pose, but is nevertheless crucial to the viability of a legal structure, namely legitimacy (See chapter 2 for a discussion on legitimacy). The idea here is that in a democracy, while the state makes the formal laws, it is the citizens who give it the right to make them. Thus, through specific mechanisms within the state and society, formal laws and the modes of their enforcement must signify the will of the people.

We have argued that informal norms have even more complex origins. Douglass C. North suggests that they are located in culture.[15] But then what is the nature of culture in this context? Going beyond North et al., it can be argued that culture and the norms associated with it arise from consciousness: they emerge through a historical process of human interaction with each other and with nature. The experience of these relationships through history embody the collective memory of a community. Now memory is located in the psyche of an individual and can shape the person's behaviour at the conscious as well as at a personal unconscious level. As C.G. Jung argues, the psyche can also have a deeper third level, the collective unconscious, which through archetypal images, links the individual in the present with the ancient past of the community.[16] Thus the multi-levelled psyche and the underlying consciousness play a role in human behaviour (See chapters 2 and 12). We have therefore suggested that the considerations that come into play in individual and collective choice cannot be seen simply as a stimulus response mechanism based on the incentives and disincentives embodied in institutions, as the NIE would have us believe.

1.5. Informal norms and collective memory

The question that now arises is what is the relationship between formal rules and informal norms. In their operation, both involve human choice and action, yet they have quite different origins. As suggested above, formal rules (laws) are formulated by the state while informal norms are derived from the system of values associated with a particular culture. As we have argued, culture in turn is rooted in

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the shared memory of a community. This reservoir of the collective historical experience may be accessible in the collective consciousness of a people or may lie within what Jung calls, the collective unconscious in the form of myths, symbols, and legends. It can be argued that this dormant memory could be recalled and brought into awareness by deciphering those symbols to re-experience the past. It is also evoked in the art and the literary heritage of a society.

Thus, the norms prevailing in a society are simultaneously subjective as well as inter-subjective. They are felt as tendencies organic to the individual psyche, and yet manifest the collective consciousness of the community. For example, in November 1968, the police in General Ayub Khan's government shot dead a number of protesting students in Rawalpindi. The news passed like an electric pulse through each student in the colleges of Lahore and they spontaneously came out in mass protest on the Mall Road, each driven by a personal passion to face police bullets in solidarity with the Rawalpindi martyrs. Some actually fell on the tarmac in pools of blood when the police opened fire.[17] The outrage was felt within the personal psyche of students, yet as they came together to protest, the individual got connected with a collective consciousness. It is this connection that sustained the citizens' movement in West Pakistan that finally overthrew the Ayub regime.

1.6. Institutions, informal norms and consciousness

Douglass C. North in his seminal work on institutions and institutional change correctly observes that while it is easy to be precise about how formal rules operate, it is difficult to describe the informal ways in which human interaction is structured.[18] We may suggest that the difficulty of describing how informal norms function arises out of the complexity of their evolution in the uniquely human cognitive system associated with consciousness (see chapter 12). Furthermore, we would argue that the difficulty that North alludes to is likely to persist because the door to understanding human interaction in terms of consciousness and the dynamic of history is firmly closed in the existing framework of New Institutional Economics.

North recognises the importance of informal norms in themselves, independently of formal rules.[19] He goes so far as to suggest that the significance of informal norms can be judged by the fact that the same set of formal rules imposed in a different social

setting can produce different results. This leads to the question of how they are related with formal rules within a constitutional order. Examining this question requires an analysis of the dynamics of politics and state power. Such an analysis has neither been systematically undertaken by North et al. in their earlier work nor in their recent work on social orders and the associated types of the state.[20] Our present study explores this question for the first time with respect to the phenomenon of institutional instability in Pakistan (see chapters 2, 3, 4, 6, 7 and 8).

1.7. Institutional structures, institutional instability and intra-elite power struggles

North et al. have extended their earlier studies on institutions, that were mainly at a micro level, into the macro domain of institutional structure. An institutional structure is a whole set of institutions, configured in a particular way to achieve macro-level economic and social goals.[21] They postulate that the limited access social order, or the "natural state", for example, is based on systematically generating rents for an elite coalition that ensures control of violence in society. They suggest that this social order has prevailed for most of recorded human history. A more recent social order is that prevailing in "Modern States" (also known as advanced Capitalist countries). They are characterised by open economic and political access, competition and efficiency. In this social order, violence control is achieved through powerful law enforcement organisations controlled by a representative government.

We would argue that the functioning of the Modern State (for example, the U.S.), does not always adhere to the principles of equality of citizens before the law and their relationship with the state. In some countries, there is persistence of inequality, racism in the justice system, unequal access over health services during a public health emergency, and asymmetry of political power between classes. These fissures in society create growing stresses on the legitimacy of this social order. Consequently, establishing the hegemony of capitalist ideology becomes politically important for the ruling classes in maintaining the stability of this social order.

North et al. in postulating the basis of longevity of the limited access social order (about ten millennia) are essentially addressing the *stability* of the associated institutional structure. Significantly

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they refer to the limited access social order as the "natural state" as if it is in accordance with some trans-historical fundamental nature of humans and their social organisation. At the same time, the analytical framework of the NIE excludes the question of how power mediates the concrete functioning of the social order in a particular period. We, on the other hand, have attempted to analyse institutional *instability* and the role of power in shaping its trajectory in the particular case of Pakistan.

Clearly, the basic institutional structure aimed at generating rents for the ruling elites has remained stable and persisted for a long time in history. But we find that when the time scale is reduced from millennia to a few decades, and the specific experience of a particular country is investigated, a granulated picture emerges of elite behaviour. Then the phenomenon of institutional instability comes into focus with intra-elite conflict, power politics, and the psyche of individual leaders coming into play. We show this in the case study of Pakistan. Here, the specific institutions associated with the constitutional order that emerged in the post-colonial period have been repeatedly buffeted by the storms of power struggle between various factions within the elite coalition. Thus, understanding the nature of institutional instability necessarily requires an examination of the underlying intra-elite power dynamics, the psyche of the ruling elite coalition, the consciousness of the people, and the sources in their literature of the impulse for revolt against oppression (see chapters 3, 4, 6, 7, 9, and 10).

1.8. The development of democratic consciousness

Examining the hitherto unexplored theme of institutional instability led to identifying an interesting aspect of the dialectic between social change, literature and politics. During these movements, images of defiance, drawn from folk poetry were evoked for mass mobilisation against oppression. The memories of legendary heroes, archetypal symbols of love and rebellion that inhabit the collective unconscious of the people, were recalled to fuel the present passion for freedom (see chapters 6 and 10).

1.9. Decolonisation, nation building and constitution making

The question that now arises, is what were the origins of institutional instability at the dawn of independence when the founding fathers set

out to create an independent nation within a new state. In addressing this question, we have examined, for the first time, the relationship between decolonisation, nation-building, and constitution-making in Pakistan. (See chapters 2 and 3). More generally, this relationship is important to understanding institutional instability in a post-colonial state. Yet it has not been investigated so far in the NIE.

1.10. Overcoming underdevelopment by developing the human potential

10.1 The next question that can be posed in the context of a post-colonial state such as Pakistan is how did the institutional framework and the underlying power structure shape the nature of the growth process? This is related with the question of how is it that a people who had achieved independence from colonial rule remain locked into underdevelopment even after seven decades? These questions have been explored, albeit briefly, in the present study.

1.11. The question of growth sustainability

Douglass C. North et al.[22] and later Daren Acemoglu and James Robinson[23] have argued in differing ways that the key determinant of economic performance of a country is whether its institutional structure is efficient or inefficient. Furthermore, North et al. have argued that the feature that distinguishes developed from "undeveloped" countries is that the developed countries through their efficient institutional structure are able to achieve sustained per capita income growth over the long-term and thereby a substantial improvement in the economic conditions of their people. By contrast undeveloped countries, which are characterised by an inefficient institutional structure, are unable to sustain growth over the long run and hence remain mired in poverty.[24]

1.12. Growth, inequality, environmental degradation, and power

While establishing the importance of institutions in sustaining economic growth, the leading figures in the New Institutional Economics (NIE) focus on aggregate growth rates. They do not systematically bring into their analysis the question of how growth in capitalist countries is associated with inequality, and the degradation of the physical environment caused by the forms of production and social life over the last three centuries. They do not explore the

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structural roots of inequality, located in the unequal power relation between labour and capital nor the nature of the accumulation process that emanates from that social relationship of production. They also do not analyse how the capitalist economic growth process and the associated trajectory of technological change has led to environmental degradation.

The phenomena of inequality and environmental degradation threaten the sustainability of the economic growth process. Yet, in the NIE, the sole criterion of an efficient institutional structure is sustained growth through investment and productivity increase. The question of making the growth process work for the people and to protect the physical environment is largely ignored.

1.13. A strategy for a human economy

We attempt, in the context of Pakistan, to address these issues by outlining a strategy of development for and by the people, of building equality into the structure of the growth process, and of protecting the environment. Such a strategy could place Pakistan on the path of what we have called a Human Economy (See chapter 11).

It could be argued that the persistent failure to initiate a growth process based on equality, of caring for people as well as for nature, is rooted in a rent-based institutional framework. Such an economy is aimed at enriching the elite coalition within a neo-colonial structure of dependence rather than ensuring the welfare of the people in an independent economy.

Furthermore, the process of systematically generating affluence of the few and deprivation of the many cultivates amongst the elite an indifference towards the suffering of others. This leads to an estrangement of the elites from the heart and hence the weakening of integrity and moral sense (See chapters 2, 8, 11, and 12). This theme sets the stage for an explication of the idea of the heart in human consciousness (See chapter 12).

1.14. Heart knowledge, norms, and building a humane society

Dr Martin Lings, as also other great scholars, suggests that in both the Western and Eastern intellectual traditions, the term heart was used synonymously with the word intellect. Unlike its modern usage of just mind, the word intellect meant the instrument of experiencing the transcendent. He suggests that the heart is not only the centre of

our body but the centre of our being. As such, the heart symbolises the faculty of direct spiritual or intellectual vision. Professor Hossein Nasr similarly refers to the heart as the centre of our consciousness. He suggests that it is the site in heart space where the human and the Divine meet.[25] He goes on to explore the universality of the idea that the heart is essential to the inner condition of human beings. Professor Nasr shows that the spiritual significance of the idea of the heart is present across religious and cultural boundaries[26] (See chapter 12 for an elaboration of this idea).

If the metaphor of the heart refers to the centre of consciousness, then what are the possibilities at the present juncture in history of heart knowledge contributing to the building of a humane society? Humans are able to acquire what Hausmann et al. call productive knowledge (See chapter 11 for a detailed discussion of this issue). We have argued that while such knowledge is necessary to fulfil the material needs of humans, they have also a deep-seated aspiration for heart knowledge. This can also be understood as the actualisation of the human potential.

We have explored the theme of the heart as the deepest centre of consciousness. In this regard, we discuss compassion or loving care for others and for nature as an important human propensity. Indeed, it may be essential to our experience of being human (See chapter 12 for a detailed discussion). Bringing this propensity to fulsome awareness is vital for recovering our humanity. Compassion and the aesthetics and ethics that it signifies could then become the normative basis of pursuing a new kind of power in politics: the power to heal society, to care for others and for nature.

2. Principal Propositions

2.1. Institutional instability, power imbalance, and democratic norms

2.1.1 We have postulated that the extent to which a particular government abides by the formal rules of the Constitution and indeed the sustainability of the federal democratic design of the Constitution itself depends on the balance within the power structure between the military-bureaucratic elite on the one hand and the civilian elites on the other.

2.1.2 We have shown how the pendulum swings of governmental authority between the military and elected civilian governments

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have determined the direction of change in the formal rules: towards authoritarianism when the military-bureaucratic faction was dominant and towards some semblance of democracy when the civilian leadership held sway (See chapters 3, 6, and 7).

2.1.3 At the same time the weakness of democratic norms occasionally led to such intense conflict between the major political parties, that one or the other, aligned with the military in seeking power, thus aggravating institutional instability. The pursuit of political power was unconstrained by democratic norms. So that politicians in a no holds barred effort to deny power to rivals paid scant attention to the fact that in seeking the support of state organs, they could undermine the very democratic framework within which politics were supposed to be conducted (See chapter 7).

2.2. The dialectic of economic growth and institutional instability

Given the rent-based institutional structure, economic growth is constrained. Yet the ruling elites, aspiring for the lifestyles of Western elites, strive to increase the magnitude of rents accruing to each, even though the size of the cake to be shared out as rents is not increasing sufficiently. This creates the tendency to leverage power by each elite faction to increase its *share* of the rental cake. The consequent heightened inter elite contention for power increases the amplitude of institutional instability. (chapters 5, and 7).

2.3. The trajectory of institutional instability

2.3.1 We have shown that institutional instability is not linear, but tends to increase over time with the amplitude of fluctuations around the rising trend getting accentuated (See chapters 4 and 7).

2.3.2. The reason for such a pattern is that changes in formal rules are often initiated by the dominant faction when there is contention between various factions within the underlying power structure. These self-serving changes in the legal system in turn, intensify the tensions between the elite factions so that the contention between elite factions within the power structure feeds off formal institutional changes made by the dominant faction. We have shown how changes in formal rules initiated by particular factions as a means of enhancing their authority within the power structure accentuate institutional instability (See chapter 7).

2.4. Rising institutional instability and the psyche of protagonists

2.4.1. Another factor reinforcing the rising trend is that it is individual leaders of the various factions who conduct the battle for power. In this situation, individual ego, insecurity, and miscalculation of the intention of the protagonist induce disproportionate reactions by the individual players. The action/reaction dynamic during the contention for power beyond the domains specified by the constitution occurs because the individual leaders are unconstrained by either democratic norms, or occasionally, even norms of civilised behaviour (See chapter 7.2).

2.4.2. In the case of East Pakistan, the trajectory of the institutional crisis reached its apogee in an institutional collapse by 1970. An explosive civil war ensued between the state and the people of East Pakistan that led to the emergence of independent Bangladesh. The rising trajectory of institutional instability is also illustrated by the political dynamics of the 1990s, though mercifully without the catastrophic results of the East Pakistan case. Nevertheless, during the decade of the 1990s escalating institutional instability fuelled by contention between state organs did reach a climax with the Musharraf coup d'état and the collapse of the Constitutional order (See chapter 4 for a detailed discussion of this phenomenon during the East Pakistan crisis in 1970 and chapter 7 for an institutional analysis of political turbulence during the decade of the 1990s).

2.5. Institutional instability and erosion of coherence between state organs

Intensifying institutional instability is associated with increasing politicisation of the state apparatus which tends to dim the boundaries of the constitutionally specified domains of various state organs. Consequently, as each state organ vies for extra-constitutional authority, the coherence between the state organs is eroded. Thus, the capacity for the legitimate application of state power that requires the various elements of the state to act in concert is undermined.

2.6. Democratic consciousness and folk literature as a counteracting force against institutional instability

2.6.1. An important aspect of the dialectic of institutional instability was the gradual development of democratic consciousness amongst

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the people that in time can become a counteracting force against constitutional instability. In each of the periods of authoritarian rule (The General Ayub regime, the General Yahya years, the General Zia, and the General Musharraf periods respectively) popular resistance movements emerged to affirm the democratic aspirations of civil society. During these movements, images of defiance drawn from folk poetry were evoked for mass mobilisation against oppression. The memories of legendary heroes, archetypal symbols of love, and rebellion that inhabit the collective unconscious of the people were recalled to fuel the present passion for freedom (See chapters 6 and 10).

2.6.2. We suggest that the aspiration for freedom and representative government that we observe in the post-1947 period is deeply rooted in the consciousness of local communities in some of the northern areas that are part of Pakistan today. Romila Thapar in her monumental work has shown that when settled agriculture began in the alluvial plains of the Gangetic valley by 600 B.C., the substantial surpluses gave rise to hierarchić societies based on Vedic tradition and ruled by monarchies. The more independent-minded Aryan settlers rebelled against the Vedic orthodoxy and moved towards what is today Northern Punjab and the foothills of the Western Himalayas. Here they established the earliest Republics, governed by a tribal coalition with the leader of each tribe being a member of the decision-making authority of the Republic (See chapter 2.1).

2.7. Colonisation of the psyche as an instrument of colonial power

2.7.1. We suggest on the basis of the work of Ranajit Guha, Franz Fanon, and Aime Cesare that colonisation of the psyche of indigenous elites was integral to establishing the hegemony of colonial power and the economic process of surplus extraction. So, the colonial project required a psychic rupture of the colonised elites from their own history. This process involved divorcing them from their language, their modes of knowing themselves, and estranging them from the sources of defiance (See chapter 2.4, 2.5, and 2.6). The indigenous elites were thus alienated from their own selves as much as from their own people. They could thus become willing instruments of colonial rule. The coloniser by "appropriating the past" prepared the psychological and political space for the "construction of a colonial

state", as Guha postulated (See chapter 2.5).

2.7.2. Clearly, then the process of decolonisation would not only involve building sovereign state structures in the Sub-continent but also initiating a process to "recover their past appropriated by conquest and colonisation" (Guha, see chapter 2.5 for details and citations).

2.8. Decolonisation, the Consciousness of independence and collective identity

2.8.1 We argue that decolonisation of the psyche is important to creating the consciousness of an independent nation. Such a consciousness re-connects a people with their own history and hence with the reference points in terms of which they experience their authenticity, collective identity, and shared aspirations for the future (See chapters 2.4, 3.1, 3.2, and 5.1).

2.8.2. We argue that in the process of decolonisation of individual and collective identity, there is a re-affirmation of the human potential of individuals. There is a possibility of reclaiming from our ancient historical tradition the possibility of what Iqbal called elevating the "Khudi" and Abd-Al-Karim Al-Jili called becoming "Universal Man". The idea of Universal Man in the Islamic tradition is that the cosmos in terms of its internal unity is like a single being and the fully realised individual on earth is the perfect image of the universe.[27] In the context of this tradition we suggest that decolonisation involves an experience of the self through a re-connection with a sense of human solidarity of beauty, truth, and justice (See chapters 2.6 and 3.2).

2.9. The sources of freedom and justice drawn from folk literature

Re-establishing a connection with the past creates an awareness that the pursuit of freedom, equity, and justice are part of the lived experience of the community. These ideals are evoked in the folk literature, the legends, and the festivals that celebrate their heroes. They are affirmed in Bhagat Singh's[28] act of love in sacrificing his life for liberty. As he stood on the scaffold he declared:

"Jay tain pyaar karan da chaa, sirr dhar talli, galli meri aa."

(If you aspire to love, put your head on your palm and come my way).

In the poetry of Najam Hussain Syed, the ideal of a society based

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on justice and equality resonates in the drum beat within the silences of our consciousness:

Kitte, chupp dhalayaan utte, Dhol maraendi ae unaakhi".[29]

(Somewhere on the slopes of silence, beat the drums of the unsaid).

2.10. Jinnah's emphasis on decolonisation of the psyche for a national identity

10.1 Muhammad Ali Jinnah was aware that decolonisation of the psyche was integral to nation building. Decolonisation would enable the various communities that inhabit Pakistan to re-connect with their own history and thereby discover the common denominators that could constitute the consciousness of unity in diversity (See chapter 2 for an articulation of these common denominators in the literature and folk poetry of the diverse communities that were to form the Pakistani nation).

10.2 Decolonisation of the psyche was also necessary to shift the relationship between the state and society, from one of hegemonic power over a colonised people to public servants of a liberated nation. For example, in his address to the Gazetted officers of Chittagong, on 25th March, 1948, Jinnah said:

> *...you are now the servants of Pakistan. Servants can only do their duties and discharge their responsibilities by serving. Those days have gone when the country was ruled by the bureaucracy. It is people's Government, responsible to the people....*[30]

2.11. Jinnah's view of the historical consciousness of justice and equality

Jinnah was aware that liberation from colonial rule meant re-connecting with the perennial quest of the people for a just society. He argued that the ideals of social justice, equality and fraternity were the foundational principles of Pakistan and as such opened up great possibilities for society:

> *...the great ideals of human progress, of social justice, of equality and of fraternity, which on the one hand constitute the basic causes of the birth of Pakistan and also limitless*

> *possibilities of evolving an ideal social structure in our state...*[31]

(Address of Quaid-e-Azam Muhammad Ali Jinnah, at the public meeting in Chittagong, March 26, 1948.)

In declaring these principles to be the foundation of the state of Pakistan, Jinnah made them a basis of the constitution that was then on the anvil. However, he pointed out that these universal principles predated Western democracy by a thousand years and were inherited by the people of Pakistan from their Islamic tradition:

> *Islam and its idealism have taught us democracy. It has taught equality of men, justice, and fair play to everybody. We are inheritors of these glorious traditions and are fully alive to our responsibilities and obligations as framers of the future constitution.*[32]

2.12. Jinnah counter-posed the democratic Islamic tradition to theocracy

In tracing the democratic principles of constitution making in Pakistan to their Islamic origins, Jinnah was careful in clarifying that Pakistan was not going to be a theocratic state: "In any case, Pakistan is not going to be a theocratic State—to be ruled by priests with a divine mission."[33]

2.13. Iqbal's Perspective on Islam. We argue that Jinnah's distinction between a democratic state based on the universal principles of Islam and a theocratic state is drawn from Allama Muhammad Iqbal's perspective on Islam. Iqbal emphasises spiritual comprehension, the inner essence within the outer form of reality. The Holy Quran refers to a hidden "kernel" which men of knowledge are able to grasp when they decipher the outer shell of appearance (See chapter 9, for a discussion of the Quranic symbol of the kernel). The direct knowledge of higher truths comes from human contact with the Divine within the transcendent space of love (See chapter 12). For Iqbal, as for the great thirteenth-century Sufi poet Jala-ud-din Rumi, it is such spiritual experience which gives humans the awareness of their station in the cosmos (See chapter 3). The grandeur of reaching this level of consciousness is evoked in Iqbal's clarion call to the colonised

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Muslim community bowed down by a sense of inferiority:

Khudi ko karr buland itnaa, ke harr taqdir se pahle,
Khuda bandey se Khudd pooche, Bataa teri razaa kya hai[34]

Elevate your being so high,
That before determining every destiny,
God Himself enquires from Man, say what meets with your approval?

(Translated)

Iqbal rejects the Mullah's emphasis on form devoid of the inner experience of the transcendent in the following lines:

"Teri nigaah se hai posheeda aadmi ka muqam
Teri nimaz mein baaqi jalal hai na jamal"[35]

From your gaze is hidden,
The exalted space that Man doth reach.
In your worship remains neither passion nor beauty.

(Translated)

For Iqbal, love gives the ultimate answer to human inquiry:

"Ilm hai paida sawaal,
Ishq hai pinhan jawab"[36]

Knowledge raises the question,
Love is the hidden answer.

(Translated)

2.13.2 Iqbal suggests that Islam is essentially a universal message for all humankind, inviting them to strive for the splendour of actualising their human potential. Ibn Al-Arabi, the great twelfth century Sufi master, suggests that humans have a God given capacity for combining Reason with the direct intuitive experience of transcendent Truth. In the same tradition, Iqbal expounds the idea that humans have the ability of Reason applied to systematic observation in order to know the concrete and finite. Within the same consciousness, he argued, we also have the faculty of experiencing the transcendent. Both can

be brought to bear in knowing reality. In his lecture on the Spirit of Muslim Culture, Iqbal argues (See chapter 3):

> ...inner experience is only one source of human knowledge. According to the Quran, there are two other sources of knowledge – Nature and History; and it is in tapping these sources that the spirit of Islam is seen at its best.[37]

We suggest that it was on the basis of this perspective of a unifying spirituality combined with free inquiry that Jinnah counterposed Islam to theocracy. (See chapter 3.2).

2.14. The Islamic perspective versus militant extremism

2.14.1. We argue that historically there has been a contention between two different perspectives on Islam in the Pakistan area. The literalist view we have called a *reification of form,* without the spirituality of love: the outer shell without the kernel. By contrast, the Holy Quran refers to "possessors of the intellect," which literally means "possessors of the kernels". Hossein et al. argue that the Quran uses the symbol of the nut to show that "one needs to grasp and be nourished by the kernel, or the inner truth of things."[38]

2.14.2 After the military government of General Zia-ul-Haq joined the Afghan war against Soviet troops as a frontline state, an extremist version of the literalist view was used to indoctrinate the Mujahideen as an integral concomitant of combat training. As part of General Zia-ul-Haq's strategy, the ideology of militant extremism was used not only as an instrument of prosecuting the war without, but also to impose authoritarian rule within. The extremist ideology was disseminated for the first time in Pakistan's history by the state. Government funds were used to finance a new kind of mosque school network in small towns and rural areas. These were used as centres of indoctrination to prepare cadres for militant organisations engaged in the guerrilla war. The state also propounded the same extremist ideology in the official media and amongst political groups aligned with the government of Zia-ul-Haq.

2.14.3 The state sponsored social process that was initiated during the Zia regime, involved a deadly narrowing of the mind. The extremist militant ideology inculcated bigotry, intolerance, and hate. This was counter-posed to the perspective of Islam represented by Jinnah

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and Iqbal, in the intellectual tradition of Jalal-ud-din Rumi, Abd-Al-Karim Al-Jili, and Ibn al-Arabi. This tradition enjoined, knowledge, tolerance and love for the other. The official ideological onslaught induced anger against the other, and the suspension of rationality in political discourse. In doing so, it violated the sensibility of love and reason embodied in the Sufi intellectual tradition of the people and their folklore (see chapters 6.2, 9.2).

2.15. The use of militant groups and institutional instability

2.15.1 We have shown, that after the Americans left abruptly at the end of the war against Soviet troops in Afghanistan, the militant extremist groups nurtured by the military establishment in Pakistan began to be used as instruments of pursuing policy objectives in Afghanistan and India. Because of the nature of this undertaking, control of militant groups could not be perfectly calibrated and hence they enjoyed a certain autonomy. Gradually some of these groups developed their own strategic objectives of establishing an Islamic Emirate in Pakistan. They sought to overthrow the Constitutional order in Pakistan and began to launch suicide bombing attacks against military and civilian targets.

The latter included significantly, the shrines of Sufi saints whose perspective on Islam was counterposed to the ideology of the extremists. The Sufi saints even in their death presented a living threat to the extremist militants, because the message of the Sufis was organic to the consciousness of the people. Amidst the rising tide of terrorism, the state realised that militant groups which had been developed as strategic assets had become strategic liabilities (see chapter 9).

2.15.2 The armed militant groups as they pursued their own political agenda, emerged as rival powers to that of the state, within its territorial domain. Their extremist narrative of a theocratic state based on an undefined notion of Sharia began to seep into sections of the media, mainstream political groupings, and a small though influential stratum of civil society in the Mullah based political network. At an early stage, the armed militant groups attempted to establish their own domains of power in Swat and Waziristan. Gradually they built up organisational capacity, political alliances and an ominous strength in their political narrative in the urban

areas. Thus, the extremist militant groups in time began to challenge the writ of the state through sit-ins and street demonstrations against specific governmental decisions deemed to be antithetical to their beliefs. Thus, not only was the sovereignty of the state challenged in remote areas but the government began to be held hostage in the heart of the major urban centres.

We have accordingly suggested, that while the war in Afghanistan was considered a great success, its mode of prosecution set into motion new processes that had major implications for institutional instability, state, and society in Pakistan.

2.16. A framework of economic growth for the people: Jinnah's economic vision

The economic strategy we have specified while marshalling the latest research in economics, is drawn from the principles of Muhammad Ali Jinnah's economic vision. On the basis of our study of Jinnah's speeches and statements, we have articulated his economic vision and drawn three principles from it. First, for Jinnah, the fundamental aims of economic policy were human well-being and social justice. Second, Jinnah had argued for industrialisation within the same perspective of human welfare. He considered industrialisation to be a means of achieving economic independence of the people and providing employment to them. Third, Jinnah called for preventing economic inequality by providing equality of opportunities to all citizens, particularly women. (See chapter 5.1). These features of Jinnah's economic vision are built into our strategy, wherein equitable growth is powered by the talent and enterprise of the people, who are also its main beneficiaries (see chapters 5.1 and 11).

We have shown how the economic vision of Jinnah was set aside by the elite coalition which came to power. Given their psychological, political, and economic linkages with the metropolitan elites, a neo-colonial economic structure was constructed instead of actualising Jinnah's vision (see chapters 5.1, 11.2, and 11.3).

2.17. Growth unsustainability, aid dependence, and the problem of inadequate export growth

We have argued that at one level, the reason why Pakistan has been unable to sustain high GDP growth rates, is that the export capacity is inadequate to finance the increased import requirements of high growth. So that every high growth period has ended with a balance

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of payments crisis which has pushed governments repeatedly into seeking IMF balance of payments support. This is usually given along with conditionalities that slow down growth as a means of restricting import demand and thereby improving the balance of trade (see chapter 11). Thus, Pakistan's economy is characterised by endemic aid dependence on the one hand and a stop-go pattern of GDP growth on the other.

2.18. Sustained growth, export structure, and economic complexity

The question then is, why is export growth in Pakistan inadequate? The answer, as we have argued, lies in the failure to diversify the export structure towards high value-added knowledge intensive exports. Even after seven decades the share of knowledge intensive goods and services in total exports is only 2%. Recent research has shown that a high percentage of knowledge intensive exports in the export structure is a feature of "economic complexity" which is a key determinant of long-term growth[39] (see chapter 11). Developing the productive capacity for knowledge intensive goods requires developing a wide range of science intensive specialisations. At the same time, a particular institutional capacity is required for coordinating the diverse specialisations and bringing them to bear for new products and processes.[40]

2.19. Knowledge infrastructure, critical thinking and a humane sensibility

We have suggested that the coordination of specialised knowledge sources for production, requires what we have called, a knowledge infrastructure. This includes universities doing research at the cutting edge of human knowledge in a wide range of fields, as also specialised research institutes (chapter 11). However, developing just productive knowledge is not enough.

To establish such a knowledge infrastructure requires training students starting from school to do critical thinking. Such students ought to be trained at university to do fundamental research instead of putting new data into old models. Together with scientific knowledge, inculcating a humane sensibility for taking citizens to a higher level of consciousness that Iqbal[41] alluded to is also important. This is necessary to establish the normative basis of directing technological change and public policy. Establishing such universities requires developing both

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the capacity to reason as well as the faculty of compassion. But such an education system requires a culture of tolerance, reasoned debate and free inquiry.

2.20. What is consciousness?

The term consciousness is used in this book as a sense of awareness at different levels. This idea is applied in at least three contexts in the course of our analysis.

(i) historical consciousness of a community is defined as a source of its core values and associated norms.

(ii) While at one level, consciousness is drawn from the experience of an individual, there is also an inter-subjectivity of experience that is collective. It is the shared memory of the lived experience of a community through its history and is manifested in its literature, folklore and arts. Memories as embodied in these modes of expression have constituted a powerful mobilising force in the politics of popular resistance against recurrent dictatorships in Pakistan.

(iii) We also apply the term consciousness to the landscape of the psyche, wherein the colonial encounter had left its mark on the colonised elites: a mark that was carried over into the post-colonial period. We have argued that the persisting colonised consciousness of Pakistan's ruling elites influenced their political choices and the design of public policy.

2.21. Heart knowledge for building a better world

We have discussed the idea of consciousness. In the intellectual tradition of both the East and the West, as Dr Martin Lings argues, the word intellect (Latin *intellectus*) is the instrument of experiencing the transcendent. The intellect is used synonymously with the term heart. Here the term heart refers to the deepest centre of our consciousness (see chapter 12).

We have suggested that compassion or loving care is essential to our experience of being human. This awareness at the centre of our consciousness is a form of heart knowledge. Compassion implies a sense of relatedness with other humans, all living creatures and nature. It lies dormant in contemporary society and needs to be brought to the surface through education (see chapter 12).

We have argued that re-awareness of compassion could constitute the normative basis of a new public policy to address the three central

challenges of our time: protection of the life support systems of the planet, inequality and violence by states as well as non-state actors.

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2

The Origins of a Rent-based Economy and the Roots of Institutional Instability

In this chapter, we trace in section 1, the origins of Pakistan's rent-based economy and the underlying power structure in the dusk of the Mughal period and the dawn of colonial rule. The peasant revolts of the mid-eighteenth century overthrew the Mughal aristocracy in the Punjab. By the late nineteenth century there was a gradual emergence of a new agrarian elite drawn from the upper strata of the peasantry and functioning within localised power structures.

The British Raj in the process of establishing its power in the early nineteenth century mobilised political support of the nascent agrarian elite by consolidating their proprietorship over land. This was accompanied by a historically unprecedented resource gratification for them through the development of canal irrigation which enabled semi-arid areas to be transformed into verdant fields in which lucrative cash crop production could take place. In return, the new *zamindars* helped the British to quell the armed revolt of 1857-58. The new institutional arrangements of the canal colony areas also involved establishing the two key organisations that were to become the fulcrum of state power in the colonial period and in the subsequent post-colonial period, the military and bureaucracy.

In section 2, we explore three features of the institutional structure of the post-colonial state that induced an inherent tendency for institutional instability.

First, the apparent incongruence between the Westernised episteme of the dominant elites, from which the formal rules of the constitution were drawn and the informal norms that were rooted in the culture and underlying consciousness of the dominated classes. Here we analyse two counter-posed views on the relationship between the individual and society in the Western intellectual tradition within which the formal rules of the newly independent state were located. In this context, we examine the idea of the individual self and the question of whether individuality is *prior* to society or *constituted*

in it (section 3). The concept of an atomised individuality existing in a social and historical vacuum is then contrasted with the idea of the self, rooted in historical consciousness. This consciousness is manifested in the folk culture and intellectual tradition of the people in the Pakistan area (section 4). This brings us to the psychological and political dimensions of the colonial encounter.

The disjuncture between formal rules and informal norms is one aspect of institutional instability. A second important factor is the separation of the domestic elites from their historical memory resulting from the colonial intervention into their psyche. We analyse this phenomenon to understand how divorcing the domestic elites from their own history became an important instrument of constructing the colonial state (see section 5).

The psychic rupture of the colonised from their own history led to an erosion of the core values that emanate from the lived experience of a community. This meant an estrangement from the well-springs of rebellion and the courage to resist oppression and injustice. The loss of historical memory created a psychological space that was filled by introjecting the coloniser's image of the colonised as uncivilised "natives" without a past or future. This created in the colonised elites a sense of inferiority and fear that sustained colonial rule. The persistence of such a psyche amongst the domestic ruling elites, even after independence in 1947, became an important factor in institutional instability. It also shaped the architecture of economic and political dependence of the neo-colonial state.

1. The Origins of Pakistan's Power Structure and Rent-based Form of Economy

North has argued that institutions which have emerged historically give "rise to organizations whose survival depends on the perpetuation of those institutions" (North, 2005)[1]. Consequently, such organisations attempt to maintain the status quo by investing financial resources, time and energy to prevent an institutional change that would threaten their survival. North concludes in this context that "understanding the process of change entails confronting directly the nature of path dependence in order to determine the nature of the limits to change that it imposes in various settings" (North, 2005)[2]. The persistence of institutional structures that engender rent-based organisations in both governance and the economy in Pakistan can therefore be better understood in the context of history.

Accordingly, we begin this chapter with a historical perspective from the decline of the Mughal elite in the late eighteenth century up to Independence in 1947. The purpose is to trace the origins of the contemporary power structure and its particular configuration which gave a propensity for continuing institutional instability. Such a historical perspective would also indicate the nature of the rent-based form of economy and associated form of governance. In so doing an insight could be provided into the question of why such economic and political propensities persisted for seven decades, referred to as path dependence by North 2005.[3]

At the time of independence, Pakistan inherited from the colonial state a power structure consisting of the military, bureaucracy and the landed elite, with the military gradually achieving a dominant position. Hamza Alavi has argued that given the antecedent colonial state, in post-independence Pakistan, the military and bureaucracy were relatively overdeveloped compared to the organisations of civil society, resulting in the "relative autonomy" of the state[4]. In this section, we will indicate how the structures of power, governance and the economy observable at the time of independence were shaped by political and social processes at the end of the Mughal period and the emergence of British rule in the Pakistan area.[5] In this path dependence there has been no qualitative break from the past in the institutions of the economy and governance in Pakistan. Instead, there is a persistence of traditional rent-based structures of polity and economy underlying the narrative of modernisation.

1.1 Peasant revolts against Mughal power and the crafting of a rent-based institutional structure under colonial rule

In the Punjab province during the decline of the Mughal empire after the mid-eighteenth century, the traditional Mughal aristocracy (unlike the rest of India), was overthrown by a series of peasant uprisings. Through these agrarian revolts the rich strata of the peasantry, not only took over large swathes of Mughal territory in the rural areas but also targeted some of the urban centres where the Mughal royalty displayed the wealth extracted from the peasants[6]. Imran Ali suggests that the peasant revolts may have been caused by economic pressures of the excessive revenue demands of a parasitic military-administrative structure of the Mughal elite who were engaging in unsustainable levels of conspicuous consumption. Ali

observes that this was a lesson "not lost on the British but which the military-bureaucratic-landed elite of the fragile Pakistani state has not yet fully grasped".[7]

One could argue further that the dialectic of economic decay in the period after independence lay in the increasing consumption demands of the elite coalition and its failure to establish the institutional structure of sustained high economic growth. Consequently, there was a gap between how far the domestic economy could be squeezed for rents and the aspiration of the elite coalition for a luxury life style to ape Western elites. Filling this gap meant a rapid build-up of foreign debt to a level that, as of today, requires further loans just to service the existing debt.

Mughal rule in Punjab was replaced in the late eighteenth century by the upper strata of the peasantry. The leaders of the peasant revolts began to establish localised power within a fragmented state, and gradually emerged as the new agrarian elite. Evidence of the displacement of the old Mughal elite has been gleaned by Imran Ali from British documents of the period such as the District Gazetteers and Griffin and Massy's *Chiefs and families of note in the Punjab*. He shows that most of the families identified as having 'elite status' originated in the late eighteenth century[8]. There were very few families with 'elite status' which had antecedents before the late eighteenth century.[9]

With the coming of the British, the exigencies of establishing order in the Raj required a convivial relationship with the new agrarian elite. Accordingly, the British government consolidated the position of the new peasant lineages through revenue settlements which formalised the proprietorship of the new *zamindars* over land. This political alliance was further cemented when the new landed elite assisted the British in quelling the armed struggle against them during 1857-58, also called the 'mutiny' in colonial lexicon.

By the late nineteenth century, the bonding of the British Raj with the new agrarian hierarchy was further reinforced as the upper Indus basin was converted into a logistical base for the 'great game' strategy against the Russian empire in Central Asia. This region became the main recruiting area for the British Indian Army. The military recruitment was mainly of sepoys drawn from the peasantry and by the early twentieth century, of commissioned officers known as Viceroy's Commissioned Officers. They were drawn predominantly

from scions of the new landed elite, many of whom became mid-level officers in the British Indian Army.[10]

In the early twentieth century a series of legislative measures, starting with the Alienation of Lands Act, provided further protection to the position of agricultural owners. The protection was from the threats to mortgaged land resulting from debt default by the consumption oriented new landlords.

A rent generation process for the new agrarian elite, whose magnitude was unprecedented in Indian history, began with the development by the British government of the canal irrigation system and the associated process of agriculture colonisation in the late nineteenth century. The construction of river-spanning weirs and networks of perennial canals enabled large areas that were hitherto arid or semi-arid waste to be brought under cultivation. These areas were appropriated by the government as Crown Waste, to be utilised or disposed of at administrative or political discretion. Land holdings of between 100 to 500 acres were granted to existing members of the landed elite who were loyal to the Raj. Some particularly favoured individuals got much larger holdings.

1.2 The strengthening of the military and bureaucracy within the colonial state

Two organisations of the state that were strengthened more than any other through the new institutional arrangements of the canal economy were the military and bureaucracy. Apart from land grants to war veterans, sections of the military were involved in the rural economy through land grants for the breeding of military animals. For example, every cavalry regiment was granted 1500 acres for breeding its own horses, some being given as much as 10,000 acres[11]. Through these measures the military was given control over a significant proportion of state resources. These economic and social processes led to the emergence of a nexus between the landed elite, the military and state power.[12]

The political, bureaucratic and military elites that took shape during the Raj became the ruling elites after independence. This elite coalition faced the twin challenges of constructing the state as well as developing the institutional structure of democracy.

Amidst the chaos of partition and a dysfunctional economy facing food shortages, constructing a viable state was understandably an

immediate administrative concern. Yet the more complex challenge was establishing a stable democracy. The intellectual and political elements of this challenge involved devising the formal rules of democracy and embedding them in the informal norms rooted in the culture and consciousness of the people. The ensuing section 2 examines this problem.

2. The Roots of Institutional Instability: The Problem of Locating the Formal Rules of the Constitution in Informal Norms

2.1 Formal laws of the constitution and the normative structure of lived experience

The challenge of making a constitution in a culturally diverse society is to specify the formal rules that are embedded in the core values in terms of which a set of communities apprehend themselves as a nation. It may be pertinent here to point out that the impulse of freedom and representative government over the millennia, is deeply rooted in local communities in some of the areas of Northern Punjab and the foothills of the Western Himalayas that are part of Pakistan today.

Settled agriculture production with significant surpluses developed by 600 B.C. in the fertile alluvial plains of the Gangetic valley. This gave rise to hierarchic societies there based on Vedic tradition, ruled by monarchies. Romila Thapar has argued that the more independent minded Aryan settlers rebelled against the Vedic orthodoxy of the Gangetic plains and moved towards what is today, the northern Punjab and the foothills of the Western Himalayas to establish the earliest Republics based on tribal tradition[13]. Each of these Republics was governed by a coalition of tribes with the leader of each tribe being a member of the decision-making authority of the Republic.

2.2 Unity in diversity in collective consciousness, as the precipitate of lived experience

The constitution, if it is to be sustained by the will of the people, should signify the shared commonalities in the collective experience of the nation. It is these common denominators, the precipitate of the long historical experience of living together combined with collective aspirations for the future, that constitute the unity within a nation's

diversity. It is when the constitution provides a framework for nurturing the diversity of culture, language, ethnicity and religion that national identity is enriched. When the constitution enables fulsome flow to these many tributaries irrigating national consciousness, then it becomes vital to the social, economic and political life of a people. Thus, the constitution derives its strength and sustainability from the power of a people prospering equally and in freedom. The demand for such an institutional structure of democracy and equality that sustains fraternity, is not merely a reaction to the oppression of colonial rule. It constitutes the unifying aspiration within the collective consciousness of diverse and ancient societies that inhabit the contemporary state of Pakistan.

The poor peasantry, who since the earliest monarchies and during colonial rule, have been treated with thinly veiled contempt by successive elites, are actually inheritors of a rich cultural and philosophical tradition. This manifests in their folklore, poetry and dance through which they celebrate their heroes and express their memories of love and rebellion[14]. For them, struggle against an oppressive order is a form of loving: it is an expression of the moral integrity of the romantic hero, who is at once lover and a force for resistance against oppression.

2.3 Legitimacy, nationhood and consciousness

As we have suggested, the sustainability and stability of the Constitution require that its formal rules should be embedded in the informal norms, the consciousness of the people. This raises the question of legitimacy, i.e., granting the state the right to rule on the basis of the shared values of a people. Rousseau argues that legitimacy is granted to the state and its legal order by the nation[15]. A group of people become a nation when they apprehend certain core values in terms of which they define their collective identity as a nation. When a nation grants legitimacy to a state, they do so on the basis of an implicit "Social Contract", whereby in return for the right to rule, the state commits itself to protect individual rights and liberty which constitute the essential defining values of nationhood. The idea of nationhood is an overarching identity that is not just an association of individuals as Rousseau suggests. We would argue that nationhood can under certain circumstances, encompass not just individuals but also diverse communities with multiple identities,

such as language, region, tribe, baradari, ethnicity and religion. In any case, the formation of nationhood is necessary for granting legitimacy to the organisations of the state and its associated institutions of governance.

For Rousseau, essential to the idea of a Social Contract, as indeed legitimacy, is the concept of the individual. He conceives of the individual as being inherently free and not subject to the will or coercion of another. Here, an inherent feature that gives value to liberty is that it makes possible the pursuit of virtue. Virtue, like love, cannot be lived in coercion. But nurturing the capacity of virtue in the individual requires an association with others in society. So, in one strand of eighteenth-century European thought, a dialectical relationship between the individual and society is apparent. Rousseau postulates this dialectic as follows: "Each one of us puts into the community his person and all his powers under the supreme direction of the general will; and as a body, we incorporate every member as an indivisible part of the whole"[16]. Yet such an association or nationhood is not at the expense of individual freedom but rather guarantees it: "...each individual while uniting himself with others...remains as free as before."[17] This is the essential aim which is achieved by the institution of the Social Contract. But the Social Contract if it is to be observed in the actions of individuals and sustained by society must be underpinned by legitimacy.

The most important basis of granting legitimacy to state authority is a collective consciousness, i.e., the apprehension of shared values that define the nation and at the same time constitute the normative underpinnings of a constitution that can be said to embody this Social Contract.

3. Individual, Society and Consciousness in the Western Intellectual Tradition

3. 1 The concept of individuality in the English liberal democratic tradition

In contrast to the relationship between the individual and society propounded by Rousseau, is a quite different concept of individuality that has prevailed over the last three centuries in England. It may therefore be pertinent to discuss here, however briefly, the category of the individual in the epistemology of the Western intellectual tradition. The modern concept of the individual in the English liberal

democratic tradition, for example, originates in the political struggles and political theory of the seventeenth century[18]. It was during this period of civil war on the streets, a struggle in Parliament and finally a constitutional revolution, that the principles of liberal democracy were developed. Essential to this political construct was the idea of the value and rights of the individual. In this tradition, despite the differences in the various philosophers who contributed to it, individuality was essentially seen as being *prior* to society. Hobbes,[19] and later John Locke[20], initially developed the idea of individualism in the modern period in England in the seventeenth century. They set aside the concept of society and propounded the idea of political rights emanating from the will of isolated individuals unrelated to others.[21] David Hume[22] and Jeremy Bentham[23] in the eighteenth century, built on Hobbes who had understood the individual as the sole determinant of his own interests which he pursued in his relations with others. As Macpherson has argued, in this form of individualism, the individual is "...the proprietor of his own person and capacities, owing nothing to society. The individual was seen neither as a moral whole nor as part of a larger social whole but as an owner of himself".[24]

The concept of individual freedom in this tradition is derived from the idea of proprietorship: "the individual it was thought was free in as much as he is the proprietor of his person and capacities." Accordingly, society was seen as being constituted by "relations of exchange between proprietors".[25] This conception of atomised individuals was associated with the conception of society as a market space where individuals in pursuit of their separate interests, contested and bargained with each other.

It is not surprising that the trajectory of this thought is seen by many, to have reached its apogee with Adam Smith's Wealth of Nations. Here Smith presents a rigorous framework of the market mechanism to show that if individuals compete to pursue their self-interest, the aggregate outcome of such individual behaviour can lead to the welfare of society:

> by directing (domestic) industry in such a manner as its produce may be of the greatest value, he (the individual) intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention... By pursuing his own interest, he frequently promotes that of the society more effectually than when he really intends to promote it.[26]

Adam Smith is often and incorrectly oversimplified, by social scientists such as Hayek, as the economist who held that individuals have pre-determined natural capacities and are driven exclusively by a selfish impulse. As such individuals strive for private gain, this activity can transmute into public gain through the market mechanism. Yet Hayek's contention, that Adam Smith considered individuals to be solely driven by selfishness, is not quite true. He recognises in the Wealth of Nations the social nature of individuality and the effect of social influences on individual development, "The difference between the dissimilar characters between a philosopher and a street porter, for example, seems to arise not so much from nature as from habit, custom and education."[27] Furthermore, contrary to what orthodox social scientists believe, Smith does not conceive of the individual to be exclusively driven by self-interest. As Amartya Sen has argued, Smith recognises multiple motivations in human behaviour; and the ethics of treating others with respect[28]. Indeed, Smith recognises the importance of government-initiated institutions in bringing justice and equity to the functioning of markets: "When the regulation, therefore, is in support of the workmen, it is always just and equitable; but it is sometimes otherwise when in favour of the masters".[29]

Hayek suggests that the idea of the individual as being *prior* to society is in fact the only way of understanding society: "...there is no other way toward an understanding of social phenomena but through our understanding of individual action directed toward other people and guided by their expected behaviour."[30] Hayek claims that this approach to understanding social phenomena accounts for "...most of the order which we find in human affairs as the unforeseen result of individual action." However, the additional assumptions that Hayek implicitly makes in this regard are: (i) that an individual is unrelated to others and (ii) the aggregate actions of individuals using limited rationality and being indifferent to the welfare of others necessarily leads to better social outcomes than planned actions guided by competent individuals representing the interests of a group of people.

3.2 The dialectic of the individual and society

Here, it is pertinent to point out that in line with Rousseau, there is an alternative approach to analysing social phenomena in the Western intellectual tradition. Counterposed to the idea of using the particular concept of individuality discussed above, and its use as the

sole basis of understanding society, is the approach of using social groups and classes as categories of social analysis. It can be argued for instance, that society is not just an aggregation of isolated individuals but is rather constituted by a set of complex social relationships, economic, political, cultural and psychological. These relationships are configured in a historically specific way. This approach enables society to be understood in terms of its structure and dynamics that bring into play the phenomena of power and ideology. These features cannot be deduced from the epistemology of society as simply a market space where isolated individuals pursue pre-determined interests inherent in them. Associated with this approach of using classes and groups as categories of analysis is a distinctly different conception of individuality.

In the Western intellectual tradition, the concept of individuality as being *prior* to society is in contrast to the contending concept that individuality is *constituted* in society. As we have argued above, Rousseau in the eighteenth century had conceptualised individuality and society in terms of a dialectical relationship. Marx in the nineteenth century addressed in the same vein the social basis of individuality in his sixth thesis on Feuerbach: "...the human essence is no abstraction inherent in each single individual. In reality it is the ensemble of their social relations."[31]

How that "ensemble" is composed and configured in the case of particular individuals is a matter for further investigation which of course Marx does not undertake.

Whatever the complexity of the individual personality is, one can suggest that each of us is susceptible to others in one's individual make up. Individuals in terms of their needs, motivations, aspirations, and their very understanding of the way the world is, are influenced by other individuals, kinship, social group, education and class. Even the sense of the self, is shaped by and develops through our relationships with others. The relational nature of individuality is familiar to psychologists. As Ronald Laing, an eminent twentieth century psychiatrist, observes: "My experience and my action occur in a social field of reciprocal influence and interaction".[32] He goes on to draw from his clinical practice to make a key proposition on the nature of individuality: "In a science of persons, I shall state as axiomatic that behaviour is a function of experience and both experience and behaviour are always in relation to someone or something other than oneself."[33]

3.3 The individual psyche and levels of consciousness

This alternative view holds that the sense of self of an individual is shaped by interactions with others as well as the experience of nature as a means of knowing one's own nature. This brings us to the question of consciousness. We can provisionally define consciousness as awareness. However, this awareness can be at different levels which can be triggered by words, music, images or a direct emotional state in the present. Experiencing a bond of love with the other, as much as apprehending the beauty of nature, can shift us to a deeper level of consciousness. Such a level of awareness can also be induced by memories of the past. However, some of these memories may not usually be accessible to the individual and could be evoked in the symbolic form at deeper levels of consciousness.

In the West, C.G. Jung discusses the conscious, the personal unconscious and what he calls the collective unconscious respectively, in the context of the idea of the psyche. The conscious psyche according to Jung is inhabited primarily by the ego but this is influenced without the person being aware of it by the personal unconscious. This level of the unconscious contains the polarity of good and evil.[34] For Jung, self-knowledge means becoming aware of the unconscious, the deeper level of the psyche. One can argue, that given the polarity of good and evil, becoming aware of its existence in the personal unconscious could enable nurturing the tendency for goodness, and so making the individual more socially responsible. The deepest level of the psyche for Jung is the collective unconscious. This contains archetypal symbols of the fundamental experiences of earlier generations encountering the world. These archetypal signs articulated in myths and legends, signify the quintessence of the lived experience of human communities through the ages. They constitute the grammar of a deep language. A language that evokes the historical experience of being in this world. Those who can access the collective unconscious in dreams or even through direct awareness have access to the wisdom of the community through the ages.

The term archetype first appears in the work of the Roman philosopher Judaeus in first century A.D.[35], with reference to the God-image of Man. While retaining the original meaning of the term, Jung constructs his concept of the archetype by giving the dimensions of time past and time present in the collective memory of a community. These memories while being ever present in the deepest level of

consciousness, that Jung calls the collective unconscious, are usually inaccessible to the conscious individual psyche. In his view the collective unconscious contains primordial, "universal images" that he suggests have "existed since the remotest times." So the perennial human experience of the transcendent is evoked in archetypal symbols that are "created out of the primal stuff of revelation and reflect the ever unique experience of divinity". [36]

In the West after the Enlightenment, there was a gradual separation of the spiritual from the material in the human quest for knowledge. As the ideology of materialism gained ascendancy, people began to believe that all phenomena can be explained in material terms and that there is no reality other than the material. This paradigm of knowledge involved a rupture of Western society from its folk culture and the myths and archetypal symbols which had inhabited that cultural space. Thus, the present Western society largely eroded its vital connection with the lived experience of the past. But in so doing what had been lost, appeared as a vague unease. Jung brings this phenomenon to light: the modern consciousness "…. is quietly looking elsewhere for what has been lost in Europe. We seek the effective images, the thought-forms that satisfy the restlessness of heart and mind, and we find the treasures of the East."[37]

4. Folk Culture, History and Consciousness in the Sub-continent

This loss in the West was in sharp contrast to the East, such as in the sub-continent of India. Here the folk culture of the people remained alive as much as the archetypal images in their deepest consciousness. This was a language through which the people of the sub-continent, particularly the peasantry of the areas that now constitute Pakistan, could connect with their history and thereby know themselves. Their myths, legends, poetry and dance contained archetypal symbols of the life of communities through history: Images of love and struggle, of the relationship between the individual and society, the relationship with commodities and the experience of nature were interwoven into a tapestry that evoked the experience of being in this world.

Many of the archetypal folk images were employed by each generation of Sufi poets, given a new depth and resonance in the consciousness of the peasantry, and returned back to the flow of folk culture.[38] There was thus a continuous cross fertilisation between Sufi philosophy and the development of peasant consciousness. In the

Sufi tradition, in general,[39] and Punjabi Sufi poetry, in particular, the process of self-realisation involved a journey to the heart. The pursuit of love was not only a mode of knowing our deepest self, but also an endeavour of transformation to achieve a just society. By way of illustration, here are a few extracts from Sufi poetry from each of the provinces of Pakistan. They are forms of meditation as much as the rhythms of song and dance of the peasantry to this day.

The dialectic between the actual and the possible in the process of social transformation for Sultan Bahu, the seventeenth century Sufi poet, is the call of the heart:

Jo dil mange hove nahin,
Hoven reha parere hu,
Dost nah deve dil da daru,
Ishq nah vaagaan phere hu,
Mein qurban tinnaan te Bahu,
Jinna rakhia qadm agree hu

Sultan Bahu

"That which the heart desires, is always a step ahead of the actual,
The friend provides no antidote to the heart's longing,
Love does not turn back the reins,
I would die, O Bahu, to live in those who have taken the forward step"

(Translated)

The pursuit of love, freedom and transformation in Sindh as elsewhere, involves a journey to the heart. When cleansed of the rust of the ego, there is the possibility of transcendence in meeting the Beloved. Shah Abdul Latif Bhitai the great Sufi saint of Sindh, writing in the eighteenth century says:

All of a sudden, the beloved showed himself,
It cleaned rust from my heart and made me happy,
All my heart's desires have been fulfilled by my beloved's sight.
(translated)
Shah Abdul Latif Bhitai

Ranjha was the legendary lover living in the sixteenth century. He was located in the stream of folk consciousness as a lover-hero who represented an alternative possibility of being in this world, by the

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eighteenth-century poet, Waris Shah, in his classic work, Heer.[40] Ranjha rebelled against a society based on material acquisitiveness and false values. In the twentieth century, Najam Hussain Syed the great contemporary Sufi poet of Punjab, considers the archetypal image of Ranjha to represent a potential for individual and collective self-realisation. This potential exists today on the margins of contemporary consciousness:

Duur kidain, chaete de kundhe utte,
Rahee Ranjhan taendi chaan

Najam Hussain Syed

"Far on the banks of memory falls your shadow, Ranjha"

(Translation)

Najam Hussain Syed, in a similar vein refers to the unsaid aspiration for social transformation that suffuses our consciousness in these lines of resonant beauty:

Kitte chupp dhalaiaan utte,
Dhol maraendi ae unaakhi

Najam Hussain Syed

"Somewhere on the slopes of silence,
Beat the drums of the unsaid"

(Translated)

The unsaid embodies the unrecognised desire for actualising the self through the transformation of society. This is the endeavour of treading the path of love, a direction that most individuals in contemporary society have given up in a life preoccupied with the competitive effort for material acquisition. But within such an alienating life are possibilities of renewal and re-integration with the lover within the silences of the self. This potential that lies within our being is manifested in the archetypal image of the drums that beat to the rhythms of silence. (For a brief discussion on the ontology of silence, see chapter 12, section 4.1).

The passion to resist oppression that now exists as a potential was actualised by Dulla Bhatti who fought against the Mughal king Akbar in the sixteenth century. Akbar had placed extortionate taxation on the poor peasantry, who found in Dulla Bhati, a rebel in their

cause. When he was hanged in Lahore by Akbar's government, Dulla joined the pantheon of peasant heroes to become a legend in folk consciousness.

Najam Hussain Syed in his classic play, Takht Lahore,[41] enlivens the archetypal image of Dulla Bhatti who declares freedom against the structures of power that constricted the breathing spaces of the oppressed:

Jadd taeen thaane rehsan,
Lutt ke khawnaan

Najam Hussain Syed

So long as the police stations remain,
We will win our livelihood through banditry

(Translated)

In the sixteenth century society of Punjab where a market culture was emerging and individuals were beginning to be obsessed with commodities, Shah Hussain defiantly affirms the truth of a counter-culture that reverberates through history[42]:

Lakh crore jinaan de jurriya,
So bhi jhoori, jhoori

Shah Hussain

Those who have accumulated millions,
That too is mere dust

(Translated)

This thought is taken up in a folk saying passed on from generation to generation[43] as follows:

Nah kar bandia, meri meri,
Nah teri nah meri,
Char dinaan da mela duniya,
Ferr mitti di dheri.

Don't keep feeding the ego with possessions,
They are neither yours nor mine,
Life is a festival for a few days,
Then these things become a heap of dust

(Translated)

Those who have achieved love-consciousness, rebel against the preoccupation with commodities and the calculus of the market. Rehman Baba, the great seventeenth century Sufi saint of Pakhtunkhwa expresses this in the Sufi tradition[44]:

Give excitement to the world from me,
Paint the earth and sky anew,
Create another Adam from my clay,
Kill the slave of profit and loss
Rehman Baba

(Translated)

Akbar S. Ahmed the distinguished scholar of Pukhtun culture in his admirable collection of Pukhtun proverbs, produces a gem in the following[45]:

Where your heart goes there your feet will go.

Shah Hussain contrasts the insignificance of the pursuit of commodities with the immeasurable value of traversing the path of love. Through this journey to the Other, the self finds ultimate fulfilment in the transcendence of the ego[46]:

Toon hi tanaan,
Toon hi banaan,
Room room vich toon,
Kahe Hussain Faqir Saeen da,
Mein nahi, sub toon

Shah Hussain

You are the woof and you the warp,
You are in every pore,
Says Shah Hussain, faqir of the Lord,
I am naught, all is you.

(Translated)

Shah Hussain converts the horizontal and vertical threads of the Khaddi into the very co-ordinates of the being that the self weaves in the process of travelling to the Other within the heart. Thus, the simple everyday image of weaving becomes an archetypal symbol that evokes in the consciousness of people, the perennial quest of love, struggle and transcendence. That is why for over four centuries, they have danced to the poetry of Shah Hussain amidst the quivering flames around Shah Hussain's tomb in Lahore. That is why successive

communities in history have risen up in revolt as a form of affirmation of their love.

The secret in these archetypal symbols that is hidden from the oppressor but palpable to the oppressed, is that it is not easy to reach the Other. On occasion, the lover has to sacrifice himself in the battle against oppression. For example, the young rebel leader Bhagat Singh, conducting a struggle against British colonial rule was hanged to death by the British authorities, in the Central Jail of Lahore, just a few miles from the tomb of Shah Hussain. In folk imagination, perhaps those dancing lights of Shah Hussain's memory lit up Bhagat Singh's smile as he faced the executioner. Standing upright on the scaffold, he kissed the hangman's noose, put it around his neck like a garland and sang:

Jay tain pyaar karan da chaa, Sirr dhar talli, galli meri aa.

If you are keen on loving, put your head on your palm and come my way.

(Translated)

In the twentieth century, Gul Khan Nasir the popular Baloch poet and activist, expresses the perennial defiance against the political and social institutions of power, control and exploitation that the British used against the peasantry, in his, "Baloch Peasant and the Poet"[47]:

"Alas! O Prisoner of the Farang!
Famished and naked beggar
Sacrificial lamb for your sardar and chief
A means of income for the Mullah and Pir
Who says you are Nasir?
You are worse than a slave
Gul Khan Nasir

(Translated)

Rabindranath Tagore the great Bengali poet reconnects with the perennial journey of his community and reclaims the spaces of earth and sky for their collective being, through the aspiration of liberation: "...I came out on the chariot at the first gleam of light and pursued my voyage through the wildernesses of worlds leaving my track on many a star and planet."[48]

Given a people's experience of being in the world, their connection with their history provided a mode of knowing themselves as a living

community. The symbols, the images and the legends which formed their memory were not just narratives of the past. They were a vital source of creativity, of love and wisdom through which they could make their choices in the present and shape their collective future. So long as they were connected with their history, they had access to their deepest consciousness. This was the space within which they experienced their dignity, their sense of justice and thereby the sources of defiance and revolt.

5. The Colonial Encounter: The Rupture from History

The discussion above suggests that in the nineteenth century, preventing repeated rebellion in the process of establishing a colonial state in the sub-continent required separating the various communities from their own history. This was an essential concomitant to a powerful apparatus of state violence against the people. The colonial project was fundamentally an extractive enterprise. It restructured the indigenous economy to increase its capacity to produce an economic surplus but at the same time created mechanisms which prevented that surplus from being reinvested in the domestic economy.[49] Instead, it was systematically transferred to stimulate the growth of the British economy. But the process of colonising the Indian economy was inseparable from colonising the consciousness by de-historicising it. Aime Cesare shows what a once proud people were reduced to: "I am talking of millions of men in whom fear has been cunningly instilled, who have been taught to have an inferiority complex, to tremble, kneel, despair..."[50]

Cesaire shows how this inducement of fear and inferiority in the colonised subjects was based on an estrangement of a people from their historical consciousness, the rhythms of creativity and connection with their wisdom: "I am talking about millions of men torn from their gods, their land, their habits – from life, from the dance, from wisdom."[51]

Frantz Fanon has also referred to this rupture from the historical consciousness of the colonised person: "Uprooted, pursued, baffled, doomed to watch the dissolution of the truths that he has worked out for himself".[52] Fanon goes on to argue that in this process of colonisation, the colonised in their own eyes as indeed in the eyes of the coloniser, were no more human: "..I will say that the black is not a man"[53] This alienation from their sense of being human threw them into the emptiness of "nonbeing": "There is a zone of nonbeing,

an extraordinarily sterile and arid region, an utterly naked declivity where an authentic upheaval can be born".[54]

Thus, the colonisation of the consciousness of the people involved rupturing them from their language, modes of knowing themselves and the sources of defiance. This created in the colonised a psychic vacuum to be filled with the colonisers' image of them as uncivilised natives, whose history began only with the colonial encounter. This also created the psychological space for the colonisers within which they could establish dominance over their subjects while seeing themselves to be on a civilising mission: a white man's burden which desensitised them to the exploitation, oppression and the atrocities that their colonial enterprise wreaked.[55] But this reconstitution of the identity of the colonised individual for the purpose of inducing subservience to the coloniser also held within it the possibility of revolt. In the depths of degradation, within the darkness of 'nonbeing", there was a potential affirmation of being human through a struggle against these structures of debasement.

Ranajit Guha provides a profound insight into the estrangement of the people from their history as an integral element in the structure of control. He suggests that "...British paramountcy in the subcontinent as a dominance without hegemony required the appropriation of the Indian past and its use for the construction of a colonial state."[56]

Clearly then the process of decolonisation required, not only establishing sovereign state structures in the sub-continent, but also initiating a process of enabling the colonised people to "recover their past appropriated by conquest and colonization."[57] Recovering their past required not just a new historiography but re-discovering the archetypal symbols through which the people had experienced their past as present.

Guha pioneered the effort to develop a new historiography based on the perspective of the oppressed that was called Subaltern studies. But apart from this radical academic work, what was required for decolonisation was to enable the people to re-connect with their past through their deepest consciousness. As Rabindranath Tagore the great Bengali poet suggests, the past "renews itself creatively in literature."[58]

6. The Nature and Elements of Decolonisation

In the post-independence period, re-affirmation of humanness of a people in the process of decolonisation of their individual and

collective identity would not mean demonising their former rulers as objects of hate. But rather reclaiming the possibility from their ancient historical tradition of becoming, what Abdul Karim al-Jilli called, Universal Man.[59] Iqbal in the same tradition referred to Universal Man as Banda-e-Momin[60] and seven centuries earlier, Ibn-al-Arabi had used the term, Insaan-e-Kamil (Perfect Man).[61]

In aspiring to become Abdul Karim al-Jilli's Universal Man, the decolonisation of consciousness involves reaching an awareness of universal human solidarity of embodying beauty and truth. The symmetry and balance that underlie beauty as well as truth are also features of the principles of justice and equality of opportunity in the economic sphere. The idea of Universal Man which is an archetype of the human being in the Islamic tradition is that the cosmos in terms of its internal unity is like a single being. And the fully self-realised individual on earth is the perfect image of the universe.[62]

It is this human potential in its ineffable beauty and mystery which Bulleh Shah alluded to in his refrain "Mein Ki Janaan, mein Kaun" (What do I know, who I am). Muhammad Iqbal through his poetry defiantly counterposed the colonial demeaning and de-historicising of his community with the profound wisdom of their historical tradition. It has been argued that his poetry was part of the broader artistic movement in the Sub-continent in the fields of literature and painting against the cultural onslaught of colonialism[63]. Iqbal affirmed the potential of his Muslim community of reaching the transcendent heights of Universal Man, a self-realisation that is awaited by all nature:

Urooj-e-Adam-e-Khaki Ke Mutazir Hain Tamam
Ye Kehkashan, Ye Sitare, Ye Neelgoon Aflaak

Muhammad Iqbal

The rise of earthbound Man is awaited,
By these mountains, these stars, these azure skies

(Translated)

Iqbal beckons his community psychologically decimated and humiliated by colonialism to transcend their shattered narrow selves to reach the highest level of Selfhood. It would be a level of being where the human could reach closeness to God:

"Khudi ko Karr buland itna, ke harr taqdeer se pehle,
Khuda Bande se khud pooche, bataa, teri reza kya hai"

Elevate your selfhood, to a level of being, where God when designing human destiny Himself asks Man, say, what meets with your approval.

(Translated)

This re-experiencing by the people of their deepest consciousness could provide to the formal laws of a sovereign state the underpinnings of informal norms. These norms are rooted in culture and consciousness and sustain through the power of the people the formal laws aimed at ensuring the universal aims of human civilisation: liberty, justice and equality for all citizens.

So, it can be argued that essential to the endeavour of building a sovereign state for a diverse and independent people was initiating a process of decolonisation in the consciousness. Such a consciousness could provide the norms that shape the political and economic structures of national independence. This endeavour has four main elements:

(1) Decolonisation of the psyche of the people by re-connecting with the archetypal images in terms of which they knew themselves. These were ways of being through which they connected with the well-springs of their creativity. This integration could develop an over-arching national consciousness based on the common denominators of diverse communities living in freedom autonomously as well as in concert. Relatedness with their past and with each other in the present could enable an awareness of their core human values give meaning to nationhood and grant legitimacy to the state. Such a collective consciousness could enable forms of social and economic life wherein their creative capabilities could flourish.

(2) The second dimension of decolonisation is to restructure an economy designed to produce rents for the colonialists and their local elites within a framework of dependence on the Western economies. Instead an independent economy for and by the people was required. An economy whose sustainable development would be the outcome of achieving its central aim: Equality of opportunities for all citizens to develop their human capabilities and then bringing them to bear for their individual well-being and national development. Such a national aim of development through the talent and enterprise of the people

would require building institutional structures that eliminate rents and encourage hiring based on merit through ensuring competition, incentivise hard work, efficiency and innovation. Development based on actualisation of the capabilities of people would also require building organisations of both state and civil society through which the people can participate in the decision making that affects their lives.

(3) A vital dimension of nation building, democracy and indeed development based on human capabilities, is the provision of education of the highest quality. The aim of education is to develop the ability to analyse as well as synthesise. Analysis is required for critical thinking so that citizens can discriminate by themselves between the truth and falsehood of a particular proposition. The analytical method based on Reason was used by Socrates[64] in his Dialogues in fourth century B.C., later by Ibn e Sina in his contributions to the Natural Sciences in the eleventh century A.D.[65] and by Ibn e Khaldun in his seminal work on historiography in the fourteenth century[66] to understand the world.

At the same time developing the ability to synthesise is important to comprehend wholeness within diversity through the use of the creative imagination. Thus, Reason as well as an intuitive imagination come together in the pursuit of truth. Ibn Al'Arabi the great thirteenth century Sufi master known as *al-Sheikh al-Akbar* (Very Great Master) suggests that humans have a God given capacity of combining reason with the direct intuitive experience of transcendent truths. "Know that the universals, even though they have no tangible individual existence in themselves, yet are conceived of and known in the mind...".[67]

Education aims to nurture the ability to reason and the creative imagination. At the same time, integral to education is developing the capacity for compassion which is essential to our experience of being human. The human quest for truth is therefore inseparable from the virtue of compassion. Thus, love and knowledge combine in the process of education to help build a better world.

(4) The fourth dimension of decolonisation is to build a stable institutional framework to ensure free and fair elections periodically, and empower elected governments at every tier at the federal, provincial, district and local levels to represent as well as involve people in the process of government. The freely expressed will of the people ought to be institutionalised so as to ensure not only legitimate government but also a balance within the organs of the state, so that

state power is always and without exception wielded on the basis of consensus and for the well-being of the people as a whole.

In the ensuing chapter 3, we analyse how the military-bureaucratic elites that began to rule after Jinnah arrested the process of decolonisation, nation building and democracy that he had envisaged. The failure to pursue this endeavour was a fundamental factor in the instability of the institutional and political structures that were shaped by the ruling elites.

3

Arrested Decolonisation, Incomplete Nationhood and Constitutional Instability

This chapter begins by articulating in section 1 the nature of the task of actually establishing independence after its formal declaration in 1947. Here we analyse the relationship between (i) decolonisation of the colonised identity in the process of nation-building, (ii) making a constitution based on the principle of unity amongst culturally diverse communities and creating a legal framework for individual freedom and equality of all citizens before the law and (iii) Replacing the colonial economy with new structures of economy and polity through which the people of Pakistan would have equal opportunity to develop their creative abilities. This would drive the process of independent national development.

In section 2, we show how Muhammad Ali Jinnah had postulated that the development of the economy, polity and society, of Pakistan would be guided by the universal principles of social justice, equality and fraternity, which he argued were rooted in the Islamic civilisational heritage. Jinnah's view of the Islamic intellectual tradition, we suggest, was drawn from Iqbal's perspective on Islam. This posits that Islam is a universal call to all humankind to strive to actualise the human potential of combining the analytical knowledge of the concrete with the transcendent experience of spiritual reality. In discussing the Jinnah-Iqbal connection we show how Jinnah counterposed the Islamic sensibility of knowledge, tolerance and love to the theocratic view based on bigotry, intolerance and hate.

In section 3, we discuss how the elite coalition that began to rule after Jinnah in the main had neither the intellectual capability nor the political inclination to pursue Jinnah's vision, given their class and power interests. The military and bureaucracy concentrated their attention to the immediate objective of state formation for which these organisations were eminently well equipped. The landed elite, the third element in the elite coalition, began a political contention for getting into high office with the implicit aim of using state resources to enlarge their individual feudal domains of power. Thus, the task of

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building the institutional structures of democracy and economy, as much as decolonisation that Jinnah and Iqbal had envisaged, were set aside. Instead the institutional structures were established for a rent-based economy that could systematically generate rents for the elite coalition within the framework of dependence on the metropolitan states. The political exclusion and economic exploitation of the people of East Pakistan that such institutional structures engendered, led in time to civil war. Consequently, the state itself was ruptured in 1971, and the independent state of Bangladesh emerged (see the next chapter 4, for a detailed analysis of this phenomenon).

In sections 4 and 5 of this chapter, we give an analysis of instability in the apex institutional structure, the Constitution. We show how this instability in the Constitutional rules was rooted in the underlying power structure. Our analysis shows that the degree of compliance with the Constitution was determined by the changing balance within the power structure between the military and elected civilian authority. The evidence shows that there have been repeated failures to uphold the Constitution, usually by the military and sometimes by civilian governments.

We postulate that these failures were essentially due to the fact that the formal rules of the Constitution have not been located in the consciousness of the people. The epistemology of the Constitution to the extent that it embodies certain universal principles of freedom and justice needed to be translated by the leadership into forms of language, metaphor and image that could resonate in the historical memory and consciousness of the people. It is only when the Constitution is located in the lived experience, in the metaphor and memory of the people do they stand ready to defend it. That emotional connection and readiness by the people to defend the Constitution is what the judiciary could draw strength from, and hence adjudicate without fear or favour. Its absence, we argue, lies at the heart of judicial fear and their frequent legal justification of unconstitutional interventions by the military establishment. We show in section 5 that on some occasions in the 1950s, the Supreme Court showed partiality towards an unrepresentative central government dominated by senior military and civil service officers. This added a new element to instability as governmental power flowed further towards the military-bureaucratic elite. We show that when the Supreme Court which is the fulcrum of the balance between the executive and the

legislature fails in its assigned function, institutional instability gets exacerbated.

In section 6, we analyse the relationship between contending factions within the power structure on the one hand and institutional instability on the other. Here we show how during the 1950s, instability to some extent arose out of the imbalance in the organisational strength between the military-bureaucratic elite on the one hand and the Muslim League on the other. We argue in this section that the process of building the new state was conducted primarily by the military and bureaucracy inherited from the Raj. Consequently, the new edifice was shaped by the view that it is military power that imparts strength to the state rather than the idea that the strength of the state is drawn from the people.

1. The Challenges of Decolonisation, Nation building and Constitution making

The challenges before the leadership of the state of Pakistan at the time of independence, were three-fold:

The first challenge was developing a sense of nationhood amongst diverse communities. This required decolonisation of the colonised identity by re-connecting with their history and discovering the common denominators in their consciousness that could constitute the unity of diverse communities (see chapter 2 for a detailed discussion of this possibility). This was necessary for apprehending the shared core values in terms of which a national identity could emerge and through which the nation could grant legitimacy to the state; a legitimacy based on the implicit social contract that the state would abide by the principles embodied in their core values: social justice, equality, freedom and the rights of citizenship (see chapter 2 for an explication of the concept of nationhood, legitimacy and the dialectic of the individual and society).

The second challenge was to make a constitution that would embody the will of the people by integrating into its design, the universal principles of protecting the individual freedom of citizens, ensuring equality of opportunities to them, achieving unity in diversity through regional autonomy and creating a legal framework for the fulsome development of the human potential of individuals and society. These features, in terms of formal laws of the constitution, had to be explicitly located in the norms of the shared cultural and intellectual traditions of the communities inhabiting the five provinces.

More broadly, the formal laws had to be rooted in the universal values of human solidarity signified by the civilisational heritage of Islam. The spirit of religion that would suffuse the institutional structure of the constitution of a democratic state would not be in its narrow formalistic sense but as a pathway of love, tolerance and freedom towards becoming what Iqbal envisaged as the Universal Man (see chapter 2 for a discussion of this idea). The legitimacy of the state as much as the sustainability of the constitution hinged on establishing on this basis, a broader national identity encompassing the multiple identities of the different communities.

Achieving stability and sustainability of such an institutional structure made it necessary to locate the formal laws of the constitution in the informal norms, the consciousness of the people. This required articulating and disseminating the principles of the constitution in the form of a political narrative that could have resonance in the lived experience of the people. The constitution could be upheld and defended by the people only when they could apprehend the constitutional principles in organic terms to be embodying their will. That is, in terms of their cultural heritage, the archetypal images through which they experienced their past as well as their future aspirations for freedom and social justice.

The third challenge before the leadership was to dismantle the economic, political and social structures of dependence on the West that served to extract resources, suppress the creative potential of the people and thereby perpetuate underdevelopment. New economic and social structures were required within which the citizens of Pakistan could develop their capabilities and then bring them to bear to achieve a richer life as individuals and as a nation. It is only when economic development is powered by the creativity of the people that the country can pull out of underdevelopment and establish a relationship with the world economy based on dignity not subservience, equality not neo-colonial dependence.

2. Constitution, Islamic Civilisation and Theocracy: The Jinnah-Iqbal Connection

Since the 1930s right up to a year after independence, Jinnah had indicated the complexity of the intellectual and political task at hand: decolonisation of consciousness, nation building and framing a constitution based on the civilisational heritage of the nation.

With respect to the polity, economy and society, universal

principles of human civilisation were declared as the basis of Pakistan by the father of the nation, Muhammad Ali Jinnah:

> ...the great ideals of human progress, of social justice, of equality and of fraternity which on the one hand constitute the basic causes of the birth of Pakistan and also the limitless possibilities of evolving an ideal social structure in our state....[1]

How are these foundational principles of Pakistan related with Islam? During a public address in Chittagong on 26 March 1948, Jinnah showed that the universal principles of modern democracy could be drawn from the roots of the civilisation that the new nation represented:

> Brotherhood, equality, and fraternity of man – these are all the basic points of our religion, culture and civilisation and we fought for Pakistan because there was a danger of the denial of these human rights in this Subcontinent.[2]

From the tapestry of history, Jinnah draws the threads with which the constitution of Pakistan was to be woven. In his radio broadcast to the people of the United States, on February 26, 1948, Jinnah provided the basic perspective of the constitution of the new state of Pakistan:

> Islam and its idealism have taught us democracy. It has taught equality of men, justice and fair play to everybody. We are the inheritors of these glorious traditions and are fully alive to our responsibilities and obligations as framers of the future constitution of Pakistan. In any case Pakistan is not going to be a theocratic State — to be ruled by priests with a divine mission. We have many non- Muslims — Hindus, Christians, and Parsis — but they are all Pakistanis. They will enjoy the same rights and privileges as any other citizens and will play their rightful part in the affairs of Pakistan.[3]

Jinnah's distinction between Islam and a theocratic state is based on Iqbal's perspective of Islam. In his indictment of the Mullah's conception of Islam, Iqbal suggests that the Mullah's version of religion is restricted to ritual. It is devoid of the awareness of the station of Man in the cosmos. Iqbal points to the grandeur of human consciousness in spiritual contact with God and in that state the

beauty of making choices in this world:[4]

Mullah e Haram
Ajab nahin ke Khuda tak teri risai ho
Teri nigaah se hai posheeda aadmi ka muqam
Teri nimaz mein baaqi jalal hai na jamal
Teri azaan mein nahin hai meri sehr ka peyam

Allama Muhammad Iqbal

Mullah of the Mosque
Is it not strange that to God you seek approach?
From your gaze is hidden
The exalted space that Man doth reach.
In your worship there is neither passion nor beauty,
Your call to prayer
Contains not the message of my dawn

(Translated)

Iqbal suggests that at its roots Islam has a universal message for all humankind: Strive to achieve a consciousness, a knowledge of the concrete and the spiritual that actualises the full human potential. In his lecture, the Spirit of Muslim Culture, Iqbal expounds this idea of the spiritual capacity of Man to experience the transcendent combined with his capacity for reason based on systematic observation: "... inner experience is only one source of human knowledge. According to the Quran there are two other sources of knowledge – Nature and History; and it is in tapping these sources that the spirit of Islam is seen at its best."[5] Iqbal argues that in understanding the concrete and finite, the Islamic civilisation introduced for the first time in human history the method of observation and experiment.[6] It is on the basis of universality of the perspective of Islam and its spirit of free inquiry, that Jinnah counterposes Islam to theocracy.

In a profound insight into the nature of the state in the Islamic tradition, Iqbal refers to Rousseau's concept of the Social Contract (see chapter 2) and suggests that long before Rousseau, Islam conceived of the state as a "contractual mechanism". Iqbal in his 1930 Presidential address to the 25th session of the All India Muslim League, observes:[7]

> The truth is that Islam is not a church. It is a State conceived as a contractual organism long before Rousseau ever thought of such a thing, and animated by an ethical ideal which regards man not as an earth rooted creature defined by this or that portion of the earth, but as a spiritual being understood in terms of a social mechanism and possessing rights and duties as a living factor in that mechanism.

Jinnah draws upon this universal perspective presented by Iqbal regarding Man and society when he proclaims as the basis of Pakistan, the ideas of equality, justice and human fraternity.[8] The West began to own these ideas after the French Revolution in the late eighteenth century. But Jinnah argues that they were actually "taught"[9] to Muslims by Islam. We can suggest that these principles of human freedom, fraternity and justice were embodied in the institutional structure of the state of Medina in the time of the Prophet Muhammad, Peace be upon him, over a thousand years before European states adopted them. In his preface to the collection of Iqbal's letters to him, Jinnah writes, "His (Iqbal's) views were substantially in consonance with my own and finally led me to the same conclusions as a result of careful examination and study of the constitutional problems facing India and found expression in due course in the united will of Muslim India as adumbrated in the Lahore Resolution of the All India Muslim League..."[10]

Quaid-e-Azam Muhammad Ali Jinnah, the founding father of the new state through his vision, integrity and commitment began the process of decolonisation of consciousness and nation building. At the same time, he identified the foundational principles for the construction of a constitution. Tragically he died before these crucial tasks could be completed.

3. The Elite Coalition and its Limitations in Meeting the Challenges

The elite coalition that began to rule immediately after Jinnah had three main factions, the bureaucracy, the military and the landed elite — the industrial elite fostered by the State emerged later in the period 1955-68. Each of these factions had been moulded to serve the Raj. The landed elite had been brought up and their rent seeking institutional structures created by the colonial administration. These structures were regarded by the colonialists as a means of establishing political control and a conduit for surplus extraction from the sub-continent.

The military and bureaucracy in terms of their respective organisational structures, training, informal norms and mental outlook were highly efficient instruments of defence and administration respectively, for colonial rule. Such an elite coalition could neither be expected to understand the complexity of the task at hand without Jinnah guiding them nor of having the inclination or the ability to address the three-fold challenge indicated above.

The landed elite began an internecine political conflict to get into political office, in most cases with the primary aim of acquiring state resources as rents. The purpose was to enrich themselves and at the same time to use these state resources to maintain and enlarge their individual feudal domains of power. In the pursuit of these interests the landed elite, later the industrial elite, and the governments that represented them, were quite comfortable in playing a subordinate role to the military-bureaucratic elite that was effectively in control of governance. The military and bureaucracy focused on the proximate objective that they understood and were equipped for: state formation. Thus, the elite coalition set aside the tasks that Iqbal and Jinnah had envisaged: Decolonisation and nation building were arrested as were the creation of the institutional structures of democracy and an economy that could work for and by the people. An important consequence was the rupturing of the state itself by 1971 (see chapter 4, for a discussion on East Pakistan).

4. An overview of Constitutional Instability

In this and subsequent sections, we examine the dynamics of conflict within the power structure and its relationship with institutional instability. We begin with an overview of the instability in the process of constitution making during the first decade after independence. Integral to the analysis of the political dynamics and emerging economic structure is the continuing instability in the rules and operation of the Constitution. Underlying this instability was the variation in the extent to which the formal rules of the Constitution were followed in practice during different periods of governance. We argue that this variation in the degree of compliance of the formal rules of the Constitution was conditioned by the changing balance within the power structure, between the military and elected civil authority.

The repeated failure to uphold the Constitution essentially was due to the fact that its formal rules, as we have argued, were not

rooted in the consciousness of the people (see Chapter 2). Equally important is the fact that even during periods of apparent civilian rule, it was the same lack of a strong democratic culture, the informal norms, which emboldened elected leaders to conspire with the state apparatus to crush the opposition; or for the opposition to form similar undemocratic alliances with the centres of state power to overthrow elected governments.

In this section, we will first give an overview of instability in the process of constitution making and then analyse the contention for power within the elite coalition that underlay institutional instability. This analysis illustrates in the context of a particular state, a theoretical proposition by North regarding the two-way inter-action between institutions and the behaviour of organisations. While institutions, through the incentives/ disincentives they embody, shape the behaviour of organisations, these in turn affect the evolution of institutions. North for example suggests that in the course of pursuing the opportunities available to a particular organisation within the institutional structure of society, institutions also evolve: "institutions...determine the opportunities in a society. Organisations are created to take advantage of those opportunities, and as the organisations evolve, they alter institutions."[11]

Important to North's argument is that there is stability in institutions. This is because he suggests that even when institutions change, the change is incremental.[12] However, we would argue that the two-way interaction between institutions and organisations is not necessarily a stable process. Our analysis shows how relatively strong state organisations (military and bureaucracy) in Pakistan within a weak institutional structure, were able to shape its subsequent configuration so as to enhance their domain of power and thereby intervene repeatedly in the process of institution building. This enhanced power of state organisations to intervene in the political process became a key factor in institutional instability.

4.1 The challenges facing the Muslim League: decolonisation, nation building and institutionalising Quaid's vision of "social justice, equality, fraternity"

It was now up to the Muslim League to lead all the other political parties and social groups to continue with the process of nation building and integrate this with the decolonisation of consciousness.

The challenge was to identify the common denominators, the shared historical experiences that at the roots of diverse cultural and linguistic identities could constitute an overarching national identity. It required the political parties to draw upon the wisdom of what Gramsci calls organic intellectuals to articulate this vision and then disseminate this vision through the grass roots organisations of political parties. Gramsci identifies the function of this category of intellectuals:

> Every social group coming into existence on the original terrain of an essential function in the world of economic production, creates together with itself, organically, one or more strata of intellectuals which give it homogeneity and an awareness of its own function not only in the economic but also in the social and political fields.[13]

Politics, like philosophy, is essentially an act of persuasion. So, the task of leadership was to articulate and communicate this national vision in forms that people could recognise as their own. The national identity to be meaningful for the people would have to resonate in their collective memories and their aspirations for the future. As we will see in the ensuing sections, a Muslim League that by now was dominated by the landlords had neither the capacity nor the will to undertake this historic task. Consequently, the process of nation building as much as the process of constitution making remained incomplete. This was to lead to recurrent military rule, a tragic civil war and the subsequent break-up of Pakistan into two independent states after 1971: Bangladesh and Pakistan.

Paula Newberg in her landmark study brings out the contradictions of constitution making in an ex-colonial state as well as the paradox of justice within a power structure where the judiciary "...functions on the basis of privilege as much as right".[14] Newberg incisively articulates the problem of constitution making within the former colonial intellectual tradition: "First, they attempted to provide a written constitution that would use the language of British constitutionalism to define sovereignty and yet separate the new state from the Empire."[15]

We have argued[16] that this epistemology in so far as it embodied certain universal principles of freedom, justice and equality, needed to be translated by the leadership together with organic intellectuals

into forms of language, metaphor and image that could resonate in the consciousness of the working people. A language that evoked a world within which the oppressed apprehended their experiences of tradition and transformation. As suggested above, this was the task of the political and intellectual leadership. This crucial task was set aside given the dominance by this time of landlords in the Muslim League leadership. Instead, a process of contention between various factions and individuals within the landed elite began. Politics now involved neither the decolonisation of culture nor building the institutional structure to realise Jinnah's vision of liberty, equality and fraternity. Rather politics became an internecine battle for political office and state resources through which members of the landed elite sought to strengthen and enlarge their domains of power over a dependent peasantry.

4.2 Constitutional instability: the disjuncture between formal rules and informal norms

As we have argued, the process of decolonisation and nation building had been arrested by the exigencies of state formation on the one hand and the inability of the ruling elite coalition to undertake this task. Consequently, the formal rules of the Constitution which embodied the principles of democracy but also represented as Jinnah had argued, the universal values of the Islamic civilisation,[17] could not be embedded in the normative structure of a decolonised national consciousness. It is when a constitution is located in the core values of lived experience of the people that they stand ready to defend the constitution.

It is from this power of the people that the judges draw their strength and adjudicate without fear or favour. But the disjuncture between the formal rules and informal norms in Pakistan after Jinnah, sapped the strength of the judiciary. So that when the military-bureaucratic elite on occasion asserted their power to get a judgement in their favour, the judiciary feeling weak and isolated, buckled under pressure. Paula Newberg reveals a telling remark from Supreme Court justice Dorab Patel: "How do you expect five men alone, unsupported by anyone, to declare martial law illegal?".[18]

It is not surprising therefore that at some of the key junctures in Pakistan's constitutional history, when the integrity of its formal structure was at stake, the judiciary chose political expediency clothed in the sartorial fineries of legal language, rather than plain justice.

The Constituent Assembly that was entrusted the task of making the Constitution of Pakistan after independence in August 1947, was formed under the Government of India Act of June 1947. The members of this Assembly had earlier been elected in the 1946 elections under the Government of India Act of 1935.

The Constituent Assembly in 1954 made the first attempt to give a constitution to the nation. The failure of this attempt signifies the contradiction between the pursuit of power of individual leaders representing various factions within the power structure on the one hand, and the institutional imperatives of actualising Jinnah's dream of a democratic Pakistan on the other.

Allen McGrath records that on October 28, 1954, the Constituent Assembly was scheduled to formally vote on the published draft of Pakistan's first constitution, a draft that had been approved in the previous session of the Constituent Assembly. On this fateful day, Governor General Ghulam Mohammad, who felt that the draft Constitution did not suit the interests of the dominant factions within the power structure, ordered the police to bar members of the Constituent Assembly from entering their meeting room in Karachi.[19]

The consequence of this conflict between individuals and factions within the elite coalition was to resonate through Pakistan's subsequent history and underlie the process of institutional instability. It was summed up in a prescient remark by Lawrence Ziring: "Once the first constitution is destroyed, it is doubtful that any succeeding one, no matter how successfully drafted will ever be truly accepted. A tradition which makes it possible for new leaders to replace old documents with others which appear preferable to them not only denies constitutionalism but makes reference to it little more than a sham".[20]

It can be argued that one of the long-term consequences of the Governor General's precipitate action was that for the next five decades, the underdevelopment of democratic norms was perpetuated in the political culture of Pakistan. This became a key factor in constitutional instability.

4.3 The Tamizuddin Case

Governor General Ghulam Muhammad's intervention to dissolve the Constituent Assembly in 1954 did not go uncontested in the judicial sphere. Maulvi Tamizuddin Khan filed a writ petition in November 1954 before the Sindh High Court challenging the legality of the

action of the Governor General to dissolve the Constituent Assembly and the appointment of an unrepresentative Central government. In a dramatic judgment on 9 February 1955, the Sindh High Court ruled that the Governor General had no power to dissolve the Constituent Assembly.

Chief Justice Munir of the Supreme Court was approached by the Governor General and is reported to have indicated to Executive authority of the time, that he was ready to overrule the Sindh High Court's judgment[21]. The Central Government formally appealed to the Supreme Court which on 21 March 1955 ruled that the Sindh High Court had no jurisdiction to decide on Tamizuddin's writ petition. The basis of the Supreme Court's judgment was that section 223a under which the Sindh High court had heard the appeal was not part of the law as it did not have the assent of the Governor General[22]. So, the Supreme Court overruled the judgement of the Sindh High Court on grounds that it did not have the jurisdiction to adjudicate in the Maulvi Tamizuddin Case. As the Federal Court clarified in a subsequent judgement (Usif Patel vs the crown), it had not adjudicated in the Tamizuddin case on the issue of whether or not dissolution of the Constituent Assembly by the Governor General had legal validity but rather on the issue of jurisdiction of the Sindh High Court.

It could be argued that the Supreme Court chose to adjudicate on narrow technical grounds rather than addressing the essential question of whether the Governor General had the power to dissolve the Constituent Assembly which had a sovereign status in the independent state of Pakistan. In so doing the Federal Court implicitly constrained its own powers that the Government of India Act of 1935 had conferred on it. Although section 45(1) of this Act states, if a situation arises "in which the government of the Federation cannot be carried out in accordance with the provisions of the Act,"[23] then the Governor General may assume to himself the powers vested in "any Federal body or authority". Yet even these wide-ranging powers of discretion are clearly limited by the provision that the Governor General is not authorised to "assume to himself any of the powers vested in or exercisable by the Federal Court or suspend either in whole or in part, the operation of any provision of this Act relating to the Federal Court."[24]

Another criticism of the Federal Court judgement in the Tamizuddin case is made by Ayesha Jalal who raises the question

of the power of assent of the Governor General on laws passed by the Constituent Assembly. She suggests that section 6(3) of the Independence Bill of 1947 which specifies the restrictions on the operation of the legislature stipulates that the Governor General's power of assent did not extend to vetoing on Constitutional matters. Indeed, in the preceding seven years, the rules of procedure for the Constituent Assembly stated that the Governor General's assent was not necessary for a bill to become law. These rules had been framed when Jinnah was still alive.[25]

It can be argued furthermore that this feature of the rules of procedure wherein the Governor General's assent was not required in the case of the work of the Constituent Assembly was consistent with the principle of independence of the Constituent Assembly indicated in Jinnah's presidential address of August 11, 1947:

> The first and the foremost thing that I would like to emphasise is this — remember that you are now a Sovereign legislative body and you have got *all the powers*. It, therefore, places on you the gravest responsibility as to how you should take your decisions.[26] (italics mine).

At a more fundamental level, the question was, did this stipulation relating to the condition for an individual law to come into effect extend to the draft constitution as a whole, a constitution that was framed through careful consideration over a period of seven years, by the Constituent Assembly? This was after all the pre-eminent body that is the hallmark of an independent state. Indeed, the Constituent Assembly had been affirmed to be a *Sovereign* body by the founding father of the new state. Thus, the Federal Court overruled the judgement of the lower court essentially by setting aside any consideration for the pre-eminent authority of the Constituent Assembly as well as restricting the jurisdiction of the Federal Court itself, i.e. its power to review an individual law or an executive action in the perspective of a more general principle of jurisprudence.[27] The failure of Chief Justice Munir to apply this principle not only validated authoritarian rule in this case but created a precedence that led to subsequent justifications of military coups.

The partiality of the Supreme Court towards a non-representative Central government added a new element to the contention for power

between those politicians who sought representative government and the military-bureaucratic elite. Governmental power as much as influence over the process of institution building thus flowed further to the military-bureaucratic elite. The judiciary could not stem the tide of instability within the state structure, because the Supreme Court lacked the spine to adjudicate on crucial matters of law, without fear or favour. In this case, an organ of the state that is the fulcrum of the balance between executive authority and the legislature failed in its assigned function. It is not surprising that as a consequence the instability in the institutional structure was exacerbated.

5. Constitutional Vacuum and further Strengthening of Centralised Government

In the ensuing constitutional vacuum, there were continued attempts to further strengthen centralised government by the elite coalition in the centre. Governor general Ghulam Muhammed issued the emergency powers ordinance 9, which empowered him to frame a constitution and to (apart from other momentous institutional initiatives) convert West Pakistan into a single administrative unit.

The draft of the 1956 Constitution was prepared under the auspices of governor general Ghulam Muhammed by a powerful group of bureaucrats and generals soon after the dissolution of the Constituent Assembly in 1954. A new Constituent Assembly was formed in 1955 with its members elected by existing provincial assemblies. The draft constitution was discussed within this new institutional mechanism and modified through political tussles between provincial politicians and those representing the interests of a strong centre. Thus the 1956 Constitution came into existence only briefly, because of the imposition of Martial Law by President Iskander Mirza and the subsequent military takeover by General Ayub Khan in 1958.

The sequence of events that led to the coup d'état of 1958 were essentially rooted in a military-bureaucracy dominated state on the one hand and a weak political structure, as argued in the earlier sections. So, when President Iskander Mirza perceived the danger of politicians in East Bengal and the Punjab uniting against him, he decided to abrogate the 1956 Constitution on October 7. He appointed General Ayub Khan, the then Commander in Chief of the Pakistan Army, as the Chief Marshal Law Administrator in the vain hope that the two could share the responsibility to govern the country. Yet the underlying dialectic of asymmetric power between the Military and

Civil authority led to Ayub Khan getting rid of Mirza and assuming complete control over government by October 27, 1958. Mirza was arrested and exiled to Great Britain.

5.1 The Dosso case and Kelsen's doctrine of necessity

The Ayub coup since it involved the abrogation of the Constitution of 1956, created a legal vacuum. At the same time, the famous Dosso Case came to the fore in deepening this institutional vacuum. Dosso, who had been earlier convicted of murder by a tribal Jirga, was acquitted by the Lahore High Court. The basis of acquittal by the LHC was that the combination of tribal norms and the Frontier Crimes regulations used in adjudicating crimes or disputes in the tribal areas did not meet with the provisions of Rights Guarantees stipulated in the Constitution of 1956. So, in effect, the Lahore High Court judgement of 1958 reinforced the continued relevance of the 1956 Constitution. This 'problem' was addressed by the Martial Law government through the Promulgation of the Laws Continuance in Force Order. This, in effect, validated all laws that were in force before the imposition of Martial Law of 7th October 1958, except Fundamental Rights which stood abated. The Laws Continuance in Force Order restored the jurisdiction of all courts of law with the restriction that the new government could not be challenged.[28] The question however remained as to how to deal with the Federal government appeal against the Lahore High Court Judgement in the Dosso case in which the 1956 Constitution had been invoked. So, in effect, adjudication by the Supreme Court on these appeals amounted to passing judgement on the legality of Ayub's Martial Law.

Given the restrictions on its powers, the Apex Court could have refused to hear the appeal in the Dosso Case with the risk of triggering a conflict between the judiciary and the executive at the inception of Martial Law.[29] Alternatively, the court could have taken the view that since the 1956 Constitution which had been invoked in the LHC judgement had been abrogated, the appeals themselves could not be judged upon. Setting aside these alternatives of judicial propriety and even handedness, the Chief Justice and the majority of judges he led, chose to define the Dosso case such that in effect, they would adjudicate on the validity of the new legal order itself.

The Chief Justice, Muhammad Munir, opened his judgment with a discussion of the theoretical assumptions to be adopted in the case:

> As we will have to interpret some of the provisions of this [Laws Continuance in Force] Order, it is necessary to appraise the existing constitutional position in the light of the juristic principles which determine the validity or otherwise of law-creating organs in modern States...
>
> It sometimes happens, however, that a constitution and the national legal order under it is disrupted by an abrupt political change not within the contemplation of the constitution. Any such change is called a revolution, and its legal effect is not only the destruction of the existing constitution but also the validity of the national legal order... from a juristic point of view the method by which and the persons by whom a revolution is brought about is wholly immaterial . . . Equally irrelevant in law is the motive for a revolution, inasmuch as a destruction of the constitutional structure may be prompted by a highly patriotic impulse or by the most sordid of ends.

Chief Justice Munir in legally legitimising the 1958 coup d'état of General Ayub Khan invoked Kelsen's 'doctrine of necessity' where the overthrow of an existing legal order is justified if there is a successful 'revolution' which brings in a new legal order.

It may be pertinent here to briefly indicate what is in our view a flaw in Kelsen's argument in the context of the Ayub coup. Kelsen postulates that the validity of formal laws is determined by the legal order (constitution) to which they belong. This validity he suggests is negated in the case of a successful 'revolution'. Now Kelsen erroneously extends the meaning of the term 'revolution' to include a coup d'état. A revolution involves an often-violent overthrow of the existing legal, social and political order that is based on the power, economic interests and value system of the ruling classes of that order. This is replaced with a quite different order by bringing to bear the power of another and counterposed set of classes with a different set of economic interests and associated normative structure. By contrast a coup d'état while it changes the government by extra constitutional means like in a revolution, but unlike a revolution, maintains the existing dominant classes in power. The new government continues to pursue the interests of the previous government and retains their values and norms. A mere change of government through extra constitutional means cannot be considered a 'Revolution'.

Kelsen removes the distinction between these two quite different political phenomena from a "juristic point of view"[30] on the ground that the new legal order is "effective", i.e. it is in force and the behaviour of the citizens "conforms" to this new legal order. On the issue of the legitimacy of the new legal order (whether brought in by a revolution or a coup) Kelsen takes the questionable position that legitimacy is determined by the "principle of effectiveness"[31]. This position, that a change in the legal order is legitimate if it is effectively in force, implicitly suggests that might is right. One could argue on the contrary, that legitimacy has to be drawn from a principle that is independent of "effectiveness". A brutal dictator through violent repression can force people to conform to his laws. But such "effectiveness" is not necessarily legitimate in terms of the will of the people manifesting their shared core values or some universal principle of justice.

Despite these problems in Kelsen's formulation and the inappropriateness of applying it to extra constitutional military interventions in Pakistan, the use of the "doctrine of necessity" by the judiciary reverberated in Pakistan's history: successive military dictators rode roughshod over the constitutional order established by elected civilian governments. For example, General Zia Ul Haq in 1977 and General Musharraf in 1999. In each case the Supreme Court validated these dictatorial interventions on grounds that the prevailing crisis had no solution within the Constitution and so the extra-constitutional actions were necessary to save the state.

5.2 Pendulum swings in the constitutional order and the judicial validation of military intervention

The 1962 Constitution promulgated by the military regime of General Ayub Khan could not outlast his political tenure as a mass popular movement in 1968 overthrew his government and the political system within which it was constituted. The Constitution of 1973, the first Constitution established by consensus through a Parliament elected on the basis of adult franchise, was suspended following the coup d'état of General Zia ul Haq in 1977.

The Constitution of 1973, which had been adopted unanimously by all political parties through due process, was restructured arbitrarily by the Zia government subsequently to suit the needs of an essentially military regime with a civilian façade. This version of the 1973 Constitution modified by a military dictator changed the balance

of authority between the President and the Prime Minister in favour of the former. Thus, the institutional basis was laid for the repeated dissolutions of elected civilian governments during the democratic period of 1989 to 1999 by successive Presidents.[32]

In October 1999, Army Chief General Musharraf took over power following a coup d'état that overthrew not only the elected government of Prime Minister Nawaz Sharif but also the political order emanating from the Zia-modified 1973 Constitution. The Supreme Court once again validated the coup on the basis of the 'Doctrine of Necessity' in May 2000. For example, in the constitutional petitions challenging the Musharraf coup, the Supreme Court in its judgement of 12th May, 2000, held,

> ....where Mian Nawaz Sharif's constitutional and moral authority stood completely eroded and where (the) situation was somewhat similar and analogous to the situation that was prevalent in July, 1977, the extra constitutional step of taking over the affairs of the country by the Armed Forces for a transitional period to prevent any further destabilisation, to create corruption free atmosphere at (the) national level through transparent accountability, and revive the economy before restoration of democratic institutions under the Constitution, is validated, in that (the) Constitution offered no solution to the present crisis.[33]

Soon after the takeover the Military government announced a "Provisional Constitutional Order", an order under which Chief Justice Iftikhar Chaudhry along with some of his fellow judges in the Supreme Court took a fresh oath of office without demur, a few others desisted out of a sense of conscience and lost their office. In an attempt to legitimise his rule at the popular level, General Musharraf held a dubious[34] referendum (April 2002) in which according to the official estimate, Musharraf got 98 percent of the total votes cast but the opposition claimed it was only 5 to 7 percent.[35]

The 1973 Constitution was thus mauled a second time following a military takeover. In August 2002, the newly "elected" President Musharraf instituted a Legal Framework Order (LFO) of which the principal feature was that Article 58(2)(b) was revived in the Constitution[36] under which powers were conferred on the President to dissolve the National Assembly and hold fresh elections.

It is significant that each military intervention against a civilian government occurred when the latter had suffered an erosion of its popular appeal due to mis-governance and more frequently, widespread perception of corruption. This suggests the fact that a military intervention while it draws power primarily through the barrel of a gun, also seeks a popular political justification and a semblance of legitimacy through the judiciary to conduct its rule.

In another pendulum swing towards a democratic Constitution, the 18th amendment was introduced by the elected Pakistan People's Party government in April 2010 through which the powers of the Prime Minister as envisaged in the original 1973 Constitution were restored.

The instability over time, in the design and structure of the Constitution was a major factor in the lack of continuity in economic policy and the failure to achieve sustained high economic growth. As Leftwich points out, the absence of agreed rules of the game lead to a "lack of both coherent and consistent policy" and thereby to a "slow... developmental momentum"[37] The problem of growth instability arising out of the rent-based institutional structure is discussed in subsequent chapters 5 and 11.

6. Contention within the Power Structure, Institutional Instability: 1947-1958

At its birth, Pakistan had a centralised governance structure inherited from the Raj. Given the social composition of the ruling elite within the administration, the key positions were occupied by the upper echelons of Punjabi society and the Muhajir community which had migrated from the United Provinces (UP) of India.[38] In an ethnically diverse society, the marginalisation in the decision- making process of Sindhis, Pathans and Balochis of West Pakistan and Bengalis from East Pakistan, was to sow the seeds of regional tensions. The emerging institutional structure was buffeted by two forms of contention for power: First, between the bureaucratic-military administrative apparatus and the political elite in the Centre; second, between the Centre and those regional elites which were inadequately represented in the process of both governance and legislation. These tensions fuelled to varying degrees over time, the institutional instability that characterised post-independence Pakistan.

6.1 Imbalance between the institutional strength of state organisations and institutional weakness of the Muslim League

In the nascent state structure of the first decade after independence it was the internally integrated Civil Service and the military with their well-established formal rules of functioning and informal norms drawn from a strong organisational culture, that began to dominate the national decision-making process. Consequently, governance as much as the crafting of the institutional structure in these early years was determined by the conceptions of the Civil Service with its lineages located in the 'steel frame of empire' and the British trained military, rather than in the fledgling political organisation of the Muslim League.

An important factor in the imbalance between organisations of the state (bureaucracy and military) and the emerging political structure in civil society was the lack of formal organisational rules and democratic norms in the Muslim League, the pre-eminent political party at the time. The institutional weakness of the Muslim League, which by this time began to be dominated by the landed elite, was a significant factor in the more general failure to institutionalise the relationship between the state and civil society: a process that required as a first step, the formation of elected legislatures at the national and provincial levels and then framing a constitution.

At its very inception in 1907 the landlords constituted a significant element in the Muslim League leadership although progressive intellectuals and elements of a nascent entrepreneurial elite also carried considerable weight within the Muslim League in the early years. The most influential group amongst the founding fathers was the Aligarh group which consisted of intellectual nawabs from families of the landed elite who had begun their careers in the Indian Civil Service. There were also a few Muslim manufacturers like Adamjee Pir Bhai. The Agha Khan who was elected the first President of the League was closely connected to the Muslim manufacturers of Bombay[39]. After 1937 however, the landed elite established their dominance over the Muslim League when there was a large inflow into the party of landlords from the Unionist Party[40]. This is indicated by the fact that by the early 1940s out of a total of 503 members of the Muslim League Council as many as 163 were landlords (the single largest group), with 145 lawyers constituting the second largest

group. Social strata coming from the commercial elite such as traders, bankers and industrialists although increasing in numbers within society, were relatively insignificant in the Council[41]. This change in the social composition of the Muslim League was to have a significant impact on party policy and political culture in the post-independence period especially after the demise of its great leader and a founding father of Pakistan, Quaid-e-Azam Muhammad Ali Jinnah.

In the 1937 elections the Muslim League made a rather poor showing in the Muslim majority provinces, obtaining only 1 out of 86 Muslim seats in Punjab, the largest province, and none in the Sindh and NWFP. Muhammad Ali Jinnah who had earlier faced resistance in establishing Muslim League organisations in the Muslim majority provinces now entered into a pact with the Unionist Party in terms of which the Muslim members of the Unionist Party (mainly landlords) were admitted to the Muslim League[42].

The dominance of the landed elite in the Muslim League at the time of independence meant that the impulse to establish the formal institutions of representative democracy and a democratic culture in the country was weak. At the same time, the imperative to establish the organisational structure of a new sovereign state was strong. The Muslim League was further weakened when Jinnah (Governor General at the time) during the first meeting of the Pakistan Muslim League, since its separation from the All India Muslim League, turned down the offer to become President of the Muslim League. The grounds of his decision being that it would be improper to simultaneously hold the offices of Governor General and head of a political party[43]. Clearly in the immediate aftermath of independence, the imperative of forming an administrative basis to underpin the new state and face the immediate challenges to its survival, necessarily took precedence over institution building for democratic governance.

6.2 Jinnah's vision of democracy and lack of democratic norms in the Muslim League

For Jinnah while addressing the immediate exigencies of state survival, the objective of building a democratic structure was nevertheless essential to his vision of Pakistan. This was clear from his presidential address to the Constituent Assembly on August 11, 1947:

> The Constituent Assembly has got two main functions to perform. The first is the very onerous and responsible task of framing the

> future Constitution of Pakistan and the second of functioning as a full and complete sovereign body as a Federal Legislature of Pakistan.[44]

In actualising Jinnah's vision of building the institutional structure of democracy, the Muslim League was supposed to play a key role. Yet the party suffered from institutional weaknesses which undermined its organisational ability to fulfil this historic role. As suggested above the party lacked both formal rules regarding political decision-making as well as democratic norms within the organisation. The very nature of the Muslim League was that it was more a movement than a party: it consisted of diverse social groups with differing economic interests but united under one charismatic leader (Muhammad Ali Jinnah) with the single aim after 1940 to achieve an independent state of Pakistan[45]. After Jinnah passed away the discord within the party amongst the contending factions combined with its institutional weaknesses further undermined the capacity of its organisational structure to conduct a coherent decision-making process.

As far as democratic norms were concerned, these were never the defining features of the Muslim League. As Khalid Bin Sayeed incisively observes, "for the Muslim League, parliamentary democracy was not an ideal but only an instrument through which it was trying to achieve its major objective (Pakistan)...the primary focus of loyalty was not to Parliament or a parliamentary form of government but to the Muslim League."[46]

It can therefore be argued that the failure of the Muslim League to hold elections and form representative legislatures was not incidental but was rooted in the weak and inadequate institutional framework of the party. The formal rules as well as informal norms which shaped its behaviour were not aligned with the objectives of holding elections and forming representative legislatures.

In contrast to the Muslim League, the well-established internal formal rules and informal norms determining the functioning of the military and bureaucracy inherited from the colonial period gave these organisations both strength and stability. Consequently, within the emerging power structure since the power of the political elites was relatively weak, there was an increase in the power of the military and bureaucracy during this period.

The imbalance within the power structure between state

organisations and the Muslim League had a critical impact on the nature of the institutional framework crafted by the elite coalition as much as the conduct of governance.

A configuration of the power structure in which the bureaucracy and military could establish a hold over governance emanated from the dialectic between state building, which was seen as an essentially administrative undertaking, and the political process of establishing the institutional structure of democracy. The process of building a new state was conducted primarily by the bureaucracy and the military inherited from the Raj. Consequently, constructing the new edifice was not driven by the idea that the strength of a state is fundamentally drawn from the people.

It can be argued that a democratic state is constituted by the legitimacy that is imparted to it by institutions embodying the will of the people. However, within an emerging state dominated by the military and bureaucracy, the idea of 'strength' was conceived in terms of military power and administrative control. This is in contrast to the idea of a democratic institutional structure within which the freedom and the creative potential of the people, when actualised, are the basis of national strength.

The political process was further weakened by the rivalry amongst various factions of the political elite and the resultant lack of a political consensus regarding the institutional structure of the political system. Ayesha Jalal in her seminal study suggests that during "the internecine warfare among the politicians" the political process may have been undermined by "...civil and military officials looking to stretch the ambit of central authority..."[47]

In the first decade after independence, unfolded the dialectic of nascent civil society organisations conducting the political process and the relatively strong military-bureaucracy that had taken on the task of state building. These state organisations achieved pre-eminence over the legislature, and thereby the process of institution building in this period. A weakened Muslim League, having failed to establish the supremacy of the legislature, gradually disintegrated.

Given the institutional weaknesses of the Muslim League, the strong influence of the landed elite within it and the dominance of the military-bureaucratic elite in the power structure combined to displace two key elements in Jinnah's vision: nation building and decolonisation of consciousness. The consequent racist disdain for

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the people of East Bengal and the systematic denial of their political and economic rights fuelled Bengali nationalism. The failure to allow the Bengali members of Parliament, who had won a majority in the 1970 elections to form a government in the Centre, was the last straw. The pent-up grievances exploded on the streets of Dacca and triggered a civil war. In the next chapter we analyse the political and psychological dynamics of the final act of this tragic drama.

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4

The Trajectory of Institutional Collapse: Political Marginalisation of East Bengal, Sub-Colonialism and Civil War

In this chapter we analyse the political, economic and psychological factors that shaped the trajectory of institutional instability to the point of institutional collapse and the rupturing of the state by 1971. In section 1, we trace, over two decades, the relentless efforts by the West Pakistani ruling elites to exclude the people of East Pakistan from due representation in the structure of political power and the process of governance. This political process aimed to establish a form of colonial dominance over the people of East Pakistan. Consistent with this approach was the strategy by the West Pakistani ruling elite to create an economic structure that withheld industrialisation in East Pakistan while facilitating it in West Pakistan. The surpluses from primary goods production and export earnings from East Pakistan were systematically transferred to West Pakistan for use by the nascent industrialists of West Pakistan who were being nurtured by the state. Thus, a typical structure of internal economic colonialism was established (see section 1.4 of this chapter).

In this context we attempt to unravel the complex psyche of the West Pakistani ruling elites in a situation where the decolonisation of their consciousness was still incomplete (see chapter 3, for an elaboration of the idea of arrested decolonisation and incomplete nationhood). We argue that the West Pakistani ruling elites had internalised both the British coloniser's image of the colonised as inferior and the colonisers' image of themselves as being superior. As ruling elites of Pakistan began to craft the institutional structures of polity and the economy, their attitudes and political decisions signified that they had projected onto the Bengalis their own image of themselves as inferior. At the same time the West Pakistani ruling elites fancied themselves in the garb of colonisers with a sense of racist contempt for the people of East Pakistan whose political rights they sought to deny and whose economy they aimed to exploit.

In section 2, we discuss the political tensions between West and East Pakistan, that had been building up since the language movement in the early 1950s and ignited after the elections held by General Yahya Khan in 1970. The origins of the East-West polarisation can be traced to the social composition and political orientation of the Muslim League after Jinnah. The institutional weaknesses within the Muslim League and lack of a democratic impetus in the first decade after Jinnah became apparent. The Muslim League fell under the sway of the British trained bureaucracy with its propensity for centralised government. The Punjabi-Muhajir dominated political elite was not inclined to grant regional autonomy much less their due share in representation to the people of East Pakistan. This we argue was an important factor in the trajectory of growing tension between the people of East Pakistan and the West Pakistani ruling elites.

We discuss the debate in the Constituent Assembly on the draft Constitution of 1956. Our analysis brings out a fundamental fracture in the idea of a centralised polity that in time erupted into the bloodbath of civil war in 1970. The underlying rift manifested as early as the 1950s was between the aspiration of the people of East Pakistan for regional autonomy on the one hand and a centralised government dominated by the Punjabi-Muhajir elite on the other.

The results of the general elections held by General Yahya in 1970 brought into sharp relief the conflicting perspectives about how the issue of linguistic and cultural diversity was to be addressed in the polity and state structure of Pakistan. The Awami League which had contested the elections on the basis of their "six-point programme", a form of regional autonomy that seemed close to being a confederation, won a landslide victory in East Pakistan. On the other side, in West Pakistan Mr Bhutto's Pakistan People's Party swept the polls. Under the rules (the Legal Framework Order) the National Assembly was required to be called into session to begin framing a new Constitution. However, Pakistan's ruling elite, which had over two decades tried to prevent the majority Bengali population from due representation in the Centre, now began to resist the transfer of power to the elected representatives. Thus, the contradiction between the imperatives of power and the logic of democracy reached a point of inflection.

In section 2, we highlight the critical moments in the political drama that came to a climax with the tragedy of civil war. In section 3, we show the institutional and human consequences of an

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Army, moulded by the values of honour and morality, coming into combat with its own citizens. There was an institutional collapse. Large swathes of the military organisation suffered a breakdown of discipline and a loss of their moral compass. In section 4, the psyche of the atrocities that occurred is analysed to show how they scarred the soul of the nation.

1. The Exclusion of East Bengal from the Emerging Institutional Structure and Sub-Colonialism

1.1 The psyche of the colonised elites becoming the colonisers: projecting the "shadow"

The failure to complete the task of decolonisation of consciousness led to a persistence of some of the features of the colonised psyche amongst the military-bureaucratic elite and the social classes who gained from supporting them in ruling the country for much of its history. Two of these features were important in shaping the decisions that ultimately resulted in the break-up of the state: (i) the colonial attitude towards the people of East Pakistan and (ii) the construction of a sub-colonial economic structure within which there was resource extraction from East Pakistan for the development of industry that was concentrated in West Pakistan.

The elites who were moulded by the British coloniser had in becoming the colonised, internalised the coloniser in two senses: they had introjected his image of themselves as inferior as well as the coloniser's image of himself as inherently superior. In the persona of the coloniser the ruling elites of the post-colonial state had carefully cultivated a disdain for the "natives". The ruling elites of West Pakistan thus saw themselves as rulers of a subordinate people whose history began with the colonial encounter. The social status of different strata of the ruling elites depended on the extent to which their framework of thought, dress, mannerisms and proficiency of English language use corresponded with that of the coloniser. Thus, a binary psyche emerged. The colonised had seen themselves as uncivilised lesser humans under colonial rule. In the post-colonial period, the domestic ruling elite in the garb of the erstwhile coloniser had adopted a superior demeanour and governed with a cold indifference towards the misery of the people. Thus, the ruling elites in a state of arrested decolonisation had put on the mask of the coloniser and yet carried the sense of inferiority of the native as a "shadow" in their colonised

consciousness (the idea of arrested decolonisation is explicated in chapter 3).

C.G. Jung analyses the concept of the shadow[1] as being part of the personal unconscious. Significantly, the shadow can be projected onto others: "Everyone carries a shadow, and the less it is embodied in the individual's conscious life, the blacker and denser it is." Jung argues that those unaware of their repressed negative qualities, tend to project them onto others. "We are convinced that certain people have all the bad qualities we do not know in ourselves..."[2]

The ruling elite having internalised the coloniser's image of them, projected this shadow, their deep-seated sense of inferiority onto the people they began to rule. This was particularly the case with the people of East Pakistan who the Punjabi elite perceived as belonging to a different racial stock with a language quite different from any of the languages of West Pakistan having distinct cultural mores and living more than two thousand kilometres away. This sense of the people of Bengal being the 'other' arose because neither the Punjabi elite nor the Bengalis had been integrated into the new nation due to the incomplete process of nation building (see chapter 3 for a discussion of the idea of incomplete nationhood).

In the state structure that was superimposed on an incomplete nationhood, the minority Punjabi elite ruled over the majority Bengali people. Given the arrested decolonisation and the associated psychic tendencies of introjection and projection, the Bengali majority began to be seen with racist contempt. This racist attitude by the West Pakistani power elite was to play a key role in the failure to arrive at a compromise political solution amidst the rising Bengali nationalism in 1970. This political deadlock led to the subsequent military action which triggered a civil war and the eventual rupturing of the state of Pakistan (see section 2).

The problem of incomplete liberation and its implications for the new rulers is also pointed out by Paulo Freire: "...the oppressed, instead of striving for liberation, tend themselves to become oppressors, or 'sub-oppressors'. The very structure of their thought has been conditioned by the contradictions of the concrete, existential situation by which they were shaped. Their ideal is to be men, but for them to be men is to be oppressors."[3]

The Punjabi elite who dominated the power structure since the 1950s as we have argued above had assumed the persona of the

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coloniser. They saw the Bengalis as inferior, dark skinned, short-statured, weak, lesser men, not fit to rub shoulders with the manly martial races which the Punjabis imagined themselves to be (in the lexicon of the British colonialists). So, the Punjabi dominated ruling elite marginalised the Bengali majority of East Pakistan from the power structure, i.e. the key organisations of the state apparatus. For example, by 1955, in the higher ranks of the Central Secretariat, out of 19 Secretaries, not a single one was Bengali. At the joint Secretary level, 3 out of 41, were Bengali[4]. Similarly, among Army officers, only 14 out of 908, were Bengali officers; in the Navy, 7 out of 600 officers were Bengali; and in the Air Force, 60 out of a total of 700 officers were Bengali.[5]

At the same time, every effort was made to block the attempt by the Bengalis to get their rightful share as a majority of Pakistan's population in the emerging structure of representative government (see section 1.2 for a discussion of this political phenomenon). Consistent with this mode of politics, an economic policy framework was adopted in the 1960s, wherein resource extraction from East Pakistan for use in West Pakistan was systematically undertaken and economic disparity between the two regions proceeded apace (see section 1.4 of this chapter, for an analysis of this phenomenon).

1.2 The denial of adequate political representation to the people of east Bengal and their marginalisation in the power structure

The Pakistan Muslim League leadership in the centre had only a tenuous organisational link with those holding political power in the provinces. Since there was also a strong influence over party policy by the landed elite of the Punjab, the Muslim League was not inclined to give due representation in the emerging institutional structure of governance to the people of East Bengal and the smaller provinces. Given the relatively greater strength of the bureaucracy and military, the Muslim League in any case had restricted space within the national power structure to shape the emerging institutional framework. This fact notwithstanding the party had neither the will nor the organisational capacity to strive for a democratic institutional structure: one that incorporated Pakistan's linguistic, cultural and political diversity into an equitable process of legislation and governmental decision making.

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We have argued that an organisationally weak Muslim League, lacking in a democratic impetus amongst its leaders after the death of Jinnah, fell under the sway of a relatively powerful bureaucracy and military. The power of the administrators could not be curbed because the Muslim League kept delaying the holding of parliamentary elections and the formation of a legislature based on adult franchise. Omar Noman has suggested that the reluctance of the Muslim League to call for elections was rooted in its preference to exclude regional and ethnic representatives from the power structure. In the case of an election at this stage, the Bengalis would emerge as the dominant political force due to the fact that 54 percent of the population of Pakistan came from East Pakistan which was predominantly Bengali. In such an event, power in the Centre would have shifted from the Punjabi-Muhajir elite to the Bengalis.[6]

The propensity of the Muslim League to exclude the people of East Bengal from the emerging polity was an important factor in undermining its legitimacy in a culturally diverse society. The institutional weaknesses that were manifest in the Muslim League of the 1950s persisted within Pakistan's political parties during the next five decades and fuelled instability in the political and economic processes.

As the civil service began to shape the institutions of governance it aimed to concentrate power into a Punjabi and Muhajir dominated central government. Constitution making was delayed partly because of tensions between West Pakistani bureaucrats in the Centre and Bengali politicians. The attempt to prevent the Bengalis from getting a share in political power in proportion to their percentage of the population continued. In 1952 this tendency in the ruling elite at the Centre was manifested when Khawaja Nazimuddin from East Pakistan presented Constitutional proposals contained in the Basic Principles Committee Report. The Finance Minister Chaudhry Muhammad Ali and the Interior Minister Gurmani objected to these Constitutional proposals on grounds that "they were detrimental to the interests of the Punjab."[7]

Soon after dissolving the first Constituent Assembly, the Governor General in March 1955 issued an order whereby the four provinces of West Pakistan were merged into a single unit. It was a prelude to the concentration of powers in the central government and the formation of two wings of the country (West Pakistan and East Pakistan) which

were to be governed on the basis of the principle of 'parity' rather than representation in proportion to their respective populations. These institutional mechanisms designed by members of the Governor General's cabinet, that was dominated by senior military officers and civil servants, would, as Ayesha Jalal points out, "... enable the centre to place more effective controls on politicians in the western wing and neutralise Bengali demands for greater provincial autonomy. All this was to be achieved by foisting a constitution on the country ... prepared by bureaucrats, approved by the commander-in-chief and given legal sanction by the governor general."[8]

The second Constituent Assembly that was to frame the Constitution of 1956 did not have any party with an absolute majority. The ruling coalition of the United Front and Muslim League contained several component groups with opposing views on the fundamental features of the constitution, the most important being the division of powers between the centre and the provinces. The draft envisaged a unicameral legislature (the National Assembly) that was to consist of three hundred members to be elected on the basis of 'parity' between East and West Pakistan.[9] A strong Centre was stipulated to, as the Law Minister Chundrigar argued, "safeguard the unity, integrity and solidarity of the country". In the event, a strong centre was established, but it is an irony of history that it set the stage for a political and economic process that fifteen years later culminated in the emergence of independent Bangladesh: A rupture in the state itself, that undermined precisely the 'unity, integrity and solidarity' of Pakistan.

1.3 Regional autonomy: the rift begins between east Bengal and the proponents of a centralised state

The majority of Muslim members of the Bengal Legislature at the crucial sessions on 20th June 1947, voted in favour of Bengal joining Pakistan.[10] It is clear that while affirming their specifically Bengali identity, they felt that the broader Muslim element in their identity would find fulfilment within Pakistan. It can be argued therefore that Muslim Bengalis' choice of joining Pakistan *assumed* regional autonomy so that all aspects of their identity could flourish in freedom. This principle of regional autonomy being fundamental to the very concept of Pakistan was later invoked by the Bengali members of Pakistan's Constituent Assembly as the ensuing discussion shows.

The debate on the draft Constitution in the Constituent Assembly had a historic significance because it brought to the fore a fundamental fracture in the idea of a centralised polity. A fracture that in time erupted into the cataclysm of civil war. The underlying rift manifested at this juncture was between the aspiration of the people of East Bengal for representative government and regional autonomy on the one hand, and the continued pursuit of centralised government by a Punjabi-Muhajir dominated power structure on the other.

This divide was brought out sharply during the debate in the Constituent Assembly by Mr Abul Mansur Ahmad from the United Front coalition of East Bengal. He began his argument by articulating the difference in political and cultural identity of the people of the two "wings" of Pakistan: "These two wings differ in all matters, except two things, namely, that they have a common religion, barring a section of the people in East Pakistan, and that we achieved our independence by a common struggle ... With the exception of these two things, all other factors, viz., the language, the tradition, the culture, the costume, the custom, ... everything is very different. There is, in fact, nothing common in the two wings particularly in respect of those factors which are the *sine qua non* to form a nation."[11] Mr Ahmad proceeded to argue that the only viable solution to the cultural diversity of Pakistan within a democratic polity was to grant regional autonomy to the two wings. He declared that the United Front party had pledged to the people of East Pakistan that such autonomy would be pursued. Furthermore, he suggested that regional autonomy was also to be found in the Lahore Resolution of 1940. Mr Ahmad expressed the political pledge made to the people of East Pakistan and the main feature of the 21-point programme of the United Front Party was regional autonomy: "In accordance with the Historic Lahore Resolution to secure full autonomy and bring all subjects under the jurisdiction of Unit Governments leaving Defence, Foreign Affairs and Currency under the Central Government."[12]

In contrast to the political aspirations of the people of East Bengal the draft Constitution concentrated power in a Central Government in which the Bengalis had been denied proportional representation. Consequently, the Awami League, which as a component of the United Front Party considered regional autonomy to be an emblem of their popular appeal in East Pakistan, organised mass demonstrations against the draft Constitution. In a precursor of things to come,

Maulana Bhashani, a prominent Awami League leader, during a public meeting was reported to have threatened secession unless the draft was rectified to grant regional autonomy to East Pakistan.[13] However, given the power structure that was shaping Pakistan's institutional framework, the demand of East Pakistani politicians was not accommodated.

The political pressure from East Pakistan was defused when Mr Fazlul Haq, a prominent leader of the United Front Party, agreed to modify what was considered as an "impractical" demand of complete regional autonomy. Another prominent leader from East Pakistan, Suhrawardy, when he was made Prime Minister in 1956, declared that the Constitution of 1956 did in fact grant regional autonomy to a large extent.[14] So for the moment the popular political pressure from the people of East Pakistan was kept at bay.

If those leaders who were shaping the state structure and political institutions had taken heed of the aspirations of the people of East Bengal manifested in the Constituent Assembly debate, and given them due representation in the ensuing political and economic process, the tragedy of civil war fifteen years later could have been avoided. However, the leadership of the time unfortunately lacked the vision underlying Jinnah's idea of a democratic Pakistan. They ignored the possibility that a unity in diversity could be achieved by ensuring regional autonomy as the basis of national political life.

Given the trajectory of power of the military-bureaucratic elite to pursue greater control within the political structure and the internecine rivalries between various political factions, the Constitution of 1956 lasted for only two years. In 1958, General Ayub Khan, Commander in Chief of the Pakistan Army, took over state power through a coup d'état and abrogated the Constitution of 1956.

East Bengal, more than any other province of Pakistan, had a long tradition of Bengali nationalism based on their rich language, literature, arts and their often-violent resistance against colonial rule. At the same time the East Bengalis initially had an overarching Muslim identity and so gave strong support to Pakistan. Inherent to this support however was the assumption that within Pakistan they would have the autonomy through which there could be a flowering of all the aspects of their cultural identity including that of being Muslims. That is why when Pakistan came into existence, the Bengali members had voiced their demand for autonomy so eloquently in the

Constituent Assembly debate on the draft Constitution.

It was with these hopes that in the preceding 1945-46 elections, Bengalis had overwhelmingly voted for the Muslim League. It had won 113 out 119 that is, 95 percent of the Muslim seats. By contrast in the Punjab, the Muslim League won 85 percent of the Muslim seats. However, in the first decade after independence, when Pakistan's Punjabi-Muhajir dominated elite made a new rule (institution), that Urdu was to be the sole National language, the Bengalis reacted by changing their voting behaviour in the 1954 elections. Unlike 1945-46, now in 1954, the Muslim League won only 3 percent of the seats in East Bengal (10 out of 309), while the Bengali nationalist United Front Coalition, which included the Awami League, won 72 percent of the seats in East Bengal (223 out of 309).

It is testimony to the strength of Bengali nationalism and their aspiration for regional autonomy within Pakistan, that when the centre tried to impose Urdu as the only national language, widespread street protests erupted in East Pakistan. Four students died in these protests. Language was organic to the Bengali identity and a mode of experiencing their being in this world. They were acutely aware that their language evoked the archetypal symbols in terms of which they apprehended their dignity. These images signified their collective consciousness of being a community living through history. So, to deny their language in national life was to deprive them of their world. They resisted and, in so doing, began to assemble their collective memories. Rounaq Jehan shows prescient insight in remarking: "The 1952 language movement created myths, symbols, and slogans that consolidated the vernacular elite. It gave them not only a popular common cause but also their first martyrs."[15]

The language movement in East Pakistan thus marked the beginning of disenchantment and the build-up of grievances which were to coalesce into a Bengali nationalism, that in time came into confrontation with the Pakistani state. Bengali nationalism was further fuelled by the knowledge that surplus extraction was being conducted by West Pakistan within a sub-colonial economic structure.

1.4 East-West economic disparity and the structure of internal colonialism

By the mid-1950s, Pakistan had chosen the model of a neo-colonial economy. Economic growth was to be generated through import

substitution industrialisation within a rent-based institutional structure. A West Pakistani industrial elite was nurtured by government support to manufacture consumer goods with machines imported from Western countries and domestic investment largely financed by foreign aid. Just as Pakistan was locked into a relationship of external dependence with Western countries, a sub-colonial structure of economic dominance was established internally with East Pakistan. Within this structure, East Pakistan became a source of surplus extraction and cheap raw materials. At the same time East Pakistan was made into a protected market for the export of West Pakistani manufactured goods at higher than world prices for the same goods.[16]

Apart from importing products such as raw jute, tea, paper and board, leather goods and matches from East Pakistan at relatively low prices, the foreign exchange earnings of East Pakistan were also directed to the import of machines from Western countries, by West Pakistani industrialists. This was done through an import licensing system whereby it was West Pakistani industrialists who had the privilege of getting these import licenses to use foreign exchange for the import of machines, intermediate goods and industrial raw materials. An over-valued exchange rate was instituted and this served as a mechanism for financial resource transfer from East to West Pakistan. East Pakistani exporters got fewer rupees per dollar of foreign exchange earned compared to what they would have got at the market rate for the dollar. On the other hand, West Pakistanis with licenses to import at the official exchange rate had to pay fewer rupees per dollar spent. Thus, the difference between the market and official exchange rate in terms of rupees was transferred from the pockets of East Pakistani exporters to the pockets of West Pakistani industrialists who were privileged to import at the official exchange rate.

The process of resource extraction and unequal internal terms of trade adversely affected the living standards and consumption levels of the people of East Pakistan. Professor Rehman Sobhan, one of South Asia's foremost economists, had pointed out the problem of regional economic inequalities as early as 1962[17]. He provides evidence from S.U. Khan's paper[18] to show the disparity in per capita availability between West and East Pakistan of a range of basic consumption goods such as, tea, paper (which were actually being exported from

East to West Pakistan), kerosene, petrol and electricity. He shows that that not only was the disparity between West and East Pakistan in the availability of these goods high to begin with but in fact there was an increase in this disparity in the decade of the 1950s. (For a detailed discussion see chapter 5).

It is not surprising therefore that the per capita income inequality between the two regions also increased rapidly. For example, per capita income in West Pakistan increased from an index of 100 in 1951-52 to 125, by 1961-62, while per capita income had declined to 96 over the same period in East Pakistan (see chapter 5). These regional economic disparities between East and West Pakistan continued to grow as overall GDP growth in Pakistan accelerated during the decade of the 1960s.

2. Political Confrontation and Institutional Collapse

President Ayub Khan relinquished power to a military General in violation of the Constitution (which his own government had formulated), following intense, large scale street protests in both West and East Pakistan. In the former, an emotional charge was drawn from the rapid growth of inter-personal inequality, the rich-poor divide; and in the latter by an upsurge of Bengali nationalism fuelled by the growth of the East-West economic disparity. When General Yahya took over power as Chief Martial Law Administrator (CMLA), he promised to hold free and fair elections based on adult franchise and then hand over power to the elected representatives. He delivered on the first promise but not the second.

The results of the elections brought into sharp relief the political polarisation between West and East Pakistan that had been building up since the language movement in the early 1950s. The Awami League which had contested the elections on the basis of the Six-points programme, a form of regional autonomy that bordered on a confederation, achieved a landslide victory. They got 167 out of 169 National Assembly seats from East Pakistan. In West Pakistan Mr Z. A. Bhutto also won a large majority of seats although to a comparatively lesser extent, securing 83 out of 131 seats. The stage was now set for a denouement in the dialectic between two tendencies in Pakistan's body politic: building a centralised state that protected the interests of the elite coalition of West Pakistan versus a rising Bengali nationalism that sought to govern within a decentralised state structure.

In terms of the Legal Framework Order (LFO) under which the elections were held, the National Assembly was required to be called into session and begin the process of framing a new Constitution. However, the interests of Pakistan's power structure which had assiduously tried to prevent the majority population of East Bengal from getting their due representation in national governance, now created a contradiction between the imperatives of power and the logic of democracy. The centres of political and state power in West Pakistan began to resist the transfer of power to the elected representatives. Mr Bhutto, in line with the view of elements in the state structure, declared that, "Punjab and Sindh are the bastions of power in Pakistan. Majority alone does not count in politics".[19] The pressures on President Yahya to delay the announcement of the date of the Assembly session built up, as the military-bureaucratic establishment and the political elite of Punjab and Sindh feared that the Six-point programme of the Awami League would undermine the Centre. They feared that the centre would be weakened to a point where the Pakistani state may cease to function in a coherent fashion. There were three key features in the Six-point[20] programme that gave rise to this fear:

(a) Point 4 which stipulated that the power of taxation and revenue collection would vest solely with the federating units and the federal government would have no such power. The federal government would be financed by a levy from provincial tax revenues.
(b) Point 5, sub-sections 1 and 2, held that foreign exchange earnings of East Pakistan would be controlled by the East Pakistan government and the foreign exchange requirements of the federal government would be determined by the two wings in an as yet undetermined ratio.
(c) Point 5, sub-section 5, wherein the Constitution shall empower the governments of the federating units to establish trade and commercial relations with foreign countries and further, could set up trade missions and enter into agreements with foreign countries.

These features could be expected to create anxiety in the power elite in West Pakistan that the Central government would be stripped of its financial resources and its authority in foreign affairs constricted to a point where the integrity of its functioning in both domestic as well as foreign affairs would be undermined.

This concern was in fact made explicit in a meeting between Kamal Hossain and General Peerzada. Kamal Hossain, the finest legal mind of Bangladesh, was a member of Mujibur Rahman's inner circle and General Peerzada was the Principal Staff Officer of President Yahya Khan. Kamal Hossain points out that "at this meeting, it was obvious that the main anxiety of the West Pakistani ruling elite was with regard to the foreign exchange and revenue resources for the Centre. Anxiety was also expressed about the control of foreign trade and aid by regions."[21] G.W. Chaudhry a Bengali constitutional expert and advisor to Yahya, in his book also makes the point that empowering provincial governments to exclusively undertake foreign trade relations was not consistent with the power of the Centre to conduct foreign policy. This is because trade and political relations cannot be separated in the field of foreign policy.[22]

President Yahya went to Dacca in mid-January 1970 and urged Sheikh Mujibur Rahman to alter some of the six points in his programme. However, Mujibur Rahman refused to negotiate on this matter, on grounds that the Awami League had given a prior commitment to the people of East Bengal that the elections would constitute a referendum on the Six Points.[23] Subsequently on 27th. January Mr Bhutto also arrived in Dacca along with his PPP team to discuss the Six Points with Mujibur Rahman but no agreement could be reached.

In the meantime, in East Pakistan, following the December elections, the over two-month delay by Yahya in announcing the holding of the National Assembly session generated public anger. At the same time, there was an erosion of trust within the Awami League for the West Pakistani leadership. Amidst the gathering momentum of Bengali nationalism, a meeting was held behind closed doors of the main leaders of the Awami League in early February. At this meeting, Bangabandhu (friend of Bengal), Sheikh Mujibur Rahman, actively considered the possibility of a Unilateral Declaration of Independence. A draft declaration and a strategy of public mobilisation for the expected confrontation with the Pakistan Army was also prepared.[24] In an attempt to defuse the tensions building up in the Awami League leadership, President Yahya on 13th. February announced that the National Assembly session would be held on 3rd. March 1970.

After the meeting with Sheikh Mujibur Rehman in the last week of January, Mr Bhutto in a press conference had adopted a flexible

position saying that a prior agreement was not necessary before the session. He indicated that an understanding had been arrived at, on two of the Six Points and negotiations on the remaining four points could be conducted in the Assembly session scheduled for 3rd. March.[25] Yet, not long after the meeting with Sheikh Mujibur Rahman, and his return from Dacca, Mr Bhutto abruptly announced on 15th February, that the PPP would boycott the National Assembly session if it was held as scheduled.

Perhaps the reason for this was his early February meetings with PPP representatives from Punjab as well as Sindh, who made clear to him that the Six Points could not be accepted as a whole and required modification. His party representatives expressed a racist colonial bias against the Bengali people, by saying that the Bengalis were "weak and inferior, and could not resist the power of the West Wing's military-bureaucracy."[26] This attitude is illustrative of our earlier argument that an important factor in the problem of building a sense of nationhood across diverse communities was the failure to decolonise consciousness after Jinnah (see section 1.1 above, for a discussion on the colonial attitude of the Punjabi-Sindhi-Muhajir power elite of West Pakistan).

Mr Bhutto then met the President in Rawalpindi in early February and argued in line with his party members' view that a broad understanding with the Awami League was necessary prior to the Assembly session. He conveyed to the President that there was no point in attending an assembly session where the PPP would merely rubber stamp a constitution embodying the Six Points already prepared by the Awami League.[27]

As the lines between the West Pakistani elites and the Awami League began to be drawn, President Yahya Khan announced an indefinite postponement of the Assembly session, on 1st. March. This signified a point of inflection in the dialectic between the imperatives of centralised state power and the aspirations of the Bengali people. The fuse that had been burning for two decades exploded on the streets of Dacca. Highly charged militant processions shouted slogans such as "Brave Bengalis take up arms, liberate Bangladesh."[28]

The high degree of mass mobilisation and the demand for independence by the people of East Bengal became the backdrop of a rapidly escalating confrontation between the state and the people. The civilian government within the old institutional structure lost

its legitimacy and hence its writ. This represented an institutional collapse. The Awami League then took the initiative to take up the role of a de facto government in East Pakistan: they began to specify the working hours of government offices and banks and ensured the disbursement of salaries.[29]

At this eleventh hour, Yahya made a last-ditch effort at finding a solution to the crisis. After his arrival in Dacca on 15th March 1971, he held a series of meetings with Mujibur Rahman who told him in no uncertain terms that he must remove Martial Law and hand over power to the elected representatives. He stopped short of declaring independence to avoid an immediate military action. The issue of institutional mechanisms of power transfer even now came up. Yahya pointed out the problem of a legal vacuum if the Martial Law was withdrawn before the new constitution was framed. The Awami League responded with the suggestion that an Interim Arrangements Order be promulgated by the President / CMLA simultaneously with revoking Martial Law to bridge the institutional gap till the time a new constitution was framed by the Parliament.

But these negotiations between the West Pakistani power elite and the Awami League, as indeed the proposed institutional structure to take account of the Awami League demands,[30] came too late. The draft proclamation in effect made actual what was only a potential in the original Six Points programme: Confederation. Indeed, Mujibur Rahman suggested the term "Confederation of Pakistan" to be included in the proclamation. However, the apparent agreement on the draft proclamation, in the event turned out to be merely a façade for the descent into civil war: Even as they negotiated, Yahya Khan on 17th March gave the order to General Tikka Khan, G.O.C. East Pakistan, to get ready for military action, and accordingly "Operation Search Light" was prepared for a deadly military crackdown all over East Pakistan. On the other side the Awami League too had laid its plans in early February 1971 to confront the Army. Their plan included launching massive popular demonstrations in the main cities. The aim was to distract the Army sufficiently to enable a people's takeover of the key targets: the radio station, the secretariat, and the Government House where the Governor would be "prevailed upon", to announce the formal transfer of power to the Awami League in East Pakistan.[31]

On 23rd March, Pakistan's Republic day, when usually Pakistani

flags are publicly displayed, it was Bangladeshi flags that were flying on most cars and houses in Dacca. Large processions of Awami League supporters, early morning that day, flooded the house of Sheikh Mujibur Rahman and hoisted the Bangladesh flags at the gate. Later, as the Awami League team drove into the President's house at 11.30 am to finalise with President Yahya Khan the draft proclamation, they too were displaying Bangladeshi flags on their cars.[32] That fateful day the declaration of independence was in effect made by the people of East Bengal and the leadership followed. Two days later on the night of 25th March, Operation Searchlight was launched. The silence of that night echoed Jinnah's words, "Social justice, equality and fraternity". Then the tanks moved, and the sound of gunfire shattered the silence.

3. Civil War and the Psyche of Atrocities

The combination of political and military leadership in their single-minded attempt to preserve the Federation had under-estimated the strength of Bengali nationalism as well as the limitations of a conventional army against mass demonstrations combined with guerrilla warfare. So, the West Pakistani elites ended up in disintegrating the State when military force was used. Yet there was at least one sane voice in the military leadership who had cautioned against such a course: General Sahabzada Yaqub Khan, the scholarly Commander Eastern Command. In his resignation letter of March 5, 1971, he observed:

> Only solution to present crisis is a purely political one. Only the President can take the far-reaching decision by reaching Dhaka by March 6, which I have repeatedly recommended. I am convinced there is no military solution, which can make sense in present situation. I am consequently unable to accept the responsibility for implementing a military mission that would mean civil war and large-scale killings of unarmed civilians and would achieve no sane aim. It would have disastrous consequences.[33]

The civil war and the bloodshed that General Yaqub Khan had predicted in case of military action, did in fact occur when the military opened fire against its own people that night. At the same time the simmering institutional collapse ignited, in the sense that both formal laws as well as informal norms broke down. As we have seen, formal

law and effective government had ceased to exist since an indefinite postponement of the National Assembly session was announced on 1st. March. It precipitated a rebellion when the people of East Bengal took to the streets. A legal vacuum occurred within which the Awami League took *de facto* control of governance.

The question is how did informal norms breakdown? As we have argued earlier, informal norms at the level of the individual are located in the consciousness through which a person knows himself. A disciplined and professional organisation like the Pakistani Army under normal circumstances, has a firm chain of command. At the same time, a strong sense of morality is inculcated in the psyche of the officers and men. When such an army is sent into battle against its own, predominantly unarmed citizens, the soldiers tend to lose their moral compass. This suspension of a sense of morality is enabled through an indoctrination process which constructs the "enemy". An ideology of nationalism that excludes the other is inculcated; and feelings of racism already present in the personal unconscious of many West Pakistani members of the ruling elites as discussed above, are brought to the surface.

When the 'other', who the soldiers would normally risk their lives to defend as citizens, becomes the enemy, then the 'other' is reduced to an object of hate. Thus, the other is demonised and hence must be exorcised from within the self. Violence in a state of hysteria serves to provide the emotional charge as well as a moral blindness for the exorcising process. In so doing the 'other' is dehumanised, but so is the self. All morality is displaced and discipline breaks down. Atrocities then tend to occur. And they did, in the case of some officers as well as men of the Pakistan Army. The Mukti Bahini, who were fighting the Army during the civil war, were subject to the same psychological processes which may have eroded in some cases the sense of nobility that comes from fighting a war of liberation for your people. According to reliable reports, Mukti Bahini also committed atrocities. We will give only a few examples of these horrendous events in the following paragraphs.

The civil war, in time, drew in the Indian Army and a full-scale conventional war took place between Pakistan and India. After a relatively brief encounter, the military force stationed in East Pakistan surrendered to the Indian Army. Subsequently, the Government of Pakistan set up a Commission to inquire into the 1971 War and

their report became known as the Hamoodur Rehman Commission Report. The Commission gathered evidence through various government agencies, undertook studies, and obtained testimony of a large number of officers of the Pakistan Army who had witnessed specific events involving the killing of Bengali civilians as well as the commitment of atrocities.

The Commission reports allegations made by a number of service officers under the Eastern Command who had taken part in the Army action and also by several civilian witnesses who were able to return from East Pakistan. "It is alleged that apart from the fact that the Army employed excessive force, which had no relation to the threat posed by the so-called miscreants, the officers and men freely indulged in wanton acts of loot, arson and rape. It is said that banks, shops, and even private houses were looted by the troops, several localities were mercilessly burnt down, and defenceless women forcibly taken away and raped."[34]

Lt. Gen. A.A.K. Niazi testified to the Commission, "Military action was based on use of force primarily and at many places indiscriminate use of force was resorted ... I addressed a letter to all formations located in the area and insisted that loot, rape, arson killing of people at random must stop ..."[35]

Maj. Gen. Rao Farman Ali, advisor to the Governor of East Pakistan, testified to the Commission as follows: "Harrowing tales of rape, loot, arson, harassment and of insulting and degrading behaviour were narrated [to him] ..."[36] Regarding the excessive use of force on the night of 25th March 1971, the Commission reports a statement from Brig. Shah Abdul Qasim, witness number 267:

> Excessive force was used on that night. Army personnel acted under the influence of revenge and anger during the military operation". The Commission further reports the allegation that "mortars were used to blast two resident halls, namely Iqbal Hall and the Jagan Nath Hall, of the Dhaka University, thus causing excessive casualties.[37]

Witness number 282, Brig. Mian Taskeenuddin, stated before the Commission that, "the discipline of the Pakistan Army, as was generally understood, had broken down. In my command area (Dhoom Ghat), between September and October, miscreants were

killed by firing squads. On coming to know about it, I stopped the same forthwith."[38]

Lt. Col. S.S.H. Bukhari, CO of 29 Cavalry, testified as witness number 244, "In Rangpur, two officers and 30 men were disposed-off without trial."[39]

Clearly, some of the senior officers were also subject to hate, revenge and demonisation. For example, Brig. Iqbalur Rahman Sharif (witness number 269), reports to the Commission that, "during his visit to formations in East Pakistan, Gen. Gul Hassan used to ask the soldiers, 'how many Bengalis have you shot' ..."[40]

Lt. Col. Aziz Ahmad Khan (witness number 276), who was Commanding Officer of 8th Baloch and later of 86 Mujahid Battalion, testified to the Commission as follows: "Brig. Arbab also told me to destroy all houses in Joyedepur. Gen. Niazi visited my unit at Thakargaon and Bogra. He asked as to how many Hindus we had killed. In May, there was an order in writing to kill Hindus. This order was from Brig. Abdullah Malik of 23 Brigade."[41]

There has been a debate about the relative scale of atrocities by the two sides which we will not go into; suffice to say that the killing of even a single innocent person and use of cruel methods in killing even a military combatant should be unacceptable. While there was large scale killing, rape, looting and burning by soldiers in uniform of the Pakistan Army as reported by the Commission, Awami League militants are also alleged to have committed such crimes against humanity. For example, the Commission reports, "there is reliable evidence to show that during this period [1st March to 25th March, 1971], the miscreants indulged in large scale massacres and rape against the pro-Pakistan elements, in the towns of Dacca, Narayanganj, Chittagong, Chandragona, Rangmati, Khulna, Dinajpur, Thakargaon, Kushtia, Ishurdi, Noakhali, Sylhet, Moulvi Bazar, Rangpur, Saidpur, Jessore, Barisal, Mymensingh, Rajshahi, Pabna, Siranj Ganj, Comilla, Brahaman Baria, Bogra, Naugaon, Santahar, and several other smaller places." The Commission further reports that "Families of West Pakistani officers and other ranks serving with East Bengal units were subjected to inhuman treatment and a large number of West Pakistani officers were butchered by their erstwhile Bengali colleagues."[42]

The process of exorcising the other from within the self through the device of demonisation, sometimes involves orgiastic

dismemberment of the other. An example of this phenomenon is the grisly beheading of a West Pakistani civil servant by the very people he had lived with in harmony. The Newsweek issue of 12th April 1971 carried a photograph of a severed head held up by a Bengali rebel while his companions are smiling at the trophy. It was later found out by Sarmila Bose that the beheaded man was in fact a West Pakistani civil servant, Waqar Naseem Mian, who was posted in Kushtia and had earlier "refused to move out with the retreating Army unit, as he never thought he would be harmed by his countrymen among whom he had lived and worked."[43]

In her well researched book, Sarmila Bose reports on the basis of the evidence of witnesses, a number of other such atrocities committed by Bengali rebels, three of which are mentioned as follows:

In Joydevpur, Bengali officers and soldiers from 2 East Bengal Regiment revolted on 29 March 1971 and killed all the West Pakistani officers and staff in the regiment and also the families of some personnel. A similar incident happened at the Ordinance Factory in Gazipur where Bengali officers and workers rebelled against Pakistan Army and after killing the Commanding Officer and Wireless Operator, "went block by block, trying to kill all the West Pakistani and non-Bengali personnel and their families". They managed to kill five people, including a woman and a child, before they were intercepted and fled the area.[44]

In the madness of war, Bengali nationalism turned into a lethal form of xenophobia where violence was not just directed towards the West Pakistanis, but also towards local Biharis, who were thought to be Muslim League voters and hence enemies of Bangladesh. For example, a large number of Biharis were killed in the Jute Mills of Khulna by revolting Bengali police officers and other men. "The Bengali mob ... picked up anything they could, such as *das* (sickles), and fell upon the Biharis, killing everyone they could find – men, women and children". Various witness accounts put the number of Biharis who were killed in the Jute Mills and surrounding areas in thousands. Their mutilated and dismembered bodies were then dumped into a nearby river.[45]

At Mymensingh cantonment, Bengali officers and soldiers from the East Pakistan Rifles revolted against their West Pakistani colleagues and killed a large number of them. During the incident, a mob also gathered in support of Bengali soldiers. According to one

witness, some West Pakistanis who tried to escape the area were beaten to death by the mob. A man, whose wife and children were present there, was killed by the mob "by shooting, spearing, chopping with *da* and so on". A number of women and children were also killed during this incident while some other women were raped, as reported by Sarmila Bose.[46]

4. The Soul of a People Scarred

4.1 The erosion of the moral fibre and implications for subsequent policy

The evidence makes clear that the internal discipline of the Army broke down and some of its officers and men engaged in atrocities against their own citizens. Barring a small minority who protested, most people in West Pakistan either supported the military action or stayed silent. There was a consequent estrangement from their sense of moral conscience. There was a failure to come to terms with the fact that the people of East Bengal had been wronged. This was to erode the moral fibre of the nation. More specifically, the integrity of significant strata of the ruling elites was undermined. Corruption which earlier was limited to a few, as the Hamoodur Rehman Commission had noted, became widespread in the next five decades.

At the same time, in the subsequent decades, political choices were made which spread a violent extremism in sections of society, in the media as well as amongst elements of the state apparatus. The ideology of bigotry, hate and violence against the other, was the very antithesis of the historical consciousness of the people. They had been brought up in a perspective of Islam which enjoined knowledge, love and tolerance.

4.2 Institutions, the estrangement from the Iqbal-Jinnah vision and rupturing of the state

Consequently, the country moved away from the idea of Islam that Jinnah had propounded, of the universal values of social justice, equality and fraternity. How distant became Iqbal's idea of achieving a higher consciousness, whereby man could actualise the "mould"[47] within which he was originally made, and thereby achieve a closeness to God. The tradition of the Sufis of love as a mode of knowing the Self, and compassion as the basic value guiding social action, was banished to the far banks of the collective memory of Pakistan's society.

The function of institutions is to structure human interaction in society so as to achieve order and thereby enable forms of social existence through which the higher consciousness can be nurtured and human civilisation can flourish. The formal law aspect of institutions seeks to achieve these civilisational aims through its specific enforcement mechanisms. We have argued that to sustain formal laws and achieve legitimacy of the state, they must be embedded in norms that are essentially rooted in consciousness. It is this universal consciousness that Iqbal and Jinnah attempted to inculcate but which Pakistan's leadership after Jinnah could not develop: leaving both the process of decolonisation and nationhood incomplete. The resultant fissures between East and West Pakistan pitted the West Pakistani power elite against the people of East Bengal to a point of institutional collapse. An attempt was made by the West Pakistani power elite to maintain the integrity of Pakistan through the use of military power against the citizens of the majority province. It was precisely this integrity that was lost by the self-defeating move. In the ensuing civil war, there was in many cases, a suspension of the human consciousness of soldiers and rebels alike. Monstrous acts of hate and revenge unleashed a carnage that scarred the soul of a people.

IQBAL FORUM

5

Rent-Based Institutional Structure, Inequality and Unsustainable Growth

In the earlier chapters we have examined the nature and dynamics of institutional instability. The trajectory of instability reached its apogee with institutional collapse. This was associated with a civil war and the emergence of Bangladesh as an independent state (see the preceding chapter 4). We have shown how the politics and state structure was shaped by the historical emergence of an elite coalition and how it proceeded after Jinnah to reinforce the rent-based institutional structure inherited from the colonial period. In this chapter, we focus on the emerging architecture and propensities of a rent-based economy shaped by the elite coalition within a neo-colonial mould.

1. Jinnah's Economic Vision and the Failure to Adopt it

We have argued in the preceding chapters that two fundamental challenges facing the leadership and indeed civil society, upon achieving independence in 1947, were: (1) The decolonisation of consciousness and (2) Expressing the soaring vision of nationhood articulated by Iqbal and Jinnah, in the concrete form of institutional structures for the state and economy respectively. The vision of Jinnah which he shared with Iqbal was a unity in diversity whereby all the communities within the nation could flourish. With such a consciousness and through its concrete expression in institutional structures, Jinnah's principles of freedom, justice and equality, could be actualised in the political, economic and social life of the nation. The aim of the latter was to build an economy that could provide equality of opportunity to all citizens. The dynamism of the economy would thus be based on developing the talent and enterprise of all of the people rather than a few. This was an endeavour that Jinnah began but was reversed by the military-bureaucratic-landed elites that, soon after Jinnah, established their hold over the process of building both the state and the economy.

1.1 The key elements of Jinnah's economic vision

The principal features of Jinnah's economic vision were based on his central precepts of social justice, equality and fraternity which he had earlier argued were drawn from the Islamic tradition long before these principles entered the Western political discourse.[1]

Jinnah's ideas regarding development policy were remarkably prescient in terms of the evolution of development ideas and policy that was to take place over the next six decades. For example, his emphasis on human beings in the context of development entered the literature in Economics in terms of the concept of Human Capital in 1958 with Jacob Mincer's paper.[2] Later, in 1964, Nobel Laureate Gary Becker developed the idea of Human Capital in terms of skill, productivity and earnings.[3] Then in 1998, Philippe Aghion and Peter Howitt in their important work on Endogenous Growth theory[4] showed how Human Capital can be the basis of innovation and thereby long-term economic growth. The focus on humans as the aim as well as the means of development that Jinnah had proposed really came into its own with Nobel Laureate Amartya Sen's seminal work on Human Development. Sen, in 1999, provided a perspective on development in terms of the quality of lives that humans can lead by developing their capabilities. In this sense, Human Development is a form of freedom where there is a wider range of choices with respect to leading a life that a person finds meaningful[5].

There were three inter related elements in Jinnah's economic vision. First, human well-being and social justice were for Jinnah the aim of economic policy. Second, industrialisation as a way of achieving economic independence and providing employment opportunities to the people of Pakistan. What was ahead of economic thinking of the time, was Jinnah's view that industrialisation and economic growth can be driven by human capabilities and effort. This required as a first step the provision of education to all citizens and ensuring that women should have equal access to education and to opportunities for gainful livelihood. Third, Jinnah held that it was important to prevent exploitation as well as inequality in the distribution of income. That is why he considered it important to provide equality of economic opportunity to all citizens. It is in this context that Jinnah emphasised the importance of ensuring that women should have equal access to education and employment opportunities. Equality of opportunity for women was for Jinnah, not only a key element in nation building and the development process but was central to the principle of social

justice that he regarded as a fundamental element in the formation of Pakistan.

With respect to (1), human well-being and social justice, Jinnah argued, in his address at the opening ceremony of the State Bank of Pakistan in 1948, "The adoption of Western economic theory and practice will not help us in achieving our goal of creating a happy and contended people. We must work our destiny in our own way and present to the world an economic system based on the true Islamic concept of equality of mankind and social justice."[6]

Jinnah, in his address to the Constituent Assembly of Pakistan in 1947, succinctly presented his idea of making the deprived majority of the people, the central focus of economic policy. This was to be a key element in formal law and thereby in the very legitimacy of the state: "If we want to make this great State of Pakistan happy and prosperous, we should wholly and solely concentrate on the well-being of the people and especially of the masses and the poor."[7]

Regarding element (2), Jinnah argued for industrialising the economy to strengthen national independence. But for him, the beneficiaries of industrialisation should be the people: "... By industrialising our State, we shall decrease our dependence on the outside world for the necessities of life, we will give employment to our people and will also increase our resources". The idea of overcoming the gross inequalities that prevailed was to make the people both the beneficiaries of economic growth as well as its subjects. This was to be done through providing equality of opportunities to all citizens: "... Similarly you are voicing my thoughts in asking for equal opportunities for all."[8]

In his formulation on development, industrialisation and economic growth, Jinnah shifted focus to human talent and effort, rather than financial resources alone, which were considered the principal means of economic growth by Development Economics at the time: "... Funds are no doubt necessary for development but at the same time national growth and regeneration do not depend on funds alone. It is human toil that makes for the prosperity of a people and I have no doubt that we have in Pakistan a nation of industrious and determined people whose past traditions have already distinguished them in the field of human achievement".[9]

Element (3) is the principle of equality of opportunities to prevent inequality from building up. Here, the key issue is education for all citizens. In a well-argued paper, Dr Pervez Tahir shows the importance

that Jinnah gave to universal primary and elementary education in independent Pakistan. Furthermore, Dr Tahir rightly highlights an important feature of Jinnah's view of education: his emphasis on the education of women.[10] Former Prime Minister, Mohtarma Benazir Bhutto, in the context of women's education, eloquently argued the importance for Jinnah of women in nation building and development of Pakistan.[11] She quotes Jinnah: "In the great task of building the nation and maintaining its solidarity, women have a most valuable part to play as the prime architects of the character of the youth that constitutes its backbone, not merely in their own homes but by helping their less fortunate sisters outside in that great task."[12]

We would suggest that, for Jinnah, during the colonial period, the people were deprived of an education which could enlighten them and nurture their creative and professional capabilities. This had been a means of colonising the mind. In the period after independence Jinnah felt that the youth should break out of this colonised mind set. In his speech at the Dacca University convocation on 24th March 1948, Jinnah argued: "...the main object of the old system of education and the system of government existing, hitherto, was really to have well trained, well equipped clerks..."[13]

Jinnah's statements suggest that he regarded education as a means of development and an element in nation building. He also considered education as a mode of the decolonisation of consciousness. Education for him was thus a key feature of human liberation.

Regarding element (3), Jinnah made a powerful plea against exploitation, and considered it the very antithesis of the idea of Pakistan: "There are millions and millions of our people who hardly get one meal a day. Is this civilisation? Is this the aim of Pakistan? Do you visualise that millions have been exploited and cannot get one meal a day! If that is the idea of Pakistan, I would not have it."[14] These are not the words of a lawyer who, with an imperturbable demeanour and cold logic would demolish in court, the case of his protagonist. Rather these passionate utterances, in their tone and tenor, signify a profound humanity rooted in the deepest level of his consciousness. At that level as we have argued in chapter 3, the individual becomes aware of the collective unconscious that resonates with the memories of a people living through history.

1.2 A vision negated

It is ironic that in the actual formulation of Pakistan's economic

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policy, each of the elements of Jinnah's vision were set aside. An economic model was adopted which instead of aiming at national independence, reinforced the structure of neo-colonial dependence; instead of equality, it was inequality that was systematically generated; instead of placing the deprived sections of society at the centre of the growth process, it was the elite that was made both the subjects as well as the beneficiaries of growth. They amassed huge fortunes, while a large proportion of the population suffered from poverty, food insecurity, child malnutrition, illiteracy and disease. In this chapter we will examine the economic policies in various periods and show how such a human condition occurred. In Chapter 11, we will weave together the various elements of Jinnah's vision and based on new research, articulate the institutional framework for a new economic strategy for building a human economy.

1.3 The dialectic of Pakistan's political economy

The Military-Bureaucratic elite undertook the task of state building from the 1950s onwards. Given their training and organisational culture, there was a proclivity in the ruling elites to be politically aligned with Western imperialism. Within Pakistan's geo-strategic location, there was also an external pressure to do so in a post war world divided between the rising power of the Soviet Union and the imperialist countries. Pakistan gradually began to be drawn into politico-military alliances formed by the US, such as SEATO and CENTO, with accompanying supply of American weapons and training for the military. Thus, the newly independent country got locked into political and military dependence on the West, as it became part of their military perimeter covering the southern flank of the Soviet Union.

These political alignments were accompanied by lucrative economic inducements, as economic aid flowed in, including critically needed food aid from the US (in the form of the PL 480 food support program). It is not surprising that the ruling elites set aside the difficult task of building a people-centred independent economy envisaged by Jinnah. Instead, the institutional structure inherited from the colonial period was retained and further developed to generate rents for the domestic elite coalition. Economic growth was driven primarily by foreign aid and imported technology rather than by mobilising domestic financial, natural and human resources.

The New Institutional Economics (NIE) makes two propositions

in the context of our present discussion: First, the fundamental determinant of economic performance is the institutional structure of the economy.[15] Second, the primary distinguishing feature between developed and underdeveloped countries is that the developed countries which have an "efficient"[16] institutional structure are able to achieve sustained growth in per capita incomes, while the underdeveloped countries which have an "inefficient" institutional structure, are unable to do so.[17] This does not mean that underdeveloped economies do not grow, they do. But growth occurs only in brief spurts followed by periods of stagnation or even negative per capita income growth, thereby largely neutralising the gains made during the high growth period. Hence, a substantial improvement in the material conditions of the people over the long run is precluded, and poverty becomes endemic. We will show in this and the ensuing chapter that Pakistan is a typical case of such an economy. It has an inefficient institutional structure and is unable to achieve growth sustainability.

The incidence of poverty tends to be higher for given rates of growth, if there is economic inequality. Now, unequal income distribution is also a structural feature of a rent-based economy like that of Pakistan, wherein the economic surpluses that the working classes generate are systematically appropriated in the form of both profits and rents by the elites. The incidence of poverty may decline over time through the "trickle down" effect of growth and through government redistributive policies. However, given the rather slow long-term growth of per capita income of such an economy and the consequent financial constraints of government to engage in large scale redistributive policies, mass poverty tends to persist.

The dialectic of political economy in Pakistan is that precisely because the economic growth is restrained, the dynamics of political power tend to get amplified over time. The economic contradiction that fuels institutional instability is that the total size of the rental cake does not increase sufficiently while the ruling elites aspiring for the life styles of Western elites strive to increase the magnitude of rents accruing to each. This creates the tendency to leverage power to increase the *share* of the cake by each faction of the elite coalition. The consequent instability in the power structure increases the amplitude of institutional instability. In this and the subsequent chapter we will trace the phenomenon of growth unsustainability, the factors underlying this phenomenon, its implications for institutional instability and the dynamics of power.

2. Pakistan's Economy in the 1950s: The Economic Consequences of a Rent-based Institutional Structure

2.1 Managing migration and reconstructing the economy

The architecture of Pakistan's economy as much as the underlying power structure at the inception stage was shaped by two imperatives: (a) controlling the chaos of mass migration in the years immediately after partition. The state in the process of formation faced the formidable challenge of settling millions of refugees (10 percent of the population), who had streamed across the border from India amidst widespread communal violence. (b) Reconstructing the economic infrastructure and mobilising the socio-economic forces to set the economy in motion: this was necessary to provide food, employment and at least the minimum services through which the state could establish its legitimacy and maintain order in society.

At this time, it was the civil service together with the military that had the requisite skills and organisation to manage the migration and settlement of refugees. The military attempted to provide protection to them during their movement across the border and later as they huddled in temporary camps near the border. The civil service like the military had inherited the organisational strength, the formal rules of functioning and the associated norms from the British period. This bureaucracy performed the herculean task of managing the after effects of partition quite successfully. However, the institutional mechanism of accountability to a political authority after partition was rather weak if not non-existent. Consequently, the civil servants had considerable discretionary powers and ability to arbitrarily bend the rules in individual cases regarding the granting of ownership rights over evacuee property.

2.2 The main form of rent in the first decade after partition

The rule that incoming migrants would be granted evacuee property equivalent in value to their property abandoned in India was not always observed with rigour. Many migrants acquired substantially greater value of property than the rules stipulated: in some cases, they got lucrative commercial property on the basis of inadequately documented or even false claims. This phenomenon constituted the principal form of rent in the first decade after partition. This form of rent to favoured individuals was possible because of the institutional

imbalance within the state structure which enabled the bureaucracy to enjoy disproportionate power.

The asset base of this form of rent was constituted by the large proportion of fixed assets (land, buildings, shops, factories) that were owned by Hindu or Sikh citizens of undivided India in urban as well as rural areas of the new State. These properties were abandoned when their owners fled to India with the outbreak of large-scale communal rioting at the time of partition. The abandoned properties were taken over by the government and then distributed to selected Muslim claimants either as compensation for property presumed to have been abandoned in India (in the case of migrants) or as 'disputed' property (in the case of locals).

In this way, substantial properties in commercial as well as residential localities in the urban areas and cultivated lands in the rural areas were acquired by individuals who had privileged access over the government. According to Schectman, using data provided by the Indian Ministry of Rehabilitation, non-Muslim refugees from Pakistan during partition vacated eight million acres of land just in West Punjab. Additionally, vast lands were abandoned by non-Muslims fleeing to India from the provinces of Sindh, North West Frontier Province (now Khyber Pakhtunkhwa), Baluchistan and the districts of Bahawalpur and Khairpur. Apart from agriculture land, other fixed assets in urban areas were also left behind by non-Muslims in Pakistan, such as houses, factories, machinery and industrial raw materials.[18]

Such was the magnitude of evacuee property that it became the basis of the emergence of new elite factions in the early post-independence period: these included *nouveau riche* land owners, refugee officials in the administration and local politicians who in many cases had misappropriated evacuee property through their connections with powerful government personnel in the new state. Ilyas Chattha has estimated that about two million acres of abandoned agriculture land was "unauthorisedly held" in the Punjab province of Pakistan by refugees who had fled from India and Rupees three billion worth of moveable goods had been misappropriated by them.[19] There are reports of similar illegal appropriation in Sindh, as overstretched provincial governments struggled to resettle and rehabilitate millions of refugees in a situation of weak institutional controls over government officials.[20]

The unilateral grant (whether legal or illegal) by the State to

selected citizens of these huge properties, constituted possibly the largest magnitude of rent since the land grants associated with the establishment of the new irrigation system during the Raj.

2.3 Infrastructure development as a prelude to growth

As the refugees were settled, the government mindful of the imperative of securing adequate food output for the people began to focus on repairing the rural irrigation infrastructure (wells, water courses, protective embankments of canals) that had been damaged during the violence and mass migration following partition. At the same time the government invested in power and communications.[21] These initiatives laid the basis of the growth spurt that followed. They also established the civil service as a key element in determining the institutional basis of the growth process.

2.4 Rent-based institutional structure for the emerging industry[22]

The civil service saw itself as the principal architect of the economy because of its dominant position in the power structure (along with the military), and also its key position in the organisational structure responsible for formulating and implementing public policy. Furthermore, there were very few private enterprises in industrial, banking and commercial sectors at this stage.[23] Accordingly, the civil service undertook import substitution industrialisation in the consumer goods sector through nurturing private enterprise. This was based on a policy of providing rents as a means of inducing a few trading groups to become industrialists.

The policy instruments for generating rents as an incentive mechanism for private industry included import protection through import duties and taxes, direct subsidies on exports and cheap credit. Perhaps the most important form of rent for the nascent industrial elite arose out of the government control of scarce foreign exchange. Private investment in the large-scale manufacturing industry required import of capital goods, intermediate goods and in many cases, raw materials. The government could restrict competition in favour of selected entrepreneurs through the policy of import licensing and granting indirect subsidies through an over-valued exchange rate. Therefore, the government was able to select the beneficiaries as well as determine the magnitude of these forms of rent.

Initially after Partition, with the exit of Hindu and British traders, a number of Muslim traders were able to expand rapidly.[24] Subsequently

in the early 1950s, the Korean boom created opportunities for windfall profits through the reinvestment of which, some of the Muslim trading families were able to establish large scale trading enterprises. With the end of the Korean boom, shortages of foreign exchange emerged which obliged the government to place restrictions on imports. This created disincentives for traders to continue with their import businesses. At the same time powerful incentives (indicated above) were created by the government to invest in industry. Accordingly, in this new institutional environment the disincentive/incentive mechanism induced large traders to begin investing in industry. Those who did, earned high returns on their investment. The trading groups which responded to the new policies and became industrialists, came from communities such as the Memons, Chiniotis, Dawoodi Bohras and Khoja Ismailis.[25] Gustav Papanek in his important study, on the basis of interviews and balance sheets, has estimated that in the period 1947-57, total returns on investment were as high as 20.3 percent, though they declined subsequently.[26]

2.5 Growth instability, inequality and the structural constraints to sustainability

During the period 1947-59, while modern manufacturing grew rapidly from a small base, the overall economic growth was less than 3 percent annually. This was because agriculture which had a predominant weight in GDP, stagnated with a growth rate below the population growth rate during the period. Not only did stagnating agriculture pull down the economic growth rate, it also induced both instability and inequality in the growth process.

In these early years a structural constraint to sustaining growth emerged that was to recur in the next six decades of Pakistan's economic history: Exports, which were mainly based on primary goods and low value-added agriculture-based manufactures, could not keep pace with the import requirements of a rapidly growing manufacturing sector. So, a balance of payments crisis occurred. Industrial growth after an initial spurt, slowed down in the late 1950s, under balance of payments pressures and food inflation. The latter was generated by declining per capita food output on the one hand and rising consumer demand in the urban sector on the other. The problem of inadequate food availability was exacerbated by floods and poor harvests. This obliged the government to appeal to the US for emergency food assistance.

Between the years 1947-50, investment was largely financed by drawing down foreign exchange reserves. However, in the early 1950s, during the brief spurt in manufacturing, investment was financed from the large profits in trade and industry. But after the mid-1950s savings stagnated again as did overall per capita income. Thus, inadequate domestic savings, shortages of food and foreign exchange became fetters to sustaining economic growth. In these circumstances the view that foreign aid is necessary for economic growth gained currency amongst policy makers in Pakistan.[27]

Sectoral growth during the 1950s was uneven with high growth in manufacturing and stagnation in agriculture. It is not surprising, therefore, that there was increasing income inequality between the urban classes on the one hand and the poor peasantry on the other. The traders, capitalists, professional managers and civil servants in the urban areas were enriched, while small farmers and the landless peasants, who together constituted the majority of the rural population, were impoverished. At the same time the internal terms of trade declined against agriculture as prices of manufactured goods rose faster than the prices of agriculture goods during the period 1951 to 1954. For example, the price index of the manufacturing sector in West Pakistan increased from 108.62 in 1951 to 112 in 1954, while the price index of the agriculture sector declined from 97.39 to 91.41 over the same period. Consequently, there was a relative decline in the real income of the farmers, particularly those small farmers who were net sellers of grain.[28] In the second half of the decade of the 1950s however, the internal terms of trade shifted in favour of agriculture as industrial growth picked up and relative prices fell. Nevertheless, the terms of trade farmers received were less than two-thirds of what they could have if they were allowed to trade directly in world markets.[29]

2.6 Regional economic disparity

We have argued in the preceding section 2, that economic growth within a rent-based institutional structure was subject to instability, aid dependence and inter-personal inequality. In this section we will show that such a growth process also generated acute inter-regional economic disparity. In a situation where the political power structure was dominated by the West Pakistani elites, economic policy making as much as market forces, served to rapidly increase the economic disparity between East and West Pakistan. The people of East Pakistan, in spite of constituting the majority of Pakistan's

population had a relatively insignificant representation in the civil service which played a dominant role in the design of economic policy and allocation of public resources. This had a significant effect on increasing economic disparity between East and West Pakistan in the two decades after independence.

Both East and West Pakistan had very little industry to begin with, since both regions in the pre-partition period were hinterlands producing raw materials for the industry of the more developed regions of the sub-continent of India. However, whatever little industry there was at the time of independence in the Pakistan area was concentrated in the Western wing. For example, out of total private industrial firms belonging to Muslim families, 90 percent were located in West Pakistan and only 3.5 percent in East Pakistan. Even these few were mostly small-scale enterprises.[30]

As Pakistan adopted a strategy of import substitution industrialisation, the industrial sector became the leading edge of economic growth. In the decade of the 1950s, since the Central government made little attempt to rectify the initial gap in the level of industrial output between East and West Pakistan, this gap widened further. So, for example the percentage of the labour force employed in industry actually declined in East Pakistan, from 6.6 percent in 1951 to 6.0 percent in 1961, while it increased substantially in West Pakistan from 11.6 percent to 20.2 percent over the same period. Thus, measured in terms of this index, Griffin and Khan have suggested that East Pakistan failed to industrialise while West Pakistan achieved a relatively rapid rate of industrialisation over the period. The disparity in terms of industrial growth resulted in a sharp increase in income disparity between West and East Pakistan. Starting with a per capita index of 100 in 1951/52, by 1961/62 per capita income in West Pakistan had increased to 125, while it had declined to 96 in East Pakistan.[31]

Underlying the East-West disparities in income and industrial development was the structure of dependence within which the eastern wing of the country was placed. This was also manifested by the fact that per capita availability of some of the key items of daily use, including those that were produced in East Pakistan, was higher in West compared to East Pakistan. These disparities widened over time. Professor Sobhan, an eminent economist of South Asia, shows for example, that in the case of tea, which East Pakistan actually exported to West Pakistan, the per capita annual availability of tea in 1951-52 was higher in West Pakistan at 0.5 lbs. per capita, compared

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to only 0.1 lbs. per capita in East Pakistan. The disparity in tea availability increased by 1959-60 to 1.0 lbs. per capita in West Pakistan, compared to only 0.1 lbs. per capita in East Pakistan; the per capita availability of paper, another export from East to West Pakistan was 0.5 lbs. per capita in West Pakistan in 1951-52, compared 0.2 in East Pakistan. The disparity in this case also, increased so that by 1959-60, per capita availability of paper in West Pakistan had increased to 1.4 lbs. compared to 0.3 lbs. in East Pakistan. Finally, electricity availability which is an indicator of living standards, as well as the level of industrialisation, was 8.6 Kwh per capita in West Pakistan in 1951-52 compared to 0.5 Kwh in East Pakistan. This large gap increased rapidly by 1959-60 to 28.8 Kwh per capita in West Pakistan compared to 1.6 Kwh. in East Pakistan.[32]

During the decade of the 1950s, an institutional structure of politics that engendered political exclusion of the people of East Pakistan, combined with the process of their economic exclusion. Consequently, there was an increase in regional economic disparity and an associated build-up of grievances amongst the people of East Pakistan. This created the material basis for the development of Bengali nationalism to a point where it came into confrontation with the Pakistani state (see chapter 4, for a detailed discussion of the political dynamics that led to Civil War and the emergence of Bangladesh).

3. A Rent-based Institutional Framework: Growth based on Inequality, 1958-1968

When General Ayub Khan took over power through a military coup, two central ideas formed the basis of his mode of governance and economic policy. The first was President Khan's conviction that the civil service could play an important role in effective governance within a centralised state structure. He formed personal relationships with and gave major responsibilities to run governance, on behalf of the President, to bright young civil servants. These included Roedad Khan, Altaf Gauhar and Ghulam Ishaq Khan. In the political system that President Ayub Khan constructed, while the bureaucracy ran political and economic affairs, the scope of parliamentary legislation was severely restricted. Even within the constrained space of Parliament, President Ayub could unilaterally veto any legislation. The national Parliament consisted of union councillors (called "Basic Democrats") who were elected by an electoral college from 80,000 constituencies

with the candidates selected by the bureaucracy. State resources were disbursed by the bureaucracy to the "Basic Democrats" for fulfilling social and economic functions within their constituencies. Thus, a rent-based patron-client relationship was established between government and the elected members of Parliament.

The centralised system of essentially authoritarian rule, behind a thin façade of democracy, used state power against political struggles of the working classes for their rights. Zafar Shaheed, in his landmark study on the labour movement in Pakistan, has documented industrial action and coercion against workers by government since the 1950s.[33] The Ayub government also repeatedly attempted to suppress dissent amongst intellectuals, writers and artists while systematically muzzling the press.

The second idea was in the economic domain. Ayub Khan wished to embark on a process of rapid economic growth by inducing the trading elite to become industrialists. He appointed Dr Mahbub-ul-Haq as Deputy Chairman of the Planning Commission to craft an economic strategy to achieve this aim. The dominant ideas in mainstream economics at that time were that rapid growth required a policy of making the rich richer because it was thought that only the rich can save and invest.[34] The fear of some that continued economic inequalities could create social and political tensions were put to rest, albeit temporarily, by the 1955 paper of Nobel Laureate, Simon Kuznets.[35] He argued that during the growth process, initially economic inequality would increase, but as growth proceeded, market forces would bring about, first a flattening of the inequality curve and then reduce inequality. Six decades later, Thomas Piketty, in his seminal empirical work, overturned the Kuznets thesis by showing that in the market-based system, there is a long run tendency for inequality of both income and wealth to increase, unless this tendency is countered through policy intervention.[36] However, for half a century since the mid-1950s, the view of Simon Kuznets held sway.

Pakistan's policymakers assiduously followed the conventional Western view of the time.[37] Inequality was built into the design of a high growth strategy. So, a policy of redistribution of income from the poor to the rich was deliberately undertaken on the assumption that this would maximise savings and hence investment and GDP growth. The Third Five Year Plan (1965-70) document makes this explicit: "First it is clear that distribution of national product should be such as to favour the saving sector".[38] This policy perspective incorporated

the doctrine of "functional inequality" formulated in Dr Haq's earlier influential book: "There exists therefore, a functional justification for inequality of income if this raises production for all and not consumption for a few. The road to eventual equalities may inevitably lie through initial inequalities."[39]

Economic policy of the Ayub government aimed to achieve high growth through import substitution industrialisation. This policy was based on providing rents, so as to incentivise the big traders to direct the profits they had earned from the Korean boom into the consumer goods manufacturing sector. The financial incentives that the government provided for traders to become industrialists included subsidised credit made available by semi-autonomous financing agencies such as the IDBP and PICIC. There were also indirect subsidies such as an overvalued exchange rate together with a licensing system. Within this framework, selected entrepreneurs, who were able to acquire the license to set up industries, were permitted to import machinery and industrial raw materials by paying fewer rupees per dollar of imports than they would have had to pay at the market-based exchange rate. Apart from this subsidy, those manufacturers who could export received Bonus Vouchers equivalent to a specific percentage of the foreign exchange they had earned. The Vouchers could be sold in the market to importers who did not have a license to import at the official exchange rate for a price between 150-180 percent above the face value of the Voucher. Thus exporters, apart from the Rupee revenues they earned from exports, got an additional premium through sale of the Bonus Vouchers. Manufacturers of consumer goods also got tariff protection together with direct control on the import of competing goods. Consequently, the average rate of effective protection reached 271 percent by 1963-64, though it fell to 125 percent in 1968-69.[40]

The huge magnitude of rents in the form of subsidised credit, over-valued exchange rate, the Bonus Voucher scheme and protection from foreign competition did help to make capitalists out of traders. However, these capitalists, protected from competition and brought up on rents, lacked incentives for efficiency, productivity increase and innovation. It is not surprising therefore that Soligo and Stern[41] discovered that during the 1960s, Pakistan's main industries were earning negative value added when their input costs as well as output value were measured in international prices. Thus, the institutional framework within which the industrial elite emerged was such that

they could make large rupee profits from the domestic market without the competitive pressure to improve efficiency and quality necessary for building a substantial export capability.

The economic strategy of concentrating incomes into the hands of the rich certainly succeeded, but the assumption that the rich would save enough to finance high growth did not prove to be valid.

Though savings did not increase significantly, industrial concentration did. By the end of the 1960s, there was a high degree of concentration of industrial assets. Professor Rashid Amjad[42] in his outstanding study has shown that amongst private domestic companies, 44 family based "monopoly houses" controlled 80 percent of the total assets of companies listed on the Karachi Stock Exchange (K.S.E.). Professor Amjad shows that there was even greater concentration if we consider the top 18 "monopoly houses" which controlled 60 percent of the assets of all private domestic companies listed in the K.S.E. This high degree of industrial concentration was facilitated by the fact that some of the banks were controlled by the monopoly houses and had influence over P.I.C.I.C., which disbursed much of foreign aid to the local industry.[43] It is not surprising therefore, that if banks incorporated abroad and the state controlled National Bank of Pakistan are excluded, then the monopoly houses controlled 84 percent of all loans and advances made by private banks in 1970.[44]

In an incisive observation, Professor Amjad suggests that the 'monopoly houses" in Pakistan were different from the dynamic large corporations in the advanced capitalist countries in three ways: first, while in the large corporation ownership is separated from control, the monopoly houses of Pakistan are tightly controlled by the family. Second, the large corporation is an organisationally and financially integrated unit, but the monopoly house is broken up into separate legal entities. Third, the monopoly houses having emerged from their background as traders during the Korean boom, retain their trading businesses.

It can be argued that the implication of ownership being combined with decision-making control in the same family is that unlike a large corporation run by professional management, in a monopoly house, efficiency, innovation and growth is limited by the abilities of family members as well as by rivalries between them. Similarly, the breaking up of the monopoly house into legally separate companies, often to accommodate the interests of individual family members to have sole control over a firm, can induce inefficiency. Such an

organisational structure tends to constrain the monopoly house as a whole to take advantage of economies of scale and use modern management techniques in the process of organisational expansion. This is one of the reasons the large monopoly houses have in many cases failed to innovate and increase efficiency to reach international competitiveness. They have consequently continued to seek rents from the government. These micro-economic factors may also underlie the failure of Pakistan's export structure to diversify into high value-added goods.

The macro level rent-based institutional environment combined with the micro level institutional features within the firm, were important factors underlying industrial inefficiency and lack of export dynamism. Our analysis above shows that despite the high degree of concentration in manufacturing industry, the economic gains for the country, of large size, in terms of efficiency, investment, risk, innovation, and export diversification did not occur. At the same time even though the rich were quickly made very rich, they failed to save adequately. The savings rate did not go beyond 12 percent of GDP when the target savings rate was 24 percent if sustained annual GDP growth of 6 percent was to be achieved.[45]

The resources transferred to the industrialists from the agriculture sector, instead of serving to finance industrialisation, were largely wasted. As the internal terms of trade between agriculture and industry moved in favour of the latter, 15 percent of the resources annually generated in the rural sector were transferred to urban industrialists. But contrary to the assumptions of government policy, 63 to 85 percent of these transferred resources went into increased consumption by the industrial elite.[46] It is clear that an institutional structure that restricts competition cannot be expected to produce the thrifty and innovative 'captains of industry' that had emerged in Britain after the Industrial Revolution in the late eighteenth century. By contrast, Pakistan's elites, rooted in feudal culture, indulged in ostentatious consumption which they considered to be an emblem of their power and status.

As a monopolistic industrial class was being enriched through rents and surpluses extracted from agriculture, the majority of Pakistan's population was impoverished. By 1969-70, in the rural sector, where the majority of Pakistan's population lived, as many as 59.7 percent of the rural population was living below the poverty line while in the urban areas 58.7 percent of the population was living

below the poverty line.[47] During the same period, the per capita food grain consumption of 60 percent of Pakistan's urban population suffered an absolute decline from an index of 100 in 1963-64 to 96.1 in 1969-70. The decline was even greater in the case of 60 percent of the rural population where per capita consumption of food grain declined from an index of 100 in 1963-64 to only 91 in 1969-70.[48] Similarly, while the owners of industry flourished, the industrial workers suffered a 25 percent decline in their real wages.[49]

We have estimated the magnitude of rents provided to Pakistan's industrialists in 1963-64. The total rent (excluding direct subsidies) amounted to as much as 26 percent of GDP in that year.[50] This figure consists of two components of rent: (a) the rent provided to industry through the device of protection, i.e. effective rate of protection; (b) the rent provided to industry through an over-valued exchange rate which made imported inputs for industry cheaper than they would have been if the same inputs had been imported at the market exchange rate. These new forms of rent reinforced the tendency of elites since the colonial period to enrich themselves through government patronage rather than by taking risks in entrepreneurship, hard work and innovation.

As in the case of industry, distribution of asset ownership in the agriculture sector was also highly unequal. Our estimates show that in 1972, as much as 30 percent of the farm area was owned by large landowners (ownership holdings of 150 acres and above).[51] The agrarian structure historically was characterised by large landowners renting out much of their land to medium and small-sized tenants (tenants operating below 25 acres of land). Within this agrarian structure, when the 'Green Revolution', technology became available, the large landowners found it profitable to resume some of their land from tenants for owner-cultivation on large farms using hired labour. They began investing in the new HYV seeds, chemical fertilisers and pesticides together with private tube wells and farm mechanisation.

Our Doctoral study shows that the land resumption from medium and small-sized tenants resulted in the economic polarisation of rural society[52]. So, while the incomes of landlords increased, those of the poor peasantry declined relatively, as they suffered a reduction in their operated land and, in many cases became landless.[53] Our estimates show that land resumption by the landlords during the period 1960-78 resulted in 0.8 million tenants becoming landless wage labourers.[54]

The new Capitalism in agriculture involved restructuring the traditional feudal production relationships in the service of capital. For example, some but not all of the land was resumed from the medium-sized tenants (7 to 25 acres holdings). This left many of the tenants with less than the critical amount of land for subsistence, forcing them to both borrow from as well as work as wage labourers on the landlord's owner cultivated land on a part-time basis. Thus, the landlords acquired a tied source of labour supply for the owner cultivated part of their landholding. As the land operated by the poor peasants was reduced, the consequent widespread phenomenon of tenant indebtedness gave an additional leverage to the landlord over the tenant. What further reinforced the extra-economic power of the landlords was their ability to deploy localised state power against their tenants. So, when they were hired on the landlord's farm these tenant-labourers often received less than the market wage rate.[55] The largest landlords not only got a ready supply of cheap labour but also further increased farm incomes through their control over the local markets for agriculture inputs as well as outputs.[56]

Our subsequent post-doctoral research showed that the asymmetric power mediated local markets to create a situation where the landlords paid a lower price for their inputs and got a higher price for their output, compared to small farmers. Consequently, the poor peasants lost as much as one third of their income due to the institutional structure within which they inter-faced with local state officials as well as markets.[57] Thus, within the prevailing institutional structure, the emergence of Capitalism in agriculture was accompanied not by freedom of the peasantry, as in the West, but rather, even greater economic dependence, an increased rate of exploitation of this already downtrodden class, and a further decline in their consumption.

Our analysis suggests that the rent-based institutional structure in industry, established by the Ayub government, not only engendered growing economic inequality, but also played an important role in restricting the diversification of the export structure towards high value-added goods. The consequent slow growth in exports led to an increase in foreign borrowing, which rose from USD 373 million in 1950-55 to USD 2,701 million in 1965-70. Consequently, the debt servicing burden increased sharply. Debt servicing as a percentage of foreign exchange earnings increased from only 4.2 percent in 1960-61 to 34.5 percent by 1971-72. The structural constraints to rapid

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export growth that emerged during the Ayub period persisted and the consequent recurring balance of payments crises made growth unsustainable in the ensuing decades.

During the same period, the emergence of Capitalism in agriculture following the "Green Revolution", with the rural power structure unchanged, served to further enrich the landlords, but brought new mechanisms of poverty for the peasantry. Thus, the economic architecture that was shaped during the Ayub period had three structural tendencies: an inability to sustain economic growth, growing inequality, and aid dependence. These structural features can be said to be amongst the defining elements of underdevelopment. Successive governments failed to address them over the next half century.

The process of acute inter-personal and inter-regional economic inequality, combined with political repression, ignited a revolt in both West and East Pakistan. The very political system within which the unequal economic growth had taken place was overthrown in March 1969. Two years later in December 1971, the State itself was ruptured. The process of political and economic exclusion of the people of East Pakistan that had begun in the 1950s and continued systematically in the 1960s, culminated in the secession of the majority of its people from the state of Pakistan. (For a detailed discussion of this political process that led to the emergence of Bangladesh as an independent state, see chapter 4.)

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6

Democracy, Dictatorship and the Emergence of Militant Extremism

In this chapter we discuss how Ayub Khan's policies unleashed a passionate resistance against dictatorship, bringing to the surface the demand for social justice and freedom. Mr Zulfiqar Ali Bhutto took leadership of this mass movement by articulating a socialist program and bringing together left-wing middle-class intellectuals, the industrial working class and the peasantry.

We begin in section 1, by showing how the anti-Ayub movement in West Pakistan and the rise of Bhutto, manifested the deep-seated collective consciousness against social injustice and oppression. During this movement, we show how poetry, myths and legends of the past became a powerful mobilising force to bring change in the present. We then analyse the economics and politics of the Bhutto period. We argue that Bhutto's nationalisation program was socialist in form, but actually enlarged the domain of rent generation for the ruling elite. We show how Mr Bhutto's economic and political policies created a situation where some of the very social forces that had catapulted Mr Bhutto into power, turned against him.

We conclude this section by pointing out that whatever his faults, Mr Bhutto left a lasting political legacy: He had rekindled in the consciousness of the downtrodden, a sense of dignity and an awareness that they were the source of political power and a moving force in history.

In section 2, we analyse the nature of the Zia coup, how he mauled the Constitution and how the Supreme Court once again failed to adjudicate these actions without fear or favour. We discuss how the superior judiciary was not only unable to defend the Constitution but was complicit in the judicial murder of its architect, Prime Minister Zulfiqar Ali Bhutto. We analyse the use of armed militant groups for the war without and the social and political consequences for Pakistan, within. The section ends with an analysis of the economics of Zia's political strategy. We show how economic policy during this

period reinforced the pattern of unstable growth, recurrent balance of payments crises and continued aid dependence.

1. Consciousness, Politics, and Economics in the Z. A. Bhutto Period

1.1 The anti-Ayub movement, resurgence of the consciousness against dictatorship and the rise of Z. A. Bhutto

The mass movement against the Ayub government began when a number of students in a Rawalpindi polytechnic institute, who had come out in a peaceful protest, were killed by police bullets. The news spread like wild fire in the colleges of Lahore. Students from Government College Lahore spontaneously came out onto the Mall Road and were soon joined by their fellow students from nearby Islamia College, Hailey College of Commerce and the Law College. By the time the protesters reached Charing Cross their ranks had swelled, as ordinary citizens from the side streets, caught up in the atmosphere of anger and outrage, joined them. The police launched an attack with batons, followed by tear gas and later opened fire with rifles. A number of students fell to the ground in pools of blood. There was no stopping the movement now. It soon spread to most cities and even small towns of West Pakistan, as industrial workers organised by trade unions and peasants organised by left-wing parties such as the Mazdoor-Kisan Party (MKP), entered the movement.

The grievances of economic deprivation and political repression, built up over a decade, exploded on the streets as the government was busy celebrating its "Decade of Reforms". The celebratory drum beats of this festival of "Basic Democrats" were juxtaposed with slogans of "Nahin Chale Gi Nahin Chale Gi, Lathi Goli Ki Sarkar, Nahin Chale Gi" (It won't stand, will not stand, the government of the baton and the bullet, will not stand). The green turbans of the official drum beaters contrasted with the blood of martyrs on the Mall. These metaphors were seared into the collective memory of the people.

As the mass movement against President Ayub Khan continued, the poetry of great contemporary poets added depth to the consciousness of resistance against authoritarian rule. The poetry of Habib Jalib, Faiz Ahmed Faiz and occasionally Iqbal, was recited at emotionally charged public meetings across the land. In Gol Bagh opposite Government College, poets and intellectuals enlivened the

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historical consciousness of revolt against oppression and re-awakened the archetypal images of sacrifice for a just society. As Habib Jalib's poems of rebellion were recited by passionate speakers, the crowd in response repeated each line in chorus:

Deepp jis ka mahallaat mein jalle
Chand logoan ki khushion ko lay kar chale,
Woh jo saaae mein
Harr maslehat ke palle
Aise Dastoor ko, subh bae noor ko,
Mein nahin manta,
Mein nahin jaanta,

Habib Jalib

"He whose wick burns in palaces,
Who goes with the joys of a few,
Who is brought up in the shadow of every compromise,
Such a rule, such a morn without light,
I do not accept,
I do not recognise."

(Translated)

Faiz Ahmed Faiz recalled the archetypal image of rebellion as love, which connected the heroes of the present with those in folklore, Ranjha, Dulla Bhatti, Bhagat Singh:

Garr baazi ishq ki baazi hai,
Jo chaho laga do darr kaisa,
Garr jeet gai tau kya kahne,
Haare bhi tau baazi maat nahin

Faiz Ahmed Faiz

If the challenge is the challenge of love,
Then put everything into it, why fear,
If you win, it is an achievement beyond words,
If you lose, even then you are not defeated

(Translated)

In the same vein, Faiz's famous verse shone a light of hope, in the darkest hour of President Ayub Khan's oppression. It resonated the incandescent silences of the people:

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Hum dekhain ge,
Laazam hai ke hum bhi dekhain ge,
Woh dinn ke jiss ka waada hai,
Jo loh e azal pe likha hai,
Hum dekhain ge

Faiz Ahmed Faiz

"We shall witness,
It is certain that we shall witness,
That promised day
that is writ on the tablet of eternity,
We shall witness".

(Translated)

The increased exploitation of the poor peasantry that accompanied the Green Revolution and the resultant increase in rural inequality was palpable to many of the protesters who came from rural areas. It is this exploitation that Iqbal had given a call against. That is why Iqbal's fiery couplet was often recited in public meetings along with the poetry of Jalib and Faiz:

Jiss khaet se dehkaan ko muyassir ho nah rozi,
Uss khaet ke harr gosha e gandem ko jalaa do

Allama Muhammad Iqbal

The field from which the tiller cannot get a livelihood, Burn every nook where grows the grain.

(Translated)

Mian Ijaz ul Hasan, the legendary painter and left-wing activist, had borne the suffering of imprisonment in the infamous Mughal era dungeons of the Lahore fort during the 1960s. Mian Sahib's paintings are an integral part of his sensibility and politics. In his painting named Green revolution, Ali Majid, the brilliant art critic, suggests that the recurring image of the child in pain "bursts through the symbol of plenty", with some of the green leaves turning red in empathy.[1] Majid argues in the context of the painting, that underlying the apparent affluence of the Green Revolution is the reality of suffering. During a recent discussion with him, Mian Sahib observed with reference

to that painting, "The oppressed live in the dark shadow of the privileged".[2] It could be argued perhaps, that within the penumbra of that shadow lies the potential of Faiz's new day. Our Doctoral research afforded an opportunity in 1978, to live with and learn from the poor peasantry. During a conversation with an oppressed tenant of the local landlord, this potential was manifest. His remark evoked the hopes of the heady days of the late 1960s:

"Poora pind sukhi lakkarr da dhaerr ae,
sirf teeli laan di dair ae, tae agg lag jaye gi"

"The whole village is a stack of dry wood – only the match is needed to light the fire."[3]

(Translated)

Sensing the political possibilities that the anti-Ayub movement had opened up, Mr Bhutto, foreign Minister in Ayub's cabinet, resigned to emerge as the voice of the people, champion of a new socialist order. He founded the People's Party of Pakistan with the promise of the minimum necessities that people had been deprived of: "Roti, kapra aur makaan" (Food, Clothing and Shelter)." Mr Bhutto, through his radical rhetoric and socialist manifesto, tapped into the new political forces that had emerged during the movement against Ayub Khan's rule and quickly won a mass following in Punjab and Sindh.

The social base of the PPP initially, was constituted by the workers, peasants and the urban middle-class elements. These social classes sought a new economic and political system based on economic equality and the power of the people. As Zafar Shaheed in his pioneering study has shown, a number of left-wing radicals associated with the labour movement in West Pakistan joined the PPP and played an important role in mobilising electoral support for it in the 1970 elections. The socialist agenda of the PPP, and radical rhetoric of ZA Bhutto, fired the imagination and aspirations of the dispossessed classes. So, when in December 1971, the Bhutto government released left-wing activists earlier imprisoned by the Ayub government, these radicals promptly joined street demonstrations demanding political and economic rights of the working classes. Despite the announcement of a new Labour Policy by the Bhutto government in February 1972, the momentum of industrial action remained unabated. Amidst escalating pressure by workers on the Bhutto government to fulfil the promise for radical

change, a street confrontation took place. The police opened fire on the protestors in the industrial area of Karachi, on 7th. June 1972, killing three workers.[4] Their blood on the street testified the end of any hope that the Bhutto government would follow a socialist path.

As it became clear that the Bhutto government had diverged from its left-wing agenda, factions of the landlord class began to join the PPP. The landed elite correctly calculated that by aligning themselves with this new power, they would be better able to preserve their interests. This proved to be the thin edge of the wedge as landlords joined the People's Party in droves.

The antinomies of power had brought the radical middle-class elements to the fore in the pre-election period in order to win the support of the workers and peasants. But after the election, the landed elite won space as Mr Bhutto chose to practice politics within the existing power structure rather than pursue a socialist transformation. A purge of the radical elements followed, together with a rupturing of the nascent links with the worker-peasant base of the PPP. This set the stage for economic measures that were socialist in form but actually strengthened the existing rent-generating system of state patronage.

As Mr Bhutto sought to contain the demands of his worker-peasant and radical middle-class elements, he moved to refurbish and reconstitute the state apparatus. Two purges in quick succession were undertaken in the top echelons of the military on grounds that they had Bonapartist tendencies.[5] At the same time, he promoted General Zia-ul-Haq, who was considered a mediocrity professionally, yet had been made Army chief to supersede four other Generals. Underlying this decision was the mistaken assumption that General Zia would be beholden to him for an exceptional favour. Both the dismissal of top Generals and the appointment of General Zia-ul-Haq were part of his attempt to make the state apparatus, that was historically relatively autonomous of civilian government, amenable to his rule. The military, reeling from the blow in East Pakistan was refurbished and developed for national defence. At the same time, Mr Bhutto established special police and para-military forces, such as the FIA (Federal Investigation Agency) and FSF (Federal Security Force), under his direct control. This strengthening and extension of the state apparatus was done to prepare against what were seen as emerging threats to his government: These threats it was anticipated

could emanate from the ongoing Baloch insurrection, from political organisations to the left of the PPP and from those to the right of it.

The reconstruction and expansion of the state apparatus was done to enlarge Prime Minister Bhutto's domain of political power. However, these initiatives had substantial financial costs. Defence expenditure increased from 2.7 percent of GDP in 1965 to 6.7 percent of GDP by 1974-5. Over the same period General Administration expenditure increased from 1.1 percent to 1.8 percent of GDP.[6]

The large financial expenses on the state apparatus were an important factor in the subsequent widening of the budget deficit. The resultant fiscal constraints prevented the PPP from implementing its planned economic initiatives for consolidating its electoral base. Prime Minister Bhutto's earlier political initiatives were aimed at strengthening his power, but the subsequent economic consequences served to undermine it (see next sub-section, 4.2).

1.2 Continued rent-based structure through nationalisation, and economic performance during the Z. A. Bhutto government

The base of state patronage was widened first by nationalising (and thereby bringing into the domain of the public sector), 43 large industrial units in the capital and intermediate goods sectors. This was followed three years later by the nationalisation of medium and small-scale industrial units. While the nationalisation of large-scale units in the first stage hit the 'monopoly capitalists', the second phase of nationalisation hit the medium and small-scale entrepreneurs, who through their contribution to GDP and employment, had served to improve the distribution of incomes. So, nationalisation in this period could not be said to have been done on grounds of equity. Rather, this was an attempt to widen the resource base of the government for the traditional practice of constituting power through patronage.[7] The nationalised sector now provided jobs for party loyalists and favoured bureaucrats many inducted into the civil service through the new rule of "lateral entry". These appointees to lucrative management positions in the nationalised industries were not always distinguished for their professional competence. Consequently, as the public sector increased in size, its average productivity would be expected to decline. Indeed, many of the industrial units previously earning profits, after nationalisation began to suffer losses which had to be

financed by state revenues.

Table – 1

Investment, Savings, GDP Growth and the BOP Deficit

Period	GFCF as Percentage of GDP			Domestic Savings as percentage of GDP(Period Average)	Annual GDP Growth Rate (Period Average)	External Debt Stocks (Period Average) Current US$ Billion	External balance on goods and services (Period Average) Current US$ Billion
	Private	Public	Total				
1960–1973	8.21	7.26	15.5	-	6.26	-	-0.31
1973–1978	4.79	10.71	15.5	7.75	4.99	6.356	-0.86
1978–1988	7.1	9.66	16.8	6.75	6.6	12.36	-2.60
1988–1993	9.22	8.73	18	11.73	4.92	21.48	-2.04
1993–1998	9.32	7.36	16.7	13.69	3.14	29.05	-2.11
1998–2008	11.23	3.72	15	15.37	6.25*	36.48	-4.06
2008–2016	10.59	2.52	13.1	9.14	2.79	61.21	-15.33

For sources and notes see endnote[8]

As table 1 shows, overall investment as a percentage of GDP increased, mainly because of large investments in the public sector. Private sector investment as a percentage of GDP declined sharply but this was not only because of the adverse effect of nationalisation on investor expectations. The evidence presented by A.R. Kemal shows that investment had continuously declined since 1965. This could be due to, (a) Sharp reduction in foreign capital inflows after the 1965 war; (b) In the face of declining domestic demand, Pakistan's entrepreneurs could not take up the challenge of increasing exports due to their lack of export competitiveness, and (c) Failure to diversify into non-traditional, high value-added industrial exports whose global demand was growing rapidly.

It is significant that even though the overall investment/GDP ratio increased, GDP growth declined during the 1973-77 period. This indicates a decline in the productivity of investment. This is not surprising in view of the fact that inefficiency in the public sector was rampant since it was being used as a base for providing rents to party loyalists. Furthermore, investment productivity would also

tend to decline in a situation where an increased percentage of public investment was going into unproductive sectors such as defence and administration.

The budget deficit during the Bhutto period increased because revenues were restricted by the unproductive public sector while government expenditures were going up. The government tried to control the rising budget deficit through indirect taxation and reducing subsidies on consumption, but even these measures failed. To finance the growing budget deficit, the government resorted to monetary expansion which together with the subsidy withdrawal on consumer goods, only helped to accelerate the inflation rate.

The constrained fiscal space weakened the ability of the government to carry through its two flagship programs to benefit the urban youth and the rural poor: (a) the National Development Volunteer Programme (NDVP) to provide employment to the educated unemployed in urban areas and (b) the People's Works Programme to initiate labour intensive rural infrastructure projects aimed at providing employment to the rural poor. Both programmes were marginalised due to financial constraints.[9]

The slow-down in GDP growth, lack of fiscal space and high inflation combined to erode the political support of the Bhutto government. Economic stagnation combined with the cessation of the two government employment generation programmes increased unemployment in the urban areas and perpetuated poverty in the rural areas. The high inflation rate during a government that could neither alleviate rural poverty nor provide employment to the urban youth, created a sense of betrayal in Mr Bhutto's constituency. This reinforced the resentment amongst the middle classes that had been induced by the nationalisation in 1976 of the small and medium-sized food processing units. Consequently, the very social classes in the towns and cities who had played a key role in bringing Bhutto into power, now joined the PNA[10] street demonstrations that led to his downfall.

Even at the moment of dismissal of Prime Minister Bhutto's government, two of his achievements were widely recognised as his historical legacy. First, Mr Bhutto's political narrative and the language of mass mobilisation imparted a new awareness that: The people are the source of power as also the arbiters of legitimacy of a political order. The poor peasantry and the working classes who had

historically been treated with disdain by the ruling elites, were in Mr Bhutto's political style made to feel a new dignity and a sense that they, not the elites can make history. Even though Mr Bhutto reneged on his radical agenda, the consciousness amongst the people that he helped develop, will live long after him. Second, Prime Minister Bhutto was the main architect of the 1973 Constitution embodying the principles of a Federal Parliamentary Democracy. For the first time in Pakistan's history, the Constitution was framed and passed unanimously, by a Parliament elected on the basis of adult franchise. This apex institutional structure gave autonomy to the provinces and thereby recognised the diversity of culture and language. The 1973 Constitution envisaged that the will of a free people constitutes the cohesive force between diverse communities and embodies their unity.

2. The Zia Coup and the Institutional Structure of a Coercive Theocracy

After the March 1977 election, the Bhutto government was accused of rigging by a wide range of political forces, including some of his erstwhile supporters. So, the opposition parties, while being predominantly right wing, also included centre and left of centre parties such as the National Democratic Party. The opposition united into the Pakistan National Alliance, to launch mass street protests against the government.

The evidence we have gleaned from various sources makes clear that Prime Minister Bhutto had accommodated the additional points raised by the PNA after the draft 2nd July agreement. This was substantiated by Minister Abdul Hafeez Pirzada, a member of the negotiating team, who in an interview,[11] indicated that the Bhutto cabinet had discussed the additional points put up by the PNA, on the night of 4th July. This was followed, a few hours later, by a Press Conference at about midnight, in which Prime Minister Bhutto announced that he had authorised Mr Pirzada to contact Professor Ghafoor Ahmed representing the PNA, the following day on 5th July, to sort out any remaining issues. Yet 15 minutes after mid-night, at the time that Mr Bhutto in his press conference was announcing the end of the deadlock, the famous 111 Brigade from Rawalpindi moved into action. The Coup was executed within two hours, by about 2:15 am on July 5, 1977.

The same morning, in the scheduled 6 am news bulletin on Radio

Pakistan Islamabad, the news reader, Nahida Bashir, began with the news about the press conference that Prime Minister Bhutto had held the previous night. She went on to report that Mr Bhutto expected a session with the PNA team later the same day. A final agreement seemed imminent. Near the end of the 5-minute bulletin, however, she abruptly announced that Martial Law had been imposed and Prime Minister Bhutto taken into custody by the military authorities.[12]

The timing of this series of events, before and after the military takeover, makes clear that the political crisis, far from being unresolvable within the existing political framework, was in fact close to resolution. During the midnight press conference, Prime Minister Bhutto had indicated that a final agreement with the PNA could be expected on the morning, 5th July. Indeed, as discussed earlier, this fact had been broadcast on Radio Pakistan in the 6 a.m. news bulletin on 5th July, 1977. Since the Coup came into effect about 2 hours and 15 minutes after the start of Prime Minister Bhutto's press conference, it can be deduced that a deadlock between the PPP and PNA could not be considered a plausible reason for the Coup, as it was actually argued in the Supreme Court later.

At the same time, during his very first Television speech of 5th July, General Zia-ul-Haq cast doubt on his claim that he had no political objectives and that he would hand over power to the elected representatives immediately after holding free and fair elections. This is because in the same speech he announced the necessity of introducing an "Islamic System":[13] "Pakistan which was created in the name of Islam, and it is only on this basis that it will continue to exist. That is why I consider the introduction of an Islamic System to be absolutely essential for the country."[14] The facts show that neither was the political crisis unresolvable within the framework of the 1973 Constitution, nor could the military Coup be reasonably construed as a merely temporary extra-constitutional deviation to resolve the crisis. Yet it was precisely on these grounds, that the Supreme Court validated the Coup d'état of General Zia ul Haq:

> ... the Court would like to state in clear terms that it has found it possible to validate the extra-Constitutional action of the Chief Martial Law Administrator not only for the reason that he stepped in to save the country at a time of grave national crisis and constitutional breakdown, but also because of the solemn pledge given by him that

> the period of constitutional deviation shall be of as short a duration as possible, and that during this period all his energies shall be directed towards creating conditions, conducive to the holding of free and fair elections, leading to the restoration of democratic rule in accordance with the dictates of the Constitution...[15]

The phenomenon of instability of the Constitutional structure in Pakistan's history has been manifested by the repeated failure of two key organs of the state to either adhere to the formal laws of the Constitution, or affirm the underlying consciousness within which norms acquire existential meaning and thereby shape the choices of those in power. During political crises, the military occasionally went beyond the domain specified by the Constitution, on grounds that the state was endangered. On these occasions, the Judiciary often failed to adjudicate "without fear or favour".

The Supreme Court judgement of 10th November 1977 indicates that judicial conduct was not rooted in the tradition of fearlessness in the face of state power. The sensibility through which justice is upheld whatever the odds is manifest in the heroes who are celebrated in folklore. It is a spirit that defines the collective consciousness of the people of this region, but on critical occasions, was absent in the decisions of Pakistan's Judiciary.

After the Coup, General Zia ul Haq established a military government that shifted from the ideology of "modernisation" of General Ayub Khan, and the "socialism" of Mr Bhutto, to an obscurantist version of "Islamic" ideology, based on ignorance, intolerance and violence. Such an ideology in many ways was antithetical to the spirit and essential message of Islam as articulated by Allama Muhammad Iqbal and a host of great Islamic shaykhs and scholars.[16]

More particularly the attitude of bigotry, hate and brutality against those with a different religious perspective is the antithesis of the Islamic tradition, of love, enlightenment, tolerance and human solidarity. This tradition had historically been instilled by the great Sufi saints, scholars and poets, in the consciousness of the people who inhabit what is Pakistan today. (See chapter 2)

In counter position to the consciousness of the people, the Zia government took recourse to an ideology whereby political goals were to be pursued, not on the basis of legitimacy, but state terror. This was

an extreme form of what Ranajit Guha in the context of colonialism, called "dominance without hegemony"[17] i.e. state control without even a modicum of consensus. Omar Noman, in an important work on Pakistan's political economy, refers to an interview with BBC Television in which President Zia ul Haq observed: "Martial Law should be based on fear".[18] Zia proceeded to govern on this basis, unconstrained by any considerations of formal laws of the 1973 Constitution that he had held in abeyance, much less the norms of humanity located in the consciousness of the people. He introduced barbaric punishments of amputation of hands and wrists for theft, stoning to death for adultery and public lashings of those who dared to resist his fiat.

2.1 A constitution mauled, a prime minister hanged

Unlike the other military regimes of General Ayub Khan and Musharraf respectively, Zia ul Haq did not consider it necessary to create a civilian façade for military rule. Indeed, he gave scant significance to the very idea of a constitution. In a famous remark about the Constitution which he had earlier sworn to uphold, preserve and defend, he said: "What is the Constitution? It is a booklet with ten or twelve pages. I can tear them up and say that from tomorrow, we shall live under a different system. Is there anybody to stop me? ..."[19]

He proceeded to establish a theocratic state within the framework of Martial Law on the basis of his individual will rather than the will of the people. Even though Jinnah had specifically rejected the idea of a theocratic state,[20] Zia proposed that it was "absolutely essential" for Pakistan.[21]

Pursuing an oppressive form of military dictatorship in the garb of an "Islamic System" antithetical to the sensibility of the people was a tenuous basis of seeking legitimacy. He feared that this may be untenable when huge crowds turned up to greet Mr Bhutto upon his release briefly from prison. During the public meetings that Mr Bhutto addressed, General Zia-ul-Haq was held responsible for riding roughshod over the first democratic Constitution passed unanimously by a Parliament elected on the basis of adult franchise. He gave voice to a people who had struggled against Ayub Khan's authoritarian government. They now saw Zia's dispensation, bereft of even a civilian fig leaf, as naked tyranny. The former Prime Minister had his faults but in popular perception, he became the defiant symbol

of democracy in the face of Zia's dictatorship.

General Zia clearly saw Mr Bhutto as his nemesis. He had to be eliminated if Martial Law was to be maintained and Zia's theocratic agenda pursued. So, Zia activated a conspiracy to murder case that had been registered against Mr Bhutto by a political opponent four years earlier. In the trial that followed, the Judiciary was seen by many to have been manipulated by executive power. While the trial was conducted by a civilian court, the formal procedural rules and informal norms that define due process, were imperfectly observed. The degree of imperfection was determined by the imperative of the Executive authority to get a guilty verdict passed. A series of actions suggest this sub-text of the judicial process.

Zulfiqar Ali Bhutto (ZAB) was arrested on the charge of conspiracy to murder on September 3, 1977. Ten days later on September 13, Bhutto was granted bail by Justice Samdani of the Lahore High Court on grounds that the case lacked a legal basis. Justice Samdani was promptly transferred to the Sindh High Court, while Chief Justice of Pakistan, Yaqub Ali Khan, a man who had a reputation for uprightness was forced to retire. He had only days before, admitted Begum Nusrat Bhutto's petition challenging the constitutionality of her husband's detention. Soon after the retirement of Chief Justice Yaqub Ali Khan, Mr Bhutto's bail was cancelled on 16th September. The hand of General Zia in the formal legal process became even more apparent when Army commandos rather than the police, arrested Mr Bhutto the same night.

The next development that pointed to the Executive's intervention to manipulate the judicial process in its favour was the appointment of Maulvi Mushtaq Hussain as the acting Chief Justice of the Lahore High Court and his decision to head the trial panel. Maulvi Mushtaq Hussain was known to have a grudge against Mr Bhutto when his government appointed Sardar Muhammad Iqbal as Chief Justice of the Lahore High Court, superseding Maulvi Mushtaq.[22] This was followed by a second supersession when Mr Aslam Riaz Hussain was appointed Chief Justice of the Lahore High Court instead of Maulvi Mushtaq. This second supersession was regarded as a grave insult, and he gave vent to his anger on the very first day of the murder trial.[23] Finally, Justice (R) Malik Saeed Hasan in a video clip revealed that following Maulvi Mushtaq rejecting Mr Bhutto's bail application, at a dinner party at which Justice Malik Saeed Hasan was present, Maulvi

Mushtaq "started abusing Zulfiqar Ali Bhutto."[24]

Former Chief Justice of Pakistan, Nasim Hasan Shah, during an interview after his retirement, when asked about the personal bias of Maulvi Mushtaq against Mr Bhutto, said, "Yes I think this was unfair of him (Maulvi Mushtaq) He was an amazing person but an enemy of Bhutto and he should not have sat on the bench."[25] Clearly, there was little possibility of a fair trial. The bias became apparent in three features of the trial. First, according to a newspaper report, the witnesses were briefed on what they should say, and answers favourable to the defendant were "whittled down".[26] Second, at the end of the trial, the objections raised or the contradictions in the evidence pointed out by the defence did not appear in the testimony of the 706 pages record.[27] Perhaps the most significant contradiction was that according to the official ballistics report, the Federal Security Force guns claimed to have been used in the firing, did not match the empty cartridges found on the scene of the crime.[28] Third, in the Lahore High Court Judgement itself, prejudice against the defendant is apparent in a pointed comment on the validity of the personal religious beliefs of Mr Bhutto, which seems out of place in a murder trial: "...a Constitutional requirement that the Prime Minister of Pakistan be a Muslim....He should not be a Muslim only in name... ".[29] Acting Chief Justice Maulvi Mushtaq and the panel of judges he headed, was required to pass judgement on whether or not Mr Bhutto was guilty of murder, not on the sincerity of his religious beliefs.

The Supreme Court bench which heard the appeal, upheld the guilty verdict of the Lahore High Court Judgement by a majority of 4 to 3. A fundamental infirmity in the case of the prosecution was the legal requirement, that in a conspiracy to murder trial, where the evidence was based on the testimony of a state approver, the fact of the conspiracy has to be established before that testimony is considered. The Lahore High Court as well as the Supreme Court in this case chose to set aside this key aspect of due process. Significantly, Chief Justice Anwar-ul-Haq in his judgement dismissed all the errors and illegalities claimed by the defendant, as irrelevant. The case of Mr Z. A. Bhutto is another example of institutional instability both in terms of the formal law and informal norms. In this case the life of an elected Prime Minister, and chief architect of the 1973 Constitution, was at stake.

The Supreme Court unanimously sent a request to General Zia-

ul-Haq to convert the execution sentence into life imprisonment. Zia's original intention was clear when he rejected the request, as was Mr Bhutto's choice of martyrdom when he refused to appeal for clemency. A Prime Minister was hanged. Mr Bhutto defiant till the end, joined the pantheon of martyrs for freedom, in the collective memory of the people. As we have suggested in an earlier essay, each element of Mr Bhutto's behaviour in the death cell served to sculpt in popular consciousness the visage of a hero:

> "Mr Bhutto's period in the death cell created the image of a Prince sacrificing his body in slow degrees for the people: the broken wire mesh of his bare bed drawing blood from his back: the slow loss of body weight due to an untended stomach ailment. His body shorn of its flesh, was held only by a fierce spirit of defiance. He continued to smoke his customary cigar and sip his coffee as his life ebbed away. Before the curtain went up, Bhutto's body, shorn of its flesh as much as of its sins, stood in stark silhouette on the horizon of popular consciousness. A flawed politician, by the form of his death, had passed into myth as a folk hero."[30]

2.2 Consciousness of the people counterposed to a state ideology of militant extremism

Mr Bhutto's death while it gave new life to the PPP that he had founded, also gave space to Zia to put his agenda into practice. Zia's laws and the associated military courts aimed to construct an oppressive state based on an extremist ideology quite different from what the founding fathers, Iqbal and Jinnah had conceived. At the same time, society began to be subjected to a narrowing of the mind and a hardening of hearts. The official ideological onslaught of intolerance and bigotry tended to suspend the sensibility of love and reason embodied in the intellectual tradition of the people and their living folklore. For example, Najam Hussain Syed articulates the archetypal image of the transformative hero Ranjha as one who combines passion with rationality.[31] The same synthesis can be found with reference to Ranjha in the poetry of the sixteenth century poet and saint, Shah Hussain: "Haathi Ishq, Muhavat Ranjha, Unkus de de horriye" (The elephant, passion, is guided by the spear of logic by the mahout, Ranjha).

The separation of the people from the sources of their sensibility

and resistance was attempted through the press and television. On the question of media policy, Zia was quite clear: "Democracy means, freedom of the press...Martial Law its very negation."[32] Pursuant to this proposition, General Zia-Ul-Haq's version of "Islamic" ideology was systematically propounded in the state-controlled media and alternative views suppressed. District level government Committees were formed to monitor and report publication of articles that were critical of Zia's government or his ideology. Those who defied, received harsh punishments: a number of journalists were given flogging sentences and some newspapers were banned by military courts. At the same time individual behaviour was sought to be controlled through the Nizam-e-Salaat Campaign, which involved appointing 100,000 "Prayer Wardens" across the country. They had state authority to enter individual homes to ensure compliance by citizens of official religious injunctions.

As the dissemination of Zia ul Haq's extremist ideology proceeded apace on the official mass media, a grassroots organisational structure for indoctrination of school age children was created by establishing for the first time, government financed mosque schools (Madrassas) in small towns and rural areas. Traditionally, Madrassas had imparted exclusively religious knowledge and some of them were run by accomplished religious scholars. But the Madrassas under the Zia regime attempted to inculcate a narrow minded Wahabi version, characterised by intolerance against other sects and those holding a different religious perspective. This social process was catalysed as Pakistan became a frontline state in the guerrilla war against Soviet troops in Afghanistan in the early 1980s.

The prosecution of the guerrilla war involved making Zia's new Madrassas not only centres of indoctrination, but of preparing cadres for militant organisations. They were given military training together with weapons to fight the guerrilla war in Afghanistan. At the same time, large numbers of volunteers with a similar mindset were recruited from the Middle East and together with the local militants, pressed into action across the border. In 1980, Osama Bin Laden, together with a Palestinian mentor called Abdullah Azam, came to Pakistan to bring in Middle Eastern youth for the Afghan "Jihad".[33] Zia-Ul-Haq, in contravention of the laws of citizenship, gave travel documents to the middle eastern youngsters.

In the covert war, Pakistan was supported with ideological material

(Qaidas), funds and weapons supplied by the US. Kathy Gannon reveals how US-printed school books were used to teach the alphabet to malleable young minds. The letters of the alphabet were associated with the task in store for the children. For example, they were made to recite: "J is for Jihad, and K is for Kalashnikov, and I is for Infidel".[34] Even instruction in the abstract field of mathematics was integrated with the concrete reality of the battlefield. The concept of subtraction for example, was used to desensitise the child to violence against the infidel: "If you had fifty Communist soldiers and you killed ten, how many would you still have?".[35] Thus the uniqueness of another human being was displaced in the mind of the child. He was then induced to see others, designated as the enemy, as mere numbers to be added up and then subtracted, not with a Kalm[36] but a Kalashnikov.

2.3 Covert war without and intrusion of militant extremists within

As the militant groups, the Mujahideen, fought the war in Afghanistan, they were able to win political space within Pakistani society on the one hand and institutionalise their relationship with its intelligence organisations on the other. The very nature of guerrilla war necessitated a central and enlarged role for Pakistan's intelligence service, the Inter-Services Intelligence (ISI). As Kiessling has pointed out, the expansion of the ISI occurred when the U.S., in the pursuit of their strategic objective in Afghanistan,[37] established in the 1980s "a partnership of unprecedented scale between the CIA and ISI..."[38] The recruitment, training, provision of weapons, battlefield intelligence, and tactical guidance, required a rapid expansion and increased operational sophistication of this organisation. In time, the ISI became not only the premier intelligence agency of Pakistan but also, one of the most powerful intelligence outfits in the world.

As a result of these developments, two trends emerged within Pakistan's civil society and state. First, the militant groups, over time made inroads into the thinking of significant strata of Pakistan's middle classes, win allies amongst some of Pakistan's religious political parties and get ideological support in the media. Second, the spectacular success of the "Mujahideen" backed by Pakistan's ISI, in defeating the Soviet Union in Afghanistan, began to influence the strategic thinking of Pakistan's military. At the end of the Afghan War, and the abrupt withdrawal of the U.S. from the region, some

of the militant organisations of the Mujahideen began to be seen as strategic assets for national defence.

In the decades that followed, the influence of these militant groups over both state and civil society was to become an important factor in exacerbating institutional instability in Pakistan: both in the sense of inconsistency in the practice of formal law by the state, as well as erosion of humane norms underlying the formal laws. As we will discuss in the ensuing chapter, this institutional instability also began to undermine the constitutionally stipulated balance between various organs of the state.

2.4 The economics of Zia's political strategy

When General Zia-ul-Haq took over power, he faced a balance of payments crisis, as did every government whether military or civilian, before and after his regime. During the earlier government of Prime Minister Z. A. Bhutto, even though GDP growth had slowed down the trade deficit had increased sharply from an average of 0.31 billion USD in the period 1960-73 to an average of 0.86 billion USD during the Bhutto period 1973-77. This was mainly due to the increase in expenditures on defence and the civilian security apparatus undertaken in that period (see the earlier section 1.2 in this chapter).

As Zia sought to accelerate growth primarily through increased investment in the private sector and at the same time further build up the military, he confronted a balance of payments constraint initially. Pakistan's foreign debt stock had more than doubled during the Bhutto period and the debt servicing burden by the time General Zia came to power, had become unsustainable. When the Aid to Pakistan Consortium was approached to reschedule debt servicing, they refused. The U.S. government under President Jimmy Carter offered only 100 million USD in economic aid and another 100 million USD in military aid.[39] This was dismissed by General Zia-ul-Haq as mere "peanuts" as he envisaged a frontline role for Pakistan in the looming confrontation between the US and the Soviet Union following the latter's military intervention in Afghanistan. When National Security Advisor, Brzezinski was sent to Pakistan in 1980 to discuss the planned covert war, Zia readily agreed to play a key role in the guerrilla war in Afghanistan against Soviet troops. As expected, the economic and military package was substantially increased to USD 3.2 billion.

The large inflow of foreign aid temporarily eased the balance

of payments pressures and gave the Zia government the financial space to pursue a high growth spurt, with the annual average GDP growth increasing to a record 6.6 percent. (See table 1). Growth was mainly based on a boom in the consumer goods and construction sectors induced by large remittances from the Middle East, as also by increased incomes of large farmers following good harvests. Zia also undertook a strategic shift away from Bhutto's policy, towards denationalisation and renewed incentives to the private sector. These included duty-free imports of capital goods, reduced tax burden through higher depreciation allowances, tax holidays and provision of cheap credit to entrepreneurs. The private sector responded by increasing investment in gross fixed capital assets from 7.1 percent of GDP during the Bhutto period, to 9.66 percent during the Zia period.

Although public sector investment declined compared to the Bhutto period this did not adversely affect the growth rate partly because the private sector more than compensated with a sharply increased investment, especially in the manufacturing sector. Growth in the manufacturing sector, induced by supply side incentives on the one hand and the consumption and construction booms on the other, increased from 5.5 percent during the Bhutto period to 8.21 percent during the 1980s. Evidence on the composition of investment in the large scale manufacturing sector shows that during this period, the secondary multiplier effects of investment in the construction sector induced with a lag, an acceleration in the intermediate and capital goods sectors. The share of investment in the intermediate and capital goods sectors as percentage of total investment in manufacturing, increased from 43 percent at the end of the Bhutto period to 50 percent by the mid-1980s.

The GDP growth during the Zia period could not last because given the fiscal space afforded by foreign aid, the underlying structural constraints to growth sustainability were not addressed. So, for example, the domestic savings rate remained below 10 percent of GDP whereas the savings rate required to sustain a GDP growth rate of 6 percent without aid, was 24 percent of GDP. At the same time exports as a percentage of GDP remained below 10 percent, harbinger of the gathering storm of a balance of trade crisis which has historically brought every high growth spurt to an end. Finally, the required investment in economic and social infrastructure, particularly investment in human development that is the basis of

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long-term development was not undertaken. Nor was investment made in hydro power generation.[40] Lack of cheap electricity supply was to become a key constraint to growth in the three decades that followed.

It is not surprising therefore that when the cushion of foreign aid was withdrawn, the underlying structural constraints became manifest. They simultaneously triggered a three-fold crisis: low domestic savings combined with inadequate foreign exchange earnings, induced a rapid build-up of debt that created an unsustainable debt servicing burden; the poor physical infrastructure especially inadequate port facilities and lack of trained labour supply became disincentives to investment; finally, the severe shortages of electricity became a physical constraint to economic growth. These structural constraints led to economic stagnation in the ensuing two decades

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7

Intensifying Institutional Instability and Contention between State Organs

Our study shows that the imbalance between the military and civilian authorities that is characteristic of Pakistan's power structure leads to an institutional instability that tends to accentuate over time. In this chapter, we analyse the process of intensifying institutional instability in Pakistan. This instability is associated with a contention between various state organs. Our analysis shows that as different factions within the power structure contend to wrest more power from the others, the different organs of the state that each faction inhabits come into play. We show that amidst intensifying institutional instability, the boundaries of authority of each state organ specified by the Constitution are crossed. This exacerbates the intra state contention for power, which in turn further intensifies institutional instability.

In section 1, we show how when leaders come into power through elections, they attempt to assert the full range of the formal executive authority specified by the Constitution. However, given the dominance of the military in the underlying power structure, the formal scope of authority of civilian Prime Ministers is not real. Our analysis demonstrates this phenomenon first in the case of Prime Minister Benazir Bhutto and then Prime Minister Nawaz Sharif.

In the late 1990s, Prime Minister Nawaz Sharif having won a two-thirds majority in Parliament took the audacious step of widening the domain of authority beyond even the existing Constitution. He began by repealing Article 58 (2b) which had earlier been introduced by a military dictator to empower the President to unilaterally remove an elected government. We show how this change in the institutional structure shaped by a military ruler, led to intensifying institutional instability. This triggered an increasing contention between state organs: the executive, the military-bureaucratic establishment and the Judiciary.

In section 2 of this chapter we analyse the contention between Prime Minister Nawaz Sharif and the Army Chief General Musharraf

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on the issue of the Kargil war. Our analysis shows that when the institutional mechanisms of national decision making are by passed, then strategic decisions are liable to serious mistakes. The tensions between the Army Chief and Prime Minister Nawaz Sharif unleashed by the Kargil war led to escalating contention between two key organs of the state, the government and the military. Since individuals were in command in these state organs, the contention acquired a personalised, visceral dimension. The resultant mistrust and miscalculation in the interplay, led to the precipitate decision by Musharraf of imposing Martial Law.

In section 3, we analyse institutional instability to show that at a critical point in its intensity, the balance between the associated state organs is undermined. We suggest that for state power to be exercised legitimately, the different organs of the state have to act in concert. This is only possible when the state organs are in a balance, with each remaining within the domain of authority specified by the Constitution. Thus, when institutional instability reaches a point where the balance between different state organs is lost, then the integrity of the state structure and hence its capacity to wield power is eroded.

In section 4, we argue that in Pakistan's history the military-bureaucratic dominance within the power structure, has enabled this elite faction to conduct different degrees of authoritarian rule over the people, either directly or through a civilian facade. Yet the diverse communities who inhabit Pakistan have through struggles against authoritarianism, become conscious of what gives meaning to national existence: the institutionalised freedom, dignity and justice that democracy makes possible. We argue that over the last seven decades, the formal rules of the Constitution have been gradually reinforced by informal norms rooted in the historical consciousness of the people. Their struggles and sacrifices bear testimony to the fact that now it is the people who will uphold, preserve and defend the Constitution. This fact has created the basis of sustaining democracy. It also carries the risk that in future if there is extra-constitutional intervention by the military into the democratic process, it can bring the people into conflict with the state.

1. The Emergence of the 'Troika' and Institutional Instability: The Turbulent Decade, 1989-99

A characteristic feature of General Zia-ul-Haq's rule was the

systematic involvement of the Army in the process of governance. The Corps Commanders met regularly and apart from military matters, played an advisory role on political issues for President Zia. This informal arrangement became an institutional mechanism of strategic decision-making in civilian as well as military affairs. It was this institution that came into play for managing the transition, when President Zia's plane crashed in Bahawalpur. Vice Chief of Army Staff, General Aslam Beg promptly held a meeting in GHQ of the available senior military officers, consulted those Corps commanders who were not present on the telephone, and appointed Mr Ghulam Ishaq Khan, the then Chairman of the Senate, as President of Pakistan to head a caretaker government.

The caretaker government organised a general election and when the PPP emerged as the largest party in the National Assembly, Benazir Bhutto had to be appointed Prime Minister if even a semblance of democracy was to be restored. Dr Shahid Javed Burki in his admirable work on Pakistan's economic and political history shows how a new informal governance system, called the 'Troika' was established. This evolved out of Zia's institutional mechanism for systematic involvement of the Army in strategic decision-making in the civilian domain. This new triumvirate involved power sharing in Governance between the Chief of Army Staff, General Aslam Beg, President Ishaq Khan, the powerful former bureaucrat, and Prime Minister Benazir Bhutto. Under this arrangement, the powers of the Prime Minister compared to that stipulated by the 1973 Constitution were constricted, while those of the Army Chief and the President were considerably enhanced.

The understanding between the three power centres that underlay the informal institution of the Troika, reflected the actual balance between them within the power structure. It also represented the gap between the formal rules of the Constitution within which governance was supposed to be conducted, and its actual functioning. This gap between the formal and the real, created a tendency for each protagonist within the Troika, to increase its space within the power structure. This made the institutional arrangements of the Troika inherently unstable. Gradually as the confidence in a shared perception of "National Interest" eroded, the internecine tensions within the Troika intensified over the next decade resulting in an increased amplitude of institutional instability. This was associated

with increased political instability during the period. Over the next decade, in repeated pendulum swings of power, an elected Prime Minister was dismissed on four occasions, three Presidents were changed and one Army Chief, General Jehangir Karamet, was forced to resign by the Prime Minister. The intensified institutional instability reached a flashpoint when the dismissal of a second Army Chief, General Musharraf was ordered by Prime Minister Nawaz Sharif. But before the order could come into effect, General Musharraf in a dramatic counter move, mounted a coup d'état against the elected government.

1.1 Increasing tensions between state organs: Benazir Bhutto's government, 1988-90

The decade of democracy between 1989 to 1999 was marked by heightened contention between key organs of the state (The Presidency, the Army and the elected Government) for space within the power structure. The increased contention occurred partly because of an informal understanding where the domains of power were not precisely specified. At the same time, it is indicative of the influence the U.S. had over governance in Pakistan that the 'understanding' between the three individuals representing their respective state organs was reportedly arrived at under the auspices of senior US officials. Mushahid Hussain, a leading journalist at the time and later a respected senator and statesman, suggests that the "deal" was brokered when Assistant Secretary of Defence, Richard Armitage, and Assistant Secretary of State, Richard Murphy, arrived in Pakistan.

The "deal" reportedly involved the following elements: Benazir agreed that the Army Chief and Ghulam Ishaq Khan would determine strategic decisions related to security and foreign policy; Benazir also let the Army take the decisions related to its internal organisational functioning, including postings and transfers; on the economic front, the new government was expected to pursue a free enterprise, market-based system, withdrawal of government controls on private enterprise and implement the IMF agreement that had been signed by the preceding government in November 1988.

Soon after this informal understanding, Prime Minister Benazir Bhutto, began to demonstrate her belief that she derived her mandate for Prime Ministerial authority from the power of the people

rather than the Military-bureaucratic elite, which she termed the "Establishment". She began a multi-pronged campaign to extricate herself from the constraints placed on her. Her first initiative was to try to weaken the hold of the Army on her. She attempted to do this by crossing what the Army saw as the red line: Intervention into the Army's internal organisational matters. She first appointed a Committee headed by C-in-C Air Force, Air Marshal Zulfiqar Ali Khan to examine the Country's Intelligence organisation and recommend reforms. Further, she relieved from service Brigadier Imtiaz Ahmed, the Additional Director General, who headed the Internal Security Wing of the ISI and who she was convinced was attempting to destabilise her government. She finally took the risk of replacing the influential head of the ISI, Major General Hamid Gul with retired General Shamsur Rehman Kalu. An audacious Prime Minister was asserting an authority derived from the formal rules of the Constitution. But such an authority did not actually exist as a reality independent of the power structure underlying the Constitution. Within this power structure she was seen to have violated an important element in the informal power sharing arrangement of the "Troika. Whatever steps they may have contemplated to retaliate against Benazir Bhutto, both President Ishaq Khan and Army Chief General Beg, maintained a glacial calm at this shot across their bow.

The second initiative in this regard and one that became a source of explicit contention between the Prime Minister and the "Establishment", was her proposal to retire Chairman Joint Chiefs of Staff Committee, Admiral Sirohey. The President refused to sign this proposal, by invoking the Revival of the Constitution of 1973 Order, (RCO) of General Zia, later incorporated into the 1973 Constitution as the 8th Amendment. The RCO stipulated as many as 65 changes made to various clauses of the 1973 Constitution. One of these changes conferred the President with the power of discretionary appointment of the Chairman Joint Chiefs of Staff Committee as well as the appointments of the three Services Chiefs. Even though the "Sirohey Affair" was debated in Parliament, the underlying issue of the division of powers between the President and Prime Minister was not resolved. Prime Minister Benazir Bhutto in the Sirohey case acquiesced to the President's claim that he had discretionary powers of appointment of the Chairman Joint Chiefs of Staff Committee.

The third issue on which tensions arose between the President

and the Prime Minister, was the appointment of judges to the Superior Courts. Even though Prime Minister Benazir had advised a number of appointments to the superior judiciary, the President resisted on grounds that Articles 177 and 193 of the Constitution gave him powers of discretionary appointments to the Supreme and High courts respectively, so he was not bound to follow the advice of the Prime Minister on this matter. The issue was taken to the Lahore High Court, which interpreted the Amended Constitution of 1973, as giving the President the power to appoint judges to the superior courts at his discretion. Thus, on the judges' appointment issue too, Prime Minister Bhutto's move was defeated.

Prime Minister Benazir Bhutto perceived another fetter to her rule, to be her hostile political rival, Chief Minister Nawaz Sharif, who headed the PML (N) government in the Punjab. With Sharif governing the largest province in Pakistan, which was a bastion of PPP's power during her father's time, meant that she could not make inroads into this important constituency through economic measures. So, her fourth initiative was to attempt to win back Punjab for the PPP through an in-house no confidence motion against the Sharif government in the Punjab Assembly. In the pursuit of this objective, Farooq Leghari, a popular PPP leader of the Punjab, was sent to Lahore. The task assigned to him was to win over the loyalties of the required number of PML (N) members and some of his allies, through various financial and political inducements. Leghari, failed to deliver and could not engineer the formation of a PPP government in the Punjab.

The above discussion shows that three of the four strategic thrusts by Prime Minister Benazir Bhutto to win political space, had failed to bear fruit. At the same time what further weakened her position and isolated her politically was the failure to fulfil her promises to and hence alienated her from the three important regional political parties who had formed an alliance with her in the initial stages of her government: the Muhajir Qaumi Mahaz (MQM) in the centre as well as Sindh, the Awami National Party in the NWFP and the Baluchistan National Party in Balochistan. After the MQM broke from the alliance with Benazir Bhutto, there was a rapid rise of ethnic violence in Sindh until a point was reached when the Army was called in to restore law and order. The violence in Sindh provided another reason to President Ishaq Khan to dismiss Prime Minister Bhutto's government.

A factor that began to politically discredit Prime Minister Benazir Bhutto was the widespread suspicion of corruption by her husband, Mr Asif Ali Zardari. He appeared to enjoy unconstrained access to government in the pursuit of his "business" activities which fuelled allegations of large-scale corruption in high places. What further increased the political vulnerability of Prime Minister Bhutto, was that due to IMF determined budgetary constraints, she was unable to take major economic policy measures to reduce unemployment and poverty. This weakened her support amongst the under-privileged sections of society who formed most of her political constituency.

It is apparent that Benazir Bhutto had opened too many fronts without strengthening her political base amongst the people. In the absence of spontaneous mass popular support, much less a well organised grass roots party that could be used as a leverage, Ms. Bhutto's attempts to widen her space within the power structure, were not only ineffective, but the reaction by the "Establishment" served to further constrict that space.

The influence of the U.S. on key governance decisions in Pakistan again became apparent when Prime Minister Bhutto, suspecting that the "Establishment" was about to oust her, telephoned the U.S. President asking for help. It may be a coincidence, but nevertheless significant, that Ambassador Robert Oakley met with President Ghulam Ishaq Khan five hours before the decision that Bhutto had suspected, was in the offing.

President Ishaq Khan on August 6th, 1990, reportedly in collaboration with the military, proceeded to dismiss Prime Minister Benazir Bhutto from her position, dissolved the National Assembly and declared a state of emergency, under Article 58-2(B) of the Constitution then in force. President Ishaq in his order stated that in his "opinion, the Government of the Federation cannot be carried on in accordance with the provisions of the Constitution and an appeal to the electorate is necessary...". One of the reasons given for dismissing the government was the magnitude of corruption: "corruption and nepotism in the federal government, its functionaries and authorities, and agencies, statutory and other corporations, including banks...have reached such proportions that the functioning of the government in accordance with the...constitution... does no longer carry public faith and credibility...".

Benazir Bhutto called the President's action "illegal and

unconstitutional". However, mindful of the power play leading to her dismissal, Bhutto publicly expressed her doubts that she would be allowed to return to power. As it turned out these doubts were well founded.

In August 1990, President Ishaq was invoking the Constitution and giving corruption as one of the reasons, for dismissing Prime Minister Bhutto's government, yet a month later, in September 1990 the same President was conspiring with the military to undermine the Constitution and using money to prevent her return to power. President Ishaq together with the military arranged to transfer funds to the opposition alliance, the IJI, to help them against Benazir Bhutto, when an "appeal to the electorate" was made.

The attempt by the Establishment to prevent Benazir's victory in the next election, was revealed six years later during the Supreme Court hearing of the Asghar Khan petition filed on June 16, 1996. It was alleged that General Mirza Aslam Beg, at the time, Army chief and Lieutenant General Asad Durrani, the then Director General ISI and President Ghulam Ishaq Khan had arranged with the CEO of the government owned Habib Bank Ltd., to provide Rs.140 million to several politicians in the IJI. The purpose allegedly was to ensure the defeat of Benazir Bhutto in the elections. The veracity of the charges was dramatically established when Lt. Gen. (Retired) Asad Durrani, in an act of courage and candour, submitted an Affidavit under oath: "In September, 1990, as DG, ISI, I received instructions from the then COAS, (now retired) General Mirza Aslam Beg to provide "logistic support" to the disbursement of donations made by some businessmen of Karachi to the election campaign of IJI. I was told that the operation had the blessings of the Government."

Pakistan's history, shows, how instability in the apex institutional structure, the Constitution, has emboldened state organs to pursue their power interests often beyond the bounds of the Constitution. In so doing, they have in turn accentuated institutional instability. This tendency was manifested in a particularly intense form in the decade of the 1990s.

1.2 Intra state tensions reach a crisis point: the Nawaz Sharif government, 1990-93

Following the dismissal of Prime Minister Benazir Bhutto in August 1990, an interim government was set up, as stipulated by

the Constitution and Mr Mustafa Jatoi, President of the IJI, was appointed Prime Minister. In the elections of 1990, while Benazir's PPP got only 66 seats, the IJI secured an absolute majority in the National Assembly with 106 seats.

Even after the elections, the military continued to remain a dominant political force to take key decisions behind a democratic civilian façade. This is illustrated by Maleeha Lodhi's report that of the two leaders of the IJI, Nawaz Sharif rather than Jatoi became Prime Minister. This appointment was made not through the institutionalised process of parliamentary functioning, but during a meeting of the corps commanders. However Prime Minister Nawaz Sharif, like his predecessor Benazir Bhutto, soon began to assert his constitutional authority with respect to decision making. As in her case, the attempt by Sharif to exercise power according to the abstraction of formal law hit against concreteness of the actual power structure. It is this reality of power, which in practice, determines the degree to which a Prime Minister can exercise constitutional authority.

The contradiction between the formal and the actual was manifested early during Prime Minister Nawaz Sharif's tenure on the question of which side to support in the US led invasion of Iraq in 1990. Aqil Shah in his excellent study of the role of the military in Pakistan's politics, shows how when Sharif chose to support the US on this issue, the Army chief, General Aslam Beg, "began to flex his military muscles" and disagreed. Beg in fact publicly called for "strategic defiance" of the US. Shah documents this with his email correspondence with General Beg: "I felt very strongly that support to US in the first Gulf War was a wrong policy..."

In the matter of appointments of key military personnel, once again a Prime Minister locked horns with the military. Just as Benazir had provoked the ire of the military by replacing General Hamid Gul with her own choice of General Kalu as Director General ISI, so in the case of Nawaz Sharif, tensions with the military built up when he appointed General Javed Nasir, his father's Tablighi colleague, in this position, without consulting the Army chief, Asif Nawaz. This again was seen as an intrusion into the military's turf.

By the summer of 1992, contention between these two state organs intensified when the Nawaz Sharif government called in the military in aid of civil authority under Article 245 of the Constitution, to quell the violence in rural Sindh. In the performance of this task, the military

extended its scope of operations to urban Sindh and cracked down on the MQM, which the Army considered anti state, but which was a coalition partner of the Sharif government. The Sharif government was caught in the contradiction of calling in the military to re-establish law and order in rural Sindh, but was unable to constrain it from following the logic of military operations in targeting Sharif's ally, the MQM. The Sharif government's interior minister blamed the military for keeping the government "in the dark" about the extension of military operations into urban Sindh.

As Prime Minister Nawaz Sharif, like his predecessor Benazir Bhutto, continued the attempt to win greater space within the power structure, without the necessary political leverage, the Establishment pushed back as they had done in the case of Prime Minister Benazir Bhutto. President Ghulam Ishaq Khan once again invoked Article 58.2(b) and dismissed the Sharif government. This time, however, unlike Benazir's appeal to the Supreme Court, Sharif's appeal that the President's action was unconstitutional, succeeded. The Supreme Court, the third state organ, now came into play: it annulled the Presidential order, reinstalled Prime Minister Nawaz Sharif's government and restored the National Assembly. Justice Nasim Hasan, who at the time, was Acting Chief Justice later remarked that while no official or unofficial pressure was placed on the Supreme Court, "there was a general impression given by the Establishment: decide what you will, and we (the Establishment and the President) will do what we wish."

Following the restoration of the Sharif government in the centre, a political and Constitutional crisis erupted in the Punjab. In the brief period between the dissolution and restoration of the Nawaz Sharif government in Islamabad, Nawaz Sharif's political opponent, Mr Manzoor Wattoo had managed to form a government in the Punjab after ousting the incumbent Ghulam Haider Wyne. Prime Minister Nawaz Sharif felt that the Federal government could not function effectively, with a hostile Wattoo as Chief Minister in the Punjab. Accordingly, an attempt at a no-confidence-motion against the Wattoo government was made. The Provincial Assembly was first dissolved, then restored following a legal battle in the Lahore High Court, then dissolved again. As political opponents fought tooth and nail for governing the Punjab, Prime Minister Nawaz Sharif issued a proclamation under Article 234 of the Constitution, to take over

administrative control of the Punjab.

President Ishaq took a stand against the Prime Minister's move, arguing that the matter had not been referred to him and only he could issue such a proclamation. The contention between organs of the state was brought to a flashpoint as the Prime Minister ordered the Federal military outfit, the Rangers, to help take-over the government, by force if necessary. The Chief Minister, with the support of the President, fielded the Provincial police against the Federal force. But the Army high Command intervened. The Rangers were ordered to stand down, to prevent an imminent conflict between Federal and Provincial forces. As the battleground shifted once again to the Judiciary, the conflict between organs of the state, though not the institutional crisis, was resolved by the dominant element within the power structure. General Abdul Waheed Kakar the purportedly apolitical Army Chief, stepped in to remove both Nawaz Sharif and Ghulam Ishaq Khan. In a conversation with Shahid Javed Burki later, Kakar reportedly said, "I had to intervene. I ordered both of them out of office". The choice of words, signifies the pre-eminence of the Army in the power structure, just as Justice Nasim Hasan Shah's remarks, mentioned earlier, indicate the tenuous nature of judicial independence.

1.3 Continuing contention and corruption-based rents in the second Benazir government

The elections of October 1993 as in the November 1988 elections, did not give the PPP an absolute majority, but enabled Benazir Bhutto to form a government in the centre together with her allies. The modus operandi of the elections showed that the Army was integral to the functioning of civilian administration. In the 1988 elections, Judicial officers aided by the district administration were the main elements in the electoral machinery. But in the 1993 elections, the civil services were kept out and judicial officers were administratively linked with Army officers. In this way a parallel hierarchy in the election organisation was established alongside the one set up by the Election Commission of Pakistan.

Soon after taking office, Prime Minister Benazir Bhutto undertook two strategic political moves aimed at consolidating her power and winning greater political space than in her earlier term. First, to secure her flanks, she persuaded her trusted party leader Farooq Leghari to

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succeed the deposed President Ghulam Ishaq Khan. Second, to prevent her rival Nawaz Sharif's PML(N) from constraining her political space in the Punjab she managed to form a coalition government with a break away Chatta faction of the PML, called the PML (C). As part of the deal, a member of the Chatta group, Mian Manzoor Wattoo was elected Chief Minister Punjab. However, despite these attempts at establishing administrative control, Prime Minister Benazir Bhutto could not consolidate her power. This required establishing a clean and competent government that could deliver economic welfare to the poor and downtrodden who formed the social base of her popular support. She was unable to achieve either of these important levers of political power that could widen her space within the power structure.

Ironically, while attempting to strengthen her control over the administration, Prime Minister Benazir Bhutto, weakened it specifically with respect to her husband Asif Zardari: he began to allegedly use the administration outside its formal institutional structure, in pursuit of his private business interests. Zardari is widely believed to have operated through a coterie of bureaucrats, politicians and business associates and had some of them appointed as heads of public sector financial organisations. It was alleged that they siphoned off large amounts of funds from public sector banks, insurance companies and investment companies such as the National Investment Trust (NIT) and the Investment Corporation of Pakistan (ICP). During the second tenure of Prime Minister Benazir Bhutto, the NIT and ICP undertook lending to apparently infeasible projects which were soon liquidated and thus state resources flowed into private hands.

Shahid Javed Burki and Hafiz Pasha estimated that during the three years that Benazir's government held office, the cost to the country of poor governance and corruption through public sector organisations alone was USD 15 billion, or 20 to 25 percent of the GDP in 1996-97. This figure included losses resulting from corruption and "mismanagement" in for example, Pakistan International Airlines, Sui Southern Gas, Sui Northern Gas, Pakistan State Oil, Pakistan Steel, Heavy Mechanical Complex, the Water and Power Development Authority, and Karachi Electric Supply Corporation. The term "mismanagement" included nepotistic employment of a much larger number of people than was required, initiating financially unviable projects and misappropriation of funds by officials in the process of

procurement by these organisations. The Pasha-Burki figure can be considered a measure of the illegal rents appropriated by a faction of the elite that had access to political power.

More generally, rents in Pakistan's economy have been appropriated by the elites not only through the formal institutional structure but also through illegal misuse of power. Over time, the scale and extent of corruption increased as the informal norms that underlie formal rules eroded. This was symptomatic of the weakening link with the human consciousness within which the distinction between right and wrong is experienced by individuals and which influences their choices.

In the face of perception of large-scale corruption in government, Benazir's vulnerability was accentuated as she continued her contention with state organs to widen her domain of power. She proceeded to appoint loyalists as judges in the High courts as well as the Supreme Court and to ease out judges whom she considered hostile to the PPP. So, for example after the retirement of Supreme Court Chief Justice Nasim Hasan Shah, the norm that had been established over a forty-year period was that the senior most judge is appointed. In this case Prime Minister Benazir Bhutto set aside precedent and instead of giving a permanent appointment to senior most judge, Saad Saood Jan, she gave him only an ad hoc appointment to this position in April 1993. He remained in this uncertain position for eleven months and during this period, Prime Minister Benazir Bhutto packed the Supreme Court with judges of her choice on an ad hoc basis.

After the unilateral interventions into the Supreme Court, there was havoc in the High Courts: Chief Justices of the Lahore and Sindh High Courts respectively were removed in the belief that they were sympathetic to the opposition parties and replaced by ad-hoc Chief Justices considered sympathetic to the PPP. An ad-hoc Chief Justice was also appointed in the NWFP. With three of the four Chief Justices of High Courts given ad-hoc appointments on the basis of their political sympathies, the stage was set for making a large number of political appointments to the Superior Judiciary. The attempt to subordinate the judiciary to the government reached a point when according to distinguished lawyer and author Hamid Khan, "Acting Chief Justices of the High Courts were made simple rubber stamps, recommending all that the government desired."

When an appeal was made against judicial appointments, the Supreme Court brought the gavel down hard: It held that "appointment of ad hoc judges against permanent vacancies of the Supreme Court violates the Constitution." The Supreme Court further held that the Constitution required the Executive to appoint judges on the basis of a consensual consultation with Chief Justices of the superior courts, such that there was "no room for complaint of arbitrariness or unfair play". Prime Minister Bhutto responded by ridiculing the Supreme Court decision in a speech in the National Assembly and delayed the implementation of the Supreme Court judgement for over six months.

In her campaign to remove all hurdles to her authority, Benazir Bhutto had come into confrontation with provincial governments as well as the judiciary. This occurred amidst public perception of massive corruption by her government and demonstrable failure to pull the economy out of stagnation and unemployment. Once again without the leverage of a clean and competent government, the attempt to widen political space only served to narrow it further. Benazir Bhutto's erstwhile ally, President Leghari, dismissed her government and dissolved the National Assembly using Article 58(2b) of the Constitution. The main reasons given by the President for dissolution were corruption, undermining the independence of the judiciary, and the killing of some citizens in police encounters and others in police custody.

1.4 Institutional instability in the Nawaz government reaches a climax

In the 1997 elections, the PPP was routed, securing only about 8 percent of the National Assembly seats and reduced its presence in provincial assemblies to a point where its support was restricted mainly to the Sindh province. The PML(N) by contrast won 66 percent of the seats in the National Assembly and 58 percent of the seats in the four Provincial Assemblies. Nawaz Sharif associated with the PML(N) a number of smaller parties and independent parliamentarians to secure a two thirds majority in both houses. Thus, the second Nawaz Sharif government came in with considerable parliamentary strength but was still unable to win space within the power structure.

In fact, his attempt to widen the domain of Prime Ministerial authority through changes in the institutional structure, led to

accentuating institutional instability and the associated intensified contention between state organs. Nawaz Sharif began by repealing through the thirteenth amendment, Article 58(2b) of the Constitution, which had been used by successive Presidents to repeatedly remove elected governments. Since it strengthened the position of the Prime Minister and restored the original balance in the edifice of the 1973 Constitution, this move was not only popular but suited both the PML(N) and the PPP. So, the Thirteenth Amendment was passed unanimously. That the Parliament felt a certain trepidation at reducing the power of the Establishment, is evidenced by the fact that the amendment was passed in haste in the middle of the night.

The Thirteenth Amendment was soon followed by the Fourteenth Amendment which prevented elected members from crossing party lines in the process of parliamentary voting. While this constitutional change was ostensibly aimed at preventing "horse trading," it was actually seen by many to be restricting the freedom of National Assembly members to take positions contrary to the party position. Whatever the considerations underlying this institutional change, it certainly reinforced the political strength of the Prime Minister.

Sharif then initiated an attempt to control judicial appointments, like Benazir Bhutto had done earlier. When Chief Justice of the Supreme Court, Justice Sajjad, recommended the names of five judges of various High Courts to be elevated to the Supreme Court, Nawaz Sharif resisted strongly. This was because two of the five judges were unacceptable to the Prime Minister because he perceived them to be hostile to him. An intense conflict between the Executive and the Judiciary began. The Prime Minister attempted to block the recommendations of the Chief Justice by issuing a notification for reducing the number of Supreme Court judges from seventeen to twelve, thereby defeating the move of the Chief Justice. Chief Justice Sajjad retaliated by suspending the notification. The Prime Minister withdrew the notification but continued to resist the recommendations of appointment of the five judges.

The Chief Justice struck another blow in what had become a conflict between key organs of the state: The Executive and the Parliament on the one hand and the Judiciary on the other. Heading a three-member bench, Chief Justice Sajjad suspended the fourteenth amendment to the Constitution. This was followed by a second blow when another three-member bench headed by the Chief Justice

invoked Article 190 of the Constitution under which he called upon the President to appoint the five judges he had recommended within his Constitutional authority, but to which the Prime Minister had failed to comply. It was only when the President indicated to the Prime Minister that he would be obliged under the Constitution to implement the orders of the Supreme Court, that the Prime Minister relented and finally ordered the appointment of the five judges recommended by the Chief Justice.

The venue of the battle between state organs now shifted to the Parliament. Reacting to the suspension of the Fourteenth Amendment by the Supreme Court, members of Parliament were vociferous in their objections. They argued that the Supreme Court had violated the sovereignty of the people by intruding into the law-making domain of the Parliament. In these strong speeches in Parliament, including that of the Prime Minister, remarks were made which the Supreme Court considered disrespectful. Accordingly, the Supreme Court began Contempt of Court proceedings against the Prime Minister and some members of Parliament. The Parliament attempted to protect the Prime Minister from possible punishment under the Contempt of Court law, by passing the Contempt of Court (Amendment) Bill. This Bill made any order of punishment for Contempt of Court by a Bench of the Supreme Court appealable before another bench comprised of the remaining judges of the Supreme Court. Furthermore, the punishment order would be suspended until a judgement on the appeal was made. The passage of the Bill into law, required the assent of the President. Leghari demurred. The Supreme Court took the cue and in response to an application issued an interim order restraining the President from signing the Bill. The order further stipulated that the Bill itself should be considered suspended in case the President signed it.

November 28, 1997, was the day when the conflict between organs of the state reached a climax. On this day, when the Chief Justice heading a five judge Supreme Court bench began hearings on the contempt case against the Prime Minister, a mob consisting of PML (N) workers, led by PML Parliamentarians and Ministers, stormed the Supreme Court. This brought the proceedings of the apex Court to an abrupt end. The Supreme Court bench described the event as follows:

> ... a big commotion was heard as if there was a riot outside the court room and slogans were raised. It appeared that a big mob wanted to rush into the court room. In fact, a few persons did succeed in doing so and one of them informed the judges that they should rise and go away, as a fully charged mob behind him was forcing entry into the court-room to take the Chief Justice into custody ... In such circumstances, there was no other alternative for the Court but to adjourn the proceedings and the judges retired...

After this mob attack, the Chief Justice formally requested the President for Army protection. Pursuant to this request, the President wrote to the Prime Minister asking him under the Constitution to provide Army protection to the Chief Justice. But the Prime Minister ignored the President's request, after which the Chief Justice wrote directly to the Chief of Army Staff, seeking protection.

Such was the external pressure and internal polarisation that the Supreme Court as an organisation began to crack under the stress. On December 2, 1997, in a historically unprecedented manifestation of internal division, two rival benches met in the same Supreme Court building. The Chief Justice, heading a three-judge bench, threw caution to the winds and made an obvious intrusion into the domain of Parliament: without a proper hearing, he suspended the Thirteenth Constitutional Amendment, thereby restoring the Presidential power to dissolve the National Assembly. The rival bench promptly passed an order restraining the President from acting upon the ruling of the Chief Justice. The internecine conflict between state organs reached a point where President Leghari himself resigned in the face of what he termed as "unconstitutional" demands of the government.

Chief Justice Shah too lost his position the same day. The 10-member bench issued an interim order related to another case, (the Asad Ali Case) that Justice Ajmal Mian be made Acting Chief Justice. This order was seen by some observers, as was the resignation of the President, to be a personal victory of Prime Minister Sharif in his pursuit of power. Beyond a power game of individuals, it actually signified a contention between state organs that had shaken the very structure of the state and weakened its foundations. These are located in the normative structure signifying the consciousness of a society.

The Asad Ali case was related to the validity of appointment of Chief Justice Sajjad Ali Shah in the first place. Adjudicating in this

case, the 10-member Bench held that the appointment of Chief Justice Shah was unconstitutional as he was not the senior most judge at that time. Accordingly, the federal government was directed to de-notify the appointment of Justice Sajjad Ali Shah as Chief Justice and notify instead the appointment of the senior most judge (Justice Ajmal Mian) as the Chief Justice of the Supreme Court. This order of the 10-member Bench was duly executed on 23 December 1997 and Justice Ajmal Mian took oath of office of the Chief Justice the same day. Thus, both President Leghari and Chief Justice Shah fell in the thrust and parry of intra state conflict. The battle between the Executive and Judiciary had ended. The battle between the Executive and the military was about to begin. (See section 2).

The discussion in this section shows that sometimes, at the point of inflection of a phenomenon, its fundamental features are revealed. In this case five aspects of Pakistan's institutional instability were manifested. First, the imbalance in the institutional edifice resulting from repeated military interventions. Second, these interventions created precedents for violating the Constitutionally specified domains of different state organs. Thus, instability became a continuing phenomenon in Pakistan's institutional structure. Third, in a situation of blurred boundaries of authority, during the contention for power, the state organs repeatedly went beyond their respective Constitutional domains. This not only intensified institutional instability but also disturbed the balance between state organs and hence undermined the integrity of the state structure. Fourth, as the contention between state organisations intensified, it tended to become a personal egoic conflict between the heads of those organisations. Then, the norms that together with formal law, structure the interaction between state organs, were further eroded. Fifth, the breakdown of norms of decent behaviour amongst state personnel happens particularly when they are not rooted in the indigenous civilisational tradition of the people - a tradition that was displaced from the consciousness of the elites during the process of colonisation of the psyche. (See chapter 2 for a discussion of this issue).

2. The Prime Minister versus the Army: Another War, Another Coup

The events leading up to the Kargil war and the subsequent decision of the Prime Minister to appoint a new Army chief without consulting the incumbent, illustrate two aspects of institutional instability:

First the insufficient compliance with the formal rules governing the relationship between the prime minister and the Army; second, inadequate adherence to the institutionalised process of internal consultation and critical thinking that is required amongst the senior military officers, before taking a decision that could precipitate a war.

2.1 The pitfalls of not complying with institutional mechanisms of decision-making

In perhaps the finest study of the Kargil war to date, Nasim Zehra shows that two divergent strategic initiatives on the international front by two different centres of power were unfolding on the eve of the Kargil war. The Nawaz Sharif government sought a comprehensive peace with India by resolving all outstanding disputes, including Jammu and Kashmir through a resumption of the "Composite Dialogue". In this connection preparations were taking place for what was billed as a "historic" February 20, 1999 visit to Lahore by Indian Prime Minister Atal Behari Vajpayee. At the same time, Operation Koh Paima (Mountaineer) was underway with Pakistani soldiers across the LOC climbing the forbidding heights of Kargil. Zehra observes that the Prime Minister "did not have a clue" that this was happening. Significantly even the Army chief General Musharraf had not "formally approved the process", even though he had been the moving spirit behind the operation from its inception.

The civilian government was subsequently informed, although in broad terms about "Koh Paima", during two separate military briefings when the operation was well underway. The Prime Minister Sharif felt that he had been kept in the dark initially and even later was not fully informed about the details of the operation. Nawaz Sharif held that the institutionalised relationship between the Prime Minister and his Army chief had been violated since the required comprehensive evaluation and formal approval of the civilian government had not been obtained prior to the launching of a military operation. There was a consequent erosion of trust between the two when what was originally envisaged as a limited covert operation, widened into war with the Indian Air Force coming into action against Pakistani troops on the Indian side of the LOC.

Given the breakdown of trust between Nawaz Sharif and Musharraf, when the Kargil war escalated rapidly and took an unexpected adverse turn, the civil and military authorities instead of standing

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united, began to engage in mutual recriminations. Tensions between Nawaz and Musharraf escalated to a point where the possibility arose of another coup d'état against an elected government.

The failure to observe institutional obligations towards political authority in a military matter, had led to a conflict between the civilian government and the military. At the same time, the inadequate adherence to, and short circuiting of, the institutionalised procedures of decision making within the military, contributed to launching an operation whose strategic dimensions were not fully thought through.

The evidence shows that the Kargil operational plans did indeed remain unknown to the government until the military clashes in the area, and operational facts reported in the international media had reached a level where disclosure by the military to the civilian authorities became unavoidable. A meeting was held on 7th May 1999 in which the top military leadership concerned with the Kargil operation, met with the Prime Minister and selected ministers and senior government officials. The then Foreign Minister, Sartaj Aziz, who was present at the briefing, reveals that the political leadership was informed for the first time, that a battalion of the Frontier Corps Northern Command (FNCA), had as early as March 1999, occupied the watershed on the Indian side of the LOC. The Foreign Minister, as he put it, was "immediately struck by the enormity of the news". He realised the potentially disastrous diplomatic implications of the military intrusion across the LOC: this was a clear violation of the commitments made in the Simla Agreement and the reiteration of those commitments in the Lahore Summit declaration three months ago.

In the days that followed, the military conflict in the Kargil area began to escalate. On 25 May eight days after the 17 May meeting, a second meeting took place, this time in the Prime Minister's house. General Musharraf who was on a visit to China was represented by the acting COAS, Lt. Gen., Saeed-uz-Zaman. During this meeting the civilian leadership discovered that there was a build-up of troops by India together with a large mobilisation by the Indian air force. In the face of danger of a widening war, the Prime Minister observed that he had come to know of the Kargil operation only seven days earlier. Here was an implicit complaint by the Prime Minister that the institutional procedures which structure the inter-action between the military-civilian relationship in important military matters, had not

been followed in this case. In response he was told that "there is no reason for alarm or panic".

The basis for keeping the Prime Minister in the dark was that secrecy was given "top priority", suggesting that decisions regarding such matters were considered the exclusive preserve of the Army. The idea that an operation which potentially could lead to a major war was to be kept secret from the political leadership, suggests not only lack of trust for the Prime Minister, but also disregard by the Army leadership for their Constitutional obligations. The Kargil war illustrates the actual as opposed to the formal system of power that prevailed. It also shows the pitfalls of bypassing civilian authority and short-circuiting internal evaluation procedures regarding particular military operations.

Let us now examine the implications of inadequate compliance in this case, of the institutional mechanisms within the military, of assessing the viability of operations. Originally, it was in 1986, that at Zia-ul-Haq's behest, Lt. Gen. Safdar as part of a war gaming exercise had prepared an option to send Pakistani soldiers behind enemy lines to force the Indians out of Siachin. Later, on the instructions of GHQ, the concept was developed by Brigade Major Tariq Khan into an operation in the Kargil area overlooking NH1, the Northernmost, East-West highway of India. The plan envisaged blocking the Srinagar-Leh road to cut supply lines to Siachin and then expel Indian forces from there.

Nasim Zehra, suggests that in 1996, a senior General pulled out the Kargil plan from the archives and presented it to Army chief General Jehangir Karamet. This General combined sagacity with an exceptional strategic mind. He therefore aimed to have the proposed operation subjected to systematic evaluation of its viability from an operational as well as strategic perspective. Following standard operating procedure in such cases, General Karamet, passed the plan into the assessment process within the GHQ. The exercise involved getting various departments to provide inputs, so that a rigorous evaluation of the proposed military operation could be made. A highly competent inter-services professional team was convened. They actually travelled to the operational area and based on aerial reconnaissance combined with ground intelligence, made a comprehensive examination of the proposed Kargil operation. The team pointed out several flaws in the plan including lack of clarity

about what was to be done after occupying the Kargil posts. The overall view of the assessment team was that the Kargil plan was not viable: it was "tactically plausible but strategically it was a nightmare."

The Kargil plan in its updated version called Operation Koh Paima was concretised by a "small clique" of Generals in early October 1998, without due process. Even key commanders, such as DG Military Intelligence and logistics commander 10 Corps, were excluded from the planning process.. When the operation was executed with the first Pakistani troops crossing the LOC in late October 1998, its unviability, pointed out a decade earlier, became apparent over the following seven months. The 1989 team's view turned out to be correct. In the 17th May, 1999 high level meeting, Foreign Minister Sartaj Aziz echoed the conclusion of the 1989 military assessment team. He argued that the objectives of the operation were not clear and concluded, "... I see that the tactics are brilliant but the strategy does not seem viable."

The assembled military commanders however persisted in their contention that our troops could hold on to their posts in Kargil and assured those present that the Indians could not extend the territorial scope of the war to a strategic level, as there was military "parity" on the international border. General (Retd.) Majeed Malik who also attended the meeting as part of the government team and who had been a Director General Military Operations (DGMO), expressed his specific professional reservations about the optimism of his in-service military colleagues. He argued that since the Indian side of the Kargil sector had metalled roads, a large mobilisation of troops and weapons could be achieved by them quickly. By contrast, establishing supply lines for the Pakistani forces ensconced precariously on those heights, was not possible across the series of high mountain ranges behind them. He predicted that the Indians would launch a full-scale counter offensive and it was not realistic to expect that our isolated troops could hold on to their positions. In case they did, as our military commanders assumed, then Malik warned that the Indians "would have no option" except to widen the war into other sectors, including the international India-Pakistan border. As the war developed, General Malik's predictions proved correct while the assumptions made by the Generals prosecuting the war proved invalid.

By June a disastrous set back began to unfold amidst the looming danger of full-scale war between two nuclear armed states. In mid-June 1999, the Indian military undertook a large-scale mobilisation

of troops, artillery and air force, not only in the Kargil sector but also along the international border. They then launched a massive attack in the Kargil-Dras sector and managed to recapture a number of key posts including the most important, Tiger Hill. At the same time, they initiated a diplomatic offensive. In a letter to President Clinton, Prime Minister Vajpayee threatened full scale war with Pakistan unless Pakistan pulled out its troops on the Indian side of the LOC. General Zinni, heading the US Central Command then visited Islamabad on 25th. June to deliver a chilling message from President Clinton: "If you do not pull back, you are going to bring war and nuclear annihilation down on your country". Later during the 4th July meeting with Prime Minister Nawaz Sharif, President Clinton indicated that the US had information that Pakistan was preparing its nuclear arsenal for possible use against India. According to Bruce Reidel who was present at the meeting, Clinton asked Sharif, "if he knew how advanced the threat of nuclear war really was."

At the end of this meeting, faced with a military reversal in Kargil, and the prospect of a widening war, Nawaz Sharif decided to concur with the joint statement that President Clinton proffered to him. He agreed to an unconditional withdrawal of troops behind the LOC, reassured by the vague promise by Clinton that he would take a "personal interest" in expediting a resumption of the Composite Dialogue between India and Pakistan.

This agreement was signed amidst indications of tactical gains by India, together with a strategic broadening across the full spectrum of war. But in the Kargil theatre itself, isolated Pakistani troops, their supplies running out and facing a continuous artillery barrage combined with repeated air attacks, had fought gallantly on. There were heavy casualties but soldiers like Captain Karnael Sher Muhammad set such an example of valour that even the commanding officer on the Indian side, Brigadier M.P.S. Bajwa, was moved to acknowledge it.

The Kargil war illustrates that the military leadership of even one of the finest fighting forces in the world, found it difficult to place what they imagined as a "tactical" thrust, within the perspective of the strategic dynamics of war that could bring the two countries to a nuclear flashpoint. That is why, compliance with institutional mechanisms for systematic consideration by the military in concert with the political leadership is important. Such mechanisms are

designed to ensure that military initiatives are not only evaluated for operational viability, but also to examine the full range of consequences for the country.

2.2 Conflicting narratives and the build up to a coup

The Pakistani public was fed the fantasy that Pakistan had the upper hand in Kargil and a grand victory in Kashmir was imminent. There was therefore shock and dismay when news was received that an unconditional withdrawal of Pakistan forces was to take place following the July 4 summit in Washington. Young officers stationed in their units in Gilgit and Skardu, upon receiving information from the battle front of the actual situation, were incensed that the heroism and sacrifice of their fellow soldiers had been in vain. So, when Musharraf decided to tour the various Army units to mollify his young officers, he faced hard questions. According to Zehra, in one question and answer session, a young captain, trained in Pakistan's world class military academies, asked the Army chief, a fundamental question regarding operational planning: "did you visualise the enemy's reaction?". The answer was "No". On the basis of eye witness accounts Zehra records that when the Commander 10 Corps, General Mahmud and Commander FNCA Javed Hasan visited Gilgit at the end of June, the "gestures of the junior officers and the troops could have been equated to mutiny".

Given the seething anger amongst the soldiers, if Musharraf was to retain his credibility within the military, a scapegoat in the political sphere was required for the military debacle. At the same time Nawaz Sharif, who as Prime Minister, in terms of the formal institutional structure of the Constitution, was ultimately responsible for the consequences of a military operation. So, to quell the outrage of his political opposition he also needed someone to blame. This generated new tensions between two key organs of the state, the elected civilian government and the military. Two conflicting narratives came into play. Nawaz Sharif argued that he had not been adequately informed, let alone his approval sought for the Kargil operation, as required by the Constitution. In fact, he contended that he had pulled the chestnuts out of the fire at the eleventh hour. Through his diplomacy, he had saved the military from an ignominious defeat and the country from nuclear war. By contrast, Musharraf argued that there was no danger of a widening war; that the Kargil force, despite a temporary

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setback remained in a dominant position and that Nawaz Sharif had "blinked" and given away on the negotiating table, what had been won on the battlefield.

Soon the conflicting narratives became part of the battle for survival of the two individuals within their respective domains of power. As in the earlier conflicts between state organs, this latest one also became personalised (see section 1, of this chapter). The clash of personalities was, as before, accompanied by a breakdown of trust and increasing uncertainty about each other's intentions. Within this psychic space that both protagonists inhabited, emerged a tendency for precipitate decisions by them. The reaction of one to the actual or anticipated action of the other, was based on instinctive fear. A visceral antagonism displaced the constraints of reason and propriety, in what had become a deadly duel. Prime Minister Sharif, suspected that Army chief Musharraf would overthrow his government through a coup d'état, while Musharraf feared that Sharif would dismiss him and appoint another Army chief. As each was driven by desperation, each went beyond the institutional structure within which their interaction was supposed to take place. Worse, driven by primal egoic impulses, both lost access to the civilisational norms which both were expected to uphold.

2.3 Tensions between state organs escalate to a dangerous show-down

The stage was once again set for a climax in the conflict between the two state organs. Nawaz Sharif's opening gambit in this power game was to send his brother Shahbaz Sharif to the US to seek American support in a situation where the Prime Minister felt that the Army under Musharraf had become hostile. The US government perhaps mindful that Sharif's concerns may be well founded, issued an intriguing statement: "We hope there will be no return to the days of interrupted democracy in Pakistan... we would strongly oppose any attempt to change the government through extra constitutional means." The BBC reading between the lines commented that the statement did not rule out a change of government. Nawaz Sharif in an attempt to conceal his real intentions attempted to put Musharraf's fears at rest by extending for another eighteen months, the additional charge of Chairman Joint Chiefs of Staff Committee (CJCSC) which the Chief of Army Staff (COAS) Musharraf was holding. However,

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Musharraf seeing through this ploy, publicly denied any deal with the government to get this extension. Musharraf also sent Nawaz Sharif an ominous warning through intermediaries, against removing him, "I am not Jehangir Karamet."

Before Musharraf departed for an official trip to Sri Lanka, according to reliable sources, there were carefully laid plans for a coup, in case Sharif were to remove him from service during his absence. This was a drastic step in complete disregard of the Constitution. It also violated the norms of graceful behaviour. Musharraf could have talked to the Prime Minister and if he felt he had lost Sharif's trust, requested to be relieved from duty honourably, upon his return. On the other side, Nawaz Sharif also attempted to violate in a deceitful manner, the institutionalised procedures for replacing the Army chief. These required giving the Army chief formal notice to defend himself against the charges on the basis of which the Prime Minister sought his removal from office. Apart from this, the procedure for appointing a new Army chief by the Prime Minister required making a choice between the nominations submitted by the Army high command, for the position. Instead, ignoring due process, during a secret meeting at the Prime Minister's official residence, Nawaz Sharif unilaterally appointed, General Ziauddin as the new Army Chief. According to the BBC, the appointment, could not come into effect, "with every senior officer reportedly refusing to accept his command."

To force through his appointment decision the Prime Minister attempted an act of spectacular recklessness: preventing the civilian airliner bringing Musharraf home, from landing in Pakistan. Nawaz Sharif's action arguably endangered the lives of not only Musharraf but also a number of civilian passengers, including school children.

Aminullah Chaudry the Director General Civil Aviation Authority, on the evening of 12 October, received a call directly from the Prime Minister, with the clear instructions "...that under no circumstances is he (Musharraf) to be allowed to land in the country." The civilian authorities proceeded to block Karachi airfields and from the control tower, informed the pilot of the incoming aircraft to divert to another country. When he pleaded, saying he was short of fuel, he was told to land at a small airport in nearby Nawabshah, where a police contingent under government orders, waited to arrest Musharraf. But the Airbus, the pilot warned, was too big for the airstrip at Nawabshah.

By this time General Musharraf had entered the cockpit and

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was in direct contact on the pilot's radio telephone, with his senior Army colleagues. Major General Iftikhar Malik GOC, Corps Reserve in Karachi, then took command of the situation and directly ordered Nadeem Akbar, the Air Traffic Control Officer, that Musharraf's plane "...must not be diverted". To drive the point home, Brigadier Jabbar told Mr Aqeel, manager Air Traffic Service (ATS), "Our troops are everywhere. We will blow you up". The Karachi airport including the control tower was then taken over by the Army, the airfield cleared and the aircraft carrying Musharraf told to land in Karachi as scheduled.

In the meantime, the coup was being executed in Islamabad, with deadly precision. Soldiers from the 111 Brigade simultaneously took over the Pakistan Television station and clambered over the boundary wall of the Prime Minister House. Owen Bennet Jones based on his superb investigative journalism, reports a dramatic confrontation between the Major from 111 Brigade who had come to arrest the Prime Minister, and Lieutenant General Ziauddin. The *de jure*, though not the *de facto* Army chief along with a few ISI officers guarding him, was coming down the stairs of the PM house, just as the Major with his armed squad was ascending them, to gain entry into the main building. When he saw the armed ISI men, the Major ordered them to lay down their arms. They refused. When Ziauddin tried to persuade the Major to back off, he held firm. With "beads of sweat on his forehead" but his automatic levelled at the new Army chief, the Major threatened, "Sir it will take me a second." Ziauddin, to avoid a firefight between two groups of military men, wisely asked his ISI guards to stand down. The Major, then strode into the Prime Minister's room, to take him into custody.

Thus, the curtain fell on another dramatic contention between organs of the state. Once again, the failure to abide by formal laws had led to a spiralling institutional instability. Once again, the power conflict between individuals, unconstrained by civilisational norms had culminated in the unceremonious removal of an elected Prime Minister.

In this chapter we have traced the trajectory of a rising amplitude of institutional instability. We conclude with an overview of the nature of the state as envisaged by Jinnah and Iqbal, and the implications of institutional instability for the constitutional order and the integrity of the state.

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3. Institutional Instability, Imbalance between State Organs and Integrity of the State

It can be argued that Pakistan's Constitution embodies a social contract between the state and, an independent, culturally diverse and talented, people (for a discussion on the concept of legitimacy, see chapter 2). The institutional stability of the Constitutional order requires that the military despite being pre-eminent within the underlying power structure, should function within the domain stipulated by the Constitution. The attempts by various organisations of the state, military, bureaucracy, the executive and the judiciary on various occasions in history, to seek power beyond the boundaries of authority specified by the Constitution, has been a key factor in institutional instability. The consequent political instability has precluded the design and implementation of a long-term economic strategy of equitable development based on developing the capabilities of the people (see chapter 11 for an outline of such a strategy). At the same time, institutional instability tends to destabilise the state structure itself, as the various organs of the state contend for power in an extra-constitutional space (see the discussion above in this chapter 7 and the later chapter 10).

The imbalance within the state structure associated with institutional instability leads to a fundamental undermining of national integrity in three ways:

(i) The contention between various state organs weakens the coherence of the state structure itself and hence undermines the ability to wield state power when faced with internal or external threats.
(ii) Sound decision making on strategic issues requires that all the elements of state power engage within an institutionalised process of consultation. Institutional instability displaces this integrated process and hence creates the danger, as we have seen, of important decisions on national issues being taken in a haphazard way. This can lead to exacerbating the very problem they aim to resolve. For example, the refusal to allow the Awami League to form a government in the centre after their electoral victory in 1970; the nurturing and use of extremist militant groups as an instrument of foreign policy and the misadventure in Kargil.
(iii) Adherence to the formal rules of the Constitution gives legitimacy to the state and hence is necessary to ensure order in

society. As we discussed in earlier chapters 6 and 10, whenever an extra-constitutional military intervention has taken place, despite its endorsement by the judiciary, the people have launched a heroic movement against authoritarian rule.

4. The Constitution, the State and the People

We have seen that history has repeatedly brought the military-bureaucratic power structure into a state of oppressive dominance over the people. These are communities who over centuries of living together have become conscious of what gives meaning to community life: the aspiration for freedom and justice. The oppressed are the repository of history that is etched in their collective unconscious. This is the deeper dimension of collective memory that is recalled in the myths and symbols of their literature, in the patterns painted on their pottery and woven into their garments, in the rhythms of their dance and in the forms of their revolt. That is why, whenever an authoritarian government has come into power, even one with a democratic façade, if the rights of the people are violated, they have resisted. In the process they have tapped into their collective unconscious by recalling the archetypal images of love and rebellion evoked in their literary heritage.

We would therefore suggest that over the last seven decades, the formal rules of the Constitution have been reinforced by informal norms that emanate from the developing consciousness of the people. Their struggles and sacrifices show that it is now the people, who will uphold, preserve and defend, the Constitution. Therefore, continued institutional instability, whether through military intervention, judicial overreach or executive excess, in future, can create the danger of bringing the state into violent conflict with the people.

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8

The Economic and Human Consequences of Institutional Instability 1988 – 1999

In this chapter we begin by showing in section 1, how during the 1990s, instability in the institutional environment of the economy had an adverse effect on GDP growth, employment and poverty. In section 2, we present an analysis of the structure of the growth process during the period. In section 3, we show that despite following IMF injunctions, the actual economic results were contrary to what IMF programs claim to achieve: the current account deficit which was supposed to fall, actually increased; devaluation which in terms of IMF logic aims to reduce import expenditures and increase exports, in fact had the opposite effect. We then critically examine the analytical basis of IMF loan conditionalities in the light of international evidence. We conclude this section by tracing the origins of the IMF and how it changed its strategic objective from one of stimulating economic growth to growth contraction. In section 4, we analyse the economic consequences of corruption. In section 5, we examine the roots of elite corruption in their colonised psyche.

1. Power Conflicts, Governance and the Human Condition

The institutional instability and the associated political turmoil during the 1990s had significant adverse economic and thereby human consequences. Economic stagnation, double digit inflation and increasing poverty and inequality marked this decade. The rapid changes of government, alleged corruption and the instability of the institutional environment within which the economy functioned, could be expected to negatively affect GDP growth, employment and poverty in at least three ways.

First, the conflict between state organs and instability in the constitutional framework meant that leaders were preoccupied with immediate survival in office, rather than pursuing long-term public welfare. Indeed, given their individual propensities to build the financial base for future politics, there was an incentive to use governmental power to amass personal fortunes. During the decade

of the 1990s, compared to the preceding decade, overall gross fixed investment remained about the same. Yet the GDP growth declined sharply, suggesting a decline in capital productivity. Successive governments during this decade were accused of large-scale corruption. To the extent that this was true, corruption could be considered a factor in the observed decline in the productivity of investment (See section 2). At the same time corruption would tend to increase the cost of providing public services to the poor. The former would tend to reduce GDP growth for given levels of investment; and the latter would accentuate inequality in the distribution of real income. Both these consequences, GDP growth reduction and increased inequality, are borne out by the evidence given in the ensuing section, 2.

Second, since the respective tenures of successive governments were rather short, and each was preoccupied with intra-state power conflicts, none of the governments in this period could formulate a long-term strategy for addressing the key structural constraints to sustained high economic growth: (i) Lack of human development (ii) Failure to achieve diversification of exports towards high value added knowledge intensive goods; (iii) Absence of a knowledge infrastructure for indigenous innovation; (iv) Continued existence of a rent-based institutional structure that constrained competition, productivity increase and hence sustained growth. What was required for growth sustainability was an institutional structure that could foster competition, innovation and capacity building for the production and export of knowledge intensive products and services.

The third economic feature during this period was that persisting Balance of Payments problems locked successive governments repeatedly into IMF programs. These programs were macroeconomic in scope and were maintained over a relatively long time period, yet conceptually they had a short-term perspective based on economic contraction. There was a consequent growth slowdown, rising inflation and increasing poverty and unemployment over a whole decade (see section 3, for a discussion on the nature of IMF programs).

2. Economic Performance and the Human Condition in the Decade 1990-99

As indicated in the discussion above, GDP growth rate declined from an average annual of 6.5% in the 1980s to 4.6% in the 1990s. Because of economic deregulation, privatisation and the induction of Independent Power Producers (IPPs) to generate oil- based

electricity, the private sector investment increased. So, private sector fixed investment as a percentage of GDP increased from 7.8% in the 1980s to 9.1% in the 1990s. Similarly, average annual foreign direct investment as a percentage of GDP increased from 0.3% to 0.8% over the two decades. However due to budgetary constraints and revenue leakages, public sector fixed investment as a percentage of GDP declined substantially, from 9.2% in the decade of the 1980s to 7.5% in the decade of the 1990s. Thus, the total investment as a percentage of GDP remained about the same over the two decades (see table 2a). Despite the fact that the overall investment remained unchanged, the substantial decline in GDP growth in the 1990s suggests a decline in the productivity of investment. Here corruption could have played a role as indicated above. Estimates by Nomaan Majid of changes in capital productivity over time in Pakistan, show that investment productivity did indeed decline in the 1990s (see section 4).

Underlying the aggregate decline in GDP growth, was a decline in the growth rate of both agriculture and manufacturing industry. Agriculture growth fell from an annual average of 5.4% in the decade of the 1980s to 4.4% in the 1990s. Manufacturing growth declined more sharply, from 8.2 % in the 1980s to 4.8% in the 1990s (see table 2a) despite the fact that a historically unprecedented magnitude of trade liberalisation was undertaken. For example, Akbar Zaidi has estimated that the maximum tariff rate was reduced from 225% in 1988 to 90% in 1991. Non-tariff barriers were also required to be reduced under the IMF programme and the number of banned commodities reduced from 400 to 80 by 1991.[1]

While GDP growth declined and unemployment increased as a result, the burden on the poor was exacerbated by higher inflation. The inflation rate increased from 7.2% annually in the 1980s to 9.7% annually in the 1990s, despite the IMF policy to quell inflation by contracting aggregate demand (see table 2a).

On the balance of payments front, while IMF programs claim to improve the current account deficit, it actually worsened. Devaluation, which in terms of IMF logic is supposed to accelerate export growth and reduce import expenditures had the opposite effect: Average annual export growth fell sharply from 8.5% in the earlier decade to 5.6% in the 1990s, while import expenditure growth fell to a lesser extent, from 4.5% to 3.2%, thereby worsening the overall current account deficit from 3.9% to 4.5% of GDP, over the two decades (see table 2c).

The Budget deficit under IMF pressure was reduced significantly from 7.1% in the decade of the 1980s to 6.9% in the decade of the 1990s. This budget deficit reduction was achieved at the cost of public welfare through a sharp reduction in the development expenditure: from an average annual of 7.3% of GDP to 4.7% of GDP over the two decades. Yet contrary to the IMF objective, the inflation rate instead of falling actually increased (see table 2 c).

Haroon Jamal, in his valuable contribution to the literature on poverty in Pakistan, has estimated the incidence of poverty based on the minimum expenditure required for the daily calorific intake specified by the Planning Commission. His estimates show that over the decade 1988-98, the incidence of poverty in Pakistan increased from 23.5% in 1988 to 29.7% in 1999. Urban poverty increased more sharply, increasing from 18.6% to 25%, while rural poverty increased from 25% to 31%. However, by 1999, the overall incidence of poverty in the rural areas was higher at 31.6%, compared to urban areas where the poverty incidence was 25%. Jamal's estimates show that 14 million additional people had fallen below the poverty line over the decade of the 1990s. Inequality also increased, with the income share of the poorest 20% declining from 8.8% to 7.8% during the 1990s, while the income share of the richest 20% of the population increased from 43.5% to 46.5% over the same period.[2]

The evidence shows that in the decade when various ruling elites were vying with each other for power and unearned wealth, the people were suffering. They were caught in the vice of high inflation and unemployment during this decade of stagflation. Poverty and inequality increased. At the same time the deprivation of basic services resulting from IMF imposed austerity measures on the one hand and corruption on the other, were exacerbating the misery of the people.

3. The Economic Consequences of IMF Programs

During the decade 1988-99, Pakistan remained under various IMF programmes most of the time, except for the brief period of January 1992 to September 1999. Akbar Zaidi, a distinguished Pakistani scholar in his classic work (Issues in Pakistan's Economy), has provided a valuable insight into the constraints on independent policy thinking that IMF programmes imposed on Pakistan: "The programmes and agreements and arrangements are so minutely detailed that the government has little need to be innovative, and merely follows steps

that are incorporated in the programme document."[3] Given the degree of intervention into Pakistan's economy that these programmes involved, it may be pertinent to examine the analytical basis of IMF loan conditionalities and the international empirical evidence regarding their efficacy.

Keynes, one of the architects of the IMF, formulated an economic logic at the inception of this organisation that was counterposed to the policy framework it adopted four decades later. In his seminal work, Stiglitz has indicated the Keynesian argument for establishing the IMF. [4] Keynes had suggested that the central aim should be to achieve and maintain full employment. He argued that markets may generate unemployment in a particular country and the malaise could spill across borders, as one country cutting its imports could induce unemployment in the exporting countries. Therefore, international collective action was required through a new vehicle, the IMF.[5] The aim was to provide foreign exchange to countries facing an economic contraction, to enable their governments to stimulate their economic growth through increased public expenditures. Thus, pushing up aggregate demand in faltering national economies would help maintain global aggregate demand and employment.

In the 1970s there was a resurgence of the old Classicists doctrine of Laissez-faire which Keynes had demolished with his General Theory in 1936[6]. But the Classicists returned in the form of the neo-classical ideology that markets are the most efficient framework for resource allocation, production and distribution of goods and services. Therefore, in terms of this theory, the state has a minimal role in the economy. The neo-classical economic view was accompanied in the 1980s by the political doctrine of neo-liberalism which held that not only the economy but also the political and social spheres should be organised by 'market rationality'.[7] The ideology of neo-liberalism was taken forward in government policy by Prime Minister Margaret Thatcher in the U.K. and President Ronald Reagan in the U.S.[8] in the early 1980s. Two of the major academics who propounded the neo-liberal view and influenced the thinking of both Thatcher and Reagan, were Nobel Laureates Milton Friedman and Friedrich Von Hayek. Friedman argued the orthodox neo-classical view that fed into the market ideology of the IMF, "there is no alternative way, so far discovered, of improving the lot of the ordinary people that can hold a candle to the productive activities that are unleashed by a free-enterprise system."[9]

Hayek takes a more philosophical position in terms of the concept of individuality as being prior to society rather than being constituted in it. This view is drawn from the English liberal democratic tradition of the seventeenth century (see chapter 2). Accordingly, Hayek suggests that the freedom of the individual is constrained if the state intervenes into markets in pursuit of collective welfare: "the more the state "plans" the more difficult planning becomes for the individual."[10]

It was in this intellectual and political environment that the IMF adopted a policy framework that reversed its original conceptual basis that had been established by Keynes. Now the IMF stipulated a policy framework for its loan receiving countries that aimed not at stimulating aggregate demand for increased employment, but to contract aggregate demand in order to reduce import expenditures and thereby stabilise (even if temporarily), the balance of payments. The essential function of the IMF was no more to maintain aggregate demand at the global level, but to enable countries facing a balance of payments crisis to continue servicing foreign debt.

The IMF programmes since the 1980s had five main conditionalities:
(1) Reduction of public expenditure to reduce the fiscal deficit.[11] The fiscal deficit reduction involved requiring the recipient country to withdraw subsidies which would allow markets to determine the prices of all goods and services. (2) Increasing the interest rate. (3) Trade liberalisation that involved reducing import tariffs, removing non-tariff barriers and eliminating quantitative controls on imports except for commodities that the country considered to be sensitive on national security grounds. (4) Exchange rate devaluation to bring the exchange rate in line with "market forces". (5) Privatisation of state-owned enterprises. The IMF argument is that "stabilisation" would be the outcome, if these conditionalities are implemented. Further that as the result of "stabilisation", there would be an acceleration in the GDP growth.

The above mentioned five IMF conditionalities were actually aimed at moving the economic regime of the country into the framework of the global market system, as the neo-liberal ideology postulated. Yet many of the countries like Pakistan, that sought IMF support, had structural constraints to competing effectively in the international markets. At the same time, even at an analytical level, it could be argued that IMF programmes would subject Pakistan to a reduction in its economic growth rate, de-industrialisation, increased

unemployment, higher inflation and rising poverty. For example, the first two conditionalities, public expenditure reduction combined with increased interest rates which disincentivised private sector investment, would reduce overall investment, compress aggregate demand and hence slow down economic growth. In a situation where Pakistan had structural constraints to export competitiveness, trade liberalisation meant that Pakistan's industry, far from expanding into new export markets, would lose even part of the domestic market to foreign industry. Ceteris paribus, this would lead to de-industrialisation.

The growth slow down would be accompanied by higher inflation, as devaluation pushed up the rupee cost of imported inputs in both industry and agriculture. The key triggers to generalised inflation in Pakistan are the prices of oil, gas and electricity. Devaluation combined with subsidy withdrawal would accelerate inflation: there would be a rise in the prices of oil, gas (based on imported LNG), and electricity, a large proportion of which is produced with imported furnace oil. The fourth conditionality, devaluation, while it would tend to increase inflation through higher prices of imported inputs, cannot be expected to improve the balance of payments on a sustained basis, because of the low-price elasticity of demand for Pakistan's imports as well as exports[12]. Further, the domestic rupee inflation caused precisely by the devaluation would neutralise its effect on dollar prices of exportables.

The evidence for Pakistan during the decade of IMF programmes (1989-99), shows that contrary to IMF logic, each one of our predictions in the above analysis proved true. As tables 2a, 2b and 2c show, GDP growth declined and poverty increased. At the same time, contrary to what the IMF claimed that devaluation would achieve, the current account deficit increased rather than decrease despite a sharp devaluation. Similarly, the IMF prescription of reducing the fiscal deficit and increasing interest rates as means of reducing the inflation rate also produced the opposite effect as inflation accelerated. Finally, the substantial trade liberalisation undertaken at IMF behest, slowed down rather than increase the manufacturing sector growth (see section 2 for details).

Nazeef Ishtiaq in a commendable paper has argued that evidence from underdeveloped countries demonstrates a clear link between reduction of average tariffs and de-industrialisation together with a decline in productive capabilities.[13] In another paper on Pakistan,

Nazeef Ishtiaq and Ahmed Chaudhry show that in the case of Pakistan there was a decline in the economic complexity index, that is, the percentage share of knowledge intensive exports in total exports. At the same time, export diversity relative to other countries, declined over time.[14] Consequently there was a further weakening of the country's capacity for export growth following the adoption of IMF programs.

Apart from the case of Pakistan, there is a whole corpus of research on the impact of IMF programmes on underdeveloped countries, which shows that almost everywhere, these programmes were unable to meet their stated goals. Indeed, in the majority of countries adopting IMF conditionalities, the economic situation worsened.[15] A few of these studies are mentioned below by way of illustration.

Dreher conducted an econometric analysis on the basis of panel data from 98 developing countries in the period 1970-2000.[16] The overall results of the study show that IMF conditionalities are negatively associated with economic growth both in the short and long run. Similarly, Butkiewicz and Yanikkaya on the basis of panel data and cross-sectional analysis show that IMF lending has a negative impact on long run economic growth of developing countries.[17]

Barro and Lee developed new instrumental variables to address the issue of reverse causality in analysing the impact of IMF programmes on economic growth. Their study of 130 countries in the period 1970-2000, reveals that higher IMF programme participation has a significant negative effect on economic growth and that it is "greater programme participation rather than larger loans" that appear to slow down growth.[18]

William Easterly has conducted a comprehensive and rigorous analysis of IMF Structural Adjustment Programmes on the macroeconomic performance of 20 countries that have repeated these programmes several times (the data set includes Pakistan). Easterly concludes that, "if the original objective was adjustment with growth, there is not much evidence that structural adjustment lending generated either adjustment or growth."[19]

It is clear not just from Pakistan's experience but empirical studies on underdeveloped countries in general, that IMF programmes neither lead to financial stability on a sustained basis, nor acceleration in economic growth that they claim to achieve. Therefore, it is important for Pakistan's policy makers to set aside intellectual dependence on the metropolitan countries and undertake new thinking for an

independently formulated growth strategy. A growth process that is for the people and by the people (see chapter 11).

In section 5, we will discuss how incomplete decolonisation of consciousness may have been a factor in the inability to formulate a people-centred development strategy in Pakistan. A policy framework that is independent of the ruling ideology, propounding the efficacy of markets, can help break out of the neo-colonial mould of mind and economy. The persistence of a colonised consciousness may also have been a factor in widespread corruption amongst the elites, in so far as they were driven by the desire to ape the luxury life styles of Western elites (see section 5).

4. The Economic Consequences of Corruption

Mushtaq H. Khan, in an influential Report for the World Bank, has developed a conceptual framework for analysing the factors that determine the magnitude of corruption in the bureaucracy and its reinforcing links with corruption in the political sphere[20]. Khan suggests that there are incentives for corruption if the internal institutional structure of the bureaucracy gives them discretionary powers in the allocation of state resources, permits unilateral transfers and allows a large number of redundant employees in state organisations controlled by the bureaucracy.

It could be argued that if the mechanisms for monitoring and accountability are inadequate, then the tendency for corruption in the bureaucracy is reinforced. These features provide incentives to bureaucrats to get bribes for example from private sector firms in the process of awarding contracts for government construction and infrastructure projects. Such malpractices, while lining the pockets of bureaucrats and granting rents to favoured private sector firms cause a loss of welfare to the people, through poor quality, yet expensive public services. Bribery and nepotism in hiring incompetent and/or redundant employees of state-owned enterprises by bureaucrats with discretionary powers, leads not only to a waste of tax payers' money but inefficient and poor quality of services. In some cases, this can cause injury and death of users of those services, as in the case of air and rail transport.[21]

Mushtaq H. Khan suggests that in a state where patron-client relationships prevail in the political structure, there is a tendency for rent seeking politicians and rent seeking bureaucrats to form a nexus of power. We would suggest, that such an arrangement, enables

corrupt politicians to misappropriate state resources and get huge bribes by granting rents to clients through sale of state assets to them at throwaway prices and giving contracts for over-priced public sector construction projects. At the same time rent seeking bureaucrats facilitate such corruption by politicians in exchange for a share of the rental pie, lucrative appointments and political protection. It can be shown that such a nexus of corruption while it enriches the political and bureaucratic elites, impoverishes the nation. The public loses state assets for a fraction of their market value, pays the cost of misallocation of public resources and suffers reduced availability and quality of public services.

We have argued in our earlier work[22], that widespread corruption in government increases unplanned project costs for an entrepreneur after a project has been initiated. This happens when the investor discovers that bribes have to be paid at various stages of project approval and implementation. Consequently, a significant proportion of private sector savings flow to corrupt government officials instead of into productive activity. At the macroeconomic level such corruption would tend to raise the Incremental Capital-Output Ratio, thereby lowering the GDP growth rate for given levels of investment. The data shows that there was in fact a sharp slow-down in economic growth, despite the fact that total investment as a percentage of GDP remained unchanged (see section 2, above). Furthermore, there is evidence to suggest that the expected decline in capital productivity did indeed occur in the 1990s. Nomaan Majid has estimated a time series of the total factor productivity in the manufacturing sector and also decomposed it into changes over time, in capital productivity. Majid's estimates show that the productivity of capital declined in the 1990s.[23]

An earlier study by Pasha and Burki suggests that a number of banks were lending for projects of dubious feasibility, on political grounds: Hence there were substantial loan defaults[24]. This meant that a significant proportion of banking capital was being transferred as rents to corrupt politicians and associated businessmen. It can be argued that this would adversely affect private sector investment in two ways: First, there would be less credit available for genuine entrepreneurs. Second, the increased transaction costs for banks due to loan defaults by fraudulent borrowers would lead to an increase in interest rates. The increase in interest rates by increasing the financial cost of borrowing constitutes a disincentive to private sector

investment. To the extent that private investment does occur, then in a market structure where many firms are large enough to be price makers, a large increase in their financial cost would be passed on into higher prices, thereby fuelling inflation.

The interlocking nexus of corruption by leaders in the political sphere and the bureaucracy, contributed to reducing the productivity of investment thereby slowing down economic growth, increasing unemployment and accelerating inflation. Large scale corruption would also tend to increase inequality and add to the burden of the poor in three ways:

First, the corruption induced leakage of government revenues could be a factor in increasing the budget deficit. For example, according to Shahid Javed Burki, the leakage in this period (1990s), amounted to 3% of GDP, about twice the level of a decade before.[25] The rapidly rising budget deficit obliged the government to control it by reducing the development expenditure. Development expenditure in so far as it provides public goods and services to the poor acts as both a redistributive mechanism and a stimulant to economic growth and employment. As seen in table 2b, development expenditure was drastically reduced.

Second, the adverse effect of reduced development expenditure on the lower income groups was exacerbated by the fact that corruption, to the extent it occurred, would tend to lead to fewer and poorer quality of public services for given levels of development expenditure (see preceding discussion). This could be seen in the deterioration of the irrigation system due to inadequate funds for maintenance combined with inefficient use of whatever few funds were available. Consequently, lesser water was available at the farm gate, especially for small farmers at the tail end of water courses. According to official government figures, out of 93 MAF of water extracted from the rivers, only 31 MAF reached the farmers, that is, 67% of the water was lost in transportation, due to deterioration in canals and water courses[26]. Thus, corruption may also have contributed to reduced water availability and thereby constituted a factor in the observed slow-down in agriculture growth during the 1990s (see table 2a).

5. Corruption, Colonised Consciousness and Institutional Instability

The question that arises is why the ruling elites during the decade of the 1990s, and subsequently, engaged in alleged large-scale corruption?

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In the case of the political leaders, beyond material wealth, they had something that is rare amongst the affluent: the love and political support of millions of supporters, who considered them respectively to embody hopes of a better future. Why then, did they not overcome the desire to accumulate wealth and dedicate themselves instead to serve the people? That way, they could remain true to the love their supporters gave them. Why did they compromise on the ethical norms which underlie the stable functioning of society and which leaders are expected to manifest in their political behaviour?

It could be argued that even universal values such as integrity, justice, compassion, acquire meaning in the lived experience of a particular society. These values have ontological reality for a people through reference points in their collective historical consciousness. One of the consequences of colonisation is a displacement of this consciousness from the colonised persona. Hence there is an alienation from the values of honour and integrity which are embedded in the psyche of a free community. In the colonisation process the domestic elites largely internalised the coloniser's image of themselves as uncivilised "natives" without a history and hence bereft of the values of dignity, honour and integrity.

The decolonisation of consciousness that was necessary in the post-colonial period would have involved recovery of the value system organic to the community. A value system that had emerged through the collective, historical experience of the community in the pre-colonial epochs. Such a consciousness had once shaped a civilisation. Drawing these civilisational values from the well springs of the collective unconscious of the people required re-experiencing the historical traditions of the leader as a fakir: A lover-hero, who affirms the values of his community through self-sacrifice and a majestic disdain of material possessions (see chapters 2 and 3). Thus, incomplete decolonisation of consciousness may have been a factor in the loss of the moral compass of Pakistan's elites.

The staggering scale on which the ruling elites strived to acquire wealth, whether through rents legally, or illegally in the form of corruption, may also be related to their aspiration to ape the life styles of their former colonial masters. However, the contradiction of a rent-based institutional structure is that the systemic generation of rents restricts sustained economic growth (see chapter 10 for a discussion of this point). This means that the size of the rental cake to be divided amongst the elites is not growing enough, while each faction in the

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elite coalition seeks to increase the magnitude of rents it appropriates (see chapter 5 for an elaboration of this issue). Thus, the unbridled pursuit of wealth through rents as well as corruption, by each faction of the elite coalition, underlay the increasing intensity of internecine power conflicts and the associated increase in institutional instability.

Table 2(a)
Investment, Growth and Inflation

Variable	1980s (average)	1990s (average)
Real GDP (average annual growth)	6.5	4.6
Agriculture Sector (average annual growth)	5.4	4.4
Index of Agriculture Production (average annual growth)	3.6	2.5
Manufacturing Sector (average annual growth)	8.2	4.8
Large Scale Manufacturing (average annual growth) *	8.2	3.5
Domestic Savings (as % of GDP)	7.7	14
Gross Investment (as % of GDP)	18.7	18.3
Gross Fixed Investment (as % of GDP)	17	16.6
Private Fixed Investment (as % of GDP)	7.8	9.1
Public (Fixed) Investment (as % of GDP)	9.2	7.5
Foreign Direct Investment Inflows (as % of GDP)*	0.3	0.8
Inflation (annual average)	7.2	9.7
Food Inflation (annual average)	6.6	9.2

Source: Pakistan Economic Surveys (various issues), Economic Adviser's Wing, Finance Division, Government of Pakistan, Islamabad.

** Variables marked with an asterisk are calculated based on the Handbook of Statistics (2015) data published by the State Bank of Pakistan.*

Table 2(b)
Key Elements of the Budget

Variable	1980s (average)	1990s (average)
Budget Deficit (as % of GDP)	7.1	6.9
Development Expenditures (as % of GDP)	7.3	4.7
Foreign Debt Servicing (as % of GDP) *	2.5	3.1
Foreign Debt Servicing (as % of Exports) *	25.4	23.3
Foreign Debt Servicing (as % of Government Revenues) *	15.6	19.9
Stock of Foreign Debt (as % of GDP) *	33.1	37.3
Stock of Foreign Debt (as % of GDP) *	35.32 (1989 Value)	42.45 (1999 Value)
Stock of Foreign Debt (USD millions) *	14,189 (1989 Value)	26,735 (1999 Value)

Source: Pakistan Economic Surveys (various issues), Economic Adviser's Wing, Finance Division, Government of Pakistan, Islamabad.

** Variables marked with an asterisk are calculated based on the Handbook of Statistics (2015) data published by the State Bank of Pakistan.*

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Table 2(c)
Key Elements of the Balance of Payments

Variable	1980s (average)	1990s (average)
Exports (average annual growth)	8.5	5.6
Imports (average annual growth)	4.5	3.2
Current Account Deficit (as % of GDP)	3.9	4.5
Exchange Rate (average annual depreciation) *	6.5	9
Exchange Rate (Rs. per dollar) *	21.10 (June 1989)	53.37 (June 1999)

Source: Pakistan Economic Surveys (various issues), Economic Adviser's Wing, Finance Division, Government of Pakistan, Islamabad.

** Variables marked with an asterisk are calculated based on the Handbook of Statistics (2015) data published by the State Bank of Pakistan.*

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9

The Rise of Terrorism and Institutional Instability

When the Soviet Army entered Afghanistan, the Government of General Zia-ul-Haq, at the behest of the US decided to wage a proxy guerrilla war against the Soviet troops. Pakistan mobilised Islamic militants from the Middle East together with the indoctrination, training and arming of young students from religious seminaries in Pakistan. In this chapter in section 1, we show how prosecuting this war had a major impact on the institutional structure of state and society as well as on political culture in Pakistan. Gradually Pakistan's military developed strategic aims of its own that required the use of militant groups, who were ostensibly fighting the war on behalf of the US. Consequently, a double game ensued. We analyse the dynamics of this double game and the consequent fraught relationship with the US.

We also examine the religious ideology in which the cadres at state supported seminaries were being indoctrinated. We show how this version of religion based on bigotry, hate and violence was counterposed to the traditional religious perspective of enlightenment, love and peace which was rooted in the consciousness of the people of Pakistan. Once the ideology of militant extremism was propounded through a state supported process, it began to spread within mainstream society, media and political organisations. Some of the militant groups developed a strategic agenda and political narrative that threatened the Constitutional order and the stability of the state. We analyse this phenomenon in sections 4 and 5 to show how militant extremism became part of mainstream politics in Pakistan. This we argue introduced a new element in institutional instability.

1. Using Militant Extremist Groups: Implications for Institutional Instability, State, Society

In the guerrilla war against Soviet troops in Afghanistan, Pakistan had played the role of a frontline state. The war had involved mobilising young Pakistanis indoctrinated in state supported madrassas to fight the "infidels". Their ranks were reinforced by recruits from the Middle East with a similar ideology. This unconventional army,

called the "Mujahideen", were imparted with training in guerrilla warfare and armed by Pakistan's intelligence services in partnership with the US and some of its allies in the Middle East. Their support included finance, preparation of indoctrination material, tactical military training and weapons (see chapter 6). During this war there was a substantial increase in the size and sophistication of the ISI, as indeed its influence in overall strategic thinking. Over a decade, the ISI in alliance with the US, conducted the guerrilla war so successfully that it culminated in a historic victory when Soviet troops withdrew from Afghanistan in February 1989.

1.1 The risk of security policy making outside the formal institutional framework

Soon after the withdrawal of Soviet troops, the US, having achieved its war aim, abruptly withdrew from the Afghan theatre. But for the Pakistan military, in the wake of the Afghan war, the outlines of a new two-pronged security strategy gradually emerged. First, cadres from the Taliban militant groups which Pakistan's military establishment had nurtured, could now be re-organised and used to defeat hostile warlords and establish a Taliban or Pakhtun dominated, pro-Pakistan government in Afghanistan.[1] Second, it was thought, these militant groups could be used against India while remaining below the nuclear threshold, in the proxy war which each side accused the other of waging. At the same time, the militant groups, could strengthen the conventional war capability of the Pakistan military with an unconventional arm. These loyal, battle hardened militants dedicated to fight "infidels" could presumably be used as "force multipliers", to create havoc behind enemy lines in a conventional war with India.

This strategy with the element of asymmetric warfare had a proximate logic for a military which faced a numerically much larger enemy and had the festering Kashmir dispute that was difficult to resolve through a conventional war. It was imagined, that through covert support to these groups, strategic objectives could be pursued while remaining below the threshold of full-scale war. There was the added advantage of deniability (though not necessarily plausible deniability). However, as in other military operations across the Eastern border, the assumptions of the strategy and its long-term consequences for the integrity of Pakistan's state and society were not subjected to critical scrutiny. Such an evaluation is expected to be conducted through democratic institutional mechanisms of

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formulating national policy. During the 1990s, when elected civilian governments were ostensibly in power, the international press was reporting that Pakistan supported militant activity in Indian occupied Kashmir as well as in major cities of India. [2] However, the strategy of making selected armed militant groups instruments of defence and foreign policy was not systematically discussed during this period, within the formal institutional framework such as the Standing Committee on Defence in the National Assembly, or the Cabinet Committee on Defence. The main reason was that these formal institutional mechanisms were by-passed by the informal procedures of governance associated with the extra constitutional power sharing arrangement of the "Troika", (see chapter 7, section 1). Under this arrangement, decision making in the field of national security and foreign policy fell within the ambit of authority of the Army. By thus removing the checks and balances of the constitutional structure, policy making was fraught with the risk of disastrous mistakes. This is because the edifice of strategy formulation becomes unstable, when the domains of decision- making authority are determined not by formal constitutional rules but by the underlying power structure.

1.2 Strategic assets or liabilities?

As the new security strategy unfolded in the next two decades, two adverse consequences for state, society and polity, became apparent:

First, the Taliban, retained in their psyche the extremist ideology with which they had been indoctrinated. Little did their "controllers" realise that they had been breeding a Frankenstein monster. After the Afghan war, some elements of the Taliban turned their guns and political propaganda on Pakistan. They claimed that taking over the Pakistani state was a first step in establishing a global Islamic Emirate. Their propaganda aimed at undermining the validity of Pakistan's democratic Constitution. Their gun and suicide bombing attacks in urban centres sought to demonstrate that the state is unable to fulfil the fundamental function in terms of which it acquires legitimacy: Protecting the life of citizens. Examples of the ideological onslaught were: In April 2009, Muslim Khan, spokesman for the TTP in an interview to CNN declared that the country's entire legal system was "un-Islamic". This was seen as a "direct challenge to the legitimacy of the Pakistani government".[3] Later in July 2009 Sufi Muhammad, chief of the Tehreek-e-Nafaz-Shariat-e-Muhammadi, claimed that the Constitution of Pakistan was "un-Islamic"[4]. Various

Taliban elements had come together into the Tehreek e Taliban Pakistan (TTP) and began to launch well organised guerrilla attacks combined with suicide bombings against military as well as civilian targets. These attacks caused huge human and economic losses to the country. According to Government of Pakistan figures, between the years 2006 and 2011, terrorism resulted in the deaths of 35,000 citizens, including 3,500 security personnel. From 2001 to 2011, terrorist attacks caused economic losses of USD 68 billion.[5] The Taliban had become such a deadly enemy that by 2003 President Musharraf himself declared them Pakistan's principal security threat (see section 4). Armed militant groups initially considered as instruments of national security, now emerged as rival powers to that of the state within its territorial domain.

Second, the ideology of the TTP began to gain traction in some strata of civil society, a few political parties and sections of the media. Consequently, a new political phenomenon emerged, which had serious implications for institutional instability as well as integrity of the state structure. Relatively small political parties and politico-religious groups, backed by the extremist narrative that had gained currency, could now hold the government hostage. They could mobilise street power and violence on issues related with their particular view of Islam. Through such tactics they could force the government to back down on decisions taken through democratic institutional mechanisms. They could intimidate not only the government but also the Judiciary. Consequently, the stability of the institutionalised processes of governance as well as the state structure was undermined. Thus, extremist groups that were once regarded as "strategic assets" of the state, became its nemesis.

2. Counter-posed Religious Perspectives and the State

It is significant that the extremist religious view gained influence, in a society that had a counterposed tradition of religion in literature as much as folk tradition. Historically there had been a contention between two different perspectives on Islam in the Pakistan area. The literalist view in its more moderate and benign form held by mainstream Mullahs, emphasised form as the key feature while ignoring the spirituality of love in Islam. This view could be said to be a *reification of form* without the spiritual content, the outer shell without the kernel. It is noteworthy that by contrast, the Quran refers to "possessors of the intellect" which literally means "possessors of

the kernels". In a footnote to Surah Baqarah, verse 179, Hossein Nasr et al. argue that the Quran uses the symbol of the nut to show that "wisdom is deeper than the shell", and that "one needs to grasp and be nourished by the kernel, or the inner truth of things."[6]

The Islamic intellectual perspective, which included the Sufi view, had a uniting spirituality. Exclusion of this intellectual perspective from the literalist view involved extruding the spirituality of love from religion, leaving an empty form that was used as an instrument of coercion. By contrast the Quran declares that "...there is no coercion in religion"[7]. The coercive assertion of *form* to the exclusion of *spirituality* which is essential to religion, resulted in rigid divisiveness that enabled its proponents to reinforce narrow, sectarian identities. The Taliban held an extreme version of the literalist view, and became intolerant, not only of those with a different religion but of Muslims belonging to other sects. Muslim Khan, a Taliban spokesman vociferously claimed that those Muslims who disagreed with his interpretation of Islam were "non-Muslims".[8] In terms of the Taliban logic but contrary to any religious principle, once members of a particular sect or group with a different interpretation of Islam were declared *Kafirs,* (Infidels) they became *waajib-ul-qatl*, obligatory targets for physical elimination. Accordingly, their places of worship became killing fields. On February 13, 2015, Taliban cadres attacked a Shia mosque in Peshawar, killing 20 worshippers. Two weeks earlier, in a Shia mosque in Shikarpur district of Sindh, 60 people were gunned down by the Taliban.[9]

Within these rigid identities, love and reason, were replaced by bigotry and hatred. Such a constricted self, perceived the other, not as its integral part but an alien beyond the category of the human. Thus, the other had to be exorcised from the psyche through an orgiastic ritual of violence, unrestrained by human considerations. In dehumanising the other, the self was also dehumanised. After 2001, when the Pakistan Army began to be seen as allies of the American "*Kafirs*", the Taliban militants captured seven Pakistani soldiers, then beheaded them.[10] The narrowed identity was thus sustained by a form of ritualistic blood-letting. It also became a convenient device for their leaders to achieve the altogether more worldly goals of political power and material wealth.

In the post-independence period in Pakistan starting from the Zia government in (1978-88) and the two decades that followed, the reified formalist view of religion in its extreme form, was officially funded

and provided space in both media and politics. Militant extremist groups and political parties were in fact systematically developed by the state apparatus and their narrative widely disseminated. They were considered as a key element of military strategy and political control. It is not surprising therefore that extremist ideology gained support in some sections of the urban middle classes while state financed religious leaders were able to garner adherents in selected rural areas (see chapter 6).

Counterposed to the reified formalist version, is the Sufi perspective. This is the pursuit of the direct, experiential apprehension of divine truth, through the discipline of religious practice. There is an attempt at going beyond appearance to the reality that appearance signifies. In the Sufi path, form is adopted not as an alienated exteriority, but as a means to reaching the content of its inner truth. The Sufi path involves a transcendence of the ego to journey towards oneness with Allah. This perspective has influenced Islamic philosophising or *hikmah* over a millennium, in the Middle East, Africa and South Asia. Indeed, in South Asia, Islam was first brought to the vast downtrodden populace by the Sufis from the Hijaz and Central Asia.

Shahab Ahmed suggests that Muslim scholars replaced the concept of philosophy or the Greek-derived term *falsafah* by the Quranic word *hikmah*. Now the term *hikmah* beyond philosophy per se has a deeper dimension of meaning, that of knowing (or apprehending) the Truth of God.[11] Thus, this deeper knowing becomes integral to the pursuit of knowledge. Ibn-e-Sina, the great Muslim scientist and philosopher, writing in the early eleventh century defined the term as follows: "*hikmah* is the perfecting of the human soul by the conceptualisation of things and by the verification of theoretical and practical real-truths to the extent of human capacity." Ibn-e-Sina further suggests that *hikmah* encompasses "Divine Science" (al-ilm al-ilahi). [12] Yet knowledge of the Divine Truth is a wisdom that is inseparable from good conduct in society. Nasr et. al. suggest, in a footnote to their translation of the Quran, that wisdom combines understanding with right action based upon it[13]. The Quran makes clear the value and virtue of wisdom: "He grants wisdom to whomsoever He will. And whosoever is granted wisdom has been granted much good. Yet none remember save the possessors of intellect."[14]

In the light of our discussion above, one can suggest that the Sufi perspective of grasping the kernel within the shell, is associated with the Islamic intellectual tradition of *hikmah* which is rooted in the Quran.

Shahab Ahmed, observes: "Now, as every student of Islam knows, Sufism – the theory and practice of holistic, experiential knowing of Divine Truth – was, for over a millennium, a foundational, common place and institutionalised conceptual and social phenomenon in societies of Muslims."[15]

The Sufi view of Islam, has been part of peasant consciousness and folk wisdom in South Asia, for about a thousand years.[16] Here love is a mode of experiencing the transcendent truth. It is also a way of knowing the self and relating with the other. This consciousness was not just a mental construct but an ontological reality for the peasantry, a way of being in this world. As Jalal-ud-Din Rumi, the great thirteenth century Sufi poet, whose work inspired Iqbal as also other influential Sufi poets and sages of the sub-continent, said,

> "Tell the night, our day has no night,
> Our religion no law but love,
> Love is the shoreless sea
> We drown in saying not a word"[17].

Those who pursued political power and wealth, have found the Sufi perspective unnerving, but it is integral to the collective consciousness of the peasantry. When extremist militant groups under the banner of the TTP, launched a campaign to take over state power in Pakistan, they regarded the Sufi view to be such a dire threat that they began to attack the shrines of Sufi saints, revered by the people. Taliban suicide bombing attacks ranged across Pakistan, from the shrine of Bari Imam in Islamabad in January 2007, to that of Rehman Baba in Peshawar in January 2009, and from Hazrat Ali Hajvery (Daata Sahib), the presiding saint of Lahore in July 2009, to Abdullah Shah Ghazi in Karachi the same year.

As we have argued in an earlier essay[18], for the dispossessed peasantry of the land that is today Pakistan, their great heritage was the rose-bud of love planted in their heart by the Sufi saints[19]. On the basis of this consciousness, being a Muslim was to adore God and thereby to nurture love for others, cultivate a sense of beauty and to pursue the truth. These elements of peasant sensibility were expressed in the social practices of tolerance and compassion; a sense of beauty was manifest in their modes of cultural expression, their songs and dances, their celebration of the changing seasons. The design and colour combinations even of functional objects like pottery or dress was made aesthetically pleasing to the eye; and the pursuit of truth integral to their sense of beauty, was expressed in

their struggles against injustice.

In a situation where the state propounded a quite different sensibility, this peasant consciousness has been banished to the distant margins of memory. As Najam Hussain Syed, the contemporary Sufi poet remarked in a haunting image, "Far on the banks of memory, falls your shadow, Ranjha" (Duur kidaeen chaete de kundhe utte, Rahi Raanjhan taendi chaan).[20] This consciousness has been tapped into, during popular movements against successive dictators in Pakistan, Ayub Khan, Zia-ul-Haq, Musharraf. During these movements the images of lovers and heroes that inhabit the collective unconscious of the deprived classes, have been brought into consciousness, as forms of resistance against authoritarian rule (see chapter 6). That is why, it can be argued, that the struggles against authoritarian rule in Pakistan, by bringing into the contemporary psyche these archetypal images, have carried forward the vision of Iqbal and Jinnah: resistance against oppression has helped begin a process of decolonisation and nation building.

The question is, how widely the current extremist ideology will get diffused and how long will it persist. The silences of the oppressed await their dormant consciousness to be brought to the surface, so that they can again become an active force in the making of history. It can be argued that consciousness at the archetypal level is trans-historical but becomes a material force in the historically specific form of class consciousness. For the deprived classes, the present contains that moment in the future when they can bring about a transformative change in politics, society and economy. The reactivation of this collective consciousness of the people is the challenge before those socio-political forces that aim to build a humane society with a democratic polity as envisaged by Jinnah and Iqbal.

The contradiction between counterposed religious perspectives, as much as contention within the state structure, were accentuated with the war against terrorism which the US unleashed after the 9/11 terror attack on their homeland.

3. The Dynamics of the Double Game

3.1 Contradictions of the US-Pakistan collaboration in the war against terrorism

After the 9/11 attacks, the US went to war against extremist militant groups worldwide, starting with an invasion of Afghanistan, home to Al-Qaeda and a number of other militant groups. Some of these

groups had been trained and equipped by the US together with Pakistan and used in the earlier war against the Soviet troops. The Mujahideen, erstwhile proxies, now became "terrorists", the new enemy. Once again Pakistan's support was sought. On the morning of 12th September 2001, General Musharraf was in a meeting, when he was informed by his military secretary that the US Secretary of State, General Colin Powell was on the line. During that telephone conversation General Powell conveyed a blunt message: "You are either with us or against us". The cost of defying the US, was brought home by a deadly threat. The next day Lt. Gen. Mahmud Ahmed, the Director General ISI who was in Washington, informed general Musharraf on the phone, that in a meeting with Richard Armitage, the US Deputy Secretary of State, he had been told that if Pakistan chose to go against the US, "...we should be prepared to be bombed backed to the stone age".[21]

Faced with this stark choice, Musharraf decided that it would be imprudent to take on the military might of the US. At the same time, he could not countenance the prospect of battling all of the militant groups who had been trained for use in the pursuit of the country's strategic objectives in Afghanistan. This paradox of the apparent and the concealed policy priorities, led to the "double game ". It essentially arose from the fact that the strategic goals of the US and Pakistan respectively, were not entirely congruent.

The double game began when soon after 9/11, the US asked Pakistan to open talks with Mullah Omar and give him the ultimatum of either handing over Osama Bin Laden or face war with the US. Bin Laden at that time was Mullah Omer's honoured guest in Afghanistan, ninety percent of which was controlled by him[22]. Pursuant to the US request, on September 16, 2011, Musharraf chose to send a group of Mullahs headed by ISI chief Lt. Gen. Mahmud Ahmed to Kandahar to convey the US demand. Kathy Gannon suggests that General Mahmud was sympathetic to Mullah Omer's vision of a pan-Islamic Emirate, presumably combined with a loyalty forged during their joint struggle. It is not surprising therefore that Lt. Gen. Mahmud gave a message to Mullah Omer quite different from what the US required to be conveyed. He told Mullah Omer not to give up Bin Laden as the US demanded.[23] Gannon further observes that Lt. Gen. Mahmud Ahmed subsequently travelled several times to Kandahar and each time warned Mullah Omer of the next likely move of the US.[24] Steve Coll also claims that Pakistan's military was playing a double game. He

reports that despite committing themselves to America's war against terrorism, an assurance was given to Afghanistan's Ambassador in Islamabad that "we will be with you" in the Taliban's armed struggle against America.[25] On October 7, 2001, the US invaded Afghanistan, overthrew Mullah Omer's Islamic Emirate in Afghanistan and installed the government of President Hamid Karzai.

In the post October 2001 period, Musharraf, while backing selected militant groups fighting the US supported government in Afghanistan, provided operational support to the US, in combating selected Pakistan based militant groups. Yet the very nature of this game was that it could not be fine-tuned, nor the lines between friends and foes amongst the militant extremist groups be clearly drawn. Further, US covert operations in Pakistan including drone strikes against particular militant leaders caused significant collateral damage, resulting in large swathes of the population in the FATA area turning against Pakistan. The killing of militant leaders by the Pakistan supported US drone strikes, also created common cause amongst the diverse militant groups. This made the attempt by Pakistan to distinguish between "good" and "bad" Taliban, more difficult. At the same time, militant groups fighting the Karzai government could not be micro managed to prevent them from attacking US troops stationed there. This created a sense of betrayal within the government of the US, with which Pakistan had apparently aligned itself.

The most important of these militant groups operating in Afghanistan, was the "Haqqani network" which was given a safe haven on the Pakistani side of the Afghan border. The problem of controlling such groups is illustrated by the example of two terrorist attacks in 2011, on US installations, that cast a shadow on US-Pakistan relations. The first was a car bomb attack on an American base in the Wardak province in Afghanistan, resulting in injuries to seventy-seven Americans. The second was an attack on the American embassy in Kabul with rocket propelled grenades. Both attacks were traced to the Haqqani network by US intelligence but there was no concrete evidence that the ISI had ordered it.[26]

The Americans did however present to Army chief General Kayani, concrete evidence that Pakistan was providing refuge to the Haqqani group. A secret meeting of top US national security officials and Army chief General Kayani, was held in Abu Dhabi in October 2011. During this meeting, Tom Donilon the US National Security Advisor, gave specific intelligence on Haqqani houses where the US believed the

two attacks had been planned. He also identified the Madrassa in Miranshah where extremists were indoctrinated to provide recruits to the Haqqani network.[27] Significantly, during the meeting, Tom Donilon, gave a veiled threat to General Kayani about crossing a red line: if the 70 Americans who had been injured had actually died in the Wardak attack, "we wouldn't be having this conversation"[28]. Thus, the US-Pakistan collaboration was marked by uncertainty, distrust and resentment. These contradictions between Pakistan and the US on the one hand and Taliban on the other, became an important factor in accentuating institutional instability in Pakistan.

Pakistan's management of its relationship with the US on the Afghan Taliban issue was certainly not opaque. However, the US played along as it may have perceived that the gains from collaborating with Pakistan in the war against terror were greater than the losses resulting from Pakistan's tacit support to the Haqqani network. After all, Pakistan controlled the overland supply routes to US troops in Afghanistan. The American dilemma in this context was pointed out by Douglas Lute, Special Assistant to the US President for Pakistan and Afghanistan: "At the end of the day, breaking off relations with Pakistan or containing it, might feel satisfying, but the next day you have to wake up and deal with them"[29]. Nevertheless, the view of the US regarding the "double game", was made clear by the retiring chairman joint chiefs of staff, Admiral Mike Mullen. He testified before the US Senate, that the Haqqani network is a "veritable arm" of Pakistan's ISI[30]. Later in 2016, during an Al-Jazeera television programme, the question of whether Pakistan was playing a double game, was posed to Michael Flynn, former head of the US Defence Intelligence Agency. He replied, "...I think the answer is 'Yes'...this double game really what it has to do with is the national security interests of the Government of Pakistan, have never been aligned as clearly as they need to be with the national security interests of the United States..."[31]

The inherent instability and risk in playing the "double game", lay in two structural features of the game: First, was the problem of imprecise control in using the Afghan Taliban as "an insurance policy"[32] to install a pro Pakistan government in Afghanistan when the Americans eventually left. This militant group could not be fine-tuned to prevent them from going beyond an unspecified red line that would provoke an American reaction against Pakistan. The threat by Donilon about a US response if the seventy Americans injured in the

Wardak attack, had actually died, is an illustration of this risk factor in the double game (see discussion above). Second, given the lack of a clear distinction between "good" and "bad" Taliban, even the good Taliban could turn against their patron, if they felt that Pakistan was going beyond their own implicit red line in supporting the Americans. Given the changing fortunes of the US-Taliban war, this red line even if known, would be frequently shifting. As the ensuing discussion shows, the Lal Masjid battle in Islamabad, is indicative of this second structural feature of the double game.

3.2 The Battle for Islamabad

In early July 2007, the contradictions of the double game were manifested dramatically in Islamabad. The world saw a historically unprecedented scene when tanks, artillery and troops surrounded the Lal Masjid (Red Mosque), in the centre of the country's capital. The militant organisation that ran the mosque turned against their erstwhile patrons, the military Establishment, when Pakistan became a US ally in the war against terrorism following 9/11. The Red Mosque now became a centre of anti-government and anti-US protests. Many students at the Lal Masjid had joined the Taliban "jihad" in Afghanistan against US led forces there. By 2007, the leadership of the mosque, from the capital city of Pakistan, declared a rebellion against the state, and announced the charter of a new social, political and judicial system according to the extremists' version of the Sharia. They sought to establish "revolutionary committees" to proceed towards their goal. At the same time, they issued a *fatwa* calling on the people of Pakistan to join the militants in the battle against the Pakistan Army in Waziristan.[33]

Zahid Hussain in a masterpiece of investigative journalism and meticulous research has shown how the Red Mosque, built in 1965, had become in the 1980s a centre of militant extremism under the auspices of Zia-ul-Haq. Here, volunteers were indoctrinated and recruited for the insurgencies in Afghanistan and Kashmir. Its first Imam, Maulana Muhammad Abdullah, known for his extremist and sectarian ideology, was appointed by General Zia-ul-Haq, as a member of his Majlis-e-Shura. After the Taliban established their rule in Afghanistan, Maulana Abdullah together with his younger son, Abdul Rashid, became closely associated with the Al-Qaeda and developed a personal relationship with Osama Bin Laden. After the assassination of Maulana Abdullah, his elder son, Maulana Abdul Aziz,

was appointed as the Imam of Lal Masjid with Maulana Abdul Rashid as his deputy. The two brothers continued to get state support despite their links with militant extremist and sectarian groups. Relations with the military Establishment turned sour however, when Pakistan announced that it had chosen to became a US ally in the war against terrorism. It was then that the Lal Masjid organisation launched a movement to overthrow the Constitutional order of Pakistan.

For months, there was a build-up of ammunition, weapons and militants, including the induction of Uzbeks, Chechen, Tajik and Afghan fighters inside the mosque compound. These preparations by the militants were taking place within a stone's throw of ISI headquarters. The Lal Masjid movement began with the formation of vigilante squads for cleansing Islamabad of vice. These were led by what, Zahid Hussain vividly describes as, "fearsome, stick wielding, burqa clad women" as well as other militants from the red mosque and its two affiliated madrassas. The vigilante groups raided houses which they had arbitrarily branded as dens of sin, kidnapped women residents who the marauding groups referred to as prostitutes, confiscated video cassettes and DVDs from music shops and made bonfires of this "un-Islamic material". The government held back, not wishing to provoke the extremists, even after they had kidnapped policemen and "ransacked government buildings."[34]

The government however was obliged to consider serious action when six Chinese women working in a massage parlour were abducted after being accused by the militants of being "prostitutes". China officially asked the Pakistan government to protect the Chinese people and their businesses.[35] After a few days, on July 3, 2007, heavy gunfire echoed across central Islamabad. The month long stand-off exploded in fierce clashes between the militants and para military Rangers supported by police, that left 10 people dead and 150 injured.[36] The action by the security forces was triggered when Lal Masjid "students" attacked a nearby government building where security forces had taken up positions.[37] The militants from concrete and sand bagged bunkers on the roof of the mosque building, were firing at police and rangers in the surrounding streets.[38] The same day, regular troops came into action and surrounded the Lal Masjid, although they still desisted from launching the planned "Operation Sunrise", to give the mosque "students", time to surrender.

Military action by the elite Special Services Group, began at 4 am, on 8 July, soon after peace talks with the Lal Masjid militants

had collapsed. The commando assault was led from the front by Lieutenant Colonel Haroon Islam. He was the first to enter the mosque compound through a hole blown in the outer wall. He was met by rocket propelled grenades fired from atop minarets. Lt. Col., Haroon was gravely wounded, with small grenade splinters lodged all over his body but refused to be evacuated. He fought on, and continued to lead his troops till he fell: his valour raising high, the heads of Pakistanis.[39] Lieutenant Colonel Haroon Islam was conferred a gallantry award, the Hilal-e-Shujaat a month after he embraced Shahadat. During the military operation, Maulana Abdul Aziz, Chief Khateeb of Lal Masjid tried to escape in a burqa but was caught, while his younger brother Abdul Rashid Ghazi perished in the onslaught. After a thirty-six-hour battle, the SSG commandos, with impressive skill and precision, overcame the resistance with minimum casualties amongst the inmates of the mosque. On July 11, the government declared the end of the Lal Masjid siege.

In the aftermath of the battle at Lal Masjid, Abdul Rashid Ghazi was painted as a "martyr" by the Taliban. Osama Bin Laden, described Ghazi as a "hero of Islam", and declared war against the Pakistani military.[40] Subsequent to the Lal Masjid battle, Taliban attacks on Pakistan's military intensified. Zahid Hussain reports that two months after the Lal Masjid assault, an eighteen-year-old militant blew himself up inside the high security base of Zarrar company, the elite unit that had taken part in Operation Sunrise. The suicide bombing attack killed 22 commandos, highly trained in counter-insurgency.[41] This was the prelude to a series of well organised militant assaults on key military installations. We discuss this, in the next section.

4. The Taliban Attack National Security Installations in Pakistan

The terrorist groups who were initially attempting to establish control over Waziristan in the FATA area, gradually gained strength and began operating in the major urban centres. Initially there was a series of attacks on civilian "soft targets", resulting in a large number of casualties and huge economic losses (see section 2.1). The aim apparently was not only to terrorise the civilian population in urban centres into submission to their cause, but also demonstrate that by operating with such impunity in even major cities, they had the outreach to challenge the writ of the state throughout its geographic domain.

Ahmed Rashid, an outstanding Pakistani journalist and author has traced the origins of the TTP in his influential work on the Taliban.[42] He reports that in December 2007, the TTP was formed during a meeting in FATA, of two dozen tribal militias and other militant groups from Punjab and Kashmir. The links between the TTP and the Afghan Taliban are indicated by the fact that the TTP was led by Baitullah Mehsud. He was an ally of the Afghan Taliban and their leader Jalaluddin Haqqani. Mehsud had fought alongside the Taliban in Afghanistan during the 1990s and then helped Al-Qaeda leaders escape across the border into Pakistan during the US led invasion of Afghanistan in 2001.[43] So from its very inception there was a symbiotic relationship between the Haqqani network and the TTP. Hence the military's distinction between the former as "good Taliban" and the latter as "bad Taliban" was disingenuous.

The Afghan Taliban as well as the TTP had broadened their support in the settled areas of Pakistan. Given the sectarian element in the ideology of the Taliban, in the process of organisational expansion, they linked up with sectarian extremist organisations in the Punjab[44]. Amir Mir has revealed, that following the attack by US led forces on Afghanistan, a powerful sectarian terrorist group, based in Pakistan, the Sipah-e-Sahaba, led by Maulana Azam Tariq had joined hands with the Afghan Jehad Council. This was an alliance of some of Pakistan's mainstream pro-Taliban religious political parties opposed to the US occupation of Afghanistan. Maulana Azam Tariq also linked up with two militant extremist organisations, Harkatul Mujahideen (Hum) and Jaish-e-Mohammad (JeM).[45] Through these connections with a variety of militant extremist groups as well as selected mainstream religious parties, the Taliban in Pakistan built up their organisational base and operational capabilities. The TTP acquired organisational and political strength not only through links with sectarian organisations and mainstream political formations within Pakistan, but also through covert support from neighbouring foreign countries. The external supporters who had penetrated the TTP sought to use them as a proxy in the inter-state proxy war that was now raging in the region.

The TTP gradually also established a network of facilitators within the state apparatus itself. On the basis of this organisational outreach and operational strength the TTP began to mount gun and suicide bombing attacks against key military and security installations. The aim apparently was not only to deter the military from resisting them

in the FATA areas but also undermining public confidence in the capacity of the security apparatus to even defend its own installations in the urban centres, let alone protect the life and property of ordinary citizens. The effect however was not quite what the Taliban expected: While there were some in various political parties, civil society organisations and the media who were sympathetic to the Taliban cause, large sections of the public opposed to the ideology and political aims of the Taliban, demonstrated their resolve to resist them rather than submit to their terror. This stratum of society expected the military to take decisive action against the terrorists who clearly threatened the state. This will to fight was lacking however amongst most of the main political parties.

One of the early targets of the Taliban campaign against the military, was the Army chief, President Musharraf himself. In mid-December 2003. As Musharraf's convoy was on its way to his official residence in Rawalpindi, there was a severe blast on a bridge enroute, but the explosive was slightly mistimed as it detonated minutes after Musharraf's vehicle had passed. There was a second attempt to assassinate Musharraf by the militants 11 days later, when two suicide bombers, drove into Musharraf's convoy, and triggered their car bombs. Musharraf, in a bomb proof Mercedes survived with his car badly damaged. But the blast killed 14 people including the bombers[46]. According to news reports, an intelligence official revealed that the two assassination attempts against Musharraf were planned by a Pakistani militant, Amjad Hussain Farooqi (who was wanted in the murder of Daniel Pearl, the American journalist). He was assisted allegedly, by ten lower ranking Air Force and Army officers. Some of these officers were believed to have had contacts with the Taliban.[47] By now the Army chief at least was clear about who Pakistan's primary adversary was: "I have been saying that the greatest danger to our nation is not external, it is internal", Musharraf said.[48] Yet at an organisational level there was continued procrastination about a full scale counter insurgency offensive in FATA and urban areas of Pakistan. As time passed, the "danger" escalated.

Lahore, the city of Sufi saints, whose citizens embodied the spirit of defiance against all that the Taliban stood for, was a target in the latest phase of the Taliban campaign against military installations. In early March 2008, there was an explosion in the Navy War College in Lahore, in which 26 people including five children and four navy employees were killed[49]. The following week, in a suicide car bomb

attack on the building of the Federal Investigation Agency (FIA), on Temple Road, Lahore, 15 FIA personnel and 8 others including three children were killed.[50]

These attacks were followed on 11 October 2009, by a daring terrorist assault with sophisticated weapons, on the General Headquarters (GHQ), Rawalpindi. Six soldiers including senior Army officers were martyred in this attack. It was discovered later that Aqeel Ahmed, a member of the terrorist group Harkatul Jihad Al Islami had managed to be hired as a nursing assistant and had been posted to the CMH in Rawalpindi. He had joined up with a "jihadi" friend Imran Siddique, an in-service soldier. Such "insiders" were suspected to have facilitated the attack on the GHQ.[51]

Four days later, on October 15, three separate attacks were launched against security installations in Lahore: against the Manawan Police Training School, the Elite Police Academy at Bedian Road and a second attack against the provincial headquarters of the FIA on Temple Road. In these attacks, 38 people including 14 security personnel were killed while all nine attackers were shot dead by security personnel.[52]

Less than two years after the attack on Army headquarters in Rawalpindi, on May 22, 2011, a deadly guerrilla attack was mounted against Pakistan's largest Naval base, the PNS Mehran base. Its defences were breached and the terrorists destroyed two P3-C Orion surveillance aircraft and killed 10 security personnel during a 15-hour gun battle with military commandos. Eventually the invading militants were killed. As a preliminary investigation report was presented to the National Assembly Standing Committee on Defence, some navy officials were placed in custody for questioning over their possible links with the attackers.[53] The Mehran base attack was reportedly mounted by terrorists because the navy had allegedly refused to release a number of its employees who had been detained on charges of defection to al-Qaeda.[54]

Khaled Ahmed, one of Pakistan's foremost journalists and scholars, in his book, has referred to another serious militant attack on the Pakistan Navy. On 6 September 2014, Pakistan Navy defectors working for al-Qaeda attacked from the sea, PNS Zulfiqar a missile equipped warship. The security responded valiantly, killing two attackers and capturing four alive.[55]

A year later, on 16 August, 2015 militants armed with rocket propelled grenades and automatic weapons launched a pre-dawn raid

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on the Minhas base of the PAF at Kamra. The gun battle continued for hours. Eight militants were killed by the defenders, while one soldier lost his life and one aircraft was damaged.[56]

5. Attempt at Peace Talks, Continued Militant Attacks and Institutional Instability

It is perhaps symptomatic of the fear and confusion amongst Pakistan's political parties induced by the militant "Blitzkrieg", that most of them sought peace when the Taliban were intent on waging war. Political parties were in a state of denial as the Taliban pushed the country inexorably towards the precipice. Beyond, was the abyss of chaos and destruction. An All Parties Conference (APC), was convened under the chairmanship of PML (N) leader Nawaz Sharif on September 9, 2013. The meeting which was attended by all the major political parties as well the Army and Intelligence chiefs, adopted a consensus resolution to initiate a dialogue with the various militant groups ("all major stakeholders" was the term used for the militants).[57] By September 25, Mr Imran Khan, chairman of the PTI, urged the government to declare a ceasefire if it was serious about holding peace talks with the Taliban. He went further to suggest that the militants should be allowed to open an office in Pakistan.[58] The outlawed TTP through its spokesman, Shahidullah Shahid, welcomed the All Parties Conference decision, but qualified this with the ominous warning that the APC initiative would "...not overshadow our goals".[59]

In relentless pursuit of their war campaign and paying scant regard to the APC resolution, on June 8, 2014, a group of militants launched a coordinated attack on another strategic installation: the airport of the metropolitan city of Karachi, the country's main port, principal commercial hub and the capital of Sindh province. Gunmen disguised in police uniforms, stormed the Jinnah international terminal, using machine guns and a rocket launcher. Twenty-eight people including the militants, were killed during the gun battle with security forces.

Soon after this attack, the TTP claimed responsibility. The peace talks were scuttled and a week later, the military responded with a combined Army and Air force operation, named Zarb-e-Azb, in North Waziristan which was effectively in control of the terrorists. Pakistan's armed forces fought this battle with a gallantry and professional skill which the TTP could not withstand. Waziristan was brought back into Pakistan's control and defence minister Khawaja Asif, declared victory in 2015. Over two years of this operation, a total of 2,763 militants

were killed, including 218 terrorist commanders in 9000 Intelligence based operations. Victory in the battle of North Waziristan, though came at a heavy price, with 347 officers and soldiers martyred. As in any such operation, in which artillery is used on the ground and fighter bombers from the air, there was significant "collateral" damage, causing the deaths of many innocent civilians. This created grievances and a sense of resentment in North Waziristan against the government leading to new fissures in Pakistan's polity.

Tragically, the heaviest cost was paid by school children. On 16 December 2014, TTP militants wearing military fatigues and carrying assault rifles, attacked an Army run school in Peshawar, with demonic ferocity. School children and their teachers were systematically gunned down in their classrooms, the walls spattered with their blood.[60] This massacre of the innocents left an indelible mark on the collective psyche of the nation. The UN Secretary General echoed the widespread condemnation in the international community and President Barack Obama said, the terrorists had "once again shown their depravity". A Taliban spokesman Muhammad Khurasani, underlined the Taliban's heartless indifference to any human consideration in their pursuit of blood thirsty revenge, when he stated, "Our shura decided to target these enemies of Islam right in their homes so they can feel the pain of losing their children."[61]

A wave of horror at the Army Public School (APS) atrocity, spread across the country and an outraged nation demanded swift action against the perpetrators. This was in some ways a turning point as there was a dramatic change of policy by both the military and the civilian government. The military stepped up the ongoing Operation Zarb-e-Azb and targeted additional areas such as Khyber and Kurram tribal agencies. This was combined with intensifying Intelligence Based Operations (IBOs) against terrorist cells in settled areas across the country. Nawaz Sharif shifted out of the "negotiations with stakeholders" mode, to an unambiguous confrontation with the Taliban. He announced in Peshawar that the old policy of appeasement would end now ...there will be no differentiation between 'good' and 'bad' Taliban.

Soon after the APS tragedy, an all parties conference was held by Prime Minister Nawaz Sharif in Peshawar. At this conference, it was quickly agreed to undertake a twenty-point National Action Plan (NAP) aimed at combating and eliminating the threat of terrorism. As Ahmed Rashid perceptively points out, while the military aspects of

the NAP were successfully carried out, the civilian government lacked the will to implement the social and political aspects.[62] It could be argued that this lack of will, arose out of the fact that the political forces were penetrated both organisationally and ideologically by the Taliban conglomerate. For example it was reported that as many as forty members of the Punjab Provincial Assembly managed to win seats in the February 2008 elections on the basis of support from banned extremist sectarian and militant organisations.[63] Some sectarian organisations like the Sipah-e-Sahaba, while providing political support to parliamentary candidates, were believed to be also providing support to the Taliban.[64] Consequently, the PML (N), government vacillated in implementing the NAP program which included madrassa reform, reining in the spread of extremist ideology through the social media and reforming education to remove extremist views from the school curricula and text books. The National Counter Terrorism Authority (NACTA) established in 2009, also remained inactive. Furthermore, The NACTA Act passed by Parliament in 2013, that stipulated bringing all intelligence agencies on the same platform to fight terrorism, also did not get implemented.[65]

As the civilian government demurred, the military continued with their determined battle against the extremists, in the post APS phase. As the military took a lead role in prosecuting the war against terrorists, it gained greater influence within the power structure. The tendency of increasing political power of the military and associated influence on institutional change in the face of the terrorist threat, was enhanced by the organisational weaknesses of civilian governance. An example was the Constitution (Twenty First Amendment), Act 2015 and the Pakistan Army (Amendment Bill 2015), under which military courts were established for prosecuting civilians alleged to be terrorists. These Bills were deemed necessary for speedy justice of militants who were waging war on Pakistan. The justification as given in the twenty first Constitutional Amendment Act 2015, as well as the Pakistan Army Amendment Bill, was: "Whereas extraordinary situation and circumstances exist which demand special measures for speedy trial of certain offences relating to terrorism...". Further, that "...there exists grave and unprecedented threat to the integrity of Pakistan ... from the terrorist groups by raising of arms and insurgency..."[66] Senator Farhatullah Babar of the PPP contested the Bill, during the Parliamentary debate, on grounds that it violated the spirit of the justice system stipulated in the Constitution. Babar

argued that "..the existing practice of military courts pronouncing death penalty against unnamed accused via unnamed judges sitting at an undisclosed location and without any mention of charges, the prosecution's case, the defence plea and without the presence of independent observers,"[67] was against the Constitutional requirement of adequate procedural safeguards against miscarriage of justice. Nevertheless, the Bill with a tenure of two years, was passed by the Senate. Such was the stress of militancy on the institutional structure of criminal justice, that the Supreme Court subsequently upheld the establishment of this parallel system of military courts. The verdict was given by the seventeen-member bench in a 11-6 majority vote.[68] Significantly the Bill upon its expiry in 2017, was extended by the Parliament for another two years.[69]

The establishment of military courts for "speedy justice", implied weaknesses in the law enforcement organisations that became manifest under pressure of the rising tide of terrorism. The organisational weaknesses lay in the inadequate forensic facilities and evidence collection capabilities of the police as well as legal skill capacity of government law departments. So, both the quality of evidence and the strength of legal argument were lacking in the preparation of prosecution cases. The level of rigour required to stand scrutiny in a civilian court of law was lacking. Also, the huge backlog of cases before an overstretched judiciary meant inevitable delays in hearing criminal cases.

The discussion in this chapter, shows that the decision to use terrorist groups as instruments of achieving security and foreign policy goals had proved counter-productive. Some of these militant groups in time developed into an implacable foe, that threatened the Pakistani state and caused major human and economic losses. At the same time their ideology which had been used as a means of mobilising militants against an external enemy, for almost a decade, had in time penetrated sections of the state apparatus, media, political parties and civil society. The TTP waging war against the Pakistani state also built up links not only with sectarian extremist groups but also some of the mainstream political parties. Thus, a heavy strategic cost was paid for uncertain, relatively small tactical gains. This is another illustration of the phenomenon where a state organisation professionally trained for war, begins to take crucial decisions in the sphere of national security, outside the democratic institutional structure of decision-making. Consequently, the complexity of those

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decisions in terms of the social, political, economic and psychological dynamics could not be taken into account.

What can make flawed strategic decisions spiral out of control, is ambivalence and delay in responding adequately to the burgeoning threat. This arises out of the tendency which in the literature on the New Institutional Economics, is called the phenomenon of "path dependence"[70]. When an organisation commits itself to a particular strategy based on a certain template of reality, it finds it difficult to reconcile to facts when in practice the strategy proves counter-productive. Entrenched ideological convictions and powerful vested interests within the organisation resist a change of course until the contradiction between the imagined and the actual, reaches a point of inflection.

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10

Power Imbalance and Instability in the State Structure

By the late 1990s the contention for power between the elected government of Nawaz Sharif and the Army under General Musharraf had reached a climax (see chapter 7). Yet again, at the point of inflection of intra state contradictions a coup d'état took place. It brought in its wake an imbalance in the power structure, that induced not only institutional instability but instability in the state structure itself, in the two decades that followed.

In this chapter, in sections I and 2 we discuss the challenge before the judges of the Supreme Court to adjudicate without fear or favour, on the issue of the legality of the Musharraf coup. They failed to do so. Once again, the Supreme Court invoked "state necessity" to justify a military coup d'état. We show that in bowing to the will of a General, the judges used a façade of legality in the maxim of Salus populi suprema lex. (The safety and well-being of the people is the supreme law). We explore the origins of this maxim in Cicero's argument in the first century B.C. We show that what was in the original Roman context a philosophical proposition, was converted by Pakistan's higher judiciary into a trans-historical "principle" of jurisprudence. We then trace the source of judicial fear to a colonised consciousness. We analyse the manifestation of such a consciousness in the mode of behaviour of the judiciary at key junctures in Pakistan's history.

In section 3, we argue that in Pakistan when an unconstitutional intervention has been validated by the Judiciary, new political processes have come into play that have accentuated institutional instability. We trace the trajectory of institutional instability in this period to show that tensions between Musharraf and the Judiciary eroded the balance that the Constitution envisaged, in the state structure itself. These intra state tensions generated the mass movement of citizens that has come to be known as the Lawyers Movement.

In the next section 4, we examine the Lawyers Movement. We argue that its significance lay in the fact that its leadership explicitly

aimed to liberate state functionaries from a colonised psyche. The Lawyers Movement in our opinion, served to create the consciousness that can underpin Constitutional rule if the country is to move towards institutional stability.

The Constitution of 1973 specified the limits of the domain of authority of each state organ and in doing so achieved a balance, and hence integrity of the state structure. However, during the five decades that followed, repeated military intervention led not only to instability in this apex institution, but also imbalance in the edifice of the state. In section 5, we analyse the dynamics of contention between state organs and their implications for the state structure. We use two case studies to illustrate and analyse the dynamics of conflict between state organs: Memogate and Dawn leaks respectively.

1. Musharraf's Coup and Institutional Instability: The Challenge of Justice

General Musharraf upon forcibly wresting power from the elected government on 12th. October 1999, declared a state of emergency in the country and proclaimed that the Constitution would be held in abeyance. He then assumed the office of "Chief Executive", a nomenclature that had no place in a parliamentary democracy. The Senate, the National Assembly and the four Provincial Assemblies were suspended by the Army chief. A Provisional Constitutional Order was promulgated, but in the absence of a functioning Parliament, the power instituting the PCO emanated not from the will of the people but the will of one man, the self-appointed "Chief Executive". So, the question of legitimacy of the new order arose, that once again placed the superior judiciary in a position of adjudicating on the matter. Underlying the issue of dispensing justice at this moment was the challenge of speaking the truth to power. There was an existential choice for each judge of the Supreme Court: uphold and defend the Constitution as they had sworn to do, or to submit to the will of someone who had usurped it (for a discussion on the concept of legitimacy, see chapter 2, section 2).

1.1 Institutional change and the question of legitimacy

Musharraf's Provisional Constitutional Order involved a constitutional contortion that signified its lack of legitimacy. It also had a built-in institutional instability arising out of the arbitrary decisions of one man in the process of making new laws or changing existing ones.

The Constitution was held in abeyance, yet the PCO proclaimed that the country would be governed, "as nearly as may be"[1], in accordance with the Constitution. Since the Judiciary was required to provide a fig leaf of legitimacy to a dictatorship, the PCO allowed the Supreme Court and all other courts to continue to function, but they were denied the power to "make any order against the Chief Executive, or any person exercising power or jurisdiction under his authority."[2] There was a similar restriction and at the same time a continuation in force of fundamental rights: Only those fundamental rights would be permitted, which were not in conflict with the "Proclamation of emergency or any order made thereunder from time to time..."[3]

The Musharraf regime was apparently mindful of the problem of legitimacy and the consequent danger of popular resistance. With his coup and the Provisional Constitutional Order, he had in effect arbitrarily changed the formal institutional structure of the country without reference to the will of the people. It is therefore significant, that in his speech of 13th. October 1999, Musharraf gave a call to the people to remain calm and support the armed forces, who "would preserve the integrity and sovereignty of our country to the last drop of our blood"[4]. Furthermore, support for the armed forces was required because they would strive for the "...re-establishment of order to pave the way for a prosperous future for Pakistan"[5]. The right to rule was thus sought by appealing to the sense of nationalism of the people in the form of direct support for the armed forces rather than through the government, as the Constitution stipulated. Two key promises underlay the appeal for supporting the armed forces not just in terms of their function of national defence but as a governance organisation: Establishment of order, which is necessary for the functioning of society; and prosperity of the people.

1.2 The challenge of dispensing justice

The stage was now set for the judiciary to meet the challenge of adjudicating on the legitimacy of the Musharraf government. Nawaz Sharif and a number of other PML-N leaders had filed petitions in the Supreme Court against the military coup of October 1999, seeking restoration of the Assemblies. These petitions were admitted for hearing which was scheduled to begin on 31 January, 2000. The government concerned about the possibility that these petitions may be accepted by the Supreme Court, made a pre-emptive move on 25 January 2000. An Executive decision promulgated the Oath of Office

(Judges) Order 2000, under which all the judges of the superior courts were required to take a new oath, over-riding the one they had sworn to when taking office under the Constitution. This new oath was to the effect that they would perform their duties in accordance with the Proclamation of Emergency of 14 October 1999 and the PCO, as amended from time to time by General Musharraf.

2. Existential Choice, Colonised Consciousness and the Roots of Courage

The choice before the judges was made clear by the military government: Under the Order, judges who were not given the oath or failed to take the oath within the stipulated period would cease to hold office. Justice Saeeduzzaman, Chief Justice of the Supreme court, along with five other judges of the Supreme Court, won a place of honour in Pakistan's history by refusing to take oath under the PCO. Chief Justice Saeeduzzaman, took the position that the military regime had "given a solemn undertaking that it would not interfere with its (Judiciary's) independence and it would be allowed to function under the Constitution". The dissenting Chief Justice was put under house arrest until 11 am on 26 January, to prevent him from influencing those of his fellow judges who were inclined to take the oath. Seven out of fourteen judges of the Supreme Court chose to take the PCO oath. Implicit in their choice was the intention to give a judgement favourable to General Musharraf when the petitions against his coup came up.[6]

2.1 Cicero's Maxim and the "Doctrine of Necessity"

After a few months of hearing, on 12 May 2000, a twelve-member bench of the Supreme Court headed by Chief Justice Irshad Hasan Khan decided to validate General Musharraf's extra constitutional military intervention on grounds of "state necessity". The Supreme Court judgement held that "On 12th October 1999, a situation arose for which the Constitution provided no solution and the intervention by the Armed Forces through an extra constitutional measure became inevitable, which is hereby validated on the basis of the doctrine of State necessity and the principle of Salus populi suprema lex[7] ..."[8] In Section 6(i) of the judgement, General Musharraf having "validly assumed power", was held to be entitled to sweeping powers of legislation, including the power to amend the 1973 Constitution.[9]

The Supreme Court validation of the Army chief's extra

constitutional intervention, is another example of a recurrent tendency at key moments in Pakistan's history. Supreme Court judges chose to bow before power rather than dispense justice 'without fear or favour'. The acquiescence to the will of a General while maintaining the façade of legality was achieved through the use of juridical terms drawn from the British intellectual tradition. But their applicability to the case at hand in the Pakistani context was questionable. Let us consider for example two key terms deployed in the Supreme Court judgement of May 2000: the Latin maxim of *Salus populi suprema lex* and the "doctrine of State necessity" respectively.

The Supreme Court in its judgement regarding the Musharraf coup, invoked the maxim of *Salus populi suprema lex* (The safety and well-being of the people is the supreme law). This maxim was originally formulated in a book titled, *De Legibus*, (On the Laws), by Marcus Tullius Cicero, a Roman lawyer and scholar, in the first century BC.[10] The word *Salus* also referred to the Roman goddess of safety and well-being.[11] The norm itself originates in Cicero's, view that "...the universe obeys the god, and the seas and land obey the universe, and human life complies with the orders of the supreme law."[12] Thus, the maxim drawn from a metaphysical perspective, was proposed by Cicero as an apex norm in the hierarchy of laws in ancient Rome. It cannot therefore be considered as an operative legal instrument in the actual process of adjudicating on concrete, existing laws of another country with its own Constitution.

The Supreme Court of Pakistan significantly converted what was a philosophical proposition suggested as the apex of a legal edifice in the original Roman context, into a legal "principle" in Pakistan 2000 years later. In effect the Supreme Court imputed to Cicero's maxim, the status of a foundational element in an assumed universal corpus of practical jurisprudence applicable as a system of law in Pakistan. Cicero's maxim was thus brought down from its celestial heights to a rather mundane legal device for validating a military coup.

The "doctrine of necessity" was similarly invoked out of context. It was drawn from the case of the English Parliament in January 1689 AD, related to the violation of a law that the Parliament can only meet when summoned by the King. That violation of law occurred in a situation where there was no King during the interregnum (22nd January to 12th February 1689 AD) between James II and William III. Despite the absence of a King, Parliament had to assemble to

conduct the business of the State. Thus, State necessity rather than law took precedence in that case. Joseph Chitty, referred to this as a situation where "necessity supersedes all law."[13] But Pakistan's Constitutional process exists in a different time and different socio-political, and legal space. This is a context in which the will of the people and not that of a King prevails through representative institutions within a Constitution. Hence, adjudication regarding the legitimacy of a military coup cannot reasonably invoke as an operative legal "doctrine," a precedence over three centuries ago from English history. As Justice Cornelius with reference to the 1689 AD English Parliament precedence, had observed in his dissenting judgement in the Maulvi Tamizuddin case: "The records of these affairs are hardly the kind of scripture which one would reasonably expect to be quoted in a proceeding which is essentially one in the enforcement and maintenance of representative institutions..."[14]

2.2 Colonised consciousness and judicial fear

At one level the disingenuous use of legal language in the Musharraf case, illustrates Paula Newberg's incisive observation: "From the country's first decade, Pakistan's judges have tried to match their constitutional ideals and legal language to the exigencies of current politics."[15] In a different vein it could be argued perhaps, that this tendency is rooted in the failure to complete the process of the decolonisation of consciousness in the post-independence period. The arrested decolonisation prevented those "constitutional ideals" associated with Western history from being relocated in an older intellectual tradition that was organic to the consciousness of the people of Pakistan.

The colonised mind is signified by acquiescence to power even if it is unjustly wielded. Concealment of this bitter truth was achieved by the superior Judiciary through invoking out of context, a precedent and a philosophical maxim respectively, from Western legal history. English and Latin terms disassociated from their historical context were used as symbols of power and instruments of psychological dominance. The authority of these symbols was drawn not from logical reasoning, or some universally recognised principle of jurisprudence, but from the dominance of an epistemology that the coloniser had earlier instilled in the colonised psyche, through power. (For a discussion on the colonial encounter and the psyche, see chapter 2, section 2.8)

The lack of spine in submitting to the will of a dictator rather than standing up for justice is another manifestation of the phenomenon of internalising the coloniser's image of the colonised: The colonised mind feels powerless and bereft of an identity without the authority granted to him by the coloniser. The judges' robes of office therefore symbolised that internalisation. Such a coloniser-colonised relationship could only have been established by divorcing the psyche of the colonised people from their historical memories of heroic defiance of unjust authority. It can be argued that the judges in making political compromises were unable to connect with their collective consciousness. This is the psychic realm of archetypal historical memory from which a person's sense of truth and justice, of self-worth, and hence of courage is drawn. (For a discussion of Jung, levels of the self and the collective unconscious see chapter 2, section 2.6). Fearlessness in existential choices is based on this deeper level of collective memory, where images of a Ranjha or a Dulla Bhatti or a Bhagat Singh, can become sources of inspiration. These celebrated folk heroes sacrificed their material interests to uphold justice and truth and thereby affirmed the dignity of a people. (See chapter 2, sections 2.2 and 2.7 for a discussion on recovering the collective consciousness of the people). See chapter 3, section 4.2 on the Disjunction between Formal Rules and Informal Norms.

3. Intra-State Tensions: Confrontation between a President and a Chief Justice

A feature of institutional instability in Pakistan is that when an unconstitutional intervention has been validated on grounds of "state necessity", new political processes have been set into motion that have not only accentuated institutional instability but destabilised the state structure itself. So, it was in the case of the validation of the Musharraf coup by the Supreme Court.

After a few years, the political order that had emerged following the 12th May 2000 verdict of the Supreme Court, was buffeted by tensions between the President and the Chief Justice. These tensions, and the associated political upheaval, by November 3, 2007, led to the dismissal of the Chief Justice, suspension of the Constitution yet again, another Proclamation of Emergency, imposition of another Provisional Constitutional Order (PCO) followed by issuance of another Oath of Office (Judges) Order. Those judges who failed to take the oath under the new PCO, as in the case of the earlier PCO, were

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dismissed. Thus, the Supreme Court validation of the October 1999 coup, triggered a trajectory of intensified institutional instability. At its apogee, it ignited a coup within a coup and the dismissal of some of the very judges who had granted legality to the earlier coup.

In the ensuing discussion we will trace the trajectory of institutional instability during this period and show how tensions between the Musharraf regime and the judiciary created an imbalance within the state structure itself. This time the intra-state tensions generated a popular mass movement led by the lawyers' community. It rapidly developed into a movement against authoritarian rule. As in earlier popular struggles against dictatorship this movement too tapped into the historical collective memory of resistance against injustice (see chapter 6).

After the restoration of the Constitution in 2004, tensions between the President and a Chief Justice intent on asserting judicial independence, reached a point of confrontation between the two. This conflict could not be resolved within the existing institutional structure given the dominance of the President-General Musharraf within the power structure. On March 9, 2007, President Musharraf called Chief Justice Iftikhar Chaudhry to Army House in Rawalpindi. The President significantly was dressed in military uniform and informed Chief Justice Chaudhry that he had been made "non-functional" which effectively meant he was suspended. The senior most available judge of the Supreme Court, Justice Javed Iqbal was appointed acting Chief Justice. Under the Constitution, there was no provision in the law that the President could thus order the Chief Justice to stop performing his duties.

The ostensible reason given for this extra constitutional executive action, was that the President had received complaints against him for misconduct and misuse of authority.[16] Well informed observers have suggested, that Chief Justice Chaudhry's judicial activism while it was making him popular in society, were disapproved by the Establishment, and in fact some of his decisions were seen as a challenge to the government.[17] Chief Justice Chaudhry himself had mentioned that his earlier verdict of setting aside the Prime Minister's order of privatising the Steel Mill, was a cause of his "suspension".[18] Given the Establishment's ire, President Musharraf pressed CJ Chaudhry to resign, but he refused. Simultaneously with making him "non-functional", the President decided to send a reference under

Article 209 of the Constitution to the Supreme Judicial Council (SJC) to investigate allegations of misconduct against Chief Justice Chaudhry. The Supreme Judicial Council convened the same day at about 6.30 PM and while admitting the Reference for hearing, passed an order restraining Chief Justice Iftikhar Chaudhry from performing his official duties till the SJC had decided on the Reference.

On 18th. April 2007, a direct petition before the Supreme Court was filed by Barrister Aitzaz Ahsan on behalf of Chief Justice Iftikhar Chaudhry challenging the legality of the orders of the President of 9th. March, and the jurisdiction of the Supreme Judicial Council to restrain the Chief Justice from performing his duties. Barrister Ahsan on the basis of a brilliantly argued case was able to convince the Supreme Court to grant relief to his client[19]. The Supreme Court in their historic verdict of 20th. July 2007, unanimously set aside the 9th. March orders passed by the President, the Reference to the SJC of 9th March, and the restraining order of the Supreme Judicial Council. The appointment of Acting Chief Justices was held to be illegal in the same verdict and the Judges (Compulsory Leave) Order was declared unconstitutional. Accordingly, Iftikhar Chaudhry was reinstated as Chief Justice of Pakistan on 20th. July 2007.

4. The Lawyers Movement: Building the Consciousness underpinning Constitutional Rule

Before the 20th July, 2007 judgement of the Supreme Court, in early March there was public outrage at the "suspension" of Chief Justice Chaudhry and the subsequent scene of the police manhandling him. He was pulled out of his car, tearing his coat in the process and then dragged along the street by his hair. The lawyers in particular and citizens in general were incensed at this humiliation of the Chief Justice. A historic citizens' struggle, led by the lawyers' community (called the Lawyers' Movement) began in March 2007, for the restoration of the Chief Justice to his Constitutional position. The Supreme Court Bar Association together with the Pakistan Bar Council took the lead and declared a complete strike on March 14th. 2007. The organisational strength and geographic scope of the Pakistan Bar Council lay in the fact that they had about 200 Bar Councils at the District level in Pakistan, and on this day, there was a boycott of courts across the country. After that, every Thursday there was to be a day-long Lawyers' strike, while on every other working day a one-hour strike was scheduled. At the same time, it was decided

that all Bar Associations would set up hunger strike camps and two lawyers daily would be selected to maintain the hunger strike.[20]Soon there were also protest marches in which members of the general public participated under the leadership of the lawyers. Academics, intellectuals, journalists, artists joined the movement. Gradually opposition political parties also added their support to the Lawyers' Movement.

As the movement gathered momentum it gained in intensity. Violent police action against protesters served to ignite their passions rather than suppressing them. The consequent escalating levels of confrontation between police and the public resulted in increasing casualties. On 17th March 2007, during a lawyers' convention in the Lahore High Court the lawyers attempted to take out peaceful processions from the four gates of the High Court. The premises were invaded by armoured police cars, lawyers were lathi charged and a number of them were severely beaten up. There was intense tear gassing as some citizens fainted while others threw the live tear gas grenades back at the police. A number of cars in the compound went up in flames. The unauthorised intrusion by police and violence against lawyers was a historically unprecedented desecration of the Lahore High Court premises.[21]

On 5 May a rally was organised in support of the Chief Justice in Sahiwal. Peaceful torch bearing demonstrators were baton charged by the police. Then on May 12, 2007, Chief Justice Iftikhar Chaudhry visited Karachi. On this occasion, citizens who had organised a demonstration in support of the Chief Justice clashed violently with rival political groups opposed to him. There were gunfights and corpses on the street. The clashes continued for two days, leaving 39 dead.

Tensions between President Musharraf and the Chief Justice came to a head in the next three months. On 17th July 2007, there was a bomb blast killing 17 people outside the gate of the Islamabad District Court at the time Iftikhar Chaudhry was expected to arrive there to address a lawyers' convention. Chief Justice Chaudhry left his home, together with a few leaders of the Movement, at about 8.15 PM. that evening. It was a fifteen- minute drive to their destination, but because of the huge crowd of supporters on the roads, they were delayed. Enroute, the Chief Justice's entourage received news that at 8.30 PM there had been an alleged suicide bomb attack at the venue of

the planned event. While the local and international press[22] reported the incident as a suicide bombing, Muneer A. Malik argues that it was a timed device, set to go off when the Chief Justice and key leaders of the Movement were expected to arrive[23].

The intensity of conflict between state organs and the associated public disorder had reached a point where questions began to be raised about the stability of the state structure itself.[24] After four months of sustained protests, Musharraf finally relented and reinstated Chaudhry to his position of Chief Justice. But the lawyers continued their movement, now claiming Musharraf's rule itself to be illegal.

Public protests, shook the political edifice and combined with further destabilisation of the tenuous institutional structure that had been fashioned by authoritarian power. Legal initiatives by citizens were undertaken, to block Musharraf from seeking re-election at the expiry of his five-year term as President. Petitions were filed in the Supreme Court challenging Musharraf's eligibility to contest the Presidential election while being Chief of Army Staff (COAS). A few days before the Supreme Court judgement on these petitions, Musharraf, fearing a verdict against him, abruptly issued another Proclamation of Emergency on November 3, 2007, and suspension of the Constitution. The international community was left wondering why Musharraf should declare a state of emergency when petitions against him were being heard.[25]

Following the Proclamation of Emergency, CJ Iftikhar Chaudhry and his family along with 10 other judges of the Superior Judiciary were placed under house arrest. The top leadership of the Lawyers Movement including Muneer A. Malik, Aitzaz Ahsan, Ali Ahmed Kurd, Justice (Retired) Tariq Mehmood were placed under detention. At the same time, almost the entire leadership of the various Bar associations were arrested from various cities. Despite the arrest of the main leadership of the Lawyers' Movement and also most of the Presidents of District Bar Associations, the protest movement continued unabated.[26] Lawyers led popular street demonstrations across the country, defying baton charges and tear gas.

Before the arrest of its main leadership after the Proclamation of Emergency on November 3, 2007, the Lawyers Movement had widened its scope to struggle for an end to the recurrent interventions by dictatorship in various garbs. The lawyers as also citizens in general sought the establishment of Constitutional rule. In a public speech,

Aitzaz Ahsan, urged for a struggle to bury military dictatorship which he said, had made a mockery of the Rule of Law.[27] Ahsan took the aim of the ongoing movement to a more fundamental level at a public meeting at the District Court premises organised by the Faisalabad Bar Association on June 16th. 2007. He called for a new social contract between the state and the citizens and laid out a vision for Pakistan based on social justice, akin to that of Jinnah.[28] Chief Justice Iftikhar Chaudhry gave the other side of the picture, in his speech on 5th May 2007, in the compound of the Lahore High Court. He argued that "The nations and states based on dictatorship, instead of supremacy of constitution, rule of law and protection of basic human rights, are destroyed."[29]

Muneer A. Malik, one of the principal leaders, articulated four strategic elements of the Lawyers Movement:

First was changing certain beliefs of "enslavement" that remained even after "liberation from the colonial rule." Malik argued that the colonised had been "indoctrinated" into believing that there was one set of rules for the "powerful and one for the meek" and had been "taught to be subservient at the cost of liberty". He quite rightly points out that even after independence this mind-set persisted amongst the local administrators ("baboos" as Malik calls them) who sought to "keep the masses in control in order to protect the privileges of the ruling class."[30] (see chapter 2, section 2.8 for a discussion on the nature of the colonised psyche.)

The second element of the strategy, according to Malik was to change the mental propensity of the judges that tended to be subservient to those who "controlled the coercive power of the state". Malik aptly observes that the judges were undoubtedly aware of the separation of powers under the Constitution. Nevertheless, they regarded themselves as government servants, rather than holding constitutional posts with the duty to dispense justice.[31] Hence there was a tendency to submit to the will of those controlling state power. (See our discussion on the basis of judicial fear, in section 2.2 of this chapter, above).

The third element of the strategy was to change the mind-set of the political leaders who lacked confidence in the strength of the people and chose to come into office, through deals with the Establishment and foreign powers.[32]

The fourth element of the lawyers Movement according to Malik

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was to change the mind-set of the military, the feudal and capitalist elites so as to learn that they could no longer behave like an "occupying foreign force" but realise that their survival depended on ending their "isolation and alienation from the masses".

What is common to all four strategic elements of the Lawyers Movement is the proposition which we have argued in chapter 2 of this book, as the unfinished agenda of national independence that Iqbal and Jinnah had articulated: the decolonisation of consciousness and the simultaneous process of nation building. We have analysed the nature of the colonised psyche (chapter 2, section 2.8), and discussed the importance of achieving an awareness of the collective unconscious of the oppressed people. This underlies their cultural diversity and its precipitate of national unity. Such a national unity is based on affirmation of the great civilisational tradition, the profound humanity, the dignity and courage of a people living through history (chapter 2, sections 2.2 and 2.7).

It can be argued that the agenda articulated during the Lawyers Movement was essentially that of completing the process of decolonisation of consciousness and nation building. This process as we have suggested earlier, had been arrested when after Jinnah, an elite coalition, antithetical to Jinnah's vision took over power. As such, what was required to achieve the strategic objectives of the Lawyers' Movement, was not only a fundamental change in the power structure but also redefining the relationship between the state and the people. This ambitious aim, could only be pursued over the long run by a broad-based institutionalised form of civil society movement, a political organisation or a new coalition of parties, not just associations of lawyers. Given its organisational limitations, the fundamental strategic objectives of the Lawyers' Movement remained incomplete. It had to be brought to closure in March 2009, when the Judiciary was restored.

Despite its organisational and ideological limitations however, the Lawyers Movement represented an important chapter in the history of the people of this region: The courage and sacrifice of citizens in their recurrent resistance against dictatorship. This movement for the restoration of the Judiciary can also be considered as a significant juncture in the six decades of institutional instability: The people across the country had demonstrated their commitment to defend the Constitution with their lives. This commitment signified another

step in the process of the universal principles of freedom and justice embodied in the Constitution, becoming part of the value system of the citizenry. Perhaps the most important outcome of the Lawyers' Movement was the emergence of a normative basis in political culture, for the independence of the Judiciary and formal rules of the Constitution. Consequently, while direct or indirect dictatorial rule in the future may suppress these rights for a time, it is likely to face popular resistance sooner or later.

As in every defiance against injustice over the centuries in the land that is today Pakistan, new heroes emerge as ancient myths are reinforced anew. Through their selflessness and sacrifice, they entered the reservoir of collective memory to inspire subsequent resistance. So, it was in this case. Aitzaz Ahsan, Muneer A Malik, Ali Ahmed Kurd, Tariq Mehmood, Hamid Khan and many others have joined the pantheon of heroes. So have many women lawyers such as Asma Jehangir, Hina Jillani and their younger colleagues. The badge of honour they won through their struggle, shines brightly in popular consciousness. They fought as equals alongside their male colleagues, in many a street battle during the Movement. The bravery of women lawyers made the nation proud. Through their intellect and courage, the heroes of the Lawyers' Movement, men and women alike, have affirmed the desire for justice and the great potential of the people that awaits realisation in the womb of history.

5. Imbalance in the State Structure and Conflict between State Organs

The imbalance in the state structure between the state apparatus and the elected representatives in government had emerged during the years following Jinnah's death (see chapter 2). The ruling elite coalition that established its power after Jinnah, focused on building the state. But they largely ignored the equally important tasks of decolonising consciousness and building the institutional structures of democracy and economy that could ensure freedom, social justice and economic well-being for the people. Rather, the elite coalition became preoccupied with providing an increasing magnitude of rents for themselves.

5.1 Disturbance in the balance between state organs crafted by the constitution

The institutional structure of a democratic polity made a fragile,

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tentative appearance through the 1973 Constitution. It was the first Constitution of Pakistan to have been passed unanimously by a legislature that had been elected on the basis of adult franchise. The Constitution of 1973 aimed to achieve a balance between various state organs by specifying the domain of authority of each organ and through its rules structuring the interaction between them. But as our analysis of institutional instability has shown, the balance within the state structure that the Constitution specified, could not be achieved in practice in the following four decades.

The extra constitutional power established by the Army within the state structure over seven decades, tilted the balance in their favour. At the same time, the persistence in this imbalance was partly because successive civilian governments, were brought into power through electoral manipulation by the "Establishment". Consequently, they functioned under the shadow of the Army and lacked legitimacy since their power was not entirely drawn from the people. For the elected civilian government to wrest the political initiative from the military within the power structure, required achieving honest and efficient governance, and a policy framework that could provide the majority of the people opportunities to pull out of their economic misery. Except for the mass movements at key junctures (e.g. the mass movement against Ayub Khan in 1968, and the Lawyers Movement in 2007), the constellation of political and social forces in what Pakistan is today, did not lead to the emergence of an institutionalised political formation committed to a constitutional order. Pakistan's history has shown that when the rights of the people have been defended, and in the case of the Lawyers Movement, the Constitution upheld, it has been done not by organised political parties but primarily through an essentially spontaneous mass movement.

The dynamics within the power structure between the Army and elected civilian authority, induced variations in the extent to which the Constitution was enforced at any given time. The resultant institutional instability and the associated contention for power between state organs eroded the coherence of the state structure itself. It also undermined the rigour of the strategic decision-making process of government and a consequent heightened risk of disastrous mistakes. (See for example the decision to undertake the Kargil war, chapter 7, section 2, and the decision to use militant extremist groups as strategic assets, chapter 9).

In this section we will give two illustrative examples from the period 2008 to 2017, of how institutional instability led to a situation where different state organs worked at cross purposes.

5.2 Institutional instability and conflict between state organs: Memogate

What became known as Memogate, is an illustration of the conflict between state organs reaching such intensity that the sovereignty of the state itself could have been threatened. Here, key figures within the Executive allegedly attempted to secretly seek the help of a foreign power for a civilian government that was in contention for power with the military. Furthermore, foreign support was allegedly sought to change senior personnel and the internal functioning of Pakistan's security apparatus. The ostensible aims of this initiative were two-fold: First, an attempt to bring under direct Executive control the internal re-organisation of the military, not on the basis of the Constitution but through conspiracy with a foreign power. Second, an attempt to change the policy orientation of the national security apparatus. This was sought to be achieved not through Constitutional mechanisms involving the Cabinet and Parliament, but covertly aligning the interests of a particular political faction within the country with those of a foreign power.

The drama of Memogate unfolded on October 10, 2011, when Mr Mansoor Ijaz, a US businessman of Pakistani origin, who was said to be a go-between Pakistani and US officials, revealed in the Financial Times that he had delivered a secret memorandum written by a Pakistani official posted in the US, to Admiral Mike Mullen, the then US Chairman of the Joint Chiefs of Staff.

The text of the Memorandum[33] is remarkable for its audacity in offering to restructure Pakistan's security apparatus so as to conform to US strategic interests. It had three key features in this regard:
(1) In return for US political and military backing, the Pakistani officials behind the Memo, offered to replace the existing National Security team with one that would pursue US strategic security interests. The members of the National Security team would essentially be selected by the US military apparatus. The government would replace "in a wholesale manner", the "national security advisor and other national security officials with trusted advisors that include ex-military and civilian leaders favourably viewed by Washington, each of whom have long and historical ties to the US military, political and intelligence

communities."[34] The initiators of the memo move, further offered to the US military chief, that "Names would be provided to you in a face-to-face meeting with the person delivering this message."[35]

(2) The new National Security team approved by the US would bring Pakistan's nuclear assets under "a more verifiable, transparent regime."[36]

(3) The new National Security team would "eliminate Section S in the ISI charged with maintaining relations with the Taliban, Haqqani network, etc."[37] which organisations the US considered to be inimical to its security interests.

(4) With the new National Security team all those alleged to have perpetrated the Mumbai attacks, "whether outside (Pakistan's) government or inside any part of the government, including its intelligence agencies"[38], would be handed over to India.

According to the magazine, Foreign Policy, the Memorandum was authentic and had indeed been received by Admiral Mullen. Mullen's former spokesman Capt. John Kirby confirmed that "Mullen had searched his records and discovered that he had indeed received the Ijaz memo-but that he gave it no credibility and never acted on it."[39]

In the public uproar that followed Ijaz's revelation, Ambassador Haqqani was alleged to have drafted the Memorandum, leading to his resignation. Nawaz Sharif whose PML-N was the main opposition party, filed a petition in the Supreme Court to investigate the matter. During the Court proceedings, Mansoor Ijaz testified on video link from the Pakistan High Commission in London, that he had helped Ambassador Haqqani deliver the memo to Admiral Mullen. During cross examination Ijaz made two significant claims: first, that on the basis of a briefing by at least four intelligence networks of different countries he had suspected that there was a possibility of a military coup in Pakistan following the Osama Bin Laden raid in Abbottabad. Second that he had been in touch with Ambassador Haqqani through Blackberry messenger on the memorandum issue. Ambassador Haqqani initially denied Mansoor Ijaz's claim but days later, (on March 21, 2012), confessed to having a sixteen-minute conversation with Ijaz on May 9, 2011.

The Memo Commission submitted its report to the Supreme Court on June 12, 2012 "stating that Ambassador Haqqani was not loyal to the country and that the memo seeking US support was indeed real and authored by him."[40] At the outset of the subsequent

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hearing by the Supreme Court, the Chief Justice noting the absence of the petitioners from the court observed that if the petitioners are not interested, then "why should we waste our time?"[41] The Supreme Court wrapped up the Memogate case in February, 2019, saying that it is the responsibility of the state to arrest former Ambassador Haqqani and conduct his trial. "The state can act (against the persons involved) if it wants; the Supreme court has nothing to do with the matter (now)."[42]

The Memogate case illustrates how intra-state tensions can feed off institutional instability and reach a critical point where a key official of the government, allegedly conspired with a foreign power to undermine the security apparatus of the country and then align it with the strategic interests of that foreign power. Despite the Memo Commission report implicating Haqqani and the Supreme Court decision that it was up to the government of Pakistan to conduct a trial, the government chose to refrain from any such action. Governmental paralysis in this serious security matter shows how tensions between state organs can erode the internal coherence of the state and the orderly co-ordination of its various organs. This can lead to a weakened ability of the state structure as a whole, to define and pursue the national interest.

5.3 Institutional instability and conflict between state organs: Dawn leaks

In October 2016, five years after Memogate, the case of Dawn leaks was another manifestation of rising intra-state tensions.

As we have argued in section 5.1 of this chapter and in more detail in the earlier chapter 10, the variation in the extent to which the process of governance conforms to the Constitution at any one time, is the changing balance within the underlying power structure between the military and civilian authorities. Let us briefly indicate the tilt in the power structure balance in favour of the military, in the period preceding Dawn Leaks. The attempt by Prime Minister Nawaz Sharif to assert the illusion of his constitutional authority in the face of the reality of power, led to the military-civilian stand-off that culminated in his ouster.

The civil-military tensions during the tenure of the PML-N government, initially arose out of the widespread anti-terror operations across the country. The Army took the key decisions during what it considered to be essentially military operations. But

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the exercise of decision-making authority by the Army within the country during what was apparently peace time, was resented by the civilian government.[43] Initially the government together with some of the other political parties pursued peace talks with the TTP, but these broke down after the terror attacks on Karachi International airport (see chapter 9). Subsequently the military launched Operation Zarb-e-Azb in Waziristan which was the biggest counter insurgency offensive in Pakistan's history. Significantly, instead of the Prime Minister ordering this operation, it was the Army Chief, Lt. Gen., Raheel Sharif who did so, and it was later endorsed by the civilian government.[44] Following the horrendous Army Public School massacre in Peshawar, the scale and intensity of the Zarb-e-Azb operation was increased. Soon after the APS terror attack, an All Parties Conference was convened by the government during which the National Action Plan agreement was reached by all the political parties together with the military. The National Action Plan specified wide-ranging reforms to comprehensively address the threat of extremism and terrorism.[45]

The scope of the military in the civilian domain was further enlarged with the establishment of Military Courts to try "hard core" terrorists. These courts were to function outside the domains of both the civilian government and the regular judicial process. The Military Courts were hurriedly established through a Constitutional Amendment without any significant resistance from the Parliamentarians (see chapter 9).

The military through the para military force, the Rangers[46], on its own initiative, also launched large scale anti-terror operations in Karachi and later in some districts of Punjab.[47] These "intelligence based" operations created further tensions between the civilian political parties in Sindh, the government and the military establishment. The Rangers soon after launching operations in September 2013, began to focus their anti-terror efforts on the Muttahida Qaumi Movement (MQM). The MQM at that time held nearly all the Parliamentary seats in Karachi. This politically powerful party was reported to be running a violent criminal network including an extortion racket in Karachi alongside their political wing.[48] When the Rangers moved in for a "clean-up" operation against the MQM, and also against a criminal gang in the Karachi slums alleged to have links to the PPP, the affected parties objected. The efforts to reclaim parts of Karachi outraged vested political interests but were popular with the people.

Mr Asif Ali Zardari, co-chairperson of the PPP in a confrontational

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tone, lashed out against what he called the "character assassination" of his party and directly warned the military leadership that "if they did not stop, he would expose the misdeeds of many Generals."[49] The PPP dominated Sindh government chimed in and accused the Rangers of "acting beyond their lawful authority" in Karachi. Such was the aggressiveness of Mr Zardari's tirade against the military that even the PML-N felt the PPP may for once have crossed the line. Accordingly, Prime Minister Nawaz Sharif felt it politic to call off the meeting with Mr Zardari, scheduled the following day. The statement from the PM House was designed to dis-associate the Prime Minister from Zardari's position. Dawn's correspondent, Mr Mateen Haider reported Nawaz Sharif as saying, "criticism of the armed forces encourages destabilising factors in the country, adding that under current circumstances, criticism of the armed forces was not appropriate."[50]

With the military undertaking anti-terror operations outside the domain of civilian authority and its continuing influence over security and foreign policies of the country, the Nawaz Sharif government felt constricted in key areas of governance. The resultant tensions with the military led to an attempt by the Nawaz government to increase its share in the power structure. It is this contention for power that underlay the case of Dawn Leaks.

of nations. This was, that Pakistan was sending militant extremists across the Line of Control in Kashmir to foment rebellion. In a daring attempt to persuade the military leadership to change its security strategy regarding India, a meeting was organised at the Prime Minister's office. The gathering was attended by a select group of senior civil and military officials. The meeting was chaired by the Prime Minister and the military representatives were led by ISI DG Rizwan Akhtar. The presentation on the state of play on the international stage was made by the foreign secretary. His candid conclusion on the results of Pakistan's diplomatic campaign was that Pakistan faced diplomatic isolation and that the government of Pakistan's view had been met with indifference in major world capitals.[51]

According to Cyril Almeida's news report leaked by an insider in

apparently an orchestrated move, two sets of actions were agreed at the secret meeting:

First, ISI DG Lt. Gen. Rizwan Akhtar and National Security Advisor Lt. Gen. Nasser Janjua were to travel to each of the four provinces with a message for ISI sector commanders that "military led intelligence agencies were not to interfere if law enforcement agencies act against militant groups that were banned or hitherto considered off-limits for civilian action".[52]

Second, the Prime Minister called for a "fresh attempt' to conclude the investigation of the attack on Pathankot IAF base in Indian Punjab; and restart the trials in the Rawalpindi anti-terrorism court, related to the Mumbai terror attacks.[53]

The Foreign Secretary revealed ominously, that each of Pakistan's two key allies, China and the US wanted a major policy shift in Pakistan's security strategy. In the case of China, while reiterating its support for Pakistan, it expressed a "preference for a change of course by Pakistan. Specifically, while Chinese authorities have conveyed their willingness to keep putting on technical hold a UN ban on Jaish-i-Mohammad leader Masood Azhar, they have questioned the logic of doing so repeatedly."[54] In the case of the US, Foreign Secretary Chaudhry reported that relations with that superpower would deteriorate further unless their demand for action against the in security strategy had been taken after an "extraordinary verbal confrontation between Punjab Chief Minister Shahbaz Sharif and the DG ISI, in a high stakes new approach by the PML-N government".[55]

According to the Dawn news report, to defuse tensions, the Prime Minister directly addressed Lt. Gen. Akhtar and reassured him that the security policies pursued in the past were the collective responsibility of the state and hence the DG ISI was not being accused of "complicity in present day events".[56]

The carefully structured choreography of the meeting, signified an attempt by the civilian government to persuade the military through hard facts and cold logic, that the security strategy of using militant extremist groups as instruments of foreign policy was no longer tenable. There was an apparent acceptance of the logic of the

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civilian argument by the military. But subsequent events suggest, that the seeds of resentment and distrust were sown in the minds of the military leadership at that time. This was partly because of the confrontational design of the meeting and partly because of the obvious leakage of what the military had been led to believe, was a secret meeting.[57] These seeds were to sprout and grow into a bitter harvest of intra state conflict. The conflict became so personalised that in time Nawaz Sharif was not only removed from office but had to go once again into exile.

Here once again is an illustration of how intra-state tensions essentially arise out of the erosion of Constitutionally specified boundaries of authority between state organs. As seen during the 1990s, institutional instability creates an extra-constitutional space in which various state organs tend to enlarge their respective decision-making domains. This creates a trajectory of rising institutional instability that in turn feeds off the escalation in intra-state tensions. At its peak, the contention between state organs, can bring leaders of these organisations into visceral personal conflict. Then, driven by the ego and charged with emotion, the sense of propriety and balanced judgement is displaced amidst escalating intra-state tensions.

When tensions between state organs erupt into intra state political conflict, the internal balance of the state structure is disturbed. At the same time there is a heightened unpredictability in state behaviour, because the conflict between state organs is unconstrained by the institutionalised boundaries of their authority. The resultant inability of the various state organs to act in concert, weakens the state structure itself.

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11

Overcoming Underdevelopment through a Human Economy

Building the economy of a sovereign people required restructuring the colonial economy that had served the interests of the coloniser, to build an economy that worked for the people. The aim after independence should have been to design an economy whose growth was based on developing the capabilities of the people as Jinnah had envisaged. Instead the elite coalition that took power after Jinnah, retained an economic structure that continued to remain dependent on the metropolitan countries. At the same time, they reinforced the rent-based institutional framework. The only difference being that while in the pre-independence period, rents were generated for the colonising country, now they were appropriated by the domestic elites. In this chapter we present the policy framework of achieving sustained economic growth on the basis of actualising the potential of innovation and enterprise of the people.

We will in section 1, sum up the structural features of the neo-colonial economy that emerged over the last six decades. In the next section 2, we will summarise the key features of Jinnah's economic vision that could become the foundational elements of the national economy of the future. In the subsequent section 3, we identify the architecture of the economy that has emerged over the last seven decades. In section 4, we re-examine the concept of underdevelopment. In section 5, we outline an economic strategy to move towards Jinnah's vision of an economy by the people and for the people.

1. Neo-colonial Structure of Mind and Economy

The complexity of the challenge of independence was to combine decolonisation of consciousness with the process of nation building. Establishing the material basis of a new nation state, would require an economy whose dynamism was drawn from the talent and enterprise of the people. Such an economy that provided equal opportunities to actualise the creative potential of citizens could give meaning to

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nationhood. It could also sustain the sovereignty of the state.

As we have argued in chapters 3 and 5, Jinnah's vision as indeed Iqbal's, was set aside by the elite coalition that took over power after Jinnah passed away. The central task was to complete the process of decolonisation of consciousness and establishing the institutional structures of polity and economy for a liberated people. These institutional structures would as Jinnah envisaged, be based on the values of equality, justice and human solidarity. The unity of the emerging nation would be sustained by nurturing the diversity of an ancient people. But the baton passed by Jinnah and Iqbal could not be grasped by the elite coalition that followed. It was a combination of rent-seeking landlords, big traders and industrialists. They aligned themselves with a bureaucracy and military, that were mentally oriented and organisationally equipped to run a colonial state. But they lacked the intellectual depth and political acumen to fulfil Jinnah's vision.

The bureaucrats saw themselves as rulers of a subservient people, not public servants of an independent nation. Mindful of this tendency, Jinnah had emphasised the importance of shifting their mental attitude, from being rulers to public servants, in his talk to the Gazetted officers of Chittagong, on 25 March, 1948.[1]

In the case of the military, Jinnah was aware that there may be a propensity in the senior officers to wield power outside the Constitution. In his address to the Officers of the Staff College, Quetta on June 14, 1948, Jinnah expressed his concerns with regard to their commitment to the Constitution of Pakistan. Jinnah then proceeded to "refresh their memory", by actually reading out to the assembled military officers the prescribed oath of allegiance.[2]

Given the mindset of the elite coalition and their economic interests, no attempt was made to restructure the economy such that it could work for the free people of a sovereign state. The foundational principles adumbrated by Jinnah were swept aside and instead, a neo-colonial economic edifice was raised on the foundations of the colonial economy. Pakistan's economy in time manifested four structural features (see chapter 5, for an analysis of the economic policies of the period 1955-70 that shaped the architecture of a neo-colonial economy):

First, the institutional framework of the economy was designed to systematically generate rents for the elite coalition. The colonised

mind-set of the elites engendered an aspiration to lead the luxury life styles of the Western elite. Consequently, Pakistan's elites sought increasing amounts of rents. But here was an economy whose growth was constrained precisely by the rent-based institutional structure. Consequently, the effort of each elite faction to seek larger rents, meant intensified contention for a larger share of a cake that was not growing enough (chapter 5). While institutional instability created the space for intra-elite conflict, this in turn became a key factor in accentuating institutional instability that ultimately led to tensions between state organs (see chapters 7, 8, 9 and 10 for an analysis of this phenomenon).

The second structural tendency that emerged out of the first, was the inability to achieve sustained growth in per capita incomes. Growth occurred in spurts, so that the gains made during periods of relatively high per capita income growth were largely lost during subsequent periods of stagnation and even negative per capita income growth. So, over the long run there was an inadequate increase in per capita incomes. This underlay persistent mass poverty. Slow per capita income growth also constrained cash strapped governments from providing basic public services to ameliorate the deprivation of the poor.

Third, a tendency for loan dependence. This arose out of the fact that while the elites were enriched, their proclivity for ostentatious consumption prevented a sufficient increase in domestic savings. At the same time, the risk averse propensity of the rent-seeking industrial elite led to a failure to diversify the export structure towards high value-added, knowledge intensive goods. The consequent slow export growth meant a foreign exchange gap leading to increased foreign borrowing. Lack of international competitiveness of most of the private sector industries and inefficient use of public funds by government, meant an accelerating build-up of increasingly expensive debt. With sluggish GDP growth and rising debt, in time a point was reached, when the debt stock became unsustainable. The stock of public foreign debt increased from USD 14.19 billion in 1989 to USD 75.36 billion in 2018 (see table in chapter 8). The associated debt servicing burden increased so rapidly that it became greater than fresh loans. For example, foreign debt servicing by FY 2020, at USD 12.86 billion was higher than fresh loans disbursed which amounted to USD 10.74 billion.[3] In fact, the total debt servicing

amount exceeded the total volume of loans borrowed over the long run. For example, between the years 2000 to 2020, the total external public loans disbursed, amounted to USD 68.9 billion, while the debt servicing by government during this period, was greater at USD 72.2 billion.[4] Thus debt servicing became an instrument of net resource extraction from Pakistan, by the loan giving countries.

Fourth, there was an endemic tendency for inequality and persistent mass poverty. This was because of the highly unequal distribution of productive assets and hence of incomes. The inequality was accentuated by the fact that investment incentives such as subsidies, tax exemptions and protection from competition were concentrated on the rich. Inequality in the distribution of disposable income was further exacerbated by the regressive system of indirect taxation, which placed a relatively greater tax burden on the poor than on the rich.

Economic pressures on the poor accentuated over time. To the extent that debt servicing was financed domestically, it was done through increased indirect taxation and devaluation of the exchange rate to achieve import contraction, under IMF programs. The former increased the burden on the poor directly and the latter indirectly, by increasing domestic inflation. Gradually the poor were placed in a double bind: The government, under IMF pressure attempted to control the budget deficit through a sharp reduction in subsidies on food, electricity and gas. At the same time there were cuts in development expenditure which was the main redistributive mechanism of the government. So, while the quantum and quality of public services for the poor such as public health, education and transport declined relatively, the economic pressure on them increased with high inflation in prices of food and public utilities (gas and electricity).

Economic policy in Pakistan has perpetuated underdevelopment instead of fulfilling the vision of its founding fathers. Thus, even after over seven decades of independence, millions of citizens are impoverished, food insecure, denied access over safe drinking water and as a result, suffer disease and death from drinking contaminated water. Those living in poverty have little hope of building a better life as they lack both education and skills. Almost half the number of children, who embody hopes of the nation's future, are suffering from malnutrition, their brains mauled and bodies stunted. While so many people are living in misery, the elites live in luxury.

The persistence of mass deprivation over seven decades, testifies to the fact that elite consciousness in Pakistan is bereft of compassion towards the people. The evidence makes this clear: 38.3% of the population is impoverished in terms of the multi-dimensional poverty index; 36.9% are facing food insecurity; 40.2% of the children are stunted and 17.7% are 'wasted'; 64.7% of the population does not have access over safe drinking water; 40% are deprived of even basic sanitation facilities; 50% of diseases and 40% of all deaths are due to contaminated drinking water sources; mean years of schooling of the population is only 5.3 years and 72% of the labour force is unskilled. Those of the poor citizens who have a roof over their heads are living in extremely cramped conditions: 28% of the housing units in Pakistan in 2018-19, had one room inhabited by on average 6.2 persons.[5] These figures are cold facts but signify the poignant silences of a forsaken people.

2. Foundational Principles in Jinnah's Economic Vision

The founding father, Jinnah in his economic vision had articulated three features of nationhood that could constitute the foundational pillars of the national economy (see chapter 5, section 1, for a more detailed discussion of Jinnah's economic vision):

(1) For Jinnah national independence involved the re-discovery of a consciousness based on the values of freedom, equality and social justice. These values while characterising the episteme of modern democracy were, as Jinnah argued, rooted in the historical tradition of Muslims. A tradition that existed as a social reality long before the emergence of Western democracy.

In his radio broadcast to the people of the United States, on February 1, 1948, Jinnah declared, "Islam and its idealism have taught us democracy. It has taught equality of men, justice and fair play to everybody. We are the inheritors of these glorious traditions..."[6]

For Jinnah, the ethical principles of equality and social justice were to inform not only the institutional structure of the legal system (the Constitution), but also of the economy. In his speech at Chittagong, on March 26, 1948, Jinnah clearly articulated social justice and equality to be the basic principles of the economy of Pakistan:

> You are only voicing my sentiments and the sentiments of millions of Musalmans when you say that Pakistan should be based on the sure foundations of social justice and Islamic socialism which emphasizes

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> equality and brotherhood of man". He went on to specifically state that social justice was to be pursued through the provision of equality of opportunities for all citizens: "...you are voicing my thoughts in asking for and aspiring for equality of opportunities for all.[7]

Jinnah's principle of economic equality has been incorporated in Article 38(a) of the Constitution as an injunction against the prevention of inequality in the distribution of wealth and productive assets:

> The state shall secure the well-being of the people irrespective of sex, caste, creed or race by preventing the concentration of wealth and means of production and distribution in the hands of a few to the detriment of the general interest."[8] The idea of economic equality in terms of the distribution of income is expressed in Article 38(e) of the Constitution as an obligation of the state to reduce income disparity: The state shall "reduce disparity in income and earnings of individuals.....[9]

It can be argued that the Constitution with its formulation of Article 38 (a) and Article 38 (e), that stipulate the reduction of inequality of income and concentration of wealth, implicitly recognises the logic that these inequalities tend to build up within the market mechanism. Jinnah by emphasising equality of opportunities for all citizens, was in effect proposing that inequality should be systematically prevented from emerging.

Jinnah emphasised that the principle of equality of opportunities was to be particularly applied to women who are vital not only for nation building but also for development. (See chapter 5, section 1). We would argue that this can be made possible by designing a structure of the growth process that is based on equality.

> *So, it can be suggested, that the first foundational principle of Pakistan's economy, specified by Jinnah, was equitable development based on equality of opportunities for all citizens across the categories of gender, class or creed.*

(2) Jinnah clearly considered industrialisation to be important for breaking out of the structure of dependence on the former colonial countries and establishing the economic basis of an independent state.

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But he argued that industrialisation was to be based on the effort and talents of the people and was to be for their benefit: "By industrialising our State, we shall decrease our dependence on the outside world for necessities of life, and we will give more employment to our people..."[10] So the idea of industrialisation in the newly independent state was to enable a break from the colonial mould of depending on the colonising country for importing the finished goods that are the "necessities of life" of the people. At the same time, the manufacturing sector would become a source of employment. Industrialisation was thus a means of achieving economic welfare as well as a way of decolonising the economy by moving away from specialisation in the production of primary goods. This specialisation in low value-added goods underlay economic stagnation and was the hall mark of a colonised economy.

> *Thus, the second foundational principle proposed by Jinnah, was industrialisation for breaking out of the colonial structure of dependence. The balance between industry and agriculture, would generate sustained economic growth and employment.*

(3) Later Jinnah made a formulation that was ahead of the discipline of economics of the time. Mainstream economists believed that economic growth and development was a function of financial investment in machines and raw materials. By contrast, Jinnah proposed that it was human beings who are the key resource. They are both the aim and means of development. For Jinnah, the toil and talent of the people ultimately drove development, not just finance (See chapter 5 for a detailed discussion of this issue).[11]

Jinnah held the view that when the innovation and enterprise of the people becomes the basis of the production system, then such a capacity to produce would not only give dynamism to the economy but also strengthen the State.[12] In the same speech, Jinnah is reported to have said that the real strength and power of the State depended upon its capacity to produce.[13] As new research in the twenty first century shows, the production system of a country is sustained by human innovation, the discovery and development of new products and processes. Here again, Jinnah by focussing on a people-based production system, was ahead of his time, in terms of the history of

economic thought.[14]

> *It may be concluded that the third foundational principle of the economy was to actualise the great human potential that Jinnah saw in the people of Pakistan. Development should be for the people and powered by their effort and enterprise.*

In this section 2, we have drawn from the elements of Jinnah's thought, three foundational features of a national economy that could enable a break from the colonial mould of the past. In the next section 3, we will argue that when Jinnah's principle of equity was violated in designing development policy, the resultant economic growth was not sustainable. In section 4, the concept of underdevelopment is examined from different perspectives. In section 5, we will weave together the strands of Jinnah's economic vision to chart a new course of development for a liberated people. A development process whereby economic well-being and equality could be achieved by actualising the human potential of society.

3. Inequality, Unsustainable Growth and Export Structure

3.1 Unequal growth is unsustainable

As we have seen in chapter 5, during the period 1955-70, the central design feature of the economy that was constructed in the neo-colonial mould, was the generation of growth based on inequality and foreign aid. Such was the tenacity of the mind-set of Pakistan's policy makers, and the political interests they represented, that no fundamental change was initiated over six decades of post-independence history. The economic policy framework of growth based on inequality persisted despite the fact that the resultant inter-personal inequalities had induced a popular mass movement in West Pakistan leading to the end of Ayub Khan's political system. At the same time, the inter-regional inequalities had fuelled a nationalist movement in East Pakistan, culminating in the emergence of the independent state of Bangladesh. Gradually, sub-nationalist grievances also developed in Baluchistan, associated with regional inequalities in West Pakistan.

Unequal growth while it involved a heavy political cost, could not achieve its policy aim of sustained economic growth. Over seven decades, Pakistan's growth was characterised by a stop-go pattern. Spurts of growth were followed by periods of stagnation, so that over

the long-run, a substantial increase in per capita income did not occur: Instability in the growth process was accompanied by a long-term declining trend in the GDP growth rate. This is illustrated in the following graph (Figure 1). The data in Table 1, shows the unstable pattern of growth. For example, the average annual GDP growth in the period 1960-73 was relatively high at 6.26 percent. But this was followed by a decline, during 1973-78, with annual GDP growth at 4.99 percent. Another growth spurt followed in the subsequent period of 1978-88 but the growth rate declined again in the next decade 1988-98. This was followed by yet another high growth period, 1998-2007, followed by another period of per capita income growth stagnation. Thus, Pakistan's experience shows that economic growth based on inequality is unsustainable.

Pakistan's policy makers had formulated a strategy of unequal growth during the 1960s that has persisted to this day. It was based on the idea that policies for accentuating inequality by enabling the high-income groups to become richer still, would lead to higher savings, investment and thereby achieve higher economic growth.

Pakistan's policy of "functional inequality"[15] rested on the comforting proposition of Simon Kuznets that inequality during the initial stages of growth, would in time be overcome through the market mechanism. This view has been shown to be essentially flawed by the recent research of Thomas Piketty. His study based on a data set from Europe and the US stretching over two centuries shows that contrary to Kuznets, market forces over the long-run have served to increase inequality rather than reducing it.

New research has also challenged the view held by orthodox economists over the last six decades, that inequality can be an instrument of achieving higher economic growth.[16] For example the econometric study by Galor and Ziera has provided evidence to show that high inequality in income and wealth, has in fact a negative effect on economic growth due to a narrow base of investment in human and physical capital.[17] Similarly, Berg and Portillo focussing on low income countries have shown that inequality is a key constraint to long-term economic growth. An important dimension, of the negative effect of inequality on growth is that of socio-political instability. This dimension has been explored by Alesina and Rodrik who have shown that socio-political instability accentuates the negative effect of inequality on economic growth.[18]

Despite the new corpus of research showing the adverse effect of inequality on economic growth, Pakistan's policy makers have made no serious attempt to redesign the growth strategy. The view that inequality is good for growth persists, even though it has been shown to be invalid by Pakistan's own experience and indeed by new cross-country research. This is another illustration of the power of the ruling elites over not only economic policy but also policy thinking.

Shifting out of a policy framework of unequal growth is a prerequisite for addressing the problem of growth sustainability. Failure to address the structural factors that prevent sustained growth means that the country remains mired in underdevelopment. The New Institutional Economics suggests in fact that the inability to sustain high per capita income growth is a distinguishing feature between undeveloped and developed countries.[19]

3.2 Unsustainable growth and recurrent balance of payments crises

Let us examine, at different levels, the specific factors that underlie the failure to achieve sustained high per capita income growth in Pakistan. At a proximate level, the phenomenon of growth instability can be attributed to the fact that the domestic savings rate and the available amount of foreign exchange earnings are insufficient to finance the investment required for high growth. For example, given the incremental capital-output in Pakistan, the investment rate necessary to generate a 6 percent GDP growth (without foreign aid), is 24 percent of GDP. Since the actual domestic savings rate has been around 12 percent, there is a gap of 12 percent of GDP which has to be filled by foreign savings. (Foreign direct investment, foreign loans or grants). Not only is the domestic savings rate low but also the export earning capability is inadequate, thus creating a foreign exchange gap.

At this level of explanation, it can be argued that Pakistan has achieved relatively high GDP growth (around 6 percent) only when large foreign aid inflows have been available to simultaneously fill both the domestic savings gap and the foreign exchange gap. The large aid inflows have historically been received in return for Pakistan's strategic military role for the West. Large amounts of foreign aid have been forthcoming from the West for example during the Ayub period in the 1960s, when Pakistan had joined the US sponsored military

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alliances of CENTO and SEATO. The US through these alliances aimed to cover the southern flank of the Soviet Union during the "Cold War".

Two decades later, generous military and economic aid were provided to the Zia government during the 1980s, when Pakistan agreed to become the frontline state in conducting a protracted guerrilla war against Soviet troops in Afghanistan. After the trauma of 9/11 when a global "War against Terrorism" was launched by the US in 2001, Pakistan again became a key ally. Once again foreign aid flowed into the country, this time for General Musharraf's government during the period 2001 to 2007. As table 1, shows each of these periods of large aid inflows were also periods of relatively high GDP growth rates of just over 6 percent.

The question that now arises is why has the foreign exchange gap persisted for over seven decades? The analysis at this level of explanation can begin by examining the following figure 1. The graph of GDP growth rates is juxtaposed with the graph of the net current account deficit as a percentage of GDP. The figure shows that the latter is almost a mirror image of the former. Years of high GDP growth rates are precisely the years when the net current account deficit reaches an unsustainably high level. Thus, the evidence shows that every high GDP growth period has been brought to an end with a balance of trade crisis. This means that due to persistently slow export growth, the foreign exchange earnings of the country are insufficient to finance the rising import requirements of high GDP growth. The consequent balance of trade deficit becomes so large that the country's meagre foreign exchange reserves are insufficient to finance it. The balance of payments crises following growth spurts, have repeatedly pushed the country into the lap of the IMF. Policies within IMF programs are then instituted for import contraction by slowing down the overall GDP growth (See chapter 8, section 3.2, for a detailed discussion of the impact of IMF programs on Pakistan's economy).

It is clear that underlying the instability of GDP growth are recurrent balance of payments crises induced by a long-term tendency of slow export growth. The next question that requires an explanation is why has the export growth been historically so slow?

Table 1

GDP Growth Rates of Pakistan in Various Periods (Average Annual)	
Average During	Annual GDP Growth Rate (Period Average)
1960–73	6.26
1973–78	4.99
1978–88	6.6
1988–93	4.92
1993–98	3.14
1998–2008	6.25*
2009–18	3.8

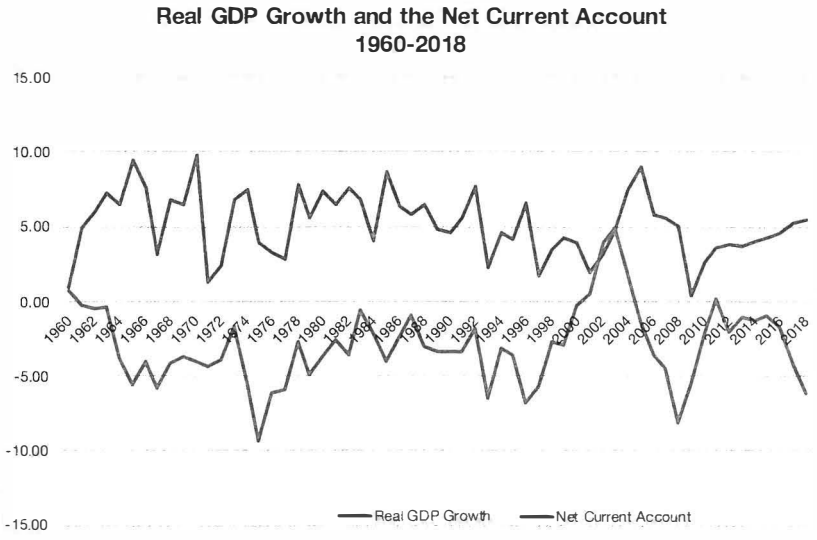
**Refers to Period 2002-2008;*
Source: Various issues of the Pakistan Economic Survey

Figure 1



Source: Calculations based on the State Bank of Pakistan data

Figure 2



Source: Calculations based on the State Bank of Pakistan data

3.3 Export structure and economic complexity

The most important factor in the tendency for slow export growth is that the export structure is oriented towards predominantly low value-added goods. These include rice, leather, yarn and textiles mainly at the low value end of the textile range. These low value added, low knowledge intensive goods still constitute 82% of Pakistan's exports while hi-tech exports account for less than 2% of exports. With such an export structure, the income elasticity of global demand for Pakistan's exports is low, which means slow growth in export demand. Even in the sluggish global demand for these exports, Pakistan is losing its share to Bangladesh and India, due to lack of innovation, inefficiency, inconsistent quality and poor marketing. Not only is growth in export demand for the country's exports slow, but the terms of trade of these low value goods are deteriorating. This means that Pakistan has to sell a larger and larger volume of exports, using more and more real resources for a given quantity of imports. Thus, Pakistan's failure to diversify the export structure towards high value-added, knowledge intensive goods is the fundamental factor underlying slow growth in

export earnings. It is also a key element in the systematic transfer of real resources to the advanced industrial countries through the terms of trade mechanism.

Achieving sustained economic growth through accelerated export growth will thus require diversifying exports towards high value-added knowledge intensive goods and services. Empirical research has shown that diversification of exports towards knowledge intensive products and services is an important determinant of growth sustainability. For example, the Basu and Das, UNCTAD study of 88 developing countries covering the period 1995-2007, shows that countries with a higher percentage of export sales from knowledge intensive products, have higher long-term rates of per capita income growth.[20]

Hausmann et. al., in a seminal Report[21] have argued that export diversification involves the rapid accumulation of "productive knowledge". This is based on the capacity of society to bring together a wide range of specialisations in the service of production. The manufacture of technology intensive products involves assembling diverse elements of knowledge through co-ordinating mechanisms such as research teams, organisations (public and private) and markets. The corpus of "productive knowledge" they argue, is essentially located in the neural structures of interacting groups of humans. Thus, the capacity for knowledge intensive production is based on diverse specialisations and the co-ordinating networks in society. These specialisations and co-ordinating mechanisms bring together various elements of knowledge to produce a "complex product".[22] The development of such a product, opens up a new product space within which networks of a wide range of knowledge intensive products develop, to sustain long-term growth.

Hausmann et. al., have expressed the knowledge intensity of exports in terms of a network of internationally traded products that are connected within a *product space*.[23] They use graphical representation to show the composition of internationally traded goods in terms of product category and also map countries within the product space according to the types of products they produce. The product space map can show within different product categories the differing degrees of connectedness. For example, more knowledge intensive, highly connected products are located in the densely connected core of the product space, (mainly developed and emerging

economies) while products with a low connectedness and knowledge intensity are found in the periphery of the product space[24] (mainly underdeveloped countries).

Export diversification for sustained growth requires, as suggested earlier, increasing the percentage of export sales from innovation-based goods. But developing the production capacity for knowledge intensive goods, also requires establishing a diversity of productive knowledge.[25] Only a small number of countries have established networks in society whereby diverse elements of productive knowledge can be assembled together for the production of a set of technology intensive products. These two features of export structure, knowledge intensity and the inverse of ubiquity, have been combined in the new literature into an Economic Complexity Index (ECI). The idea here is that the ECI numeric indicates the knowledge intensity and originality of the goods produced in a society. Thus, the ECI reflects the human knowledge and capabilities of society in the sphere of production. The evidence shows that the magnitude of the ECI, is a predictor of the level of per capita income of a country.[26]

In terms of the Economic Complexity index, Pakistan is ranked 87th out of 108 countries in the year 2015. The main reason why countries such as Brazil, Malaysia, Indonesia and Thailand forged ahead of Pakistan in the ECI ranking is that they shifted their export structures towards knowledge intensive products, while Pakistan's export structure remained largely unchanged. So, countries like Malaysia and South Korea which were initially exporting mainly primary products, textiles and garments, over time increased the share of electronics and machinery in total exports. They were thus able to enter the core of the product space. By contrast Pakistan remained at the periphery of the product space, as its export structure remained in the low knowledge intensive products category.[27]

3.4 The nature of knowledge

It could be argued, that the accumulation of knowledge in society that Hausmann et. al. are analysing, is limited exclusively to the sphere of production. The knowledge they are referring to can of course be used for the production of science intensive goods and services. But there is another form of knowledge earlier societies had developed and which was considered important for the conduct of human life. This was the consciousness of *being* in this world. Such a

consciousness underpinned values of compassion, justice and a sense of beauty. In the Islamic tradition, an empirical understanding of the world through observation and experiment was combined with an experience of the transcendent unity, and harmony that underlay the diversity of the physical world (see discussion on Ibne Sina in chapter 9 and discussion on Iqbal in chapter 3). In the Perennial tradition, the relationship between humans and nature, as indeed their own nature was associated with a sense of beauty and loving care (see chapter 9). This is an important dimension of education, apart from developing "productive knowledge". But human society under Capitalism, is so preoccupied with production and individual acquisition of objects of convenience, that it has pitted humans against each other and against nature. These tendencies have brought the world to a point where environmental degradation threatens the life support systems of the planet and where the very fabric of society is being ruptured by growing inequality and violence.

Neither science nor production are morally neutral. Therefore, it can be suggested that knowledge about the sphere of production needs to be combined with a re-awareness of compassion which is essential to the experience of being human. The consciousness of compassion can also provide the normative basis for placing production in a human context.

Formal rules and policies to develop an equitable economy that works for the people, could generate sustainable development when reinforced by informal norms of compassion. Sadaf Akbar has conducted an excellent cross-country econometric study on the relationship between formal rules and informal norms as factors in long-term economic growth. She has shown that in certain countries formal rules embodying growth incentives are complemented by informal norms. Such countries achieve a higher long-term economic growth than countries where the formal rules and informal norms are at odds with each other.[28]

In this section, we have argued that a knowledge infrastructure[29] is necessary to create productive knowledge in Pakistan. Such knowledge would provide the basis of achieving sustained high growth through export diversification into science intensive products. But even this form of knowledge is not simply "technical", but located in fundamental research in science. So, a corpus of productive knowledge, requires training students in critical thinking to contribute

to original ideas. This form of knowledge therefore requires a culture of free inquiry. There has to be academic freedom to pose and pursue new questions even when they diverge from the ideology of the ruling classes. Furthermore, we have argued, that the knowledge base of society should include not only education for "productive knowledge" but equally important, education to be compassionate, to become conscious of our essential humanness.[30]

4. The Concept of Underdevelopment

4.1 The concept of underdevelopment in the Marxist tradition

Before outlining a strategy to overcome underdevelopment, it may be helpful to discuss concept of underdevelopment itself. In much of the literature on political economy, old and new, underdevelopment is conceived in terms of structural constraints to economic growth. In the Marxist tradition of Political Economy, it was shown, that at the stage of industrialisation, Capitalism in the European economies was characterised by dynamic growth, while, economic stagnation was built into the design of the colonised economies. Here the economy was restructured such that while increasing the capacity of the colonised economy to generate a surplus, the reinvestment of this surplus in the domestic economy was prevented. Rather, a process of resource extraction was established, whereby the economic surplus was systematically transferred out to the colonial economies. Thus, world Capitalism impacted the European countries on the one hand and the countries of Asia, Africa and Latin America on the other, quite differently: It brought development to the Western countries and underdevelopment to the economies of the Third world.[31]

A hallmark of the colonial economy was its specialisation in the production and export of relatively low value primary goods while high value manufactured goods were imported from the West, where specialisation in their production had been achieved by the nineteenth century. The resultant declining terms of trade against Third World countries became the principal mechanism of resource transfer, from the underdeveloped to the developed world.

In the post-independence period, the elites in many ex-colonial countries, such as Pakistan, attempted to achieve growth through industrialisation but within a neo-colonial, rent-based institutional structure. It was an assembly-plant type of industrialisation that

lacked international competitiveness. At the same time the local entrepreneurial elites failed to diversify into high value-added exports. This is because they were risk averse, having been brought up in a rent-based environment, with state protection from international competition, subsidies and cheap credit. The failure to achieve export diversification into high value-added products, led to an endemic inability to sustain high economic growth. Furthermore, despite industrial growth in Pakistan, the income terms of trade did not improve significantly. This is in contrast to China and Turkey for example where the Income Terms of Trade improved sharply as these countries diversified into high value complex products.[32]

Nazeef Ishtiaq, has made a significant contribution to the Development literature, by showing that contrary to received wisdom, shifting from primary goods to manufactured exports was not sufficient to improve the income terms of trade in the post-colonial period. What was required for improvement in the income terms of trade[33] and sustained long-term growth, was diversification of exports towards knowledge intensive goods and services.[34] It can be argued that knowledge intensive exports not only have a rising share of global export demand, but have the advantage of dynamic economies associated with network externalities.

Political economy in the Marxist tradition is premised on the idea of power wielded to pursue the economic interests of the ruling classes of the advanced capitalist countries. One of the ways of doing this is through imperialist control of the peoples and economies of the Third world countries. Imperialist control, it is argued, is exercised through military and economic power combined with the hegemony of ideology. Those countries of the Third world which fell under the sway of Imperialism, whether within the colonial or neo-colonial framework, underwent a restructuring of their economies. The aim of this restructuring was to systematically extract a large part of the economic surplus from the colony and later neo-colony. At the same time the neo-colonial economies were integrated into a globalised process of capital accumulation. This was done by making the Third World countries sources of cheap raw materials for the West and markets for the export of their high value products as well as capital. Each of these elements of restructuring, establishing sources of raw materials, markets for knowledge intensive imports and finance capital from the West, constituted different modes of

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surplus extraction from the neo-colonies, even as they enabled global capital accumulation.

It can be argued that surplus extraction and relegation of a society to play a subordinate role, requires moulding not only the economy but also the mind of the subjugated people.[35] In the colonial period this was done, as we have argued in chapter 3, by divorcing the indigenous people from their history and the reference points of their sense of creativity, dignity, and rebellion. Restructuring the mind involved rupturing the psyche of the colonised to internalise the coloniser's image of them as an inferior people.

In the neo-colonial period this psyche persisted by reinforcing the colonial tendency of following the thinking of the Western Economics establishment without subjecting it to independent scrutiny. The idea of developing a state supported industrialist class in the 1960s and then after the 1980s, the neo-classical view that markets deliver efficient outcomes, had emerged in the Metropolitan countries. But these theories were adopted in an uncritical fashion in Pakistan and the policy framework based on these ideas was assiduously followed without regard to evidence that put their validity into question (see chapter 5). The neo-colonial elites failed to create the centres of learning, much less develop an intellectual culture which could nurture the capacity for original knowledge creation and independent policy making. Thus, the colonised structures of mind and economy continued to perpetuate underdevelopment even after Pakistan had achieved the status of a sovereign country.

4.2 The concept of underdevelopment in the new institutional economics (NIE)

By the late twentieth century, a new strand of 'political economy' emerged, that has come to be known as the New Institutional Economics (NIE). The concept of underdevelopment in the NIE, is distinctly different from that prevailing in the Marxist tradition. The NIE was pioneered by Douglass C. North, and taken up by Wallis, Weingast, Acemoglu, Robinson and others.[36] They have put forward two key propositions: First that the fundamental factor determining economic performance is whether the institutional structure of the economy is efficient or inefficient.[37] The second proposition is that the distinguishing feature between developed and "undeveloped" countries is that the developed countries through their efficient

institutional structure are able to sustain long-term growth in per capita incomes, while "undeveloped countries", due to their inefficient institutional structure, are unable to do so. It is not that "undeveloped countries" don't grow. They do, but they only grow in spurts, followed by periods of stagnation and even negative per capita income growth. Thus, the gains made during the growth spurts are largely lost in the ensuing periods, so that in the long run such countries are unable to achieve a substantial increase in their per capita incomes.[38]

Unlike the concept of underdevelopment in the Marxist tradition, in the NIE, the idea of power and control by the advanced Capitalist countries over the economies and policy making ideology of underdeveloped countries, is absent. Two key assumptions underlie the NIE:

First, that individuals and organisations respond to the incentives embodied in institutions when these incentives are aligned with the material interests of the individuals and organisations whose behaviour the institutions aim to shape. Thus, the unit of analysis in NIE, as in neo-classical economics, is the isolated individual (or organisation) acting independently according to an individually conceived set of preferences and priorities. The relationship between the individual and the market is anodyne and bereft of any mediation by power. To the extent that there is conflict, it is between elite groups. Stability within the elite coalition is restored within a game theoretic framework, as agreement is reached on the share of the total rent for each faction. There is no consideration of the dynamics of class relations within the social organisation of production. Much less an acknowledgement of structural constraints imposed on the subordinate classes in underdeveloped countries, by the power and ideology of the metropolitan ruling classes.

Second, since the idea of conflicting class interests is non-existent in the NIE, so too is the possibility that there may be a dominant set of ruling classes in the advanced capitalist countries who pursue their interests world-wide. Also excluded is the possibility that dominant classes and groups at the global level may be exercising their power to shape the economic structures and ideology in the dependent countries, such that economic and political gains can be extracted from them. Thus, the unequal relationship between countries and its impact on the economic and political process within the dependent countries, is assumed out of the NIE. The world is implicitly seen as a

neutral space, where each underdeveloped country is free to establish institutions according to the aims of the domestic elite coalition. If the institutional structure is inefficient, then the country is free to embark on a process of institutional change to achieve sustained growth. But then the question is, what is the agency which would undertake this institutional change?

Of course, institutions thus conceived in isolation from the national and global power structure can conveniently become an independent variable in a regression model. The regressions can be run on the basis of cross-country data to show the importance of changing institutions for achieving long- term growth, compared to other determinants. Institutional change for enabling sustained economic growth then, is just a technique, in the existing framework of the NIE. It is not linked with the integrated phenomena of political power, ideology, consciousness and history.

4.3 Beyond the NIE: institutions, ideology and power

The questions of power and ideology that underlie the persistence of inefficient institutional structures as much as the process of their change, remain to be systematically included in the theoretical framework of the New Institutional Economics. Nevertheless, an institution as a set of rules embodying incentives/ disincentives designed to influence the behaviour of individuals and economic organisations, is a useful idea within its conceptual limitations.

Beyond the NIE, we argue that in applying the concept of the institution to the issue of underdevelopment, it is necessary to locate institutions within a particular power structure. We would suggest that the system of power with its associated set of rules and underlying ideology, functions in the interests of particular classes and social groups, at the national and global levels. Therefore, the set of rules i.e. institutional structure, in a particular society cannot simply be judged in politically neutral terms of whether they are economically efficient or inefficient, as the NIE does. What is important, is to investigate how the prevailing institutional structure serves the economic interests of the dominant classes and elite groups. Only then can we understand why an apparently inefficient institutional structure can persist for long periods of time. At the same time consideration of the contradictions and the associated dynamics within the power structure can enable an understanding of the process of institutional

instability, as much as the possibilities of fundamental institutional change. Both these forms of understanding a particular society, its instability within the existing structure and the process of structural change, are necessary to delineate a path to development.

In this book we have attempted to examine the variability in the enforcement of formal rules, in the perspective of the power dynamics within the ruling elite coalition as well as between the elites and the people. Whenever power is exercised, ideology comes into play and the underlying consciousness becomes manifest. The purpose of our analysis was to understand the nature and degree of institutional instability in Pakistan as it unfolded within the context of an incomplete decolonisation of consciousness. Our analysis showed that the inability to sustain high growth that is rooted in the rent-based institutional structure, led to increased contention. Occasionally contention lead to conflict between the ruling elites as each elite sought a larger share of the rental cake, in a situation where the cake was not growing fast enough.

While contention between the ruling elites accentuated institutional instability over time, it reinforced persistent underdevelopment and economic deprivation of the people. Intensifying institutional instability in extremis, while it can induce an imbalance in the organisational structure of the state, also creates possibilities of transformative change. The spaces that a multi-faceted crisis opens up, provide the opportunity for a people to make their own history.

4.4 Redefining underdevelopment: suppression of the human potential

Let us now redefine the concept of underdevelopment as a prelude to outlining in the next section 5, a path to overcoming underdevelopment.

We would define underdevelopment as a condition where the actualisation of the human potential of a society is systematically constrained.[39] Our use of the term human potential is multi-dimensional and includes Amartya Sen's "capabilities" in terms of the development of skills and income earning capacity, as well as entitlements to basic services. But what we also include in our concept of the human potential, is a dimension that is missing in Sen's formulation of "Human Development": The consciousness of compassion. This may be the defining feature of being human, yet

lies dormant in contemporary society as much as in the discipline of Economics.[40]

Bringing to awareness the dimension of compassion may be critical to Human Development, because it is essential to our humanness. It could also provide the normative basis of public policies to prevent an environmental catastrophe, the rupturing of the very fabric of society through inequality, countering violence and providing basic services to build a humane society. Actualising the human potential therefore, involves developing a two-fold knowledge, what the ancient Greeks called *nous*[41]: First, understanding the material world through reason, which in the contemporary sense would mean scientific observation and experiment. Second, using the higher faculty of knowing the truth in a direct manner.[42] This we suggest requires nurturing our sense of beauty, compassion and justice. Combining reason with the awareness of these transcendent realities, provides access to the well springs of human creativity. It can also constitute the value of virtue which Aristotle considered the basic principle of human functioning in society.[43]

In his Nicomachean Ethics, during the discussion on the nature of value, Aristotle suggests that goods cannot be of value, since they are merely useful. What is of value is human functioning. The question then is what is human functioning? Aristotle answers with an argument that is relevant for our current conception of the human potential and its actualisation:

> If ... we state the function of man to be a certain kind of life, and this to be an activity or actions of the soul implying a rational principle, and the function of a good man to be the good and noble performance of these ... if this is the case, human good turns out to be activity of the soul in accordance with virtue ...[44]

Two propositions are implicit in Aristotle's argument. First, for us to function as human beings, our actions should conform to the ethical principle of virtue or goodness. Second, that a life of virtue corresponds to the nature of our deepest consciousness, the logic of the soul. Thus underdevelopment, as the systematic suppression of the human potential, not only restricts creativity in terms of innovation, productivity increase and economic growth. It also restrains actions of goodness, of experiencing a sense of individual well-being that

comes from caring for others. Underdevelopment thus constrains not only economic dynamism but also restricts us from bringing the transcendent realities of beauty, truth and justice into our social existence.

Underdevelopment in this sense is manifest in the fact that apart from the privileged few, most of the people are denied the opportunities of developing their human potential on an equitable basis. Most do not have equality of access over productive resources, credit, markets for inputs and outputs[45], high wage employment, high quality education, skill training, health facilities, sanitation, housing and transport facilities. This inequality of opportunities to develop the human potential constricts the vital human resource of society and in so doing perpetuates underdevelopment.

At the same time, each of the three foundational principles of Jinnah's economic vision articulated in the earlier section 2, of this chapter, exist in the present as an unfulfilled possibility: Inequality of opportunities systematically prevented social justice; the failure to achieve an independent industrialisation process locked the country into the shackles of neo-colonial dependence; and the unrealised human potential of society, stands as a silent witness to Pakistan's underdevelopment. Thus, Jinnah's economic vision has become what T.S. Eliot called a "perpetual possibility":

"What might have been is an abstraction
Remaining a perpetual possibility
Only in a world of speculation.
What might have been and what has been
Point to one end, which is always present.
Footfalls echo in the memory
Down the passage we did not take..." [46]

5. Passage to Sustainable Development within a Human Economy

5.1 Equitable development: the people as a force in history

We have argued elsewhere[47], that the conventional wisdom about growth can now be turned on its head (See section 3.1 above). Equality can be the basis of sustained long-term economic growth. This is because equality of access over skill development, productive resources and markets, can broaden the base of investment, innovation and productivity increase to generate sustained economic

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growth.

Equality of opportunities would thus generate a growth process powered by the talent and enterprise of all citizens not just the elites. It would be development by the people and for the people. Beyond growth, equitable development of the human potential of society, could nurture the multifarious dimensions of human civilisation: It would achieve not only enhanced material welfare but also a flowering of the arts and literature that celebrate the mystery and wonder of being in this world. Such a development of culture would involve tapping into the deeper levels of human consciousness. The oppressed, liberated from a colonised psyche, could then make their own history as they together shape a better future for themselves.

5.2 Political pre-requisites to build an economy for the people

Economic policies to build an economy that works for the people can only become feasible within a process of change in the political power structure. This would involve making the will of the people the fulcrum of the electoral process, the functioning of elected governments, and the balance between various organs of the state. Political representation and the operations of the state, derive their legitimacy from the will of the people as embodied in the institutional structure of Pakistan's Constitution. But as we have seen in the analysis in preceding chapters, there has been persistent and growing institutional instability in Pakistan's history. We have argued that the extent to which governance and the exercise of state power is conducted within the formal rules of the Constitution, has varied. The variation in the degree of compliance with the Constitution, is according to the changing balance within the underlying power structure, between civilian authority and the military.

Over the years, on most occasions when a civilian government has been elected, they have faced allegations of large-scale corruption.[48] At the same time, they showed neither the will nor the ability to bring about the structural changes in the economy necessary to make it work for the people. The preoccupation of elected governments with their narrow elite interests rather than the welfare of the people, has served to cede space to the military within the power structure. Furthermore, the conflicts between the elected government and its political opposition have often violated the norms of democratic

culture. To make matters for democratic governance worse, the civilian politicians have sometimes sought support from the military establishment in their conflict with political adversaries and on one occasion, have co-operated with the military to defeat the opposing political party in an election.[49]

The inability of most civilian governments to deliver to the people, provided the opportunity to the military to pursue its ambition to influence government decision-making. Over the years it has emerged as the pre-eminent element in the power structure. This fact has enabled the military to go beyond its Constitutionally specified domain of authority, thereby accentuating institutional instability.[50] Within such an unstable institutional environment, other organs of the state have also occasionally sought to enlarge their domains of authority, whether it is the Judiciary or the Executive.[51] Thus institutional instability has led to instability in the state structure itself. This has made it increasingly difficult for the various elements of state power to work in concert to initiate a co-ordinated process of formulating a long-term, independent, people-centred economic strategy.

As the economy remains mired in underdevelopment, the persistence of widespread human misery has combined with increasing indebtedness and the associated intrusion of imperialist power in national decision-making. The seething resentment of the people against their economic deprivation, the emergence of extremist ideologies amongst political groups and the erosion of economic sovereignty, together threaten national integrity. A multi-faceted crisis of economy, society and state has emerged amidst protracted institutional instability. The resultant stresses on the administrative structure, have weakened its capacity to face exogenous shocks such as climate change and pandemics, or endogenous shocks such as internal disorder.

The multi-faceted crisis has reached a point of inflection. The time has therefore come, when the factions within the power structure need to set aside internecine conflict as well as their factional rent-seeking interests to re-establish the Constitutional order and ensure its stability over time. The elite coalition needs to realise that a Constitutional order is now necessary to sustain the state itself. The elites can no longer pursue their narrow self-interests and undermine the state in the process of doing so. The stability in the Constitutional order

requires protection of the fundamental freedoms of the people and enable them to express their will in economic and political decision-making. A stable Constitutional order is also necessary for each state organ to function within its specified domain and thereby bring into balance the structure of the state. Only then can the state, derive its power from the people, pursue their welfare and win legitimacy.

Over the seven decades since independence, gradually a popular consensus has developed for the Constitution. The people have repeatedly struggled and sacrificed against authoritarian rule, to preserve the Constitution.[52] Today, strong emotions are being expressed not only about the dire economic plight of the people but also for defending the Constitution, by some of the mainstream political parties in each of the four provinces of Pakistan. This shows that the Constitution has finally found a place in the consciousness of the people. It signifies not only the unity of the Federation, but also the will of a nation becoming conscious of itself. The nation is calling out to the military establishment together with civilian factions in the elite coalition, to restore the Constitutional order. The aspiration of the deprived majority is that within a constitutional framework, a process of equitable economic growth should be established. Unless the call of the people is heard, there is a danger of another confrontation between the people and the state.

5.3 Policy initiatives for a people-centred economy[53]

Five policy initiatives could help build a human economy and achieve sustainable development. Within such an economy, the process of actualising the hitherto untapped human potential of the deprived sections of society, the middle classes and the poor, could begin.

(1) Universal Provision of Quality Healthcare, Quality Education and Social Protection. Social protection includes unemployment benefits and state pensions. The provision of these basic services to all citizens, will lay the basis of a Human Economy as well as sustained economic growth, because of three reasons:

a) Health, education and social protection for all citizens are essential to social justice, which for Jinnah was a key element in his economic vision and a foundational principle of Pakistan. (See section 2 of this chapter).
b) A healthy labour force with the technical skills and the

capacity for original thinking will help establish the knowledge infrastructure for export diversification into science intensive products. We have argued, that this is necessary for overcoming underdevelopment through sustained economic growth. (See section 3 of this chapter).

c) The universal provision of basic services will promote social cohesion which, an econometric study by Easterly et. al. has shown, is a key factor in long-term economic growth. The question that arises is, can Pakistan afford the universal provision of these basic services? Evidence from a number of countries in Europe and Asia, shows that when they undertook the provision of these basic services, they had per capita incomes that were lower than that of Pakistan today. For example, in European countries such as Bismarck's Germany in 1880, GDP per capita (in terms of 2011 US Dollars) was USD 2792; in Norway in 1848, GDP per capita was USD 1475 (in 2011 US Dollars); in Sweden, in the year 1891, the GDP per capita was USD 2676 (in 2011 US Dollars). In Asia, Japan during the Meiji dynasty in the year 1900, had a per capita income of 1575 (in 2011 US Dollars); China in the year 1950, had a GDP per capita of USD 757 (in 2011 US Dollars). Thus the per capita income of each of these countries, at the time of giving a commitment for the universal provision of these basic services was substantially lower than the GDP per capita of Pakistan in 2016, at USD 5250, (in 2011 US Dollars).[54]

It can be argued that providing these services to all citizens is necessary for achieving equality, social justice and hence a sense of fraternity, which Jinnah considered to be the foundational principles of Pakistan. At the same time, research shows that these services are a key factor in sustained economic growth through which we argued, underdevelopment could be overcome. Thus, it can be proposed, that Pakistan cannot afford *not* to aim for the universal provision of health, education and social protection.

(2) Agriculture Growth through Equality. This means shifting from an elite farmer-based agriculture growth strategy followed during the last seven decades, to a new strategy based on the development of

the small (less than 7.5-acre farms) and medium-sized farms. (7.5 to less than 25 acres).[55] This small and medium farm sector constitutes a substantial proportion of the agriculture economy of Pakistan: 60% of the total farm area; farmers in this size category constitute 94% percent of the total number of farmers. It is here that the greatest potential of yield/acre and rural income increase through economic diversification, lies. Thus, a small and medium farmer strategy would enable accelerated agriculture growth precisely through greater equality. Two key policy initiatives could help achieve acceleration in agriculture growth and higher export growth through equality:

a) Land to the tiller. We have shown in an earlier publication, that an estimated 2.6 million acres of cultivable land is state owned. We have proposed that this state land should be distributed to landless tenants in 5-acre packages. This would make 58% of the landless tenant farmers into owner cultivators. The remaining 42% of landless tenant farmers could be enabled to buy land by establishing a Rs 400 billion credit fund operated by commercial banks. Ownership rights to the landless farmers would provide them with both the incentive and the ability to increase yields/acre and invest in diversifying their income sources from off-farm enterprises.[56]

b) To equip small and medium farmers to increase their crop yields/acre, further increase their incomes and build resilience against climate change, we have proposed a support system for them. This can be done by establishing social enterprises, that we have called Small Farmer Development Corporations (SFDC). These could be established through a government loan to the farmers, in the form of equity holding of the individual farmer. The loan would be returned from the dividend income received by the shareholders from the business of the SFDC. The idea here is that the SFDC while being owned by the small and medium farmers, would be managed by high quality professionals.

The SFDC would provide the following support services to the small and medium farmers: (i) Technology for laser levelling and drip irrigation to increase water use efficiency. (ii) Soil testing to enable

farmers to apply a combination of fertilisers that is congruent with the specific nutrient requirements of the farm level soil. (iii) Technology for tunnel farming to produce high value off-season vegetables. (iv) Linking up small and medium farmers producing fruits and vegetables with global supply chains for export marketing, and technical support to ensure compliance with international standards of quality in production, processing, packaging and transportation. (v) Provision of credit, high quality seeds, pesticides appropriate to the farmer's requirements and support in marketing farm output. Thus, the SFDC would enable the small and medium farmers to get equitable access over the markets for inputs and outputs. Currently many small farmers have to pay a higher price for their inputs and get a lower price for their outputs, due to the asymmetry of some agriculture markets which are mediated by the power of local landlords and big traders.[57] (vi) Through credit provision and technology transfer, enable small farmers to develop livestock and milk production. This diversification of the small-medium farm economy would not only accelerate income growth of poor farmers but also build greater resilience in the rural economy against climate change related shocks, such as droughts or floods.

(3) Accelerating the Growth of Export oriented Small and Medium-Sized Manufacturing Firms. Small and medium enterprises (SMEs) in the manufacturing sector in most cases require lower investment per unit increase in output, and have higher employment elasticities, compared to the large-scale sector. We have therefore proposed in our earlier work, that the government through support organisations like SMEDA (Small and Medium Enterprise Development Authority) could facilitate the growth of SMEs in high value-added, knowledge intensive, export oriented enterprises such as electronics, moulds and dyes, automotive parts and software start-ups.[58] Training software experts and providing them with credit and market access could induce the development of software companies. This would not only create self-employment opportunities amongst the educated youth, but also contribute to diversifying the export structure towards knowledge intensive exports. The rapid growth of the SME sector in the export-oriented units, would accelerate economic growth and at the same time improve the distribution of national income. It would also accelerate export growth in the knowledge intensive fields.[59]

(4) Planning to Reduce Regional Disparities.
Counteracting the present tendency of increasing regional disparities in Pakistan, will require changing the sectoral approach to resource allocation and making regionally equitable growth central to the planning exercise. Each investment package, or project should be evaluated in terms of its capacity to induce secondary multiplier effects within the backward region.[60] Reducing regional disparities would require developing infrastructure in selected growth nodes in the backward districts and provinces. These growth nodes would aim to develop small and medium manufacturing as well as enterprises for the production of dairy products which could be linked up with national and international markets through the CPEC network of highways.[61]

(5) Climate Change, Rural Inequality and Addressing the Danger of Famine.
Farmers in Pakistan are facing a growing water deficit. The loss of humus in the top soil resulting from over use of soils has increased the requirement of water of the farmers at a time when due to global warming there are reduced river flows. The water availability has declined from 5000 cubic meters per person per year in the year 1951, to less than 1100 cubic meters per person per year now. (The minimum requirement to conduct economic and social life is 1700 cubic meters per person per year). So, while the water requirement of farmers has increased, the water available to them has declined. Due to this water deficit, farmers even in the irrigated areas are now acutely dependent on timely and adequate rainfall. Yet climate change has increased the variability of the monsoons with respect to the quantum and location of precipitation. Thus, monsoon variability combined with a growing water deficit has increased the amplitude and frequency of fluctuations in crop output.

The increased fluctuations in crop output have resulted in increasing the number and intensity of bad harvests. This means that the marginal farmers who are barely able to meet their family food requirements from their normal output, have to borrow money to buy food following a bad harvest. With the number of bad harvests increasing, indebted small farmers do not have the investible surplus to buy seeds, fertilisers and tubewell water the following year to

reconstitute the production cycle. Small farmers therefore face the prospect of getting pushed out of agriculture production altogether. Thus, small farmers are more vulnerable to climate change effects than large farmers who have a financial cushion to face bad harvests. Climate change and the associated increase in the variability of crop output, has created a tendency for increased rural inequality and poverty.[62]

According to the IPCC Report 2003, South Asian countries are projected to suffer a 30% decline in food grain output, if there is a 2.5-degree Centigrade average increase in temperatures. For Pakistan, the UNDP Climate Change Country Profile shows that the average annual temperatures in the country are projected to increase by 2.1 degrees Centigrade by the 2030s and 3.7 degrees Centigrade by the 2060s. Given the slow growth of foreign exchange earnings in Pakistan with the existing export structure, there is a risk that if there is a large food deficit, the country may not have the foreign exchange earnings available to import the required food.

The possibility exists therefore that Pakistan may face a severe food shortage in the decades ahead. This indicates the need to undertake on an urgent basis, three sets of policies: (i) Development of heat resistant varieties of food grains and setting up institutional mechanisms for the rapid adoption of these new varieties. (ii) Gradually build up a food import emergency fund under the direct control of the Prime Minister. (iii) Undertake organisational capacity building and devising institutional procedures to manage a severe food scarcity situation, if and when it occurs. The organisational capacity includes establishing emergency food stocks in fibre glass silos in every tehsil headquarters. Institution building would include rules and procedures whereby on the authority of the local Deputy Commissioner, food supplies would be released from the silos in the food short district and entitle local citizens to acquire a fixed food ration, on the production of a National Identity Card.

Thus, the tendencies for inter-personal and inter-regional inequalities built into the existing economic structure have been exacerbated by the differential impact of climate change on the rich and the poor. This is why the strategy of sustainable development within a Human Economy, that we have formulated in this chapter, may become a real possibility at this moment in history. It places the oppressed in the centre of the development process by aiming to

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provide equality of opportunities; generate growth based on equality in both agriculture and industry and build resilience amongst the poor against the adverse effects of climate change.

As in every historical instance, the possibility that defines that instance can be realised only if it enters the consciousness of the people. That is when the people make their own history. That is the task ahead of political parties and civil society organisations who seek to transform the economy to make it work for the people rather than just the elites.

The dialectic between what is articulated as a possibility contained in a particular historical moment and its actualisation resonates through Shah Hussain, in the collective memory of the people:

> *Gull wo keeti, saade khayal paee, Paee wo nibahi lorriye.* [63]
> "What has been said has entered our consciousness, so we seek its realisation"
>
> (Translation)

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12

Consciousness, Heart Knowledge and Development

In the earlier chapters of this book we have critically examined the idea of institutions as conceived in the New Political Economy by Douglass C. North and others. In this regard we have considered the source of their concept of informal norms which they suggest originates in culture. We pose the question, what is culture rooted in? We suggest that culture is the precipitate of the lived historical experience of a community, as articulated in its literature, arts and forms of social life. Since this process involves experiencing the past and its connection with the present, it can be argued that culture is rooted in consciousness. Accordingly, consciousness becomes an integral part of our analysis of institutions and institutional instability in Pakistan.

This chapter explores the various dimensions of the idea of consciousness. We begin in section 1, by weaving together the diverse contexts in which the term has been used in the earlier chapters. Since consciousness has an aspect of the experience of the transcendent, it cannot be conceived simply in materialistic terms. Accordingly, in section 2, we critically examine the materialist paradigm as originally conceived by Descartes in the seventeenth century. In section 3, we extend the critique by bringing to bear recent findings in quantum physics to question both the subject-object dichotomy as well as the concept of matter in the Cartesian paradigm.

In section 4, we suggest that consciousness is an experience of being in this world that combines the analytically discrete categories within which we understand the world, with a deeper, intuitive experience of the unity of all things. Thus, consciousness involves our faculty of reason and analysis through language use. It also encompasses the faculty of direct and unmediated experience of the transcendent, which is evoked in various religious practices, in poetry, music, the arts and beyond language forms, silence.

In section 5, we identify the central crises that confront humankind

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today: the crisis of the environment, of inequality, of violence and of health. It can be argued that these crises are located in the structure of the Capitalist economy, as indeed in the psyche that Capitalism breeds. This is a form of alienation from humane consciousness. We suggest the possibility of a re-awareness of humane consciousness, that is, our sense of empathy and compassion. This may be vital to the attempt to overcome the crises that threaten the fabric of society, the stability of states, and indeed life itself.

In section 6, we analyse the relationships between humans, commodities and nature that have emerged under Capitalism. We then counterpose these relationships to those suggested in traditional wisdom. This brings us to section 7, where we explore the idea of the heart as the deepest centre of consciousness. We suggest that heart knowledge could provide the normative underpinning of public policy for sustainable development.

1. Consciousness: Drawing the Threads Together

1.1 Collective consciousness, the dialectic of colonialism and resistance

In the earlier chapters we had provisionally conceived of consciousness as a sense of awareness at different levels. We had applied this concept to various contexts such as the historical consciousness of the oppressed majority of a particular community, and the source of its system of values and associated norms (see chapter 3). In so far as consciousness is the experience of the individual, *historical* consciousness of the oppressed classes refers to the inter-subjectivity of that experience. The shared awareness of being in this world, is manifested in the forms of resistance against injustice, the literature of the community, its folklore and the arts. The symbols in terms of which a community knows itself and expresses its tradition can also be found in the modes of social interaction.

There is an underlying rhythm that aesthetically unites the diverse forms of social expression whether in their dance, or music or the patterns woven into their dress or painted on their pottery. These are at once functional and artistic. The unifying pulse of consciousness is manifest also in the choreography of social occasions, the marriages as well as funerals that signify moments of joy and sadness, transient ripples that merge into the lasting flow of life. The cadences of community existence continue in the silent raga connecting the past

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with the present and future. This is apparent in the people's festivals that annually pay collective homage to revered saints, or celebrate their heroes.

These are not merely formal events recalling the past as past, but rather, make it palpably ever present. Through the resonances of artistic form, they bring into the consciousness of the community, the presence of saints and heroes, whose living memory can influence individual and collective choices. On these occasions the faqirs dance to the hypnotic beat of the *dhol (*drum) in concert with the rhythmic interplay of light and shadow set off by the quivering flames of the *divas* (small oil lamps).

We had explored the political phenomenon of popular resistance against recurrent dictatorships in Pakistan, when the historical memories contained in the literature of the people became a powerful mobilising force (see chapter 4). By contrast, the ruling elites had become alienated from the consciousness of the community and hence were in many cases, bereft of the values of integrity, humanity and basic decency. This we have suggested became a factor in escalating institutional instability in Pakistan (see chapter 7).

We had also applied the term consciousness to the landscape of the psyche wherein the colonial encounter had left its mark on the colonised elites: a mark that persisted even in the post-independence period (see chapter 3). The psychological intervention and the associated estrangement of the colonised from their own history, had a political function. Ranajit Guha has argued that dominance by Britain of the sub-continent required "an appropriation of the Indian past and its use for the construction of a colonial state" [1]. The psyche of the colonised individual was structured by internalising the coloniser's image of him as an inferior creature. This was achieved through a rupture of the colonised individuals from their own history to leave them in a psychic wasteland inhabited only by the colonised persona. They were thus deprived of the experiential reference points in terms of which they had apprehended their dignity, creativity and the impulse for revolt against oppression. The colonial enterprise of economic extraction therefore involved not only a restructuring of the economy but also restructuring of the psyche of the domestic elites through which the process of economic extraction was conducted.

Over two decades in the post-independence period, the ruling elites that had earlier introjected the coloniser's image of them, began

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to project it onto those they sought to dominate in East Pakistan. Here the fact that Pakistan's ruling elites donned the mantle of the coloniser, replete with a racist streak, became an important factor in the deprivation of the rights of the people of East Bengal. This process of sub-colonial oppression, led to an institutional collapse and the rupturing of the state amidst the blood bath of the 1970s (see chapter 4).

These aspects of consciousness bring to light the complexity of the challenges that faced Pakistan after independence. The failure to address the issue of decolonising consciousness as much as the economy, we have argued in this book, lie at the roots of Pakistan's persisting underdevelopment.

1.2 Weaving various threads into the tapestry of this chapter

In this chapter we will further develop the concept of consciousness. Exploring this idea can perhaps contribute to a re-awareness of how compassion is essential to our being in this world. We will begin in section 2, with a critical examination of the materialist conception that consciousness is merely an epiphenomenon of the electro-chemical activity within the neural structures of the brain. Such an examination requires very briefly tracing the origins of the prevailing materialist philosophy of science, and the continuing bifurcation between subject and object.

We will then in section 3, give the logic of a dissenting view to put the materialist view into question. Here we will draw upon Quantum mechanics to put the very idea of the Cartesian subject object divide, and indeed the Classical conception of matter itself, into question. We will also indicate that quantum phenomena are not encapsulated within a separate realm that has nothing to do with life, but actually intrude into life size events. In fact, a number of the latest industrial products in every-day life are based on Quantum Mechanics.

In section 4, we will explore the meaning of the terms consciousness, psyche and mind respectively. In section 5, as a prelude to discussing how Capitalism has shaped the human psyche, we will identify some of the principal structural features of the Capitalist mode of production and the economic and cultural tendencies that arise from its structure. In section 6, the relation of humans with commodities on the one hand and nature on the other within Capitalist society will

be analysed and counterposed with these relations as adumbrated in the Perennial tradition.

Finally, in section 7, we will discuss how in the human psyche under Capitalism, the relationship with the other is not the basis of mutual human development. Rather the other is seen as a threat or an instrument for achieving material ends. The systematic overdevelopment of the impulse for aggression will be analysed in this regard. Counterposed to the inhuman tendencies associated with Capitalism, is the development of a humane consciousness. This has been central to the Perennial intellectual tradition. Hence in section 8, we will discuss the idea of the heart and how it is synonymous with the ancient conception of the intellect, as the instrument of experiencing the transcendent. Here we suggest that consciousness of "heart knowledge" with its essential feature of compassion, can constitute the normative basis of a new path to the development of a humane society.

2. Questioning the Materialist Paradigm

2.1 The Cartesian dichotomy between subject and object

Many scientists who adhere to the Materialist philosophy today, continue to explicitly or implicitly believe in the Cartesian postulate, that there is an unbridgeable bifurcation between the material world and the subject who attempts to know it. However, a growing number of scientists particularly in the fields of neurobiology and quantum physics, hold the contrary view that the subject and object are inseparable. We will explore this emerging framework in the context of human perception. We will then identify what neuroscientists call the "hard problem": if consciousness arises exclusively from brain activity, which is considered by them to be the interaction of unconscious matter, then how can something unconscious give rise to something that is conscious? The mystery and wonder of being present to behold the world, is an experience shared by most people. Yet it is not the same thing as blips on an MRI machine that represent brain activity associated with this experience. But first some brief observations on the origins and logic of the materialist philosophy of science.

Around 1600 A.D. the model of the cosmos amongst Western scientists changed dramatically from being a living organism, to a clockwork mechanism.[2] The aim of scientific inquiry was not how

the clock came to be there, but how it worked. Furthermore, its working could only be understood through quantification. In this "secularisation" of the cosmos, consciousness was removed from consideration.[3] Rene Descartes (1596-1650 A.D.) who influenced the scientific approach for four centuries, was essentially a philosopher while Galileo Galilei (1554-1642 A.D.), his older contemporary, was mainly an astronomer. While both believed in God[4], yet both understood the laws of nature made by Him, in terms of a mechanistic view of the cosmos. Both defined reality exclusively in terms of the measurability of matter, whose working could be explained in terms of mathematical relationships between its different aspects. For example, a red apple existed because its weight, size and curvature were measurable, but its redness not being subject to measurement was *ipso facto* unreal and hence outside the scope of science. So, while quantity defined reality, quality was excluded from the realm of the real.

The mechanistic view of the universe is the origin of modern science and also the basis of reductionism. As Professor Seyyed Hossein Nasr has argued, in the materialist philosophy, quality is reduced to quantity through the proposition that the whole is simply the sum of the parts.[5] Yet when we consider the aesthetics and ethics of palpable human experience, the whole is undeniably greater than the sum of the parts. There is a wholeness in beauty as there is in goodness. For example, a flower is beautiful only in its wholeness. Half a flower is mathematically meaningless, just as putting together two halves of a flower neither recreates a flower nor its beauty. [6] Similarly, goodness is indivisible. It is rooted in the depths of human consciousness where it resonates in concert with the wholeness of truth as well as beauty.

Descartes postulated a perfect dualism between *res-extensa* the object, which is only just quantity and *res-cogitans,* the knowing subject. He believed that the external world is made up of extended entities (*res extensae*) which can be comprehended through measurement. Descartes also being a mathematician established a relationship between geometry and quantification. Form could thus be reduced to a mathematical function. Not only the form of objects, but space itself which they occupy, was quantified. In Cartesian space, co-ordinates x, y, z locate a point in space and distance from it can be measured.[7] This measurable world was defined as real and primary.

Qualitative features, such as colour, taste, smell and the indivisible totality of beauty, are a *phantasm.* They have no existence outside the mind, *res cogitans*, of the subject. Descartes, like Galileo, considered these subjectively perceived features of an object to be unreal and secondary.

While the subject does not seem to have access over the material world through his subjectivity, nevertheless Descartes does accept that the subject exists. He arrived at this conclusion by the thought that he could doubt everything, but could not doubt the fact that he could doubt. Thus, the awareness that he could think was evidence of his existence. However, Descartes did not ask the question, what was the source of his thinking. In the *Discourse,* Descartes argues, in the context of the mind and body separation (the body is real in the Cartesian schemata, as it can be measured in terms of weight, height and location in space): "Next I examined attentively what I was. I saw that while I could pretend that I had no body and that there was no world and no place for me to be in, I could not for all that pretend that I did not exist..."[8]

Despite Descartes' acknowledgement that the subject exists, the problem that arises with the dichotomy of the subject and object is, how do we know that the world exists? The associated problem is that measurement itself requires the specification of a particular scale and units of measurement which in turn require a human presence looking upon the world. But contrary to this common sensical view, Cartesianism holds that we do not look upon the world. What we see as the external world is just a mental object, a *phantasm*, that does not extend beyond the mind. Thus the logic of Cartesianism leads us back to the question: If the subject's view of the external world is just a *phantasm*, then how do we know there is an external world.[9] Wolfgang Smith[10], a distinguished mathematician and physicist, in his luminous critique of Cartesianism, draws an intriguing conclusion: "Is it not strange that tough minded scientists should have so readily and for so long espoused a rationalist doctrine which calls into question the very possibility of empirical knowledge."[11]

2.2 Perception, subject-object relationship and the interactive nature of reality

Our existence in this world suggests that prior to any logical inquiry, the world exists and can be known in part. If it could not be known,

the world would cease to exist for us.[12] An important means of knowing the world is through perception involving the use of senses either directly or through instruments of observation. Wolfgang Smith argues that perception of the world has amongst others, four features. First, the object can present itself to us only in part, just as a characteristic of a circle is that it excludes an indefinite part of the plane. Second, the perceived object has the feature of relativity in the sense that the subject has to be present for the object to be perceived. Third perception is contextual. For example, the perceived shape of an object depends upon our position relative to it. Fourth, an attribute of the object, such as colour for instance, is an observable characteristic of interaction between the subject and the object. The colour is the wavelength of light that is reflected off the object to reach the eye of the subject, after the other colours in the spectrum of white light have been absorbed by the object. Thus colour, which in the Cartesian paradigm has no "objective" existence, can actually be seen as a feature of the interaction between subject and object.

Smith concludes his discussion of perception with an insight emanating from the depth of consciousness: "Nothing in the world simply exists, but that to exist is precisely to interact with other things – including observers. The world therefore is to be conceived not as a mere juxtaposition of self-existent entities ... but must be viewed rather as an organic unity, in which each element exists in relation to the other, and thus in relation to the totality, which includes also, and by force of necessity, a conscious or subjective pole."[13] This discovery arises from the experimental findings of quantum physics but has also been experienced by the sages, mystics and Sufis through the ages across the intellectual traditions of the world.

2.3 Intellect and the wonder of perception

There is a wondrous feature of perception that goes beyond simple logic. That is, the coming into play of a higher human faculty, that connects for instance, the visual image of an external object with the object itself. The light from the object enters the eye of the subject, impacts the retina and the visual sensory impulse then travels through the optic nerve to the occipital lobe of the brain. Presumably here, in concert with other regions of the brain an image of the object is formed. Yet as Sheldrake as well as Smith have respectively argued, what we perceive is not a visual image but the object.[14] We see the

object not as an image inside the head but located where it actually is, at a distance. For example, when we see the face of a person, it is perceived as an aspect of the person, thus transcending the brain image itself. The neurophysiologist, Nobel Laureate, Sir Charles Sherrington[15], suggests that there is a connection between energy or the material working of the brain, and mind the non-material dimension of thought. This he understands in terms of the energy-mind unity. He acknowledges that we cannot describe how that unity functions, except that mind and energy work together. [16]

The process of perception then is not simply sensation but an act of an intelligent faculty that the sensation somehow induces. Smith suggests that the transition from image to aspect can neither be "effected nor comprehended by reason" but is an act of the unerring intuitive faculty of what the ancients called the "intellect". The unbridgeable epistemological gulf between subject and object that Descartes grappled with unsuccessfully, is effortlessly crossed every day when we behold another person. The fact that we take for granted the normalcy of this experience, does not take away from the wonder of the act of perception. It is at once earthly and transcendent.

So, there is an intuitive intelligence in action that instantly connects the image with the object, unmediated by discursive thought, to arrive at perception.[17] Perception, which Wolfgang Smith rightly attributes to the intellect, is one example of this faculty working in our worldly life. We would suggest that at a deeper level, the intellect is a consciousness that gives direct and unmediated access to higher truths. As Martin Lings, has observed, the term intellect, in the ancient world refers to the faculty of experiencing the transcendent[18] (see Section 7.2). Through reason we separate things, analyse what actually exists as a totality. It is through the intellect that we integrate the apparently disparate to experience the unity that was always there. It is a whole that is greater than the sum of the parts.

The critique of the materialist paradigm discussed in this section 2, in terms of the subject object dichotomy and the mind-matter relationship, is carried forward in the next section 3, into the field of Quantum Mechanics. This shows the inseparability of the subject from the object that in separation, are seen as a dichotomy in the materialist paradigm. In section 3, we also apply Quantum Mechanics to brain functioning. We argue in this context, that Einstein's theory of general Relativity and Quantum Mechanics are yet to be reconciled

within an empirically testable theory. Nevertheless, General Relativity and Quantum Mechanics are not restricted to separate capsules. Rather, quantum events intrude into life size events, and this comes out sharply in the neuronal activity of the brain that is discussed in the ensuing section.

3. Materialism Dismantled: Quantum Mechanics and Brain Functioning

In the seventeenth century, Pierre Gassendi and Robert Boyle, had brought into Renaissance thought the fifth century B.C., Greek idea of atomism, which was that matter was made up of its smallest and indivisible unit, the atom. [19] In the mid-eighteenth-century David Hume, drawing upon atomism, used the metaphor of billiard balls to illustrate his theory of causation. By the early nineteenth century, Pierre-Simon Laplace provided a billiard ball model of reality in terms of atoms hitting each other. He argued that if we knew the initial conditions at present, in terms of the interplay of various forces, then we would know everything about reality, whether in the past or the future. This is the core of nineteenth-century materialism.[20]

The billiard ball conception of reality maintained that physical events occurred in an absolute space and an absolute time that was linear. It also held, following the Cartesian tradition, that events in the material world were independent of the observer. This version of reality was dismantled mainly by two major developments in Physics in the early twentieth century: Einstein's special and general theories of relativity and Quantum mechanics pioneered by Max Planck, Niels Bohr and Albert Einstein. Their predictions were borne out by observational as well as experimental evidence. Einstein showed that while the speed of light was absolute, time and space were not. His special theory of relativity held that time slows down for the observer when he accelerates in space. In terms of his general theory of relativity, space would bend due to the gravitational force of bodies. Later observations showed that the space between galaxies was increasing as the universe expands at an accelerating rate. Thus, space can no more be seen as absolute.

During the same period, the idea that material events were unaffected by the observer was invalidated by Quantum Mechanics. It showed that it was not possible to simultaneously determine the velocity and location of a sub-atomic particle. This was because in order to specify the location of the particle, light had to hit it, before

reaching the observer through the microscope. But when light hits the particle it is displaced from its original location. Thus, the very act of observation changes that which is being observed.

Not only was the inseparability of subject and object established, but Quantum Mechanics also radically transformed the traditional idea of matter as a continuously existent entity, bounded in space. Quantum theorists showed that a sub-atomic particle behaved like a wave as well as a particle. Indeed, whether it behaved as a particle or a wave, depended on whether the observer was looking at it or not. Caltech Professor Sean Carroll in his Royal Institution lecture, showed that when you are not looking, the particle is a wave and when you look at it, the wave collapses to a point and appears as a particle. This change within the range of values of the wave function, from a wave to a particle, happens suddenly and unpredictably. So, the location of the particle can only be predicted with a certain probability.[21]

The mystery of matter becomes deeper still, when we consider the phenomenon of quantum entanglement. All known particles have spin, except the Higgs boson particle. This particle has zero spin, so when it decays into two particles, they spin in opposite directions, with one particle having a positive spin, and the other negative.[22] One particle could be on planet earth in the milky way, the other in another galaxy, yet they are connected over vast distances, because they have a common origin, the mother particle, the Higgs boson. The two particles even when separated across galaxies, affirm this relationship, as they spin in opposite directions.

Professor Carroll identifies two problems with this version of Quantum Mechanics. First, the measurement problem: What is meant by "looking at", or "observing" a particle. Does it involve consciousness that is non material? Second, the reality problem: Does the wave function represent reality, or does it just characterise our ignorance of it. The issue of consciousness thus emerges in the very apprehension of reality. If the electron does indeed exist as a wave and a particle, then there may be parallel worlds. Which is why Professor Carroll prefaces his lecture with a beautifully apt quote from Marvell, the seventeenth-century English poet:

"Our loves so truly parallel though infinite, can never meet".[23]

The idea of matter that has prevailed since the fifth century B.C., the view about the subject object relationship that has held sway since the seventeenth century, and the theory of the laws of motion

of matter on a large scale, that has been extant since the nineteenth century, have all been put into question at the subatomic scale by Quantum Physics. The question of what is matter, has now emerged. This question is also relevant in view of the fact that scientists have recently discovered that what they believed to be "matter," constitutes only five percent of the universe. The rest of the ninety five percent is "dark matter" which is largely unknown to science as yet.

In the face of quantum phenomena, a number of scientists until recently, held the view that materialism works quite well for people-sized events involving large scale matter, so quantum phenomena are irrelevant to our everyday life. Yet, some of the newest industrial products in every-day use are based on Quantum Mechanics: for example, miniaturised processors and storage devices used in a wide range of products including computers and smart phones; laser technology-based products; GPS technology; and magnetic resonance imaging (MRI) used in medical diagnostics. These products render invalid the earlier assumption that quantum phenomena are encapsulated in a separate sub-atomic domain and do not influence people-sized events.

Baruss and Mossbridge in their outstanding work on matter and mind, also argue that quantum phenomena and life size events are linked. [24] As evidence they give the example of the fact that uranium-238 releases an alpha particle that goes up into space, and can be measured using an alpha particle spectrometer. The alpha particle undergoes a decay process to become thorium -234 and this decay requires to be explained by quantum mechanics. Thus, the micro-level far from being encapsulated into a separate domain can actually intrude into the people-sized level.[25]

Quantum Mechanics is also required to explain various micro processes in the brain. For example, a crucial feature of neuronal activity is that previously separated neurons get connected to form a synapse and a chemical or an electrical impulse passes across it. A third form of neuronal communication is called ephaptic coupling. The peculiar feature of this form of transmission is that in many cases the electric charge is inadequate to cross the gap between the nerve fibres (ephaptic gap). Yet the electrons suddenly and inexplicably appear on the other side of the gap to connect the neurons. This phenomenon is called quantum tunnelling.[26] Thus, quantum events are integral to neuronal connections which is the basic feature of

brain functioning.

The examples given above suggest that quantum phenomena are connected with life size events, and point to the need to reconcile Einstein's theory of relativity (of which Newton's classical physics is a special case), with quantum mechanics. Elegant mathematical formulations such as M-theory, containing sub-atomic vibrating strings, point particles and membranes, have been propounded. This theory has eleven dimensions and predicts the existence of multiple universes, that the theory holds, emerged out of nothing.

Stephen Hawking in his explication, posits the idea that our neural process of understanding, involves building a model of reality. But there may be different ways in which the same reality could be modelled, with each model employing different fundamental concepts. If two theories or models overlap, and correctly predict the same physical events, we cannot say that one theory is more real than the other, we just use the one that is "convenient". This approach is what Hawking calls, "model dependent realism".[27] Accordingly, M-theory is not a single theory but a network of theories, with each theory helpful in describing phenomena within a certain range. The laws of M-theory allow for as many as 10^{500} different universes, each defined in terms of the way the internal space is curled. So, each of these numerous universes is associated with a different set of laws, physical constants, charge of the electron and interactions between elementary particles.[28] It could perhaps be argued that M-theory while providing a mathematical solution to bring together General relativity and Quantum Mechanics, is currently incapable of being verified through scientific observation. (We cannot for the moment, travel to another universe to test M-Theory or have any inkling of its existence through indirect evidence currently available in our universe).

If the real nature of "matter" is still under scientific investigation, and quantum processes are integral to brain functioning, then how do we understand its relationship with consciousness. Many scientists continue to believe that consciousness arises from the material functioning of the brain.[29] The essential question here is, how can non-conscious matter produce consciousness? When a person whose brain is wired to an MRI machine, beholds a sunset, for example, the associated flow of electrical impulses across neurons can be observed as a digitised frequency graph on the MRI monitor. But this

quantitative measure of brain activity cannot be equated with the qualitative experience of beauty that the subject is describing. This is the explanatory gap that neuroscientists call the "hard problem".[30]

Rupert Sheldrake in his pathbreaking scientific work, has mentioned the attempts by a whole range of luminaries in the fields of mathematics and philosophy since the eighteenth century, to bridge this explanatory gap. These include Gottfried Leibniz[31], Arthur Schopenhauer[32] and Alfred North Whitehead.[33] Their views broadly fall in the category of panpsychism. This is the idea that all matter, even atoms, and sub-atomic particles, within physical systems have, albeit at a rudimentary level, "some aspects of mentality or experience".[34] We would suggest that experience implies consciousness. So, a logical completion of this idea, requires recognising the primacy of a unifying consciousness in the universe, which none of the aforementioned proponents of the idea have done.

Now establishing the validity of this hypothesis, requires using a faculty of intelligence that C.G. Jung[35], Wolfgang Smith[36] and Professor Seyyed Hossein Nasr[37] respectively, have alluded to: the intuitive faculty of direct and certain apprehension. This dimension of intellectual ability was familiar to the saints and sages of old, but goes beyond the methods of observation and comprehension used within the existing paradigm of science. One can conclude that science at the present stage in its development is unable to provide a satisfactory solution to the "hard problem", namely that measurable brain activity is not the same thing as the phenomenon of experience.

Quantum mechanics as much as the recognition that consciousness exists, have opened up new horizons for science, provided it admits the available evidence that questions the materialist paradigm.[38] Indeed as Thomas Kuhn has shown, historically science has progressed when the existing paradigm proves incapable of explaining observed facts and answering new questions. It is then that a new paradigm emerges.[39]

It could be argued, as Gaston Bachelard did over two decades before Thomas Kuhn, that a paradigm change involves answering new questions. It also involves understanding within a new system of knowledge, even those phenomena which the preceding system had addressed. However, there is a tendency for the mind to prefer "what confirms its knowledge rather than what contradicts it, for answers rather than questions"[40]. So Bachelard suggests that the development

of scientific knowledge involves overcoming this "epistemological obstacle"[41], which in the case of a new system of knowledge involves an epistemological rupture from the preceding one.

Natural science could undergo a paradigm change as it reconceptualises matter, integrates Quantum Mechanics with Einstein's theory of Relativity and resolves the "hard problem" of reconciling human experience with the neuronal functioning of the brain. Such an epistemological rupture could set the stage for a new science of consciousness.

Having questioned the materialist paradigm with respect to the subject object divide and the mind-matter dichotomy it propounds, we will in the next section 4, explore the idea of consciousness, psyche and mind. We do this to illuminate the idea that consciousness may not just be an aspect of individual human existence, but may be as Professor Nasr suggests, a principial reality of the universe.

4. Consciousness, Psyche and Mind

4.1 Consciousness, reason and silence

It may be helpful here, to discuss the term consciousness. Imants Baruss and Julia Mossbridge think of it as a person's sense of existence. They use the term *existential qualia,* to refer to the subjective feelings associated with existence occurring. Hence, they conceive of consciousness as referring to the "subjective events suffused with existential qualia that occur privately for a person".[42]

In our present study however, we understand consciousness of the individual, as different levels of awareness: from perception of the external world, to the experience of transcendent truths. A person has an awareness at an immediate level of being distinctly different and separated from things around us, to a deeper sense of harmony associated with the experience of beauty, of oneness with nature. We suggest that consciousness is an experience of being in this world that combines the proximate perception of separateness from the world, with a deeper intuitive awareness of oneness with it. The sense of oneness is not only with physical nature and the creatures who inhabit this world, but with the metaphysical reality beyond, that nature signifies. Thus, in our view, consciousness has the faculties of reason, of analysis as well as synthesis through language use; and beyond reason, the faculty of experiencing in a direct and unmediated way, the transcendent. This mode of consciousness can cross the limit

of language into silence.

It could be argued that language manifests a uniquely human cognitive system. (See comment on Chomsky in chapter 1, section 1.1 of this book). But at the same time human cognition may go beyond language. We would suggest that language is related with silence, from which it arises and into which it merges. George Steiner in a fascinating explication of the nature of language, suggests that the limit of language is defined by the unsayable. "It (language) carries with it the crucial limitation of that which lies outside language...". He argues further that at the frontiers of language, there are three modes of statement, light, music and silence. These give "proof of a transcendent presence in the fabric of the world. It is just because we can go no further, because speech so marvellously fails us, that we experience the certitude of divine meaning surpassing and enfolding ours."[43] The ontology of silence that Steiner expresses in breathlessly evocative prose, is conveyed with mathematical precision by Wittgenstein in the concluding proposition of his *Tractatus*: "What we cannot speak about we must pass over in silence".[44]

Jalal-ud-Din Rumi, the great thirteenth-century Sufi poet, expresses the speech of the Divine through the silence within his inner being: "His message is only heard in silence".[45] Seyyed Hossein Nasr, the distinguished scholar and Sufi Shaykh of the contemporary period, in a masterly exegesis on sacred silence, argues that the universe emerged when the Word of God broke the primordial silence. In this sense, all manifestation, the cosmos, is contained in silence.[46] Professor Nasr goes on to establish a relationship between silence and compassion. He argues that all possibilities in the Ibn Arabi sense of forms, or *immutable essences*[47], are contained in the Divine intellect. These possibilities had not smelt the perfume of existence, until God breathed upon the forms the breath of compassion. Thus, through the breath of the Compassionate, all existence came into being. In this sense Professor Nasr suggests, compassion is the substance of all existence.[48]

Consciousness works not just at the individual level, but can be regarded as being omnipresent throughout creation. Professor Seyyed Hossein Nasr argues that in the beginning was consciousness, not merely in the sense of a past moment of creation but as the principle of reality. The primacy of consciousness as a principial reality is found in the sacred scriptures of all the major religions and

wisdom traditions. Professor Nasr quotes from these in his Dudlian Lecture at the Harvard Divinity school. For example, in the Rig Veda, consciousness (Sanskrit, *Chit*) is the One, the ultimate reality, "One alone is the dawn beaming over all this. It is the One that severally becomes all this. The One who is Sat-Chit-Ananda". All three being blessed, are in a state of consciousness. Similarly, in the primary text of Taoism, Tao Te Ching, "the nameless Tao is the beginning of heaven and earth. The name Tao is the mother of ten thousand things". The origin, the Tao, is consciousness. Then in the Book of John in the New Testament, the holy Bible says, "In the beginning was the word, and the word was with God, and the word was God". This word is not a word in the ordinary sense, but is "spirit and life", as Jesus Christ said in the Book of John. Finally, in the holy Quran, the origin is clearly stated in Surah Yasin (chapter 36):

> *Verily, when He intends*
> *A thing, His command is,*
> *"Be" and it is!* [49].

In the Greek tradition too, Aristotle talks of the "Divine intellect". So there is a unanimity in religious and wisdom traditions of the world about the primacy of consciousness.[50] Yet consciousness has been conceptually taken out of the universe by the mechanistic view that has prevailed since the seventeenth century (See section 2). Consequently, the final authority of knowing has become the individual ego.[51] Not only all other aspects of the psyche remain untapped in the process of understanding but no other authority, the divine intellect, or revelation from God to the prophets, is taken into consideration. But then, within the Materialist paradigm, having cut off consciousness from non-conscious "matter" how do we know at all? To know, the knower and the known have to be united by consciousness. This logical problem is solved in the Perennial intellectual tradition, with the experiential postulate that consciousness is the primary reality, at once knowing, and knowing that it is knowing.[52]

The separation of the cognition of humans from their own deeper levels of consciousness, as much as from the universal consciousness of the Divine reality, has resulted in estrangement from an aspiration that is integral to our experience of being human. We, like the rest of the created world are locked in time and space. Yet unlike perhaps

other creatures, we have a deep-seated yearning to reach out to the reality beyond. There are some, who having left behind the ego, pursue this yearning through the experience of love. This has been a mode of achieving transcendence whereby human consciousness relates with God, who is the Source of love for His creation. Thus, it is in the state of love and adoration of God, that humans can fulfil their deepest aspiration of relating with the Reality beyond time and space. It is through this desire that they know their humanness. At the same time, the state of relatedness with God makes possible the choices leading to a life of righteousness. As the Holy Quran says in Surah Al Baqarah, Verse 21:

> *O ye people!*
> *Adore God your Guardian Lord,*
> *Who created you*
> *And those who came before you,*
> *That ye may become righteous.*
>
> (Translated, Abdullah Yusuf Ali)[53]

In the mechanistic paradigm the removal of consciousness from the universe has meant a loss of the sacredness of human life.[54] The modern world has marginalised the deep-rooted need to re-establish the ligament of love with God and thereby know that virtue in social relationships is essential to one's being in this world. Consequently, separated from their roots in consciousness, human values begin to decay. At the level of the individual this deterioration of values comes into play within the psyche. How then do we understand this particular term?

4.2 The Psyche, unconscious and the unknown

We conceptualise the psyche in terms of the work of C.G. Jung. It is the consciousness of the sense of self of a person at different levels: from the conscious ego; to the bringing into awareness the individual unconscious, which contains the polarity of good and evil that the individual is capable of; to the third, deepest level, the collective unconscious that contains the memories of the past of the human community, embodied in archetypal symbols.[55] The collective unconscious can enter the conscious psyche spontaneously during dreams, or during psychotherapy. Jung, in exploring this level of consciousness, the collective unconscious, observes, "This

is the question posed by the philosophy of India, and particularly by Buddhism and Zen. Indirectly it is the fundamental question in practice, of all religions and all philosophies. For the unconscious is not this thing or that; it is the Unknown as it immediately affects us."[56] The collective unconscious connects us therefore with our collective past as much as it provides a portal to experiencing the transcendent. We would suggest that if the individual can become aware of the transcendent "Unknown", one can also access the collective consciousness of the community living through history. A consciousness that is evoked in the literature, the arts and the folklore of a community.

How do we conceive of the mind in the context of consciousness? Here we use the concept of Baruss and Mossbridge, to define mind as an aspect of the psyche that embodies individual consciousness. Further, we would argue that the mind is not necessarily and always limited to the ego. The mind can give to the individual a consciousness of class, nation and a solidarity with the human community. Drawing upon Sir Charles Sherrington, it can be suggested that the mind, acts in connection with the energy of the brain in an as yet unknown way. We define the mind as the non-material faculty of perceptions, emotions, intuitive insights, thoughts, inferences, and motivations that lead to an individual's choices and actions. In our view, these choices can be and often are, influenced by the unconscious or sometimes the collective unconscious. Nevertheless, it is this sense of the mind that makes the person responsible for what she says and does. Law proceeds on this assumption.[57]

We have in this section 4, attempted to clarify the sense in which we use the terms consciousness, psyche and mind in the present study. This sets the stage, in the next section 5, to identify the structural features of Capitalism with a view to examining how the alienation from humane consciousness within the social organisation of this mode of production, underlies the four crises that characterise the contemporary period: The crisis of the environment, of health, of inequality and of violence by states as well as non-state entities.

5. The Structural Features of Capitalism and the Materialist Doctrine

Capitalism, which spawns much of human society today, confronts four crises that threaten the stability of states, the fabric of society and indeed life itself. The environmental crisis is undermining the

life support systems of the planet; the health crisis combined with the economic and social inequalities are tearing apart the fabric of society; and violence by governments and non-state extremist groups is threatening the stability of the state itself. It can be argued that these crises are rooted in the structure of the economy and the system of power in Capitalist society. Yet the economic and power structures are inseparable from the psyche they breed. Alienation from consciousness plays an important role in maintaining the aforementioned crises. Just as overcoming these crises requires a re-awareness of a humane consciousness, which is manifested in the sense of empathy and compassion towards nature and all creatures within it.

We will begin by articulating the structural features of Capitalism that generate some of the tendencies discussed in the ensuing section. We will in section 6, briefly discuss these tendencies with respect to the relationships of humans with commodities, and with nature, that have emerged under Capitalism over the last three centuries. Some of the features of the psyche associated with these relationships will be identified. We will then counterpose these relationships with those articulated in the Perennial tradition and expressed in the literature and folklore of the peasantry in South Asia. They were and still are, economically poor but continue to be bearers of a rich intellectual tradition.

Six features of Capitalism, define the structure of the mode of production. By structure we mean the design features that determine the economic, technological and ideological tendencies of the system.

5.1 Production for profit and reinvestment

First, Capitalism is characterised by capitalists functioning in competitive markets who invest in hiring labour, buying machines and raw materials to produce for profit. The forces of competition with other capitalists appear as an imperative to the individual capitalist to continuously reinvest to increase profits. In the process of reinvestment, the capitalist firm undertakes technological change to increase productivity and thereby accelerate the expansion of profits.

5.2 Capitalism, and inequality

Second, growing inequality is rooted in the very structure of the capital-labour relationship that defines the system. In the historical period when this mode of production emerged, labour power, i.e.

the ability to work for a certain period during the day, became a commodity. The price of the commodity labour power, is the wage. The unique feature of this particular commodity is that it can produce more value than its own, i.e. surplus value. Now when the capitalist buys labour power by paying a wage, apparently an exchange of equal values takes place. But in the very act of buying the commodity labour power, the capitalist appropriates its characteristic feature, surplus value. Underlying this serene transaction is the harsh relationship of power. The worker bereft of the means of production is unable to produce on his own. He must sell his capacity for labour to the capitalist who owns the means of production, at the going wage, or starve. It is this power that enables the capitalist to appropriate surplus value. The dynamic of the capital-labour relation within an environment of competition, induces a continuous reinvestment, enlargement of profit and enhancement of the power of capitalists. At the macroeconomic level therefore, wealth as well as power tends to get concentrated in the hands of the rich, while the economic and social gap between the elites and the people increases.

Economic inequality, since the late twentieth century, has further increased as the financial sphere has become predominant. The rich who also own financial assets have been able to enjoy a rapid increase in their incomes because prices of financial assets have increased during the last two decades, as interest rates declined sharply during a period of slowdown in the real economy. That is why, after three centuries of capitalist growth, only one percent of the world's population, owns as much as 43.4% of the world's wealth.[58] While the economic recession after the year 2008 reduced the overall GDP growth in the West, the wealth of US billionaires increased by 80.6 percent.[59] These extremes of wealth co-exist with extreme poverty, with almost half the world's population living on USD 5.50 per day. Furthermore, while the income of the rich has increased rapidly in the last decade, the pace of poverty reduction has halved since 2013.[60]

5.3 Capitalism, inequality and the Covid 19 pandemic

Third, in Capitalism, the decision about what and how much to produce of various commodities, is determined by the profit motive and hence the production system responds to demand as expressed through purchasing power. The Covid 19 pandemic and the resultant human suffering has revealed the tragic dimension of a structural tendency

of Capitalism: In a situation of an unequal distribution of income, the market system caters to the needs of the few at the expense of the many. The ideological conviction in the efficacy of markets to deliver public welfare, has led over the last four decades to underfunding of the public sector health infrastructure. The market mechanism works on private profitability criteria. It cannot be expected to produce public goods which are not necessarily profitable but fulfil the human needs of society. This basic fact was ignored by successive governments in the Capitalist world. Consequently, when the pandemic struck, while there were luxury cars stocked in showrooms, there was a shortage of simple devices such as masks, gowns and ventilators to save lives.

As we have indicated in an earlier paper, in the US, the most advanced Capitalist country, during the lockdown when millions were pushed into unemployment, "....while the rich ensconced in their mansions had enough to enjoy gourmet meals served by liveried waiters, the poor had to stand in long queues for state handouts of food, in little brown bags."[61] Across the Atlantic, in some European countries such as Spain and Italy, there were nightmarish scenes of overcrowded hospitals, where patients, lay in corridors, as distraught doctors desperately short of equipment, faced the heart rending choice of deciding which patients to help and which to let die. In India in the latest surge of the pandemic (April-May 2021), as hundreds of thousands of people are struck down with disease every day, there is a severe shortage of oxygen cylinders. Patients waiting in long lines of vehicles at the gates of hospitals, are gasping for breath without oxygen, some dying before they can be provided succour.

To make the problem of economic inequality and an inadequate health infrastructure worse, the pandemic has made apparent that the poor are more vulnerable to this disease than the rich. This is because of inadequate nutrition that reduces the immunity of the poor and also because they live in congested localities and have to travel to work in crowded public transport.

The pandemic has not only caused greater suffering to the poor than the rich, it has also served to accentuate inequality within an already highly unequal market system. For example, during the pandemic (March 18 to December 31, 2020), the income of billionaires of the world increased by USD 3.9 trillion.[62] By contrast, global labour income (before taking into account income support measures) in 2020, declined by about USD 3.7 trillion.[63] The latest evidence also

shows that due to lockdowns associated with the pandemic, hundreds of millions of people have been pushed into poverty, while many of the billionaires and large corporations are getting richer. In the case of billionaires who suffered a dip in their fortunes, they returned to pre-pandemic levels of income within nine months, but recovery of the world's poorest could take over a decade.[64]

Across the Capitalist world, the pandemic has demonstrated the spectacular failure of markets to deliver public welfare. It is also clear that inequality imparts a fragility to society, and accentuates the adverse effects of disasters such as pandemics.

5.4 The trajectory of technical change

Fourth, the trajectory of technological change is determined not by the human needs of society as a whole, but by the requirements of capital accumulation. The development of knowledge is primarily focused on understanding the material world such that the technological change that embodies such knowledge, serves to increase profits. This meant using primarily fossil fuels and the development of technologies based on them, over the last three centuries.

5.5 Capitalism and culture

Fifth, profit making requires not only producing commodities but also selling them. Hence advertisement campaigns are conducted, and the desire to acquire objects of convenience begins to dominate our visual and psychic landscape. This contributes to the emergence of a consumerist culture. Thus, the production system not only produces goods that satisfy needs, it also produces the needs which these goods satisfy.

5.6 The materialist doctrine and exclusion of the spiritual dimension of human existence

Sixth, a materialist doctrine prevails not only in understanding the world but comprehending the very existence of human beings in exclusively material terms. Consequently, the spiritual dimension of the relationship of humans with each other and with nature, is systematically excluded from the dominant paradigm of knowledge. Thus, the materialist ideology would consider inadmissible, the question of how the experience of love and beauty connects us with the natural environment. The prevailing ideology is also unable to explore how love connects us with our deepest self and thereby with

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the quest to experience the transcendent. We will pursue this question in the following sections 6 and 7.

6. The Relationship of Humans with Commodities and with Nature: Modern and Traditional

6.1 The relationship between humans and commodities

Humans have a desire to connect with each other and with nature to experience a oneness that overcomes the profound loneliness associated with the perception of being apart from the world around us. Advertisements displace this deep-seated desire to connect, and replace it with the superficial desire to acquire commodities. As we have argued in an earlier paper, the consumerist culture has fashioned a psyche whereby the individual perceives commodities not merely in terms of their objective functions but as receptacles of qualities such as physical attractiveness, efficacy and power. Thus, qualities that are organic to human beings are alienated from them and transposed into commodities within the unconscious mind. We are thus driven by an irresistible impulse to buy commodities, essentially to repossess ourselves.[65] The super-rich buy dozens of luxury vehicles or hundreds of suits of clothes, not simply because they are useful. Beyond a point their usefulness ceases to be a consideration in the purchase decision and its psychic role predominates.

It is a characteristic feature of our time, that buying objects of convenience and striving to earn the purchasing power to do so, have acquired a historically unprecedented centrality in human life. Yet there is a lingering sense of dissatisfaction whose antidote, in a state of alienation from consciousness, is imagined to be even greater acquisition. This creates an insatiable desire for commodities. But despite the accumulation of material wealth, happiness somehow remains elusive.

The exclusive focus on commodities, discourages forms of experience wherein humans and consumption can be seen within the perspective of the consciousness of virtue. This is an experience of moving out of the ego where giving becomes more important than taking. It is a form of knowing oneself where loving care for the other gives one happiness, and the deeper gratification of inner peace. The idea that wealth is relatively insignificant, but it is virtue and access to the underlying consciousness, that is the more meaningful aim in life, was familiar in the wisdom traditions of the world.

Aristotle, in his Nicomachean Ethics, argues that objects of convenience cannot be of value, because they are merely useful. What is of value is human functioning according to the principles of virtue. And virtue he argues, accords with the logic of the soul.[66] Earlier, for Socrates, virtues in different fields of an individual's conduct, were essentially one, because they originated in moral knowledge.[67] In the context of this study, it can be argued that Socrates' insight of a moral sense as a source of all virtues, in turn originates in consciousness. Virtues with respect to forms of social organisations and our relationship with commodities are located in the space of heart-consciousness. The sacred texts of ancient South Asian societies, for example Ramayana, propose equity as the basis of the good, or virtuous society (*Ram Rajya*). The Tamil poet Kambar in his translation, quotes[68]:

> "There was no one who did not have enough,
> There was no one who had more than enough"
>
> Kambar

More recently, the seventeenth-century Punjabi Sufi poet in a poignant tone, observes the futility of wealth accumulation and the injury such a pursuit causes to the heart:

> *"The suffering of the heart has reached its limit my friend,*
> *the suffering of the heart has reached its limit,*
> *Those who have accumulated millions, that too is mere dust."*[69] (translated).
>
> Shah Hussain

The values emerging from this consciousness shaped many of the social interactions in traditional South Asian societies. It was not how much you had acquired that determined your status in society, but how much you gave away. It was therefore common place in days of yore, for the affluent farmers to give away some of their grain to the poor peasants during periods of shortage. The values of sharing and caring characterised rural society. But now, in the face of an emerging Capitalist culture, these values have been largely displaced. The erosion of the sense of social responsibility of the landlord towards the poor peasantry, combined with the rapid increase in the inequality of their economic condition, has served to heighten class contradictions

in rural Punjab. During field work for our Doctoral study, a tenant farmer made this clear: "*Jaddon ekko banne te enni amiri hove ke uss paar thandian machinaan laggian hoven, te saade paasee enni thorr hove, ke ghar vich daane nah hoven, taan bhambarr te aape machnaan hoya.*"[70] (When on the same boundary, on the other side there is such affluence that air conditioners are cooling their homes, while on our side, there is such deprivation that there is no grain in the house, then a conflagration is bound to occur).

6.2 The relationship between humans and nature

As the discussion in section 5 above suggests, there is a structural tendency in the world Capitalist system for a continuous increase in the volume and range of products, and the trajectory of technological change based on fossil fuels whose use meets private profitability criteria. In underdeveloped countries such as China hundreds of millions of people have been pulled out of poverty, through sustained, people-centred economic growth. But growth even in countries that pulled out of underdevelopment during the last half century, have used mainly the relatively cheap fossil fuel-based technologies. Consequently, the level of greenhouse gas emissions (carbon dioxide, methane, nitrous oxide) in the earth's atmosphere have built up to levels, unprecedented in 800,000 years. As a result, global warming and the associated climate change have occurred.[71] Climate change has caused an increase in the intensity and frequency of extreme climatic events such as floods, droughts, and hurricanes that have brought destruction of human life, livelihoods and physical infrastructure in their wake.

Climate related suffering and death is not restricted to human beings but extends to other life forms such as animals and plants. According to the IPCC Report, 20 to 30 percent of animal and plant species are likely to become extinct over the next four decades if average temperatures on earth exceed 1.5 to 2.5 degrees centigrade.[72] Apart from climate change, in large areas across the world, forests have been depleted, soils rendered toxic, the air made hazardous for breathing in some of the major urban centres, and hydrologic systems (surface and ground water) have been polluted, which threaten human health, food supply and animal life.

In short, the life support systems of the planet are being undermined. The threat to life, emanates not from some natural cyclic

process, but by human intervention into the eco-system. It is the result of the preoccupation with endlessly producing and consuming ever more commodities and profit driven forms of technology used for their production, since the Industrial Revolution in the eighteenth century.

After the first decade of the new millennium, scientists had begun to realise that if the average global temperature increases by more than 2 degrees centigrade, it could cause a catastrophic destabilisation of the eco-system that could threaten all life on the planet. This possibility was brought home to the world's leaders by eminent scientists during the Paris Summit in 2015. Having been informed of the dire threat to life on earth and the urgency of the need to act, the assembled world leaders resolved to prevent the average global temperature from exceeding 1.5 degrees centigrade by the end of this century (2 degrees centigrade being the edge, was considered too close to the abyss for comfort). To be able to meet this target by the end of the century, for the UN's Sustainable Development Goals Agenda (SDG), it was agreed that member countries would aim to reduce carbon emissions to zero by the year 2050. To be able to meet this target, carbon emissions would have to decline by 7.6% annually over the next decade (2020-30). The evidence however shows that carbon emissions have been steadily increasing by 1.4% annually so far (2010-19), even after the Paris Summit.[73]

As the polar ice caps melt, as forests get depleted, hydrologic systems get polluted, soils become toxic, living species get extinct and the very fabric of life begins to tear, the planet is reaching a tipping point to catastrophe. Yet the countries of the world, have in the aggregate, failed to initiate effective policies to meet the agreed goal of reducing carbon emissions to zero by 2050.

It is also clear that the factors underlying this failure, have not originated in technical constraints. As we have argued in an earlier paper, the failure so far to collectively take measures to sustain life, is rooted in the very relationship between humans, commodities and nature that has been fashioned within the social, economic, cultural and epistemological domain of Capitalism.[74] Thus the environmental crisis that threatens life on earth, is essentially a crisis of human civilisation.

Nature in the contemporary civilisation is seen in fragmented terms as a set of exploitable resources. Forests are wood to be used,

rivers enable irrigation, soils enable production of cash crops, snows on mountain tops are water storage tanks and the earth and air are "sinks" for waste disposable. This fragmented view of the physical environment leads to a lack of consideration for the integrated eco-system held in a delicate balance that is essential for physical life on earth.

An attitude to nature, of caring rather than spoliation, requires recovering our consciousness of the "sacred, the true and the beautiful".[75] In the Perennial tradition the forests, the mountains, the rivers, the fertile valleys, the deserts, the oceans and all creatures who inhabit them, are part of a sacred wholeness. This unity can be experienced within a consciousness that transcends the ego. It may then be possible to apprehend what Seyyed Hossein Nasr calls the sacramental view of the universe in which God, humanity and nature are interrelated.[76] As we have suggested in an earlier work, nature not only enables the sustenance of physical life but also nurtures our sense of beauty through which we experience the transcendent. Thus, in nature we live simultaneously in the ephemeral and the eternal.[77]

It is consciousness which links the transient with the timeless, the taste of earthly senses with the taste of the journey to the Divine. In the next section 7, we discuss this consciousness and its implications for society. It is what the ancients called the intellect or heart knowledge. The connection between earthbound humans and the transcendent occurs within heart space. The light from this connection, is heart knowledge. It is a relatedness within which the Divine attribute of compassion can be felt as essential to our experience of being human. Such a compassionate consciousness we argue, can provide the normative basis of building a humane society. A society marked by equality, justice, tolerance and loving care for others and for nature.

The experience of compassion that lies at the core of human consciousness, has become essential to building a humane world. It would be a world in which life can be sustained. It is an irony of our time that the very forms of social existence that must be changed, alienate us from compassion. As Frithjof Schuon observes:

> The paradox of the (present) human condition is that nothing is so contrary to us as the requirement to transcend ourselves, and nothing so fundamentally ourselves as the essence of this requirement, or fruit of this transcending."[78]

7. Humans, Heart Knowledge and Development

7.1 Humans, relatedness and destructive aggression

Humans are related with others not only in the process of production, in the conduct of social life, but also in the great adventure of education through which individuals actualise their creative potential. Indeed, individuality we have argued is constituted through our social relationships (see chapter 2). Our experience of the individual self is integrally related with our experience of others experiencing us. As R.D. Laing the eminent psychotherapist observes, "When two (or more) persons are in relation, the behaviour of each towards the other is mediated by the experience of each of the experience by each of the other...". Beyond one's experience of the self, based on social interaction, is the sense of relatedness with all humanity. For some, this awareness, is drawn from undergoing the transcendent experience of a relationship with God. Such an experience is integral to one's being. This consciousness enables the knowledge that humans are essentially related, because of the presence of God within each human heart.

There is a propensity within our consciousness to experience a relatedness with others, yet Capitalism tends to displace this propensity, and alienates the individual from the other and hence from the self. The materialist doctrine that emerged in the seventeenth century, underpinned the rise of Capitalism in the eighteenth century. It reinforced the process of alienation by removing consciousness from our mode of knowing the world and the self. Within the structure of the system, individuals are pitted against each other in the competitive pursuit of acquisition. The other human being is typically seen as a means or a threat to the end of personal material welfare.

Humans are imbued with a proximate aggressive impulse, as a mode of self-protection against threats to their survival. But they also have a desire rooted in the centre of their consciousness, to connect with the other and thence with the transcendent. Capitalism has a tendency, through the social interactions associated with the accumulation process, to overdevelop the aggressive impulse at the expense of the impulse to connect. Love is a form of transcending the ego to connect with the other, but in this society, it descends into becoming a mere appetite of the ego. Love for some, becomes a means of domination and control of the other, rather than an experience of

oneness.

Erich Fromm in his classic, the Anatomy of Human Destructiveness, discusses "defensive aggression" as an innate feature in animals and also humans. The aim of flight or fight, "is not lust for destruction, but the preservation of life".[79] But humans unlike animals, are also subject to malignant aggression, which far from serving life, is destructive. Fromm suggests that malignant aggression is dominant and powerful in some individuals and cultures".[80] It can be argued that in so far as production relations and the social environment influence the individual psyche, Capitalism tends to engender, indeed celebrate, aggression as instrumental for 'success'.

Herbert Marcuse argues that the material gratification that Capitalism enables, apparently makes it rational to conform to this social order. But such a rationality he suggests, is "spurious," because the fulfilment of material needs under Capitalism is actually based on domination.[81] In this context, Marcuse observes: "Civilisation has to defend itself against the spectre of a world which could be free."[82]

It could be argued that inherent to Capitalism is inequality and so the fulfilment of material needs under it, is not for all: The rich have the freedom to live in fabulous luxury, while the poor suffer the unfreedom of hunger. We would suggest that this endemic economic inequality and asymmetric freedom, are sustained by a power structure of domination and ideological control of the Capitalist class over the working classes. Capitalism creates the possibility of human liberation and at the same time engenders the institutional structure of its deprivation.

The question that arises in this context, is freedom from and for what? The promise of freedom that haunts Capitalism can be said to be liberation from a social order in which humans are subordinated to the needs of capital accumulation[83] and in the process, the many suffer deprivation while only a few prosper. But the freedom sought after, is not only from economic exploitation, though that is crucial, but also freedom to achieve the full development of our humanness. The pinnacle of human development is the attainment of a consciousness of the transcendent Reality, a level of consciousness that as Christ stated, makes us free.[84] The alienation that characterises Capitalism is not just that labour, which is the means of creative expression, is used mainly in the service of capital. There is also an alienation from one's essential self, resulting from the ego driven, single minded

pursuit of commodities within a materialist ideology. It is a paradigm of knowledge that has banished from the cosmos, what is essential to being human: The experience of love and beauty which through their interpenetrating sensuousness and spirituality, signify the truth. The consequent alienation, is essentially a blindness to the light of the heart. This brings us to the idea of the heart and heart-knowledge, that is the subject for the ensuing discussion, however brief.

7.2 The heart, heart knowledge and the source of norms

Martin Lings the great scholar and Sufi Shaykh, suggests that in the ancient world, in both the Western and Eastern traditions the term heart was used synonymously with the word intellect. This word unlike its modern usage of just mind, meant in the full sense of the Latin *intellectus*, the instrument of experiencing the transcendent.[85] In a masterly exegesis, Lings, suggests that the heart, is not only the centre of our physical body but the centre of the soul, and as such the centre of our being. He refers to the Holy Quran, as a key to the inner meaning of the term heart with respect to the link between outer phenomena and inner faculties:

> *"We will show them Our signs on the horizons and in themselves."*

(The Holy Quran, *Surah Fussilat* (41), Verse 53, translated by Martin Lings).

The question is, to which of the "signs on the horizon", does the heart correspond? The heart as the centre of our being is related with the transcendent Spirit. So, if Spirit is symbolised by the sun[86], the heart like the reflecting moon, gives light to the darkness of the soul. Significantly, the moon while bringing light into the night, is itself not in the night but in daylight as it faces the sun. This symbolism, Martin Lings argues, indicates the sense in which the heart is considered the faculty of direct spiritual (intellectual) vision.[87]

Martin Lings suggests that the heart is also akin to the archetypal Fountain of life and signifies the point where the natural and the supernatural, meet. Professor Seyyed Hossein Nasr similarly refers to the heart as the site where the human and Divine meet.[88] It is that interiority which Jesus Christ referred to, when he said, "The Kingdom of God is within you."[89] The presence of God within the

boundless space of the heart is indicated in The *Hadith Qudsi* : "My earth hath not room for Me, neither hath My Heaven, but the Heart of My believing slave hath room for Me."[90] Hazrat Muhammad, Rasul Allah, peace be upon him, also referred to the heart of the faithful, as the "Throne (al-arsh), of the All-Merciful (ar Rahman)."[91]

Professor Nasr explores the universality of the idea that the heart is essential to the spirituality and the inner condition of human beings. For example, in the tradition of the Eastern Orthodox Church there is a focus on "prayer of the heart", and in Catholicism there is a devotion to the Sacred Heart of Jesus. In Judaism too there is the idea of the heart as the soul of man. The spiritual significance of the heart across religious and cultural boundaries is indicated by the fact that the name of the Egyptian god Horus, meant "heart of the world". In the East, in India, the Sanskrit term for the heart, *hridaya,* means the centre of the world, similar to the Egyptian tradition. Further East, the Chinese word *xin* means both heart and mind, or consciousness.[92]

Given the significance of the heart in understanding the quest of earth-bound humans for the transcendent, how do we understand the idea of heart knowledge? The Arabic term *dhawq* literally meaning taste, has been used by Sufis to denote the directness of heart-knowledge as opposed to mind-knowledge.[93] How is it that the physicality of sensuousness can denote knowledge at the centre of consciousness that is non-material, a location at the meeting point of the human and Divine?

In pursuing this question, Martin Lings, mentions the idea of a balance between the outer and inner domains of the primordial human being. In this context he uses the symbol of the Seal of Solomon. This consists of two triangles whose bases are joined and the apex of one triangle points upward, while that of the other triangle points downward along a vertical axis. The apex of the upper triangle represents the direct spiritual experience of the heart, which is embodied in the fruits of the Tree of Life, while the down turned apex of the lower triangle represents the earthly taste of the senses. What the Seal of Solomon in this context is signifying is the dialectic of the directness of heart-knowledge. At the level of the senses, it is transient and narrow, while the transcendent 'taste', in the higher realms, is enduring and vast.[94]

Heart knowledge then is a deep level of consciousness, where the ego is transcended to bring the heart to a state of wakefulness. The

awakened heart brings the light of the Spirit to the soul. It is a direct experience of higher truths through reference points that are located in our earthly senses. Behold a mountain lake at sunset, hear the music of its gold draped ripples echoing as they caress the mountain slopes. The setting sun, the mountain, the ripples on the lake and the pervading silence which their music defines, draw the observer into the communion. Observer and the observed are momentarily one, as the eye of the heart meditates upon the scene. Yet within the deep sense of peace in that transient moment, there is a longing to 'taste' the eternal Truth which that beauty glorifies.

> The Holy Quran makes clear that all created things glorify God:
> *The seven heavens and the earth and all that is therein extol Him, nor is there anything which doth not glorify Him with praise; yet ye understand not their glorification.*
>
> (The Holy Quran, *Surah Al-Isra* (17), Verse 44, translated by Martin Lings)

The discussion above, has suggested that human beings have the faculty of the intellect (heart) through which they can get direct knowledge of higher truths. Humans also attempt to use their minds to understand the way things work, to acquire what Hausmann et. al. call productive knowledge, (see chapter 11). This is necessary to establish conditions in society whereby they can fulfil their material needs. But they also have a deep-seated aspiration to attain heart knowledge. The pursuit of this knowledge develops human consciousness whereby loving care, or compassion can be comprehended as a propensity essential to our being.

Compassion is an attribute in terms of which God describes Himself most frequently in the Holy Quran: Rahman ar Rahim, translated, The Compassionate the Merciful. Dr Reza Shah Kazemi, has pointed out that compassion and mercy are both terms from the same Arabic root, Rehma (meaning literally, the mother's womb). Mercy, he argues is derived not from sympathy or pity but from love.[95] Love is integral to the affirmation of God and to what is known of God to humans. God in His infinite mercy has granted His own attribute of compassion to the human being, His viceregent on earth. Thus, compassion and its source Love, is the means of humans knowing

their essential self. Yet, in the ego driven, materialistic society, marked by inequality, injustice and violence, compassion lies dormant. The challenge of our time is to awaken compassion (heart wakefulness), and make it a vital force in constructing a humane society.

Compassion as Seyyed Hossein Nasr has suggested is inseparable from truth and justice[96]. We may suggest that this is because all three dimensions are united in their Source. Compassion therefore cannot simply be expressed in the form of charity for the few deprived persons we come across as individuals. Compassion must take the form of a politics that aims to change the social order that systematically generates poverty and inequality, and the injustice inherent in these economic phenomena; it also requires unveiling the falsehood of the ideology that justifies such a social order.

Compassion can become a mode of relating with the self, with others and with nature. Such a consciousness, through education, a sense of aesthetics and thereby an engagement in politics, could become the collective consciousness of society: It would be the source of norms that could underpin policy and public action for a humane society. A society based on equality, justice, and loving care for others as well as for nature.

Endnotes

Chapter 1

1 Some researchers on the basis of fossil evidence speculate that language evolved gradually. Homo Erectus, a tall ape, living about 1.5 million years ago, may have had a 'protolanguage' a limited vocabulary, but no grammar: "just words strung together" (James R. Hurford). Noam Chomsky however dismisses the evolutionary theories of language as "fairy stories". He contends that the language ability is unique to humans and is associated with their specific cognitive system. The various human languages have a common structure that can be specified in terms of the linguistic principles of generative grammar. He argues that language structure represents a unique system of integrating information and making it meaningful. It is on the basis of this language structure that humans are able to acquire a vast amount of knowledge on the basis of only limited experience. Georg Steiner, within a literary context, also suggests that the language ability is unique to humans. Referring to Aristotle, he argues that "Man is a being of the word".
James R. Hurford, *The Origins of Language, A Slim Guide*, Oxford University Press, Oxford UK, 2014, page 1.
Noam Chomsky, *Powers and Prospects: Reflections on Human Nature and the Social Order*, Pluto Press, London, 2015, pages 30-54.
Georg Steiner, *Silence and the Poet,* chapter in *Language and Silence: Essays on Language, Literature, and the Inhuman*, Open Road Integrated Media; Atheneum, New York, 1967.

2 Noam Chomsky, Powers and Prospects, Reflections on Human Nature and the Social Order, Pluto Press, London, 2015.

3 It has been shown on the basis of fossils excavated from a site in Morocco, that Homo sapiens, emerged, not 200,000 years ago, as was earlier believed but between 280,000 to 350,000 years ago.
James McNish, *Oldest known Homo sapiens fossils discovered in Morocco*, Natural History Museum, June 7, 2017.
Retrieved from https://www.nhm.ac.uk/discover/news/2017/june/oldest-known-homo-sapiens-fossils-discovered-in-morocco.html#:~:text=Excavations%20at%20an%20archaeological%20site,350%2C000%20and%20280%2C000%20years%20old, accessed May 24, 2021.

4 The earliest humans, like their primate ancestors, moved about in small groups, perhaps because foraging and hunting required teamwork. These groups were initially loose and gradually bonded together to achieve a stable sociality.
Suzanne Schultz, Christopher Opie and Quentin D. Atkinson, *Stepwise Evolution of Stable Sociality in Primates*, Nature, Volume 479, 2011,

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pages 219-222.

5 David Despain, *Early Humans used Brain Power, Innovation and Team Work to Dominate the Planet*, Scientific American, February 27, 2010. Retrieved from https://www.scientificamerican.com/article/humans-brain-power-origins/, accessed May 24, 2021.

6 Wolfgang Smith, *The Quantum Enigma: Finding the Hidden Key*, Sophia Perennis, Hillsdale NY, 2005, page 8.

7 Douglas C. North, *Institutions, Institutional Change and Economic Performance*, Cambridge University Press, New York, 1990.

8 Hans Kelsen, *General Theory of Law and State*, The Lawbook Exchange Ltd., Clark, New Jersey, 2007 [1945], page 3.

9 Hans Kelsen, *Pure Theory of Law*, The Lawbook Exchange Ltd., Clark, New Jersey, 2002, [1967], page 4.

10 Hans Kelsen, *General Theory of Law and State*, Op. Cit., page 6.

11 Hans Kelsen, *General Theory of Law and State*, Op. Cit., Chapter 1, pages 3-14.

12 I.F. Stone, *The Trial of Socrates*, Anchor Books, Doubleday, New York, 1980, page 40.

13 Plato, *Phaedo*, translated by Benjamin Jowett, Create Space Independent Publishing, 2017, para 612.

14 Seyyed Hossein Nasr, *The Heart of the Faithful is the Throne of the All-Merciful*, chapter 3, in James S. Cutsinger (ed.), *Paths to the Heart: Sufism and the Christian East*, World Wisdom, Bloomington, Indiana, 2002, page 32.

15 Douglas C. North, *Institutions, Institutional Change and Economic Performance*, Op. Cit., pages 36-45.

16 Carl Gustav Jung, *Archetypes and the Collective Unconscious*, The Collected Works of C.G. Jung, Volume 9, Part 1, edited and translated by Gerhard Adler and R.F.C. Hull, Princeton University Press, Princeton, New Jersey, 1980 [1959].

17 A more recent example is when in March 2007, Chief Justice Iftikhar Chaudhry was pulled out from his car by policemen and dragged by his hair on an Islamabad street. This too, triggered a popular mass movement led by lawyers to restore the judiciary.
These examples illustrate Barrington Moore's proposition: "Evidently social rules and their violation are crucial components in moral anger and a sense of injustice." Barrington Moore Jr., *Injustice: The Social Basis of Obedience and Revolt*, M.E. Sharpe Inc., White Plains, New York, 1978, page 5.

18 Douglas C. North, *Institutions, Institutional Change and Economic Performance*, Op. Cit., page 36.

19 Ibid.

20 Douglas C. North, John Joseph Wallis and Barry R. Weingast, *Violence and Social Orders*, Cambridge University Press, New York, 2009.

21 They identify broadly two institutional structures. (1) The Limited Access Social Order is based on an institutional structure designed

to systematically produce rents for an elite coalition. The aim of rent generation for the elites is to keep the coalition intact and thereby control violence. A rent-based institutional structure provides exclusive privileges to the elites and restricts competition, which creates disincentives for hiring based on merit, hard work, efficiency increase and innovation. Consequently, sustained economic growth is not usually achieved in the Limited Access Social Order according to North e. al. (2) The Open Access Social Order is based on competition, hence has incentives for increasing efficiency, productivity increase and innovation. An ideology prevails whereby citizens believe there is equality of opportunity and equality of all citizens before the law and powerful law enforcement organisations under the control of a government that is systematically prevented from misuse of power for personal ends. Such an institutional structure enables sustained long-term growth in per capita incomes combined with social cohesion. (Douglas C. North, John Joseph Wallis and Barry R. Weingast, Op. Cit.}

22 Douglas C. North, John Joseph Wallis and Barry R. Weingast, Op. Cit.

23 Daren Acemoglu and James A. Robinson, *Why Nations Fail - The Origins of Power, Prosperity and Poverty*, Profile Books, London, 2012.

24 Douglas C. North, John Joseph Wallis and Barry R. Weingast, Op. Cit., pages 3-6.

25 Martin Lings, Op. Cit., page 48.

26 Ibid., page 33.

27 Abd-Al-Karim Al-Jilli, Titus Burkhardt, Universal Man, English translation by Angela Culme-Seymour, Suhail Academy, Lahore, 2000, page iv.

28 Bhagat Singh was the legendary freedom fighter who was hanged on 23rd March 1931, by the British colonial government in the Central Jail, Lahore.

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31 *Address by Quaid-e-Azam Muhammad Ali Jinnah at a Public Meeting in Chittagong on 26th March 1948*, Jinnah: Speeches as Governor-General, Op. Cit., pages 117-121.

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34 Allama Muhammad Iqbal, *Bal-e-Jibreel* – 053, Iqbal Academy, Lahore, 2002.

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37 Allama Muhammad Iqbal, *The Reconstruction of Religious Thought in Islam*, Chapter V, The Spirit of Muslim Culture, Ilqa Publications, Lahore, 2019 [1934], page 141.

38 The Holy Quran refers to "possessors of intellect..."(2:179). Intellect in Arabic means *ulu l-albab,* which literally translates to "possessors of the kernels."
Seyyed Hossein Nasr (Editor in Chief) et. al., *The Study Quran; A New Translation and Commentary*, Harper Collins, New York, page 78, Surah 2, verse 179, footnote 179.

39 R. Hausmann, C. Hidalgo, S. Bustos, M. Coscia, S. Chung, J. Jimenez, A. Simoes, M. Yildirim, *The Atlas of Economic Complexity: Mapping Paths to Prosperity*, MIT Press, Cambridge, MA, 2013.

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41 *Urooj-e-Adam-e-Khaki Ke Mutazir Hain Tamam*
Ye Kehkashan, Ye Sitare, Ye Neelgoon Aflaak
Allama Muhammad Iqbal, *Bal-e-Jibril-066*, retrieved from http://iqbalurdu.blogspot.com/2011/04/bal-e-jibril-066-huwa-na-zor-se-uss-ke.html , accessed May 11, 2021.

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2 Ibid., page 52.
3 Ibid.
4 Hamza Alavi, *Class and State in Pakistan - The Unstable State*, H. Gardezi and J. Rashid (eds.), Vanguard Books, Lahore, 1983.
5 Imran Ali, *Background paper for the UNDP Pakistan National Human Development Report*, 2003 (Mimeo).
6 For example, the population of Lahore had reached half a million by the 17th century, and was greater than any European city until the subsequent expansion of London and Paris. By the time the British took over in the mid-19th century the population of Lahore had declined to only 85,000 people. See, Imran Ali, Op. Cit.
7 Ibid.
8 Imran Ali gives examples of some of the families of this new landed elite. One of them came from the Phulkian war band and was named after a Sidhu Jat peasant called Phul whose descendants in British times ruled the princely states of Patiala, Nabha and Jind, and the fiefs of Bhadour, Maloudh and Badrukhan. Other Sidhu Jat families established the state of Faridkot, the jagirs of Kaithal and Arnauli, and a large number of smaller fiefs. The ruling family of Kapurthala State were descended from the Sikh war band leader, Jassa Singh, who belonged to the lowly caste of Kalal, or liquor producers. The ruling family of Bahawalpur State emerged from the upper peasant Daudpotra caste.
9 One of the few exceptions was the Sayyed family of the pirs of Batala which was established in the late 17th century by Sayyed Muhammad Fazal-Uddin who was a descendent of the great Sufi saint, Syed Abdul Qadir Gillani of Baghdad. The forefather of Sayyed Fazal-Uddin, named Sayyed Badi-Uddin had been persuaded by the Mughal King Humayun to come to India and was appointed his Chief Justice. [Israr ul Hasnain Qadri Fazli, Tazkara-e-Mashaikh Qadria-Fazlia, Tasawaf Foundation, Lahore, 1998].
10 Hamid Hussain, Indian Army Officer Corps-Social Panorama, Defence Journal (Vol. 5, Issue 3), Oct 2011, pp 70-75.
11 Imran Ali, Op. Cit.
12 Imran Ali, *The Punjab Under Imperialism: 1885-1947*, Princeton, N.J. 1988.
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15 Jean-Jacques Rousseau, *The Social Contract*, Translated by Maurice Cranston, Penguin Books, Harmondsworth, Middlesex, England, 1968, pages 59-62.

16 Ibid.

17 Ibid.

18 Thomas Hobbes, *Leviathan,* Andrew Crooke, London, 1651.

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20 "Thus, though looking back as far as records give us any account of peopling the world, and the history of nations, we commonly find the government to be in one hand, yet it destroys not that which I affirm viz., that the beginning of politic society depends upon the consent of the individuals" John Locke, *Second Treatise of Government*, Gutenberg E-Book, 2012, page 34. <https://english.hku.hk/staff/kjohnson/PDF/LockeJohnSECONDTREATISE1690.pdf>, Accessed: July 1, 2020.

21 Though Hobbes could scarcely be called a liberal.

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Hume, *An Enquiry Concerning the Principles of Morals*, Gutenberg E-Book, 2010, page 30. <https://econfaculty.gmu.edu/klein/Assets/Hume_Morals.pdf>, Accessed: July 1, 2020.

23 "It is in vain to talk of the interest of the community, without understanding what is the interest of the individual. A thing is said to promote the interest, or to be for the interest, of an individual, when it tends to add to the sum total of his pleasures: or, what comes to the same thing, to diminish the sum total of his pains."
Jeremy Bentham, *An Introduction to the Principles of Morals and Legislation*, Botoche Books, Kitchener, 2000, page 15.

24 C.B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke*, Oxford University Press, Oxford, 1964, page 3.

25 Ibid.

26 Adam Smith, *The Wealth of Nations*, originally published in 1776, present edition published by Bantam Dell, New York, 2003, page 572.

27 Ibid.

28 Amartya Sen, in his *Introduction* to: Adam Smith, The Theory of Moral Sentiments, (first published in 1759), Penguin Classics, London, 2009, pages VIII and IX.

29 Adam Smith, The Wealth of Nations, Op. Cit.

30 F. A. Hayek, *Individualism and Economic Order*, University of Chicago Press, Chicago, Illinois, 1948, page 6.

31 Karl Marx, *Theses on Feurbach - VI Thesis*, in Karl Marx and Frederick Engels, Selected Works, Volume I, Progress Publishers, Moscow, 1969, page 14.
32 R. D. Laing, *The Politics of Experience*, Ballantine Books, New York, 1967, page 24.
33 Ibid., page 25.
34 Freud also had an idea of the unconscious but for him, unlike Jung, the unconscious exclusively contains repressed desires, primarily sexual, which are not considered socially acceptable.
35 Philo Judaeus, 20 B.C. to 50 A.D.
36 C.G. Jung, Archetypes and the Collective Unconscious,
37 C. G. Jung, *The Collected Works of C. G. Jung, Volume 9 (Part 1): Archetypes and the Collective Unconscious*, edited and translated by Gerhard Adler and R. F. C. Hull, Princeton University Press, Princeton N. J., 1980, para. 24.
38 Najam Husain Syed, *Recurrent Patterns in Punjabi Poetry*, Majlis Shah Hussain, Lahore, 1968, pages 9-22.
39 Seyyed Hossein Nasr, *The Heart of the Faithful is the Throne of the All-Merciful*, in James S. Cutsinger (ed.), Paths to the Heart - Sufism and the Christian East, World Wisdom, Canada, 2002.
40 Waris Shah, *Heer*, Punjabi Adabi Academy, Lahore, 1960.
41 Najam Hussain Syed, *Takht Lahore*, ANA Printers, Lahore, 2000.
42 Shah Hussain, *Kaafian*, Majlis Shah Hussain, Lahore, 1976, page 22.
43 I am grateful to Maryam Bibi for providing a shortened version of this saying as passed on to her by her grandmother who lived in an old village called Thaeter, on the outskirts of Lahore.
44 Rehman Baba (1650-1715), as quoted in Nichola Khan, *The taste of freedom: commensality, liminality, and return amongst Afghan transnational migrants in the UK and Pakistan*, Journal of Royal Anthropological Institute (N.S.), Volume 20, page 466.
45 Akbar S. Ahmed (Compiled and edited), *Mataloona (Pukhtun Proverbs) and Mizh (A Frontier Classic)*, Oxford in Asia: Historical Reprints, Oxford University Press, 2020, Karachi, page 35.
46 Shah Hussain, Op. Cit.
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48 Rabindranath Tagore, *Gitanjali - Song Offerings*, Full Circle Publishers, New Delhi, 2006, page 28.
49 (i) Paul A. Baran, *The Political Economy of Growth*, Monthly Review Press, New York, 1957.
(ii) Ernest Mandel, *Marxist Economic Theory*, Translated by Brian Pearce, The Merlin Press, London, 1968, Chapter 13.
(iii) Prabhat Patnaik, *On the Political Economy of Underdevelopment*, Economic and Political Weekly, Vol. 8, No. 4/6, February 1973, pages 197-212.

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(iv) Akmal Hussain, *Imperialism*, in Syed B. Hussain, Encyclopedia of Capitalism, Volume II, Golson Books Ltd., New York, 2004.

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53 Ibid.

54 Ibid.

55 See for example, Paul A. Baran (Op. Cit.), Ernest Mandel (Op. Cit.), Prabhat Patnaik (Op. Cit.), Akmal Hussain (Op. Cit.), George Monbiot, Shashi Tharoor.

56 Ranajit Guha, *History at the Limit of World-History*, Columbia University Press, New York, 2002, page 1.
Dominance without hegemony is based on a power relation where the element of coercion outweighs persuasion. By contrast in a hegemonic state the element of persuasion outweighs the element of coercion.

57 Ibid., page 2.

58 Tagore, cited in Ranajit Guha, Op. Cit., page 5.

59 The idea of Universal Man refers to the spiritual realisation of Man when he becomes the most perfect image of the universe, which in terms of its internal unity is like a single being.
Abd-Al-Karim Al-Jili, Titus Burkhardt, *Universal Man*, English Translation by Angela Culme-Seymour, Suhail Academy, Lahore, 2000.

60 *Hath hai Allah ka Banda-e-Momin ka Hath Ghalib-O-Kaar Afreen, Kaar Kusha, Kaar Saaz*
The might of the man of faith is the might of the Almighty:
Dominant, creative, resourceful, consummate. (translation)
Allama Muhammad Iqbal, *Masjid-e-Qurtaba (Bal-e-Jibril 124)*, Retrieved from Allama Iqbal Poetry: http://iqbalurdu.blogspot.com/2011/04/bal-e-jibril-124-masjid-e-qurtaba.html, accessed June 18, 2021.

61 "... In this noble epitome, which is the Perfect Man, He [God] created all the divine Names and realities, which issue forth from him into the macrocosm outside him. God made him [man] a spirit for the Cosmos and subjected to him what is high and low, by virtue of the perfection of his form."
Ibn Al' Arabi, *The Bezels of Wisdom*, translated by R. W. J. Austin, Paulist Press, New Jersey, 1980, page 253.

62 Ibid., page iv.

63 See the *Introduction by Javed Majeed* to: Allama Muhammad Iqbal, The Reconstruction of Religious Thought in Islam, Stanford University Press in Collaboration with Iqbal Academy Pakistan, 2012.

64 Aristotle (384-322 BC) in his *Metaphysics* observes: "There are two things which you may fairly attribute to Socrates: inductive arguments and general definition". These features of logic attributed to Socrates

are central to Plato's early Socratic dialogues. (i) An inductive argument is based on a move from a frequent connection between A and B, to an invariable connection of A with B. (ii) Socratic definition is a description of those essential properties in a set of objects, for example tables, which properties together constitute the criterion for referring to that set of objects by a particular name, tables in this case.
Trevor J. Saunders, *General Introduction to*: Plato, *Early Socratic Dialogues*, Penguin Books, London, 1987, pages 18-19.

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1 *Address by the Quaid-e-Azam Muhammad Ali Jinnah at a public meeting in Chittagong* on 26th March, 1948, Quaid-I-Azam Mohammad Ali Jinnah Speeches as Governor-General of Pakistan (1947-48), Sang-e-Meel Publications, Lahore, 2004, pages 117-121.
2 Ibid.
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6 Ibid., page 145.
7 *Speeches, Writings and Statements of Iqbal* (2nd Edition), Compiled and Edited by Latif Ahmed Sherwani, Iqbal Academy, Lahore, 1977 [1944], pages 3-26.
8 Pakistan and Her People, *Jinnah's Radio Broadcast to the People of United States,* Op. Cit.
9 Ibid.
10 *Letters of Iqbal to Jinnah* (With a Foreword by M. A. Jinnah), Sh. Muhammad Ashraf Publishers, Lahore, 1956.
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15 Ibid., page 3.
16 See section 2 for a discussion of this issue.
17 See Jinnah's radio broadcast to the people of United States on February 1, 1948, Op. Cit.
18 Paula Newberg, Op. Cit.
19 Allen McGrath, *The Destruction of Pakistan's Democracy*, Oxford University Press, Karachi, 1996.
20 Lawrence Ziring, *The Enigma of Political Development*, Westview Press, Boulder, 1980.
21 Ayesha Jalal, *The State of Martial Rule: The Origins of Pakistan's Political Economy of Defence*, Cambridge University Press, Cambridge, 1990, page 203.
22 "... the Governor-General is necessary to all legislations by the Legislature

of the Dominion, that since section 223-A of the Government of India Act under which the Chief Court of Sindh assumed jurisdiction to issue the writs did not receive such assent, it is not yet law, and that therefore, that Court had no jurisdiction to issue the writs. In view of this conclusion we cannot go into the other issues in the case whatever their general importance may be."
[*Judgement of the Federal Court in the Federation vs Maulvi Tamizuddin Case, PLD 1955 FC 240*]

23 *Government of India Act 1935*, Part II, Chapter V, Section 45(1), page 31.
24 Ibid.
25 Jalal, Op. Cit., page 203.
26 Muhammad Ali Jinnah, *Presidential Address to the First Constituent Assembly of Pakistan*, August 11, 1947. Complete Transcription available at <http://www.na.gov.pk/en/content.php?id=74> (Accessed: September 13, 2017)
27 I am grateful to Mr. Rasaal Hussain Syed for a helpful discussion on this issue.
28 Hamid Khan, *Constitutional and Political History of Pakistan*, Oxford University Press, Karachi, 2001, page 212.
29 In writing this paragraph I have benefitted greatly from a note submitted by Syed Jalal Hussain by way of research support for me.
30 Hans Kelsen, *General Theory of Law and State*, Translated by Anders Wedberg, The Lawbook Exchange Ltd., New Jersey, 2007, page 117.
31 Ibid. Page 119.
32 President General Zia Ul Haq used Article 58(2b) against the government of Prime Minister Junejo in 1988; by former bureaucrat President Ghulam Ishaq Khan against the government of Prime Minister Benazir Bhutto in 1990; again by President Khan against the government of Prime Minister Nawaz Sharif; and by former PPP loyalist, President Farooq Leghari against the government of Benazir Bhutto in1996.
33 *PLD 2000 SC 869*, Supreme Court Short Order, May 12, 2000.
34 The question posed to the voters in the referendum was: "For the survival of the local government system, establishment of democracy, continuity of reforms, end to sectarianism and extremism, and to fulfill the vision of Quaid-e-Azam, would you like to elect President General Pervez Musharraf as president of Pakistan for five years?"
35 According to the official estimate, voter turnout was 56.1 percent out of total number of registered voters of 78.3 million. The opposition contested the official voter turnout figure and claimed that the voter turnout was only 5 to 7 percent.
36 Article 58(2b) had been inserted into the 1973 Constitution by military dictator General Zia-ul-Haq in 1985, but had been repealed in 1997 by Prime Minister Mian Muhammad Nawaz Sharif through the 13th Amendment to the Constitution.
37 Adrian Leftwich, *From Drivers of Change to the Politics of Development:*

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Refining the Analytical Framework to Understand the Politics of the Places Where we Work, Department of Politics, University of York, Final Version, 11 July 2006, (Mimeo), page 3.

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40 Imran Ali, *Punjab Politics in the Decade Before Partition*, Research Monograph Series, No. 8, South Asian Institute, University of the Punjab, Lahore, 1975.

41 Khalid Bin Sayeed, *Pakistan: The Formative Phase 1854-48* (Second Edition), Oxford University Press, Karachi, 1968, page 207.

42 Khalid Bin Sayeed, Op. Cit.

43 Ayesha Jalal, Op. Cit., page 61.

44 Muhammad Ali Jinnah, *Presidential Address to the First Constituent Assembly of Pakistan*, Op. Cit.

45 See Khalid Bin Sayeed, Op. Cit., pages 185-219, for an extensive discussion of this issue.

46 Khalid Bin Sayeed, Op. Cit., page 212.

47 Ayesha Jalal, Op. Cit., page 194.

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1 C.G. Jung, *Collected Works of C.G. Jung, Volume 11, Psychology and Religion: West and East*, Edited and Translated by Gerhard Adker & R.F.C. Hull, Princeton University Press, 1969, para. 131.
2 C.G. Jung, Op. Cit., para. 140.
3 Paulo Friere, *Pedagogy of the Oppressed*, Translated by Myra Bergman Ramos, The Continuum International Publishing Group Inc., New York, 2005, page 45.
4 Rounaq Jehan, *Pakistan: Failure in National Integration*, Columbia University Press, New York and London, 1972, page 26.
5 Rounaq Jehan, Op. Cit. Page 25.
6 Omar Noman, *The Political Economy of Pakistan 1947-85*, KPI, London and New York, 1988, page 9.
7 Imdad Hussain, *The Failure of Parliamentary Politics in Pakistan 1953-58*, D.Phil., University of Oxford, Faculty of Social Studies, 1967, page 72, cited in: Omar Noman, Op. Cit., page 10.
8 Ayesha Jalal, *The State of Martial Rule: The Origins of Pakistan's Political Economy of Defence*, Cambridge University Press, Cambridge, 1990, page 202.
9 Hamid Khan, *Constitutional and Political History of Pakistan*, Oxford University Press, Karachi, 2001, Page 160.
10 Under the rules specified by Mountbatten, there were to be two sessions of the Bengal Legislature in which the question of joining Pakistan or India would be decided, as also the question of the partition of Bengal. The first was a joint session of both Hindu and Muslim Members and was to decide whether United Bengal was to opt for India or Pakistan. In this joint session, the majority members being Muslim, opted for United Bengal joining Pakistan. In the second session in which Hindu and Muslim members were to vote separately on the question of whether or not to divide United Bengal into West and East Bengal, the rule was that if even one community decided that Bengal be divided, then it would be so divided and the different parts would join Pakistan and India respectively along communal lines. In this session while the Muslim members decided against the division of Bengal, the Hindu members did. So, under the Mountbatten rules, East Bengal automatically became part of Pakistan while West Bengal became part of India.
11 Constituent Assembly of Pakistan, *Debates, 1956*, Vol. I, page 1816, Monday, January 16, 1956.
12 Ibid., page 1826.
13 Hamid Khan, Op. Cit., page 162.
14 Ibid., page 162.
15 Rounaq Jehan, Op. Cit., page 44.
16 G.M. Radhu, *Trade between East and West Pakistan at World Prices, 1960-61 to 1969-70*, Pakistan Development Review, Volume 12, Number

2, Summer 1973, pages 148-155.

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18 S.U. Khan, *A Measure of Economic Growth in East and West Pakistan*, The Pakistan Development Review, Volume 1, Number 2, 1961, pp 49 to 54.

19 *Pakistan Observer, Dacca, 21 December 1970*, cited in: Rafi Reza, Zulfiqar Ali Bhutto and Pakistan (1967-1977), Oxford University Press, Karachi, 1997, page 31.

20 Sheikh Mujibur Rahman's Six Points asked for the autonomy of East Pakistan based on the idea of federation as envisaged in the historical Lahore Resolution of 1940. Demand was made for a parliamentary form of government elected on the basis of universal adult franchise. Under this scheme, the federal government would deal with only two subjects namely Defence and Foreign Affairs, while all other residuary subjects would be devolved to the federating units. Furthermore, East and West Pakistan would have their separate monetary and fiscal policies and the power of taxation and revenue collection would also rest with the federating units. The federating units would also be empowered to independently establish trade links with foreign countries and there would be two separate accounts for foreign exchange earnings of the two wings of the country. And finally, East Pakistan would have a separate militia or paramilitary force.

21 Kamal Hossain, *Bangladesh: Quest for Freedom and Justice*, Oxford University Press, Dhaka, 2013.

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G.W. Chaudhury, *The Last Days of United Pakistan*, C. Hurst and Company Publishers Ltd., London, page 136.

23 Kamal Hossain, Op. Cit.

24 Ibid.

25 Rafi Reza, *Zulfiqar Ali Bhutto and Pakistan (1967-1977)*, Oxford University Press, Karachi, 1997.

26 Ibid., page 40.

27 Ibid.

28 Ibid.

29 Ibid.

30 Ibid., pages 98-99:
The main features of the revised proposals as specified by Dr Kamal Hossain were: (i) Martial Law would be withdrawn immediately; (ii) power will be transferred to the five provinces without a similar transfer of power at the level of central government; (iii) The President would continue to run the central government as at present; (iv) The National Assembly will be divided ab initio into two committees, one for the West Pakistan comprised of elected members from there and

other for Bangladesh in Dacca; (v) The committees would prepare their separate reports within a stipulated period and submit their proposals to the National Assembly. It will then be up to the National Assembly to discuss the proposals of both committees and find ways of living together; (vi) Under an interim arrangement, an amended form of the 1962 Constitution, East Pakistan would be given autonomy on the basis of Six Points and provinces of the West Pakistan would have powers according to the 1962 Constitution; (vii) The entire scheme would be published in the form of a Presidential Proclamation.

31 Ibid.

32 Kamal Hossain, Op. Cit., page 100.

33 Sahabzada Yaqub Khan, *Strategy, Diplomacy, Humanity: Life and Work of Sahabzada Yaqub Khan*, Compiled, Edited and Introduced by Anwar Dil, Intercultural Forum, Takshila Research University, San Diego, (Islamabad), 2005, page 280.

34 *The Report of the Hammodur Rehman Commission of Inquiry into the 1971 War*, as Declassified by the Government of Pakistan, Vanguard, Lahore, undated, Chapter 28, page 317.

35 Ibid., page 509, para 10.

36 Ibid., page 509, para 11.

37 Ibid., page 509, para 12.

38 Ibid., page 509, para 13.

39 Ibid., page 510, para 14.

40 Ibid., page 510, para 17.

41 Ibid., page 510, para 11.

42 Ibid., page 507, paras 2 and 3.

43 Sarmila Bose, *Dead Reckoning: Memories of the 1971 Bangladesh War*, Oxford University Press, Karachi, 2011, page 72.

44 Ibid., page 78.

45 Ibid., page 81.

46 Ibid., pages 83-84.

47 "We have indeed created man in the best of moulds".
Quran, Surah 95, Verse 4, translation by Yusuf Ali, retrieved from The Quranic Arabic Corpus, https://corpus.quran.com/translation.jsp?chapter=95&verse=4, accessed June 10, 2021.

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Chapter 5

1 "Islam and its idealism have taught us democracy. It has taught equality of men, justice and fair play to everybody. We are the inheritors of these glorious traditions and are fully alive to our responsibilities and obligations as framers of the future constitution of Pakistan."
Pakistan and Her People: Broadcast talk to the People of the United States of America on 26 February 1948, Quaid-I-Azam Mohammad Ali Jinnah: Speeches as Governor-General of Pakistan (1947-48), Sang-e-Meel Publications, Lahore, 2004, page 79.

2 Jacob Mincer, *Investment in Human Capital and Personal Income Distribution*, The Journal of Political Economy, Volume LXVI, Number 4, 1958.

3 Gary Becker, *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education*, Harvard University Press, Cambridge MA, 1964.

4 Philippe Aghion and Peter Howitt, *Endogenous Growth Theory*, MIT Press, 1998.

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7 Quaid-e-Azam Mohammad Ali Jinnah, *Presidential Address to the Constituent Assembly of Pakistan*, 11 August 1947, retrieved from <http://www.pakistan.gov.pk/Quaid/quotes.html>, Accessed: January 6, 2021.

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9 Ibid., page 207.

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11 Benazir Bhutto, *Foreword*, Jinnah: Speeches and Statements, Op. Cit., page 3.

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The calculation of rent for the manufacturing sector has two components:
Rent acquired through an overvalued exchange rate. The overvaluation of the exchange rate had earlier been estimated at 50 percent (Lewis and Guisinger, 1968). Now total imports of inputs for the industrial sector was Rs. 2420.3 million at the official exchange rate. The same inputs would have cost Rs. 3627.9 million at the market exchange rate. We consider rent acquired through the device of an overvalued exchange rate to be the saving by Pakistan's manufacturers on imported inputs which was about Rs. 1208 million (3628 – 2420). This amounts to 4.87 percent of GDP.
Rent acquired through protection of domestically manufactured goods. The weighted average of the effective rate of protection was 103 percent i.e. local industry was producing negative value added (Lewis and Guisinger, 1968). Now, the total industrial value added of Pakistan (in terms of domestic input and output prices) was 20.4 percent of GDP in 1963-64 (World Bank data). If we consider protection to be rent, then through the device of effective rate of protection, Pakistan's industrialists were provided rent amounting to 21 percent of GDP in 1963-64.
Adding the two components of rent estimated above, the total rent provided to Pakistan's industrial manufacturers was about 26 percent of GDP.

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Admiral Fasih Bukhari, who resigned as naval chief a week before the October 12 coup, is reported to have said three months after his resignation, that he knew about General Musharraf's plans to overthrow Prime Minister Nawaz Sharif, and did not want to be part of these "Dirty Games". South Asia Tribune, Issue No.12, October 7-13, 2002.
According to Sartaj Aziz, an operational plan for a coup, codenamed Solidarity Operation, had been prepared by General Musharraf together with senior military officers, during two successive meetings in Rawalpindi on 17th and 24th September. See, Sartaj Aziz, Op. Cit., page 290.
Owen Bennet Jones suggests that the corps commanders had agreed in September that if Nawaz Sharif tried to "sack" Musharraf, they would mount a coup against the Sharif government. See, Owen Bennet Jones, *Pakistan – Eye of the Storm* (fourth edition), Yale University Press, 2011, page 292.

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7 Wendy Brown, *Neoliberalism, Neoconservatism, and De-Democratization*, Political Theory, Volume 34, Number 6, December 2006, page 693.

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Eamonn Butler, *Friedrich Hayek - The Ideas and Influence of a Libertarian Economist*, Harriman House Ltd., Hampshire, Great Britain, 2012, page 18.

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(1) The sum of the price elasticities of demand for exports and imports must be equal to or greater than 1.
(2) The domestic inflation rate must be controlled prior to devaluation so that increases in Rupee prices of exports do not neutralise the effects of devaluation.

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Chapter 9

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Chapter 11

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Prabhat Patnaik, *On the Political Economy of Underdevelopment*, Economic and Political Weekly, Volume 8, Number 4/6, February 1973, pages 197-212.

32 Nazeef Ishtiaq, *Productive Capabilities, Export Structure and Economic Growth: The Case of Pakistan*, Draft Note, March 2019, Mimeo.

33 The Income Terms of Trade is an index that indicates changes in the quantity of imports that can be afforded by the export earnings of a country. It is expressed as the ratio: *Value Index of Total Exports / Unit Value Index of Imports.*

34 Nazeef Ishtiaq, *Fundamental Determinants of Developing Countries' Income Terms of Trade: A Reassessment of the Prebisch-Singer Thesis*, M.Phil. Dissertation, Department of Economics, Forman Christian College (A Chartered University), Lahore, 2016.

35 I am grateful to my friend Ali Majid for this observation during a telephonic conversation.

36 See for example:
Douglass C North, *Institutions, Institutional Change and Economic Performance*, Cambridge University Press, New York, 1990.
Douglass C North et. al., Violence and Social Orders, Op. Cit.
Daren Acemoglu and James A. Robinson, *Why Nations Fail - The Origins of Power, Prosperity and Poverty*, Profile Books, London, 2012.
Avner Greif, *Institutions and the Path to the Modern Economy - Lessons from Medieval Trade*, Cambridge University Press, New York, 2006.

37 Acemoglu and Robinson distinguish between efficient and inefficient institutional structures, while Douglass C. North et. al., earlier, distinguish between Open Access and Limited Access Social Orders.

38 Douglass C. North et. al., Violence and Social Orders, Op. Cit.

39 Akmal Hussain, *Pakistan: Charting a New Course to Development*, Chapter 9 in Bilal Zahoor and Raza Rumi (eds.), Rethinking Pakistan: A 21st Century Perspective, Folio Books, Lahore, 2019, page 139.

40 "O thou who hath no sorrow in seeing the sorrow of others, Thou art not worthy of being called a human being". Sa'adi (1210-1291)

41 The Greeks used the word *Nous*, to signify not only the faculty of reason but more fundamentally, the "higher faculty of knowing the truth in a direct and unmediated manner".
See Seyyed Hossein Nasr, *The Heart of the Faithful is the Throne of the All-Merciful*, Chapter 3 in James S. Cutsinger (ed.), Paths to the Heart: Sufism and the Christian East, World Wisdom Inc., 2004.

42 Ibid.

43 Aristotle, *Nicomachean Ethics*, Translated by W.D. Ross, Batoche Books, Kitchener, 1999.

44 Ibid., page 11.

45 Akmal Hussain (principal author), with inputs from A.R. Kemal, A.I., Hamid, Imran Ali, Khawar Mumtaz and Ayub Qutub, *Pakistan National Human Development Report – Poverty, Growth and Governance*, UNDP Pakistan, Oxford University Press, Karachi, 2003, pages 60-61.

46 T.S. Eliot, *Burnt Norton, Four Quartets, The Complete Poems and Plays*, Faber and Faber Limited, London, 1969, page 171.

47 Akmal Hussain (Principal Author), with inputs from Khawar Mumtaz, Khalid Mohtadullah, Bashir Ahmed Khan, Imtiaz Ali Qazilbash, *Inclusive and Sustainable Development: Analytical Basis and Policy Framework*, Report Presented to the UNDP Pakistan and the Planning Commission of Pakistan, June 2017, Chapter 1, Section 1.

48 For example, President Ghulam Ishaq Khan in his order under Article 58(2)(b), dismissing the government of Prime Minister Benazir Bhutto, gave large scale corruption as one of the reasons for the dismissal: "Corruption and nepotism in the Federal government . . . has reached such proportions, that the orderly functioning of the government in accordance with the provisions of the Constitution including the requirements of the oath(s) prescribed therein, and the law, does no longer carry public faith and credibility . . ."
The subsequent government of Prime Minister Nawaz Sharif, was also dismissed in similar fashion, with corruption in high places given as one of the reasons for the dismissal order: "Maladministration, corruption, and nepotism have reached such proportions in the Federal Government . . . that they violated the requirements of the oath(s) of the public representatives together with the Prime Minister . . . and prevent the Government from functioning in accordance with the provisions of the Constitution . . ."
In her second term of office Prime Minister Benazir Bhutto was again dismissed, this time by President Farooq Leghari, with large scale corruption once again as one of the reasons for the dismissal.
Cited in, Hamid Khan, *Constitutional and Political History of Pakistan*, Oxford University Press, Karachi, 2001, pages 723, 754, and 793.
For a discussion of governmental corruption, also see Shahid Javed Burki, *Pakistan – 20 Years of Nationhood*, Vanguard Book (Pvt) Ltd., Lahore, 1999, pages 81, 89, 90, 102, 136, 170, 171 and 174. Shahid Javed Burki and Hafeez Pasha estimated that the cost to the country of poor

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governance and corruption during the three years, 1993-1996, was 20 to 25 percent of the GDP in 1996-97, equivalent to USD 15 billion.

49 An important example in this regard is the secret deal between President Farooq Leghari and Nawaz Sharif just before the dismissal of Benazir Bhutto's second government by Leghari. Sharif reportedly met Leghari on September 26, 1996, requesting him to dismiss the Bhutto government and also assuring President Leghari that the PML(N) would counter any move against him. Before the 1997 general elections, Leghari made significant concessions to Sharif to enable him to win the elections with the "co-operation of the establishment". The secret deal between the two became apparent when Leghari changed the electoral laws related to default on public loans, which enabled Nawaz Sharif and his brother Shahbaz Sharif to contest elections. Under the prevailing law of the time, if a business "mainly owned" by a candidate, had defaulted on a public loan or had it written off, then that candidate would be unable to contest the elections. The term "mainly owned" (originally defined as holding or controlling of majority interest in a business) was redefined as referring to someone who was a director, sole proprietor or a partner in a business at the time a loan was written off. Shariff brothers had reportedly obtained a number of loans for their various businesses when they were in power and later had these loans written off using their influence.

Reported in Hamid Khan, Op. Cit., pages 792, 793 and 804.

50 The military coups of 1958, 1977 and 1999, provide evidence of this fact.

51 The attempts by Prime Minister Benazir Bhutto and Prime Minister Nawaz Sharif, during the 1990s to enlarge their domain of executive authority are discussed in Chapter 7. The contention between the executive and the judiciary for power are also discussed in the same chapter.

52 The people of Pakistan have repeatedly struggled and sacrificed against authoritarian rule: The anti-Ayub movement of the late 1960s; the movement for democratic representation and regional autonomy in East Pakistan in the late 1960s, culminating in the struggle for national independence and Civil War; the Movement for Restoration of Democracy against General Zia ul Haq in the 1980s; the Lawyers Movement against General Musharraf during 2007-9 which specifically focussed on the establishment of Constitutional rule.

53 The discussion in this section is largely drawn from the author's earlier work embodied in the following publications:

(i) Akmal Hussain, *Building a Human Economy to Overcome Underdevelopment*, Op. Cit.

(ii) Akmal Hussain, *Pakistan: Charting a New Course to Development*, Op. Cit.

(iii) Akmal Hussain, *A Framework for Inclusive Development: Growth through Equity*, Chapter 2 in Akmal Hussain et. al., Inclusive and Sustainable Development: Analytical Basis and Policy Framework,

UNDP, Op. Cit.
(iv) Akmal Hussain, *Strengthening Democracy through Inclusive Growth*, Chapter 8 in Akmal Hussain and Muchkund Dubey (eds.), Democracy, Sustainable Development and Peace: New Perspectives on South Asia, Oxford University Press, New Delhi, 2014.

54 Akmal Hussain et. al., *Inclusive and Sustainable Development: Analytical Basis and Policy Framework*, Op. Cit., page 21.
Akmal Hussain, *Pakistan: Charting a New Course to Development*, Op. Cit., page 146.

55 Akmal Hussain, *Strengthening Democracy through Inclusive Growth,* Op. Cit.

56 Ibid.

57 Akmal Hussain et. al., *Pakistan National Human Development Report*, Op. Cit.

58 Akmal Hussain, *A Framework for Inclusive Development: Growth through Equity*, Chapter 2 in Akmal Hussain et. al., Inclusive and Sustainable Development: Analytical Basis and Policy Framework, Op. Cit., page 18.

59 For operational details of this policy see Akmal Hussain et. al., *Inclusive and Sustainable Development: Analytical Basis and Policy Framework*, Op. Cit., pages 18-19.

60 Ibid., pages 19-20.

61 Akmal Hussain, *Charting a New Course to Development*, Op. Cit., page 148.

62 Akmal Hussain, *Climate Change, Sustainable Development and Resilience*, Chapter 5 in Akmal Hussain et. al., Inclusive and Sustainable Development: Analytical Basis and Policy Framework, Op. Cit., page 48.

63 Shah Hussain, *Kaafian*, Majlis Shah Hussain, Lahore, March 1966.

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Chapter 12

1 The idea that colonising the mind involved a rupture of the colonised individuals from their own history is explored by Ranajit Guha in his seminal work and by Subaltern Studies which Guha pioneered. See for example, Ranajit Guha, History at the limit of World-History, Columbia University Press, New York, Chichester West Sussex, 2002, page 1: "I tried to show how the peculiarity, indeed originality of Britain's paramountcy in the subcontinent as a dominance without hegemony, required the appropriation of the Indian past and its use for the construction of a colonial state." In this context, see also, Ranajit Guha, Dominance Without Hegemony, History and Power in Colonial India, Harvard University Press, Cambridge, Massachusetts, London, England, 1997.

2 Seyyed Hossein Nasr, *Lectures on The Scientific Revolution*, Retrieved from YouTube: https://www.youtube.com/watch?v=bZ3KMpBSDoo&list=PL9sGs_GGZ-y26lzHMWO8B8U97wn-CpTgX&index=24 (Part 1: The Mechanization of our Worldview); https://www.youtube.com/watch?v=ZPArAiRp62k&list=PL9sGs_GGZ-y26lzHMWO8B8U97wn-CpTgX&index=25 (Part 2: The Reign of Quantity);
Accessed: April 23, 2021.
Rupert Sheldrake, *The Science Delusion: Freeing the Spirit of Enquiry*, Coronet (An Imprint of Hodder & Stoughton), Great Britain, 2012.
According to Sheldrake, astronomical clocks were first made in China and the Arab world, powered by water and in 1300 began to be produced in Europe, using weights and escapements. All these clocks were considered useful for telling the time and predicting the phases of the moon. But after 1600, clocks became a metaphor for the universe which was thought to work mechanistically, like a clock. Rupert Sheldrake, op. cit., page 29.

3 Seyyed Hossein, *Lectures on The Scientific Revolution*, Op. Cit.

4 "...in our time God saw fit to allow the human mind to make a marvellous invention, which renders our vision more perfect by increasing its power....as a result, countless objects that were invisible to us because of their distance or extremely small size are now rendered highly visible by means of the telescope."(Salviati, who in the Dialogue represents the view of Galileo himself).
Galileo Galilei, *Dialogue on the Two Chief World Systems* (1632), published in *The Essential Galileo*, edited and translated by Maurice A Finnocchiaro, Hackett Publishing Company Inc., Indianapolis/ Cambridge, 2008, pages 244-245.

5 Ibid.

6 Ibid.

7 Ibid.

8 Rene Descartes, *The Philosophical Writings of Descartes*, Volume 1, translated by John Cottingham, Robert Stoothoff and Dugald Murdoch, Cambridge University Press, Cambridge UK, 1985, page 127.
9 Wolfgang Smith, *The Quantum Enigma: Finding the Hidden Key*, Sophia Perennis, Hillsdale NY, 2005, Chapter 1.
10 Wolfgang Smith has an MS in Physics from Purdue University and a PhD in Mathematics from Columbia University. He was a mathematics Professor at MIT and worked as a physicist in Bell Aircraft Corporation researching into the problem of atmospheric re-entry, apart from problems in aerodynamics.
11 Wolfgang Smith, Op. Cit., page 8.
12 Ibid., Chapter 1.
13 Ibid., page 13.
14 Rupert Sheldrake, *Morphic Resonance: The Nature of Formative Causation*, Park Street Press, 2009.
15 Sir Charles Scott Sherrington was an English neurophysiologist who also remained president of the Royal Society in early 1920s. He received the Nobel Prize (along with Edgar Adrian) in 1932 for his pioneering work on the function of neurons. He contributed a great deal to our modern understanding of the integrated nervous system in higher animals and also coined the term *synapse* to denote the point at which the nervous impulse is transmitted from one nerve cell to another.
16 "...the two terms, mind and energy, whose connection we cannot describe, are conjoined and do so for the reason that to observation they act connectedly." Sir Charles Scott Sherrington, *Man on his Nature*, Cambridge University Press, New York, 2009, page 351.
17 Wolfgang Smith, Op. Cit., page 22.
18 Martin Lings, What is Sufism, The Islamic Texts Society, Cambridge, 1993, page 48.
19 In the 5th Century B.C., the Greeks first formulated the theory of Atomism. Atomism refers to "any doctrine that explains complex phenomena in terms of aggregates of fixed particles or units ... according to the atomistic view, the material universe is composed of minute particles, which are considered to be relatively simple and immutable and too small to be visible ... Atomism is in essence an analytical doctrine. It regards observable forms in nature not as intrinsic wholes but as aggregates. In contrast to holistic theories, which explain the parts in terms of qualities displayed by the whole, atomism explains the observable properties of the whole by those of its components and of their configurations." Andrew G.M. van Melsen, Atomism (philosophy), Encyclopedia Britannica, retrieved from https://www.britannica.com/topic/atomism , accessed May 31, 2021.
20 Imants Baruss and Julia Mossbridge, *Transcendent Mind: Rethinking the Science of Consciousness*, American Psychological Association, Washington DC, 2017, page 12.
21 Professor Sean Carroll argued that Rutherford's picture of an electron

going around a nucleus in a stable orbit was incorrect. This is because when the electron moves it emits photons and hence loses energy. Physicists later estimated that due to this energy loss, the orbiting particle should fall into the nucleus in one-billionth of a second. The explanation for why the particle does not fall into the nucleus is that electrons are not particles but wave functions. Certain shapes are allowed for wave functions in an atom, so electrons settle into discrete "orbitals" that don't decay, according to Professor Carroll.
Sean Carroll, *A Brief History of Quantum Mechanics*, lecture at The Royal Institution, London, January 22, 2020. Retrieved from YouTube: < https://www.youtube.com/watch?v=5hVmeOCJjOU >, Accessed: April 23, 2021.

22 Ibid.

23 The quote in Professor Carrol slightly modifies the original to supposedly meet the needs of brevity. Marvell's original stanza reads as follows:
"As lives, so loves oblique may well
Themselves in every angle greet;
But ours so truly parallel,
Though infinite, can never meet"
Andrew Marvell, *The Definition of Love,* Poetry Foundation, retrieved from https://www.poetryfoundation.org/poems/44679/the-definition-of-love , accessed: May 3, 2021.

24 Imants Baruss and Julia Mossbridge, The Transcendent Mind, Rethinking the Science of Consciousness, American Psychological Association, Washington, D.C., 2017.

25 Baruss and Mossbridge, Op. Cit., page 11.

26 Evan Harris Walker, *Quantum Mechanical Tunnelling in Synaptic and Ephaptic Transmission*, International Journal of Quantum Chemistry, Volume XI, 1977, pages 103-127.

27 Stephen Hawkins and Leonard Mlodinow, The Grand design, Bantam Press, Transworld Publishers, 2010, page 7.

28 Ibid., page 118.

29 The claim that existential qualia arise from the physical functioning of the brain takes recourse to the idea of computational systems operating in the brain. The Turing Test which was originally conceived as a test of machine intelligence was later extended to test the presence of subjective consciousness. This was done on the basis of the assumption that from the behaviour of the subject, the presence of the subjective consciousness could be inferred. So the Turing Test was reversed to derive from a test of behaviour, the necessary presence of subjective consciousness. Baruss and Mossbridge, in discussing this issue, point to a logical flaw in the computational argument: "just because it *appears* that subjective consciousness is required for the presence of behavioural consciousness, does not mean that it *actually* is required ...". They seal the argument against the equivalence of computation with consciousness with a quote from Jerry Fodor, one of the originators of

computationalism: " ... the last forty or fifty years have demonstrated pretty clearly that there are aspects of higher mental processes into which the current armamentarium of computational models, theories and experimental techniques offers vanishingly little insight". Baruss and Mossbridge, Op. Cit., pages 15-18.

30 Rupert Sheldrake argues that panpsychism does not mean that atoms are conscious like the human beings, but that some aspect of experience are present in the simplest physical systems.
Rupert Sheldrake, Op. Cit., page 115.

31 Gottfried Leibniz as well as Isaac Newton, envisaged a holistic interconnectedness in nature. Newton thought that matter is made up of unconscious particles that attracted each other through gravitation. Leibniz, however, proposed "that the ultimate elements of the universe were interrelated through consciousness". He argued that these basic elements, called monads, were physical centres of force as well as "mental centres of experience, each reflecting the universe".
Rupert Sheldrake, Op. Cit., page 117.

32 The philosopher Arthur Schopenhauer, argued that "all things possess a will, expressed through desires, feelings and emotions".
Ibid., page 118.

33 For Whitehead, all physical objects contain time. He draws upon quantum physics, which shows that the sub-atomic particles are both temporal as well as spatial. A powerful original contribution of Whitehead was his perspective that mind and matter are related within a process in time.
Ibid., pages 120-121.

34 The Greek word *pan* means everywhere and *psyche* means soul. Rupert Sheldrake, *The Science Delusion*, Op. Cit., page 115.

35 Carl Gustav Jung, *The Undiscovered Self*, Routledge and Kegan Paul, London, 1958.
Carl Gustav Jung, *Structure and Dynamics of the Psyche*, edited and translated by Gerhard Adler and R.F.C. Hull, Volume 8 of the Collected Works of C.J. Jung (Complete Digital Edition), Princeton University Press, Princeton N.J., 1975.

36 Wolfgang Smith, Op. Cit., page 22.

37 Seyyed Hossein Nasr, *The Garden of Truth*, Harper One, New York, 2008, pages 30-31.

38 Thomas Kuhn, in his remarkable work on the paradigm shifts in science, noted that the scientific discovery "commences with the awareness of anomaly, i.e., with the recognition that nature has somehow violated the paradigm-induced expectations that govern normal science". (Thomas S. Kuhn, Op. Cit., pages 52, 53.). Imants Baruss and Julia Mossbridge (Op. Cit.) have called the phenomena related to consciousness "that are incongruent with materialism" as "*anomalous phenomena*". They have carried out a comprehensive literature review and meta-analysis of research on these phenomena, while also pointing out that scientists who conduct such studies are not taken seriously by the dominant mainstream

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and are thus unable to publish their work in reputable scientific journals. Among such anomalous phenomena, some of the important examples discussed by Baruss and Mossbridge include: Remote Viewing, where a subject is able to accurately describe a place and what's happening there, from hundreds or even thousands of kilometers away; Incidents where psychologists have observed clairvoyant and telepathic phenomena and have been able to successfully test them in laboratory conditions e.g. participants are able to communicate code words with people whom they have no direct contact with; Remote Healing, where studies have shown a statistically significant and positive impact of "healing intention" on biological systems; and instances where individuals have been able to influence physical objects through their thoughts/intentions.

Baruss and Mossbridge also discuss a number of recorded instances where certain individuals have been able to apparently communicate with their dead relatives or they helped others to do so under controlled circumstances. One of the authors of the book, Julia Mossbridge, narrates her personal experience in this regard. In 2003, she met Allan Botkin who used a technique known as Eye Movement Desensitisation and Reprocessing (EMDR) for the treatment of posttraumatic stress disorder and to induce apparent communication with the deceased. Julia had residual guilt about a friend whom she had invited to a dance party, and who died in a car accident enroute. Botkin, during a session with Julia, used the EMDR technique on Julia upon which she had a vision where she saw her friend along with a golden retriever dog. Her dead friend in the vision, looked extremely joyful and told her that she had nothing to worry about. Julia had no knowledge of her friend having a dog prior to this vision. Later on, when she checked with the family of her friend, she discovered that her friend's family indeed had a golden retriever dog who had also died in a car accident (Baruss and Mossbridge, Op. Cit., pages 89-90). Interested readers can also look at the studies published by the Institute of Noetic Sciences which encourage us to look beyond the dominant materialist doctrine.

Another remarkable story is that of Dr Eben Alexander, an American academic and neurosurgeon, who has published more than hundred articles in peer reviewed scientific journals. In his book, *Proof of Heaven*, Dr Alexander describes his near-death experience as a result of bacterial meningitis (the swelling of meninges which are the membranes that line the inside of the spine and skull). This form of meningitis is very rare in adults and the mortality rate of those contracting it is quite high. As a result of this disease, Dr Alexander's entire neocortex, the outer surface of the brain responsible for most human functions such as memory, language, emotion and logic, was shut down. His cerebrospinal fluid, which is a substance that runs across the surface of the spinal cord and coats the brain, turned into pus. Dr Alexander remained in coma for six days and the doctors stated his chances of survival to be extremely low. Even if he was to wake up, they thought, he would spend rest of his life

in a chronic vegetative state since bacteria had already caused extensive damage to his cortex which is responsible for higher brain activity. However, on the seventh day, Dr Alexander opened his eyes and started talking, as if nothing had happened. One of his doctors, describes this as "miraculous" and "truly remarkable".

What's even more remarkable is the experience which Dr Eben Alexander had during the time he was in coma, which he describes as more real and vivid than anything he has ever experienced. According to him, he was able to travel through Heaven along with his guardian angel and was shown the Spiritual Realm and the ultimate truths of the universe. He felt that he was continuously surrounded by love, the kind of which he had never experienced before. According to him, the "fabric" of this alternate dimension is "love and acceptance" and the way in which human beings can get closer to this "genuine spiritual self" is through "manifesting love and compassion" ... "In order to return to that realm, we must once again become like that realm".

Dr Alexander's case clearly demonstrates that consciousness, instead of being an epiphenomenon of the brain, has primacy relative to the brain. Consciousness is fundamental to the universe and goes beyond our physical body and can also influence matter within the body, in miraculous ways. Dr Alexander concludes that ultimately, we are all connected to God through love and the false "suspicion that we can somehow be separated from God is the root of every form of anxiety in the universe" and "the cure for it" is the "knowledge that nothing can tear us from God, ever.".

Dr Eben Alexander, *Proof of Heaven: A Neurosurgeon's Journey into the Afterlife*, Paitkus, London, 2012.

39 Thomas S. Kuhn, *The Structure of Scientific Revolutions (Third Edition)*, The University of Chicago Press, Chicago and London, 1996.

40 Gaston Bachelard, *The Formation of the Scientific Mind: A Contribution to a Psychoanalysis of Objective Knowledge*, translated by Mary McAllester Jones, Clinamen Press Ltd., Manchester, 2002 [1938], page 25.

41 Ibid., page 27.

42 Baruss and Mossbridge, Op. Cit., page 15.

43 Georg Steiner, *Silence and the Poet,* chapter in *Language and Silence: Essays on Language, Literature, and the Inhuman*, Open Road Integrated Media; Atheneum, New York, 1967.

44 Ludwig Wittgenstein, *Tractus Logico-Philosophicus*, translated by D.F. Pears and B.F. McGuinness, Routledge & Kegan Paul, London and New York, 1961, page 74.

45 Jalal-ud-Din Rumi, *In Silence*, translated by Jonathan Star, retrieved from https://www.stillnessspeaks.com/silence-rumi-guide-thoughts-heart/, accessed June 3, 2021.

46 Seyyed Hossein Nasr, *Sacred Silence: Pathway to Compassion*, Lecture at the Festival of Faiths, Galt House, Lousville, Kentucky, May 18, 2013.

Retrieved from https://www.youtube.com/watch?v=mpE9sUuWnoo , June 10, 2021.

47 Ibn Arabi and many members of his school of thought, explain that God says *Be !* to the "immutable essences", (*al-a-'yan al-thabitah*) in His knowledge of His own Qualities and Attributes. See, The Study Quran, A New Translation and Commentary, Seyyed Hossein Nasr, Editor-in-Chief, HarperCollins Publishers, New York, NY,2015, page 55, footnote 117.

48 Ibid.

49 The Holy Quran, *Surah Ya Sin, Verse 82*, translation by Abdullah Yusuf Ali, Sh. Muhammad Ashraf Publishers and Booksellers, Lahore.

50 Seyyed Hossein Nasr, *Dudlian Lecture*, Harvard Divinity School, May 1, 2003.

51 Ibid.

52 Ibid.

53 The Holy Quran, *Surah Baqarah, Verse 21*, translation by Abdullah Yusuf Ali, Sh. Muhammad Ashraf Publishers and Booksellers, Lahore.

54 Ibid.

55 Carl Gustav Jung, *The Undiscovered Self*, Op. Cit.

56 Carl Gustav Jung, *Structure and Dynamics of the Psyche*, Op. Cit., Chapter 4, Prefatory Note between paras 130 and 131.

57 Sir Charles Sherrington, Op. Cit., page 351.

58 Anthony Shorrocks, James Davies, and Rodrigo Lluberas, *Global Wealth Report 2020,* Credit Suisse Research Institute, October 2020, page 29.

59 Chuck Collins, Omar Ocampo, and Sophia Paslaski, *Billionaire Bonanza 2020: Wealth Windfalls, Tumbling Taxes, and Pandemic Profiteers*, Institute for Policy Studies, Washington D.C., 2020.

60 Oxfam International, *Time to Care: Unpaid and Underpaid Care Work and the Global Inequality Crisis*, Oxfam Briefing Paper, January 2020.

61 Akmal Hussain, *Capitalism, Crises and Human Life*, Pakistan Left Review, May 19, 2020. Available at https://pakleftreview.com/2020/05/19/capitalism-crises-and-human-life/ (Retrieved: May 5, 2021)

62 Oxfam International, *The Inequality* Virus, Oxfam Briefing Paper, January 2021, page 23.

63 International Labour Organization, *ILO Monitor: Covid-19 and the World of Work (Seventh Edition, Updated Estimates and Analysis)*, January 25, 2021, page 2.

64 Oxfam International, 2021, op. cit., page 2.

65 Akmal Hussain, *Capitalism, Consciousness and Development*, Chapter 3 in Ananya Ghosh Dastidar, Rajeev Malhotra and Vivek Suneja (eds), Economic Theory and Policy Amidst Global Discontent, Routledge, London and New York, 2018, page 51.

66 "if ...we state the function of man to be a certain kind of life, and this to be an activity or actions of the soul implying a rational principle, and the function of a good man to be the good and noble performance of these,

.....if this is the case, human good turns out to be activity of soul in accordance with virtue..."
Aristotle, *Nicomachean Ethics*, Translated by W.D. Ross, Batoche Books, Kitchener, 1999, page 11.

67 Plato, *The Last Days of Socrates*, translated by Hugh Tredennick and Harold Tarrant, Penguin Books, London, 1993, General Introduction, page xxviii.

68 This quotation was provided by Dr Ponna Wignaraja for the book: Ponna Wignaraja, Akmal Hussain, Harsh Sethi, and Ganeshan Wignaraja (eds), *Participatory Development: Learning from South Asia*, United Oxford University Press and Nations University Press, Oxford, 1991, Preface to title page.

69 Shah Hussain:
"*Dil dardaan keeti puri ni,*
Dil dardaan keeti puri,
Lakh, crore jinaan de jurriya,
so bhi jhoori jhoori"
Shah Hussain, *Kaafian*, Majlis Shah Hussain, Lahore, 1976, page 22.

70 Akmal Hussain, *Impact of Agriculture Growth on Changes in the Agrarian Structure of the Punjab, with Special Reference to the Punjab Province*, D.Phil thesis, Sussex University, 1980, page 390.

71 According to the Report of the UN Inter-governmental Panel for Climate Change, "Warming of the climate system is unequivocal and since the 1950s, many of the observed changes are unprecedented over decades and millennia....the atmospheric concentrations of carbon dioxide, methane and nitrous oxide have increased to levels unprecedented in at least the last 800,000 years.."
T.F. Stocker, D. Qin, G.K. Plattner, M. Tignor, S.K. Allen, J. Boschung, A. Nauels, Y. Xia, V. Bex, and P.M. Midgley (eds.), *Climate Change 2013: The Physical Science Basis (Summary for Policy Makers)*, Working Group-1 Contribution to the Fifth Assessment Report of the Inter-governmental Panel for Climate Change, Cambridge University Press, 2013, page 2.

72 Ibid. page 9.

73 United Nations Environment Programme, *Emissions Gap Report 2020*, Nairobi, 2020.

74 Akmal Hussain, *The Planet in Peril and a Civilisation in Crisis: Reviving a Sense of the Sacred*, Chapter 1 in Christian W. Troll and Liam O' Callaghan (eds.), The Sacredness of Creation, Multi Media Affairs, Lahore, 2015, page 24.

75 Whitall N. Perry, *The Revival of Interest in Religion*, Chapter 1 in Ranjit Fernando (ed.), The Unanimous Tradition: Essays on the Essential Unity of All Religions, Sri Lanka Institute of Traditional Studies, Colombo, 1999, page 5.

76 Seyyed Hossein Nasr, *Islam and the Environmental Crisis*, in Steven C. Rockefeller and John C Elder (eds.), Spirit and Nature: Why the

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Environment is a Religious Issue, Beacon Press, Boston M.A., 1992, pages 83-108.

77 Akmal Hussain, *The Eternal in the Ephemeral*, Topical Printers, Lahore, 2014.

78 Frithjof Schuon, *Echoes of Perennial Wisdom*, World Wisdom Books, Bloomington, Indiana, 1992, page 2.

79 Erich Fromm, *The Anatomy of Human Destructiveness*, Fawcett Crest, New York, page 221.

80 Ibid., page 246. Fromm, in discussing malignant aggression, goes on to analyse Hitler's personality, as a clinical case of necrophilia.

81 Herbert Marcuse, Eros and Civilisation, Sphere Books Ltd., London, March 1970, page 84.

82 Ibid., page 85.

83 Karl Marx, *Capital – A Critical Analysis of Capitalist Production (Volume 1)*, translated by Samuel Moore and Edward Aveling, and edited by Frederick Engels, Progress Publishers, Moscow, the Moscow edition of the first volume of Karl Marx's Capital reproduces the text of the English edition of 1887, edited by Frederick Engels, Chapter XXIV, page 543-573.

84 "If you abide in my word, you are truly my disciples, and you will know the truth, and the truth will set you free." *John 8:32, The Holy Bible*, English Standard Version, retrieved from https://www.biblegateway.com/passage/?search=John%208%3A31-32&version=ESV , accessed May 11, 2021.

85 Martin Lings, op. cit., page 48.

86 Martin Lings discusses the idea of the sun symbolising the Spirit, with reference to a fourteenth century interpretation of the Quran, by Abd ar-Razzaq al-Kashani. See, Martin Lings, op.cit., page 51.

87 Ibid., page 51.

88 Seyyed Hossein Nasr, The Heart of the Faithful is the Throne of the All-Merciful, chapter 3, in James S. Cutsinger (ed.), Paths to the Heart, Sufism and the Christian East, World Wisdom, Bloomington, Indiana, 2002, page 32.

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