

The Business

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A big victory

Pakistan has been at last taken out of the Financial Action Task Force (FATF) 'grey list' against money laundering and terrorism financing October 21. This has been welcomed across the political divide though a significant portion of the credit goes to the Imran Khan's government, the offices of the army chief, ISI, military intelligence and military operations to ensure that no stone remained unturned in the exercise to get off the grey list. Habib Bank and its chairman Sultan Allana also made a stellar contribution to this national effort of identifying consultants, putting together a competent team that made templates to get the work done, participated in report content and organised workshops and training sessions. The role of the incumbent government that ensured removal from the list needs to be acknowledged as well. Be that as it may, two observations are in order. Firstly, Indian External Affairs Minister S Jaishankar claimed in October 2021 that "due to us Pakistan was retained in the grey list," prompting justified anger by the then Pakistani cabinet members however when asked Dr Pleyer, the FATF President at the time, stated that FATF is a technical body and "we take our decisions by consensus...so it's not only one country that makes decisions."

While some members of the incumbent government are taking credit for the removal of the country from the 'grey list' by claiming that Pakistan's re-engagement with other countries, particularly the United States, may have played a positive role in the FATF's decision yet one would hope that in this instance, in spite of the extreme divisiveness prevailing in the country today, the credit be accorded where it is due; notably, to all stakeholders, current and past. Pakistan has strengthened the effectiveness of its AML/CFT regime and addressed technical deficiencies to meet the commitments of its action plans regarding strategic deficiencies that the FATF identified in June 2018 and June 2021, the latter of which was completed in advance of the deadlines, encompassing 34 action items in total.

The fact that after four years Pakistan is no longer on the 'grey list' must be appreciated by all. It is important to note that multilaterals, including the International Monetary Fund and the World Bank, and bilaterals vigorously examine and analyse FATF conditions when considering support and for this very reason the IMF quarterly reviews have a section on AML/CFT and Pakistan's progress in this regard since the start of the ongoing loan in July 2019. All the authorities will have to implement these SBs as well as remain vigilant especially with respect to the politically exposed persons and bureaucrats of grade 17 and above if the government wants the ongoing programme to continue.

ARIFA NOOR

In the summer of 1999, a politician's son shot dead a young woman at a party in New Delhi, India, for refusing to serve him a drink. A model, the murder victim, Jessica Lal, was one of many celebrities serving behind the bar at the party. The man who shot her, Manu Sharma, fled the scene and was arrested later, as were the other accused, and tried for the murder.

In February 2006, he and others were acquitted. In the meantime, during the trial, it came to light the gun was never found and the forensic evidence from the crime scene indicated more than one weapon had been used. In other words, the forensic evidence said little. But this was simply the beginning. As the trial commenced, the eyewitnesses to the crime turned hostile. One of the most famous of these was a budding actor who initially testified to the murder but later resiled, claiming that he wasn't comfortable with the Hindi language and didn't know what he signed when the police got him to sign his statement. Later, an investigative magazine caught him in a sting operation, which showed that he was comfortable enough with the language.

But when the men walked free, the public outrage was immediate. Petitions were signed, signatures collected, news outlets were bombarded with messages, and candlelight vigils were held. Under this public pressure, within a month of the acquittal, the high court accepted an

Violence with impunity

appeal by the police against the verdict. By December, the main accused, Sharma had been convicted for life. By 2010, his appeal to the supreme court had been turned down. Pakistan had a similar moment over 10 years later when Shahzeb Khan was murdered by Shahrukh Jatoi after an altercation on the streets of Karachi. Initially, it seemed Jatoi, too, like Sharma, would get away with it. But as in India, the outrage from the people, expressed over social media and the relentless coverage on news channels ensured Jatoi was traced and brought back from Dubai where he had escaped to. A year later, he was sentenced to death; the case had been registered under the anti-terrorism law. But when the high court ordered a retrial, accepting the plea it was not a terrorism case, members of civil society approached the Supreme Court against the decision, and the apex court sent the accused back behind bars.

In both cases, what was striking was the pressure from a predominantly urban civil society as well as a changing media which forced a political elite to be held accountable for the violence it not only inflicted but did so with impunity. It may be too soon to say if the cases changed the justice systems or power structures but they were both seminal in that they illustrated a changing society and its

relationship with the state. A growing urban class along with a flourishing media could create enough noise and outrage to force a change in the immunity enjoyed by a part of the elite. But even this pushback goes only so far. Jessica Lal's murderer was released on parole in 2020, having served around 17 years in prison. It was reported that he was allowed out during his imprisonment frequently; in one such outing, it was alleged he even had a pub brawl. A piece published on his release said, "Since the last two years, Manu was awarded open jail facilities implying he was out the whole day working with an NGO and then back to his cell at night."

In a way, it was rather similar to the reports of Shahrukh Jatoi being found lodged in a building which was 'supposed' to be a hospital. However, as always, we do deviate from India, whatever the parallel because our paths have been different in some ways. And here too, it was no different. Society's pushback in Pakistan was made all the more difficult because of the complex or rather confusing legislation. And this is at the heart of the debate taking place right now. The law allowed the culprit's family to reach a *razinama* with Shahrukh's family. However, the only legal way for the courts to reject this was to uphold the registration of the murder case under the anti-terror-

Russian invasion of Ukraine and the support of the West for Ukraine has diminished any chances of Russian cooperation against China. Rather, it is the other way around. China has countered many moves in the United Nations to isolate Russia. China is acting on its policy of military and economic expansion and saving its resources for progress and connectivity. China has ensured its footprint in Asia and now it is expanding to Africa and Central Asia. It is appearing to Western diplomats that they should have slowed down the rise of China by keeping it isolated and keeping it engaged in issues that plague the Third World. Now, it is too late and it is being predicted that China will be most dominant country of the planet in less than a decade. And countries like in Asia, Middle East and Africa will be allies of Beijing instead of America.

The Realists of the Western World refer to the rise of China as failure of American foreign policy. It is being said that liberalism is dead and all that exists in the International politics, is a balance of power based on interests and competition. But it can still be argued that China is one of the oldest nations in the world while the Americans are a nation that is less than two hundred years old. China is committed to its policy of non-violence, to respect of other nations and mutual development. The history of mankind is replete with shifts in power and dominance. Power is in continuous flux and nothing lasts, in this cycle of change, China might be a breath of fresh power. It could be the chance that the world deserves.

The Americans have brought the greed of capitalism to the world in the form of fast food culture, Hollywood and the waging of war in the name of democracy as it destroyed countries like Iraq, Vietnam and Afghanistan and how it has supported cruel nations like Israel and allowed them to act with impunity. Maybe, it is the fit of things and the principles of power will not let go of their inertia, and we are at the edge of a New Cold War. One which has the potential to destroy everything mankind has achieved or usher in an age based on mutual respect, economic interdependence and global sustainability: a world without war, suffering and lust for power.

The writer is Chairman of the Jinnah Rafi Foundation



What have the floods taught us?

ZAFAR BASHIR

"Allah was angry with us when the rain came" – this was the response by most people under the wrath of the catastrophic floods this monsoon season. The extent of the disastrous floods might have reduced by now but what it has taught should stay with us forever. The cities of Nowshera and neighbouring Charsadda, in Pakistan's Khyber Pakhtunkhwa province and their suburbs were the first major communities to be hit by the unprecedented flooding that swamped one-fifth of Pakistan and left about seven million homeless this summer.

The actual numbers are definitely much higher than what was put across by the government. Not just infrastructure but entire families including pregnant women and infants were swept across the water, making it the worst ever natural disaster of the nation to date. The locals attributed the disaster to nature's wrath; the government gave due credit to global warming and climate change – but there was more to it than what met the eyes. Pakistan's share of annual global greenhouse-gas emissions is not even one per cent though it accounts for almost three per cent of the world population. A ClimateWire investigation into the origins of the flood disaster uncovered evidence that points to human-made calamity, the cumulative effect of erratic weather forecast by climate change models, excessive deforestation, massive soil erosion and lax attention to infrastructure maintenance, engineering standards used

by multinational companies and the ignorance of humans. Sindh and Balochistan were the worst-sufferers, seeing hundreds of people killed and millions displaced. The flooding has crippled a country that was already reeling from a towering economic crisis and double digit-inflation that has sent the price of basic amenities soaring. Now when the worst has passed, the aftereffects threaten to set Pakistan back years or even decades. In no way do I conclude that the disaster could have been completely avoided but what I'm sure of is the fact that it could have been mitigated enormously. A quick response on the part of the government could have saved what turned out to be the worst exigency of the decade. They say 'a stitch in time saves nine' but the already cash-strapped economy was deeply immersed in political cacophony when the alarming bells were first rung. The unexpected torrential rains began in the middle of June and on August 25, a state of emergency was declared by the government.

Our power-hungry former prime minister Imran Khan turned the plight into a PR stunt by his regular telethons with the hollow claim of raising millions – no information of which was available in the public domain on the spending of the amounts collected. Each political party urged donations to their own charity and various NGOs, both registered and others which thought of the tragedy as an easy source to make money, participated actively to 'assist the downtrodden'. Other countries too jumped on the bandwagon, some to point fingers and others to come clean. The gov-

ernment estimates the cost of flood damages at \$30 billion. In September 2022, government officials estimated at least \$30 billion of reconstruction costs and economic damage, equivalent to about 10 per cent of GDP. What lies ahead of us is a serious issue. But what is worrisome is the action-plan of the government to help those who have lost their families, their land, their sole source of livelihood and most importantly, the will to start afresh. In political and economic terms, Pakistan was ill prepared for a disaster of this intensity. Its responsibility in terms of mitigating climate change is indeed minuscule but our authorities have paid far too little attention towards adaptation. Poor governance, lack of planning and ignorance towards adaptation strategies have compounded this year's disaster which is going to haunt us for years to come.

Thousands of hectares of farm lands have been destroyed, basic amenities including paramedical facilities have attained sky-rocketing prices and people have no option left than to drink contaminated water. Incassant floods may be attributed to climate change but the suffering of the people is undoubtedly a manifestation of poor governance structures that foster inequities and reward shortsightedness. We had 12 years since the 2010 floods to correct course. But even after 12 years our people sail in the same boat of drudgery and disappointment. It is a pity that provincial governments and local authorities did not ensure implementation of relevant laws to stop illegal construction activities during all these years. If mindful steps are still not taken then the consequences in the coming years could prove