

# An Appraisal of PTI Government Performance 2018-20

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## 1. Introduction

As the PTI Government completes two years in office we need to evaluate its performance. This evaluation is all the more important because opinions about government performance vary, depending on who is evaluating the performance. PTI supporters will laud the performance, while opposition parties are bound to be very critical. It is, therefore, imperative that government performance be evaluated objectively and unemotionally. We also need a proper measurement of performance. And this is what I have tried to do in the present paper through pursuing three objectives. First, to measure performance of the PTI government for the last two years using appropriate performance indicators. This will provide a good overall performance of the government instead of looking at one or two performance indicators. Second, try to explore whether the shortfall in performance is due to folly or based on deliberate and conscious decisions.

That is, if government's performance is lacking, is it because the Prime Minister is a cricketer turned politician and therefore unable to perform? Or is it because the government's priorities are different? And if they are different, what are these priorities? The third objective I will pursue is to evaluate governance issues and see how much they are contributing to government performance.

## 2. Performance Indicators

I have chosen 16 performance indicators to judge the performance of the government and these are presented in the Table. Data on these performance indicators have been taken from the Pakistan Economy Survey 2019-20. In order to evaluate the growth performance I am using growth rate of GDP, agriculture, large scale manufacturing and medium/small scale manufacturing sectors during the period 2017-18, 2018-19 and 2019-20. It is interesting to note that there is systematic decline in all the different rates

of growth during this period. That is, all the growth rates declined in 2018-19 over the previous year and the same trend was repeated in 2019-20 over the previous year. The agricultural sector has also declined during this period, except a slight upturn in 2019-20.

While there is decline in all the growth rates during the two years that the PTI has been in power, debt/GDP has continued to increase as is indicated by a systemic rise in both public debt/GDP and government debt/GDP as can be seen in the Table. Investment/GDP also declined, while Saving/GDP declined in the first year, but regained a little in the following year. Also, there is systematic decline in the growth rates for Revenue/GDP, Defense Expenditure/GDP and Development Expenditure/GDP. Notice the very sharp reduction in development expenditure over a short period of two years from 21.7 to a mere 12.3 during these two years. While Education Expenditure/GDP and Health Expenditure/GDP have remained almost stagnant during these two years. The rate of growth in the inflation rate almost doubled in the first year of PTI government, and almost doubled again in the second year on its doubled rate in the previous year.

So how do we evaluate the performance of the PTI government during the last two years as some performance indicators have increased while others have declined? An introspection of all the different performance indicators reveals that where increase in the growth rate is beneficial, the growth rate has declined. And where decline is beneficial, the growth rate has increased. For example, GDP, agriculture, large, medium and small scale manufacturing growth rates have declined, which means the economy is not expanding, with implications on



output and employment growth. On the contrary, the inflation rate is increasing, whereas a decline in its rate would have been beneficial for the people. Moreover, if we were to divide the growth rates into two categories, those that have a direct bearing on the welfare of the people of Pakistan, from those that affect Pakistan's creditors. The first category comprises of rates of growth of GDP, agriculture, large scale manufacturing, medium and small scale manufacturing, investment/GDP, saving/GDP, revenue/GDP, defense/GDP, development/GDP have all declined during these two years, while education/GDP and health/GDP have been stagnant. Growth of GDP, agriculture and manufacturing output would have expanded the economy and provided employment opportunities improving quality of lives of the Pakistani people. Increase in development/GDP would have provided infrastructure, health and education facilities to the people made possible through increase in revenue/GDP. Moreover, increase in defense/GDP in the present turbulent times would have enhanced our security. But all these ratios have declined.

There are four performance indicators related with debt and its servicing. Both public debt/GDP and government debt/GDP have increased sharply and are above the 60 percent mark that Fiscal Responsibility Law restricts them to. Increase in both these indicators reveals strategic behavior aimed at increasing the dependence of the country on other countries. Two performance indicators that are increasing systematically are taxes/GDP and debt servicing/GDP. These are indicators that are of direct relevance to the creditors. The PTI government is performing well in collecting taxes and transferring them to service debts. And this is what we have studied as a serious flaw with structural adjustment and stabilization policies. These policies do not bring about structural reforms, but focus on levying taxes to generate a surplus, which is sent out for servicing debts. And the PTI government performance has corroborated this apprehension about the neo-liberal model.

Summing up, in terms of performance indicators that have a direct bearing on the Pakistani people like increasing savings,

investment, output and employment growth, providing security in the present turbulent times, increasing health and education, reducing inflation the government has performed poorly. But in terms of increasing Pakistan's dependence on the USA and western bloc countries, the PTI government has performed well through increasing debt/GDP. The US and western bloc countries want to continue to dictate our economic and foreign policies. For more than 70 years we looked to the west to give us development, but we just got dragged in their wars, and our economy suffered recession, unemployment, social and political strife. And when we were able to finally bring development through CPEC, this is being thwarted through increasing dependence on the west. The PTI government has also performed well in ensuring that Pakistan doesn't default. It has imposed heavy taxes to ensure that a

or provide better security. That explains the disconnect between the perception of the present government in Pakistan and outside Pakistan. When I talk to my friends living abroad their perception of the PTI government is very different from the perception of the people living in Pakistan. Because the PTI government is delivering on indicators that are protecting their interests, western media is projecting the PTI government favorably. But the people of Pakistan whose interests are being adversely affected, as reflected by the behavior of indicators that have a bearing on the lives of the people, are disillusioned with the PTI government.

### 3. PTI Government and Governance

In addition to the performance indicators discussed above, let us look at governance issues. The PTI government has reversed its stance on every issue as compared



large surplus is generated to service debts, as is reflected by increase in tax revenues/GDP and debt servicing/GDP.

And this explains the permanent fixtures in Pakistan's finance and economic ministries and the State Bank of Pakistan. For the last thirty years the same faces have occupied these ministries irrespective of whether Musharraf, PPP, PMLN or PTI are in power. They have ensured that a sufficient surplus is generated which is then sent out to service debts. These economic managers have been successful in protecting the interests of the international financial system, but have totally failed to improve the economic indicators that will improve the quality of lives of the Pakistani people

with its pre-election stance. Whether it is on borrowing from the IMF, giving extension to the army chief, Kashmir issue, etc, the government has taken a U turn. But government's stance against corruption both before the elections and after the elections has been loud, clear and thunderous. But as of today it has not been able to bring the corruption money back. It has allowed those with NAB cases against them to go abroad, only to start campaigns to repatriate them. And there are several ministers with tainted reputations sitting in the PTI government.

Western seed manufacturing companies had been trying to gain a foothold in Pakistan's seed market, and all the successive



Pakistani governments including the PTI government have used the power vested in them to start commercial production of GM food crops. PTI government like the previous Musharraf, PPP and PMLN governments are taking concrete steps to promote profitability of seed companies at the expense of the health of the Pakistani people. The PM publicly acknowledged just before the PTI came to power that he did not know about GM technology when the PTI along with other political parties unanimously amended the Seed Act in the National Assembly in March 2015. But is bringing people who have been close to chemical companies on important positions in the Ministry of Food Security and related organizations that will facilitate commercial production of GM technology. This also corroborates that his actions are not dumb decisions, but conscious and well thought out.

The most recent revelations of the enquiry report on sugar and wheat revealed that three serving ministers in the present government and their relations made billions of Rupees through giving subsidies and creating artificial shortages of these commodities. There has been shortage of all the essential commodities like wheat, sugar, petrol from time to time. The PTI government has not been able to take the culprits to task or penalize them, but has given very loud statements against hoarding and black marketing.

And the corona virus pandemic has led to allegations against a sitting minister for using his influence to smuggle corona virus infected people from a neighboring country. The attitude of the PTI government at the onset of the pandemic that the virus is "just a flu", and a recent statement that the virus is spreading because of the attitude of the people treating it as "just a flu" are flip-flop stances of the PTI government. In an earlier article I had warned that relaxing the lockdown will make matters worse by increasing the spread of the virus, inability of the health infrastructure to cope with the calamity leading to increase in casualties. This flip flop attitude of the PTI government has led to spreading the virus far and wide in Pakistan. And the predatory behavior of those who have survived corona and have been so close

to death is very painful. These survivors are now alleged to be selling their plasma for Rs 800,000. There is a case for free donation of their plasma to the National Disaster Management Cell, especially if these survivors were treated free of cost in a government hospital.

These and several other such instances show that the PTI government's governance is what can best be described as flip-flop. Not that the governance of previous three governments was any better. How can governance be different when the same ministers are occupying ministries in the successive governments? But these governance lapses are hurting the country. Allegations of corruption by the government and the opposition against each other are resulting in confrontational politics, without repatriation of the laundered money.

Moreover, government's commitment to promote chemical seed companies reinforces the commitment of the government to pursue their interests at the expense of the health and wellbeing of the Pakistani people. And the petrol, wheat and sugar crises reveals a dysfunctional government that cannot promote consumer interest. At best it can lecture against mafias and corruption. And the way the government has handled the corona virus shows that the PTI government has become a security risk for the country. And the evidence in this paper shows that the performance of the PTI government is not based on ignorance, but the result of deliberate and conscious effort to pursue the interest of outsiders at the expense of Pakistan and its down trodden people and to promote crony capitalism.

#### 4. Conclusion

PTI government's decisions during 2018-19 to 2019-20 are not based on folly. I don't find evidence to the general perception that PTI government led by a cricketer is goofing. On the contrary, government is taking decisions based on knowledge on whose interests are to be promoted and whose interests jeopardized. Economic managers in the PTI government have become like a dowry that is being passed on to each successive government from the 1990s. They are sitting in the Government of Pakistan to protect the interests of the

International Financial Institutions. And they are doing it very well, but are driving Pakistan towards economic turmoil and catastrophe. And when that happens, it is not just the poor in Pakistan that will face a crisis. The developing situation will pose a serious security risk for the country at a time when we are already facing a security threat from India, a developing internal crisis and a health pandemic. Pakistan urgently needs home grown and patriotic economic managers that can preempt the economic crisis from adding to the health and security crises.

This is the fourth consecutive government in Pakistan that espouses very nationalist and patriotic stances before coming to power. But after loss of several precious lives and throwing Rs 20 billion down the drain in electioneering, it is covertly and overtly promoting interests of foreign powers and companies. Why do charismatic politicians, loved by the people become totally oblivious to their interests needs to be investigated. It appears that honesty among Pakistani politicians is only skin deep. You scratch a bit and the true colors come out. We have had governments whose patriotic faces were totally smashed and the ugly and unpatriotic faces revealed in their bid to hang on to power. Some deep introspection is required to be done on these issues. I am not aware of any country that promotes interests of other countries and powers at the expense of its own interests. In the present hybrid war scenario what are the security and economic implications of a government that is not committed to promoting Pakistan's vital interests? Does Pakistan's politico-social fabric have something to do with the disinterest to pursue Pakistan's national interests? Are Pakistani politicians verbally pursuing Pakistan's interests during electioneering and through actions the interests of powers that appoint selectees to important positions in Pakistan? Is our politico-social environment promoting dishonesty, hypocrisy and disloyalty to Pakistan?

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