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WEEKLY Cutting Edge

INDEPENDENT • INCISIVE ANALYTICAL



**OUT OF BALANCE: WHY
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ITS EXPORT STRATEGY**

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About Us

Cutting Edge is an independent English weekly magazine being published from Lahore. Its founding editor, Dr Niloufer Mahdi, belonged to one of the top industrialist families of Pakistan — Packages Group. She was the daughter of Syed Wajid Ali and granddaughter of Syed Maratib Ali. In a short span of time it has gained popularity and built loyal readership throughout the country. With the contributions by renowned journalists and literary figures and diversity of issues/topics touched by our magazine, we can confidently claim that it has set not only new trends in local journalism, but has emerged as the most read and credible magazine for men, women, students and opinion leaders from different spheres of life. It also circulated in all Foreign Embassies, Libraries, Hospitals, 5 star Hotels and Government/ Private Departments. Its website, weeklycuttingedge.com, is a premier online source for the analysis of current affairs, providing authoritative insight into, and opinion on, national and international news, business, finance, science and technology, as well as an overview of cultural trends. We have commenced its publication, with an aim to bring the best to our readers; similarly, we intend to offer the best in terms of advertising and promotional impact for our valuable advertisers. The 24-page Cutting Edge is divided among different sections, and we have proportionally divided the space in each section for carrying advertisers' message for the utmost impact.

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Out of balance: Why Pakistan must overhaul its export strategy

Farhan Khan

Pakistan has opened the new fiscal year with a negative trade balance: imports racing ahead of exports and the trade deficit climbing to levels that should alarm policymakers. Figures released by the Pakistan Bureau of Statistics show the trade deficit widened by more than 25 percent year-on-year in July, the first month of FY2026-27, to just under \$4 billion.

Imports rose by 18 percent to \$6.9 billion, while exports grew a comparatively modest 9.5 percent to \$2.9 billion. The story is not one of collapsing exports — they did grow — but of an economy whose appetite for foreign goods still outpaces, by a wide margin, its ability to sell to the world.

The July numbers are not an isolated shock; they reflect a trend visible across the last several fiscal years. Pakistan's full-year trade deficit stood at roughly \$27.5 billion in FY2022-23, a year dominated by import compression and an IMF-mandated squeeze on the current account. It narrowed to about \$24.1 billion in FY2023-24 as import curbs held and exports recovered. That improvement proved short-lived: the deficit widened again to roughly \$26.3 billion in FY2024-25, and then jumped sharply to nearly \$39.5 billion in FY2025-26 — a swing of more than 21 percent in a single year, as exports actually declined even as imports surged. The July 2026 data suggests the new fiscal year is picking up where the last one left off.

Conventional trade theory holds that a depreciating currency should make a country's exports cheaper and more competitive abroad. Pakistan's experience over the past decade complicates that assumption. Despite substantial rupee depreciation, the country has not seen the structural export boom that textbook models would predict. The reason lies less in the exchange rate than in everything surrounding it: costly energy inputs, weak productivity, poor logistics infrastructure, an unpredictable tax regime and regulatory uncertainty. A weaker currency lowers the price of what Pakistan sells abroad, but it also raises the cost of the imported machinery, raw materials and components that much of Pakistani industry depends on — eroding much of the intended competitive gain.

The more fundamental problem is institutional rather than monetary. Pakistan has rarely sustained an export strategy long enough for it to bear fruit. Rather than systematically studying where global demand is heading and building deliberate advantages in new products and markets, the country has largely

continued exporting what its established industries — textiles chief among them — have always produced. Comparative advantage, as successful exporting nations have shown, is something built through sustained investment in skills, technology, infrastructure and market intelligence, not simply inherited.

Pakistan has had moments that hinted at what focused effort could achieve — the export push of the Musharraf-era years is often cited as a period when trade facilitation and commercial diplomacy received sustained attention. But successive governments have failed to institutionalise that approach, leaving export policy as a rotating set of incentive packages and targets rather than a durable national project.

With exports unable to close the gap,

similar starting points chose a different path. Vietnam transformed itself from a minor exporter into a manufacturing powerhouse within roughly two decades by aggressively courting foreign direct investment, signing a dense network of free trade agreements, and investing heavily in ports, power and industrial zones to make itself an attractive link in global supply chains. Bangladesh, despite weaker infrastructure than Pakistan's, built a garment-export machine by offering predictable policy, generous but time-bound incentives, and continuous upgrading of its ready-made garment sector, eventually overtaking Pakistan in textile exports despite a smaller economy. South Korea's earlier export-led growth relied on channelling credit and support toward firms that could compete internationally, with



Pakistan has leaned ever more heavily on external financing and remittance inflows to keep its balance of payments afloat. Worker remittances have repeatedly absorbed shocks that would otherwise have forced a harder reckoning, while loans and deposits from friendly states and multilateral lenders have plugged the remaining shortfall. Finance Minister Muhammad Aurangzeb's recent efforts in Washington to secure a proposed \$10 billion US exchange-stabilisation facility fit this long-running pattern. Such support buys some time and should not be refused when offered — but it is a palliative, not a solution. Every additional dollar borrowed to bridge the trade gap is a reminder that the underlying problem, an economy that cannot yet pay its own way, remains unresolved.

Other developing economies facing

targets enforced rather than merely announced. Each of these examples relied on continuity: institutions and policies that survived changes of government.

For Pakistan, the elements of a credible reform agenda are not mysterious, even if they have proven politically difficult: lowering energy costs for exporters, simplifying and stabilising tax treatment of export-oriented industry, investing in trade logistics and port efficiency, diversifying beyond textiles into higher-value sectors such as IT services and engineering goods, and building institutional capacity to track and act on shifts in global demand. It's time to set up a special task force which should study how Vietnam and Singapore turned around their export sectors and prepare a new export development plan for the country to be implemented in the next five years.

Makkah Accord: a new pillar of collective security in the Middle East

Nasim Ahmed

In the sacred precincts of Makkah on August 7, 2026, three of the Muslim world's most consequential powers formalized a partnership that may reshape the security architecture of the Middle East and beyond. Saudi Crown Prince Mohammed bin Salman, Turkish President Recep Tayyip Erdoğan and Pakistani Prime Minister Shehbaz Sharif signed the Makkah Joint Defence Agreement—commonly called the Makkah Accord—at Al-Safa Palace. Its core clause is unambiguous: an armed attack against any one of the three states shall be regarded as an attack against them all.

The agreement builds on longstanding bilateral ties and a September 2025 Saudi-Pakistan Strategic Mutual Defence Agreement. It emerged against a backdrop of profound regional instability, including the fallout from the 2026 U.S.-Iran confrontation, repeated strikes on Gulf energy infrastructure, maritime threats in the Red Sea and Arabian Sea, and growing doubts about the reliability of external security guarantees. Officials from all three capitals have stressed that the pact is purely defensive, grounded in Article 51 of the UN Charter, open to other regional states that share its principles, and does not supersede existing bilateral or multilateral commitments—including Turkey's NATO membership or the partners' security relationships with the United States.

Collectively, the three signatories aim to strengthen deterrence, enhance military interoperability, share intelligence, conduct joint exercises and expand defence-industrial cooperation. Pakistan contributes the Muslim world's only nuclear arsenal and a large, battle-hardened army with deep experience training Gulf forces. Turkey brings NATO's second-largest military, advanced drone and missile production, and a growing naval industrial base. Saudi Arabia offers vast financial resources, strategic geography astride critical energy chokepoints, and one of the region's most modern air forces. Together they seek to protect vital trade routes from the Arabian Sea to the Red Sea and present a more coherent regional response to external aggression.

Individually, the motivations are complementary. For Riyadh, the pact is a hedge against the perceived erosion of the U.S. security umbrella—illustrated by earlier attacks on oil facilities and the limits of American protection during recent crises—while preserving close defence ties with Washington

and pursuing economic diversification under Vision 2030. Ankara gains strategic depth in the Islamic world, expanded markets for its defence industry, and a platform to project influence without abandoning its Western alliances. Islamabad elevates its status as a pivotal security partner, secures economic and political support from two wealthy allies, and reinforces its long-standing role as a military contributor to Gulf stability.

Is the Accord designed to fill the void left by a receding U.S. security umbrella? Analysts widely view it as a form of strategic hedging rather than outright replacement. The three states continue to maintain significant military and technological relationships with the United States. Yet the repeated demonstration that American guarantees cannot fully shield partners from regional threats has driven a



search for “strategic redundancy”—layering indigenous capabilities atop traditional alliances. The Makkah Accord is less a rejection of the United States than an attempt by regional powers to take greater responsibility for their own deterrence in an era of multipolarity and contested influence.

Is it directed against Israel? Official statements from Riyadh, Ankara and Islamabad are categorical: the pact targets no country. It identifies no common enemy and remains open to expansion. Some commentators have hinted at broader threats to the Muslim world, and Israeli officials have expressed concern about any new alignment among major Muslim states. Yet the public text and diplomatic clarifications emphasise collective self-defence, not confrontation with Israel. The agreement's architects appear more focused on conventional and asymmetric threats to their own territories and maritime arteries than on redrawing the Israeli-Palestinian map.

Iran's reaction has been measured and mixed. Official Tehran has largely avoided

direct confrontation, with Foreign Ministry spokesmen noting deep historical and religious ties with the three signatories and framing the pact as evidence that regional states can no longer rely solely on the United States. Some Iranian officials and hardline voices dismissed it as a “paper agreement” that will not deliver security, warning against miscalculation. Others suggested the arrangement could eventually evolve toward broader Muslim cooperation. Privately, analysts in Tehran recognise the discomfort of seeing three major Sunni powers—including a nuclear-armed Pakistan and a NATO-standard Turkish military—formally linked in collective defence, particularly after recent tensions involving Iranian-aligned groups and Gulf states. The official line, however, has been cautious nonchalance rather than alarm.

Russia and China have offered no formal high-level endorsements or condemnations, consistent with their preference for multipolar balancing over bloc confrontation. Chinese commentary has focused on the erosion of exclusive American security dominance and the emergence of regional self-reliance, viewing the combination of Saudi finance, Turkish military technology and Pakistani strategic weight as a noteworthy development. Beijing remains watchful, especially regarding energy security and its own partnerships in the Gulf and with Pakistan. Moscow, preoccupied with its own strategic priorities and close ties with Iran, has likewise stayed largely silent, though Russian foreign-policy thinking has long favoured reduced Western monopoly over Middle Eastern security arrangements. Both powers see the Accord as further evidence of a shift toward a more multipolar regional order in which local actors assert greater agency.

Whether the Makkah Accord evolves into a robust operational alliance or remains primarily a political signal will depend on follow-through: joint exercises, industrial projects, institutional mechanisms and the willingness of others to join. For now, it stands as the most significant collective-defence commitment among major Muslim states in decades—a pragmatic response to a more dangerous neighbourhood and a quieter U.S. role. In the holy city that has long symbolised Muslim unity, three capitals have chosen to bind their security destinies more tightly together. The test of that commitment will come not in the rhetoric of signing ceremonies, but in the hard realities of deterrence and crisis.

Stunted futures, stalled progress

Muhammad Hassan

Malnutrition has become one of the most serious obstacles to Pakistan's social and economic development. Around 40 per cent of children under the age of five are stunted, a figure that should concern the country far beyond the immediate question of child health. Stunting is not simply a measure of inadequate nutrition; it is an indication of opportunities being lost at the very beginning of life. Children deprived of adequate nutrition during their formative years are more likely to face difficulties in learning, suffer poorer health and achieve lower productivity as adults.

The consequences can extend well beyond one generation. When children fail to receive the nutrition they need during their earliest years, the resulting physical and cognitive disadvantages can persist into adulthood. This ultimately affects not only individual families but also the productivity and human capital of the entire economy. Pakistan is estimated to lose nearly \$17 billion every year because of malnutrition and undernutrition, making the issue an economic challenge as much as a public-health crisis.

The scale of the problem should therefore compel policymakers to treat nutrition as an essential component of national development rather than a narrowly defined welfare concern.

Stunting does not have a single cause, nor can it be addressed through a single intervention. For some families, the fundamental problem is poverty and the inability to afford nutritious food. For others, repeated childhood illnesses caused by unsafe drinking water and inadequate sanitation can prevent children from absorbing the nutrients they consume. Poor maternal nutrition and inadequate healthcare during pregnancy can also affect a child's development even before birth.

These factors reinforce one another. A mother who is herself malnourished may enter pregnancy with inadequate nutritional reserves. If she lacks access to proper antenatal care, the risks increase further. After birth, poor feeding practices, inadequate breastfeeding support and insufficient access to micronutrients can compound the problem. If the child then grows up in an environment without clean water, sanitation or reliable primary healthcare, repeated infections can further undermine healthy development.

Poverty, weak public services and rapid population growth can therefore combine to create a cycle that is extremely difficult for families to escape. The more difficult question, however, is what Pakistan intends to do after acknowledging the problem. The country has had nutrition

programmes, policy commitments and official initiatives in the past, yet progress has remained far too slow. The persistence of high stunting rates suggests that the problem is not a lack of awareness alone. What is missing is sustained implementation, adequate resources and effective coordination between the different areas of government that influence nutrition.

The response must begin with mothers and young children. Pregnant women need better nutrition and reliable antenatal support. Families must have access to clean drinking water, sanitation and functioning primary healthcare facilities. Breastfeeding support should be available to mothers, while micronutrient supplementation and food fortification programmes need to reach vulnerable communities consistently. Regular monitoring of children's growth is equally important. Identifying malnutrition early allows health workers and social-protection programmes to intervene before nutritional deficiencies cause lasting damage. Such interventions are generally far more effective than waiting until children develop severe health or developmental problems.

Social protection can also play a greater role. Programmes designed to support poor households should be better equipped to identify mothers and children facing the greatest nutritional risks. Cash assistance, food support and health interventions can be linked more effectively so that vulnerable families receive comprehensive assistance rather than isolated benefits from different government programmes. But providing services is only part of the challenge. Governments must also know where those services are failing. District-level nutrition data should be collected, published regularly and used to guide the allocation of resources. National averages can conceal enormous differences between districts and communities. A province may appear to be making progress overall while particular districts continue to experience extremely high levels of child malnutrition.

Better local data would allow policymakers to identify these disparities and direct resources towards areas where they are most urgently needed. This also requires greater accountability. Nutrition programmes should not be judged simply by the amount of money allocated or the number of initiatives launched. Their success should be measured by outcomes: whether stunting is declining, whether maternal nutrition is improving, whether children are receiving adequate micronutrients and whether access to basic health and sanitation services is expanding.

Conferences and policy discussions have an

important role to play. They bring together government officials, doctors, economists, development partners and civil society organisations and can help build consensus around the scale of the challenge. But discussion alone cannot improve a child's nutrition.

The real test begins when the conference ends. There must be clear institutional responsibilities, adequate and sustained funding, measurable targets and regular monitoring of results. Nutrition policy also needs to be integrated into broader development planning rather than treated as a separate programme dependent on occasional political attention.

Pakistan cannot afford to view malnutrition as an unavoidable consequence of poverty. Other countries facing significant resource constraints have demonstrated that sustained improvements are possible when governments prioritise maternal and child health, basic sanitation, food security and early childhood nutrition. For Pakistan, the stakes are particularly high. The country has a large and growing young population, but demographic potential becomes an economic advantage only when children grow into healthy, educated and productive adults. A generation weakened by malnutrition cannot provide the human capital required to drive higher productivity, innovation and sustained economic growth.

The economic cost of inaction is therefore likely to be much greater than the immediate \$17 billion annual loss associated with malnutrition. Every child whose physical and cognitive potential is permanently reduced represents a loss of future productivity that cannot easily be recovered.

Pakistan has discussed malnutrition for years. It has acknowledged its consequences and introduced programmes to address them. What is now required is something more difficult: persistence. Reducing malnutrition will not produce dramatic results overnight. It requires sustained investment in mothers, children, healthcare, sanitation, food security and social protection. But without that commitment, Pakistan will continue paying an enormous economic and human price.

Malnutrition is no longer simply a health problem waiting for a health-sector solution. It is a national development challenge that affects education, productivity, poverty and the country's future. The measure of Pakistan's commitment should not be the number of conferences held or promises made, but whether fewer children are left behind because they did not receive the nutrition they needed at the beginning of their lives.

Rising global costs, vulnerable local plates

Muhammad Zain

The State Bank of Pakistan's warning that domestic food prices could rise more than expected in the coming months deserves urgent attention. In its latest biannual Monetary Policy Report, the central bank has highlighted an important shift in the nature of food inflation: rising prices are no longer being driven solely by domestic factors but are increasingly being shaped by developments in global energy and commodity markets.

This distinction is important because Pakistan has limited control over the external shocks currently feeding into domestic food prices. The conflict in the region and disruptions to gas supplies from the Gulf are pushing up energy and fertiliser costs, while higher freight charges are adding further pressure. These increases ultimately reach consumers through the agricultural supply chain.

The transmission mechanism is relatively straightforward. Higher global energy prices raise the cost of fertiliser production and transportation. More expensive fertiliser increases farmers' input costs, while higher fuel and freight charges raise the cost of moving crops from farms to markets. The cumulative effect is eventually reflected in retail food prices.

For households already struggling with limited purchasing power, even a relatively small increase in food prices can have serious consequences. The problem is particularly concerning because Pakistan faces both sides of the external shock simultaneously. Higher energy and fertiliser prices are increasing the cost of domestic agricultural production, while weakening agricultural exports are contributing to a deterioration in the food trade balance. This combination puts additional pressure on the country's foreign exchange position at precisely the time when a more expensive food import bill may require greater foreign exchange outflows.

The immediate shock, however, is exposing weaknesses that have existed in Pakistan's agriculture sector for decades. The country's irrigation system remains inefficient and insufficiently modernised. Large quantities of water are lost, storage capacity remains inadequate, and agricultural production continues to be concentrated heavily around water-intensive crops. These structural shortcomings have become increasingly costly as climate change makes rainfall and water availability more

unpredictable.

Agricultural productivity has also failed to keep pace with the country's growing population and changing climate conditions. Greater productivity is essential not only for improving farmers' incomes but also for ensuring a stable supply of affordable food for consumers.

Small farmers are particularly vulnerable to these pressures. Unlike larger agricultural enterprises, many smallholders have limited financial reserves and little ability to absorb sudden increases in fertiliser, fuel and transportation costs. A poor harvest combined with rising input prices can therefore quickly turn into a debt crisis for a farming household.

This vulnerability creates a broader economic problem. When farmers cannot absorb higher costs, they either reduce the use of essential inputs, cut production or pass higher costs on to consumers. None of these outcomes is desirable in a country already struggling with food insecurity.

Climate variability adds another layer of uncertainty. The possibility of an El Niño event next year, as flagged by the SBP, could further complicate the food inflation outlook. Weather-related disruptions can affect crop yields, water availability and agricultural prices, potentially creating another round of supply pressures before the effects of the current energy shock have fully disappeared. Pakistan therefore cannot afford to treat food inflation simply as another temporary component of the consumer price index.

Food prices have a much deeper social and economic significance. When food becomes more expensive, low-income households are forced to devote a larger share of their income to basic necessities. Families may reduce spending on healthcare, education and other essential needs. Children can suffer from inadequate nutrition, affecting their physical and cognitive development and ultimately reducing the quality of the country's human capital. The reported figure that 46 per cent of the population faces hunger-like conditions makes the situation even more alarming. In such circumstances, persistent food inflation can quickly become a serious social and development challenge rather than merely a monetary-policy concern.

Pakistan cannot prevent wars in neighbouring regions or determine international energy prices. Nor can it control global fertiliser or freight markets. But it can reduce the extent

to which external shocks are transmitted into domestic food prices.

That requires addressing the structural weaknesses of agriculture. Improving irrigation efficiency should be a priority. Water losses must be reduced, storage capacity expanded and modern irrigation technologies promoted. Crop patterns also need to be reassessed in light of water availability and changing climatic conditions. Continuing to encourage production patterns that place excessive pressure on scarce water resources is increasingly difficult to justify.

At the same time, agricultural productivity needs greater attention. Farmers require better access to quality seeds, technology, extension services, financing and reliable market information. Investment in agricultural research should focus on crops and farming practices capable of withstanding increasingly volatile weather conditions.

The government must also improve the resilience of agricultural supply chains. Better storage, transportation and market infrastructure can reduce post-harvest losses and limit the extent to which higher fuel and freight costs are passed on to consumers. Strengthening domestic food production would also reduce dependence on expensive imports when global prices rise.

None of these measures can eliminate food inflation. They can, however, reduce Pakistan's vulnerability to external shocks. The present situation should therefore be viewed as a warning rather than merely another inflationary episode. Global energy markets may stabilise, regional conflicts may eventually ease and fertiliser prices may decline. But without structural reforms, the next external shock will once again expose the same weaknesses.

The SBP has identified the risk. The responsibility now rests with policymakers to act before higher energy and fertiliser costs, climate uncertainty and weak agricultural productivity combine into a broader food crisis. Food security cannot be achieved through short-term price controls or emergency imports alone. It requires a more productive, water-efficient and climate-resilient agricultural sector capable of protecting both farmers and consumers.

Pakistan may not be able to control the shocks coming from abroad. It can, however, determine how vulnerable its people remain when those shocks arrive. That is where policy action is most urgently needed.

Economic optimism vs hard evidence

Shahid Hussain

The State Bank of Pakistan's latest Monetary Policy Report offers a cautiously optimistic assessment of economic activity, projecting a further improvement in growth during the current fiscal year. At the same time, however, the report identifies several external risks, including the continuing uncertainty created by the Middle East conflict, climate-related disruptions and changes in global tariff policies.

Pakistan's leadership is already attempting to address some of these external challenges. The country's leadership is engaged in efforts to facilitate dialogue between Iran and the United States, while the government is taking measures to mitigate the economic impact of climate change. It is also negotiating with US authorities to reduce tariffs affecting Pakistani exports. These efforts are important, but the SBP report points to another risk that lies much closer to home: delays in implementing structural reforms.

The central bank has warned that failure to advance the reform agenda being monitored under the International Monetary Fund programme could weaken exports, slow productivity growth and reduce the economy's ability to sustain higher growth without generating renewed inflation and current-account pressures. This warning deserves considerably more attention than it has received.

Pakistan's economic managers have repeatedly claimed that economic activity is recovering. The SBP has also relied on its surveys to support this assessment. Yet there are reasons to question whether the optimism reflected in these surveys accurately captures the condition of the broader economy. The first concern is the nature of the surveys themselves. Businesses participating in official surveys may have incentives to present a more positive assessment of their prospects than they privately feel. This does not necessarily invalidate the findings, but it does mean that survey-based optimism should be treated cautiously, particularly when independent assessments appear to paint a less encouraging picture.

A second concern is the relationship between sales, production and employment. Rising sales do not necessarily mean that domestic production is increasing. If inventories are being run down, particularly in sectors such as automobiles, companies can increase sales without producing more. At the same time, rising unemployment would suggest that the recovery is not translating into sufficient expansion of productive activity. This distinction is critical. An economy can appear more active because consumption and imports are increasing without experiencing a corresponding improvement in productive capacity.

There is also a broader contradiction in the current policy framework. Economic theory generally suggests that contractionary fiscal

households. Indirect taxes account for almost 80 per cent of Federal Board of Revenue collections when withholding taxes imposed on goods are included. A substantial portion of these withholding taxes is ultimately passed on to consumers through prices.

This means that even measures presented as improvements in tax collection can have consequences for inflation and household purchasing power. The manner in which tax enforcement is being pursued also deserves scrutiny. The audit achievements frequently highlighted by the FBR chairman are often concentrated at the factory-gate level. In sectors such as sugar, for instance, additional taxation can ultimately be reflected in higher consumer prices. Revenue collection is essential, but the quality and incidence of taxation matter just as much as the amount collected.

Monetary policy presents another dilemma. The SBP policy rate currently stands at 11.5 per cent, considerably below the record 22 per cent reached during the previous tightening cycle. Yet it remains significantly higher than rates prevailing in several competing regional economies. This has naturally prompted renewed calls for further monetary easing. The challenge for the central bank is to balance the need to support economic activity against the risk of reigniting inflation and external imbalances. Lower interest rates may stimulate investment and credit, but if demand expands faster than domestic productive capacity, the result could be higher imports, renewed pressure on the current account and eventually another round of macroeconomic instability.

The government's recently approved export subsidy and incentive package adds another layer of uncertainty. Reports of possible misuse of the scheme, including the Rs88 billion export refinance and related incentives, have already surfaced. It is also unclear whether the programme received the necessary approval from the IMF. If it did not, the issue could become a point of contention during the forthcoming fourth-quarter staff-level agreement review. The broader question is whether Pakistan's export policy is delivering sufficient



and monetary policies can restrain growth. Yet the IMF has insisted on higher taxation and relatively tight monetary conditions as part of its stabilisation programme. The rationale is not simply to suppress demand but to address deeper structural weaknesses, particularly the entrenched influence of powerful economic groups over taxation and access to credit.

The problem is that the tax structure has so far shown little evidence of fundamental transformation. Pakistan continues to rely heavily on indirect taxation, whose burden falls disproportionately on lower-income

economic returns to justify the resources being committed.

Exports are conventionally treated as the principal engine of growth, and there are good reasons for that approach. Pakistan needs foreign exchange earnings and greater integration with international markets. But not every export generates the same economic benefit. Some export industries depend heavily on imported raw materials, energy and semi-finished goods, meaning that increased exports can also contribute significantly to import demand and reduce the net foreign-exchange gain.

At the same time, remittances have become an increasingly important source of external financing and have, in some periods, exceeded export earnings. This should prompt a more rigorous assessment of the country's overall foreign-exchange strategy.

Rather than continuing to provide broad incentives to exporters simply because exports are assumed to be beneficial, the government should conduct a detailed cost-benefit analysis of individual export sectors. Policymakers need to know which industries generate the great-

est net foreign exchange, create productive employment, increase domestic value addition, improve technology and contribute meaningfully to tax revenues. Such an assessment could help redirect scarce public resources towards sectors with the strongest long-term economic contribution.

The central issue, therefore, is not whether Pakistan should welcome signs of improving economic activity. It certainly should. The issue is whether policymakers are accurately diagnosing the sources and sustainability of that improvement.

Excessive optimism can be almost as damaging as excessive pessimism when it leads governments to delay corrective action. If the economy is genuinely recovering, policymakers should identify the factors driving the recovery and strengthen them. If growth is being supported primarily by imports, temporary inventory adjustments or consumption, they need to recognise those limitations before external pressures re-emerge.

Pakistan has repeatedly experienced cycles in which initial signs of stabilisation

generate confidence, followed by renewed demand, rising imports, worsening external balances and another crisis. Breaking that pattern requires a much more honest assessment of economic performance. The SBP's warning about delayed structural reforms should therefore be taken seriously. Economic stability cannot rest indefinitely on an IMF programme, temporary external financing or optimistic surveys. It must be supported by fundamental improvements in taxation, productivity, exports, investment, credit allocation and public-sector efficiency.

What Pakistan needs now is neither undue pessimism nor manufactured optimism. It needs an accurate reading of the economy. A realistic assessment may reveal uncomfortable weaknesses, but it also allows policymakers to act before those weaknesses become crises. Economic managers would be far better served by acknowledging the challenges early and making timely policy adjustments than by celebrating an anticipated recovery that may prove weaker, narrower or less sustainable than the headline numbers suggest.

Fiscal federalism and local devolution in Pakistan

Raza Khan

The World Bank has urged Pakistan to revisit its existing framework of fiscal federalism, arguing that the current arrangement has become a major source of the country's persistent fiscal challenges.

In its report, *Strengthening Fiscal Federalism in Pakistan*, the World Bank stated that fiscal rebalancing across the three tiers of government—federal, provincial, and local—should ideally be undertaken as part of the deliberations on the 11th National Finance Commission (NFC) Award, which are currently underway. The report places considerable responsibility on the federal government for failing to fully implement the devolution agenda while simultaneously allowing fiscal deficits to widen. It recommends a comprehensive review of the roles, responsibilities, needs, and revenue potential of the federal, provincial, and local governments. The World Bank further advocates assigning greater weight to fiscal need indicators, incentivizing revenue generation, and linking the distribution of public resources to measurable service delivery performance across all levels of government.

The report is particularly significant because it challenges the existing fiscal ar-

rangement under which relatively passive and underperforming tiers of government, as well as some provinces and districts, continue to receive substantial financial resources regardless of their administrative efficiency or service delivery outcomes. In this context, the recommendation to connect resource allocation with performance appears both timely and logical. The real challenge, however, lies in designing an objective and transparent mechanism for assessing performance. While such an evaluation is technically feasible, implementing it in Pakistan's deeply polarized political environment would be an extremely difficult task.

The World Bank has also advised Pakistan to gradually move away from discretionary grants and the existing resource distribution formula, which relies heavily on population, geography, and other traditional indicators. There is considerable merit in the argument that the current formula, particularly its overwhelming emphasis on population, has become increasingly regressive rather than progressive. Although population should remain one of the criteria, making it the dominant factor may inadvertently discourage provinces from adopting effective population control policies. In a country where rapid population growth continues to place enormous pressure on

economic resources, infrastructure, and public services, a more balanced formula incorporating performance and development indicators deserves serious consideration.

The report identifies the expansion of provincial transfers following the 7th NFC Award, without a corresponding reduction in federal expenditures or significant improvements in revenue collection, as one of the principal reasons behind the widening federal fiscal deficit. According to the World Bank, provincial revenues increased from less than 4 percent of GDP to an average of 6.5 percent during 2010–2024, yet federal expenditures failed to decline accordingly. This represents a realistic and evidence-based assessment of Pakistan's fiscal architecture.

It is important to recall that the 7th National Finance Commission (NFC) Award, signed in December 2009 and implemented on July 1, 2010, represented a landmark development in Pakistan's fiscal history. It increased the provinces' share in the federal divisible pool from 46.5 percent to 56 percent during its first year and to 57.5 percent in subsequent years. It also introduced a multiple-criteria formula for revenue distribution that remains in force today, although population continues to carry the greatest weight within that formula.

The 7th NFC Award was implemented shortly after the passage of the historic 18th Constitutional Amendment. The amendment fundamentally transformed Pakistan's federal structure by devolving extensive administrative, legislative, and financial powers from the federal government to the provinces. It abolished the Concurrent Legislative List, transferring full legislative and administrative authority over sectors such as education, health, labour, and local government to the provinces. It also granted the provinces greater authority over their financial resources, including the power to levy sales tax on services, while constitutionally safeguarding their share under future NFC Awards.

Consequently, both the 18th Constitutional Amendment and the 7th NFC Award have increasingly become central to discussions surrounding Pakistan's fiscal challenges. Although the World Bank has not recommended reversing or repealing the 18th Amendment, it has clearly argued that the next NFC Award should rely more heavily on performance-based criteria instead of the current distribution mechanism, which it considers insufficiently responsive to governance outcomes.

It is worth noting that the 18th Constitutional Amendment was passed in April 2010 with near-unanimous support from all major political parties. It was widely welcomed by Pakistan's ethno-linguistic groups and is regarded as one of the most significant constitutional achievements in the country's history. Much of the political credit for securing consensus on the amendment is attributed to the then President and current Pakistan People's Party (PPP) Co-Chairman, Asif Ali Zardari.

Despite its historic importance, the amendment has also exposed several structural weaknesses. While it transferred sweeping powers to the provinces, it failed to establish effective constitutional safeguards to ensure that those powers would, in turn, be devolved to local governments, including districts and union councils. Although the Supreme Court has repeatedly emphasized the constitutional necessity of holding regular local government elections, the transfer of administrative and financial authority to local bodies continues to depend largely on the discretion of provincial governments.

As a result, local government institutions in many parts of Pakistan either remain absent or operate without meaningful authority and financial autonomy. This undermines the delivery of essential public services and weakens grassroots governance. Since local governments

are constitutionally recognized institutions, their ineffective functioning prevents citizens from participating directly in decision-making and reduces the efficiency of public administration.

Moreover, local governments have traditionally served as nurseries of democratic leadership by cultivating future political representatives and strengthening democratic culture at the grassroots level. Without empowered local bodies, democratic institutions struggle to mature, and governance becomes increasingly centralized. Pakistan's recurring governance crises can, to a significant extent, be attributed to the prolonged absence or weakness of effective local government structures across the provinces. Consequently, even routine municipal services are often managed by provincial ministers or departments that were never designed to perform such functions. The inevitable outcome has been administrative



inefficiency, duplication of responsibilities, financial strain, and governance chaos.

The essence of the 18th Constitutional Amendment was to devolve political authority, financial resources, and administrative powers from the federation to the provinces. However, the true spirit of devolution cannot be realized unless those powers are further transferred to the grassroots level, where citizens interact directly with the state and where decisions regarding local development and public services have the greatest impact.

There is little doubt that the 18th Constitutional Amendment represented a historic milestone in strengthening Pakistan's federal system by granting provinces the constitutional authority and financial autonomy they had long demanded. While many ethno-linguistic groups

regard the amendment as their greatest constitutional achievement, its broader significance lies in reinforcing the unity of the Pakistani federation itself. Historically, grievances over political, constitutional, economic, and cultural rights have repeatedly fueled tensions between the federation and the provinces. These unresolved issues contributed to the secession of East Pakistan under the leadership of Bangladesh's founder, Sheikh Mujibur Rahman, while similar concerns continue to influence separatist sentiments in Balochistan.

The amendment therefore addressed many longstanding constitutional grievances. Nevertheless, constitutional reform alone cannot guarantee effective governance if implementation remains incomplete. The real shortcomings may lie not in the 18th Amendment itself but in Pakistan's broader parliamentary and governance framework, which introduced far-reaching reforms without adequately pre-

paring the institutional mechanisms required for their effective implementation. The resulting administrative weaknesses have become increasingly evident through the declining performance of numerous state institutions, a concern frequently highlighted by the Supreme Court during hearings involving public bodies.

Pakistan's fiscal and governance challenges, therefore, require more than constitutional debate. They demand meaningful institutional reforms, stronger fiscal discipline, greater accountability at every tier of government, and above all, the genuine empowerment of local governments. Only through a balanced and performance-oriented system of fiscal federalism can the country ensure efficient public service delivery, sustainable financial management, and stronger democratic governance.

Entrance test dilemma: Gatekeeper or wrong turn?

Rasheed Ali

For thousands of Pakistani students, the race for admission to a professional or prestigious university has entered its most decisive phase. Across the country, institutions are conducting entrance tests for the 2026-27 academic session, turning examination halls into gateways to careers in medicine, engineering, law, computing and other sought-after fields.

The University of Health Sciences (UHS), University of Engineering and Technology (UET), Punjab University and other major institutions are among those relying on entrance examinations to select candidates from increasingly large pools of applicants. But as another admission cycle gets underway, an old question has acquired new urgency: are Pakistan's entrance tests actually identifying the most capable students, or are they rewarding those who are best trained to crack a particular examination?

Education experts remain sharply divided. Supporters of the system argue that standardised entrance tests have become indispensable because Pakistan lacks uniformity in the quality and marking standards of intermediate and other qualifying examinations. With thousands of students competing for a limited number of seats, they say universities need an objective mechanism to distinguish candidates.

Critics, however, contend that many entrance examinations remain too heavily dependent on multiple-choice questions, speed and memorisation, raising doubts about whether they adequately measure conceptual understanding, analytical ability and genuine intellectual potential. The debate is particularly significant in professional education, where admission to a medical or engineering programme can determine a student's career trajectory. The Medical and Dental College Admission Test (MDCAT), for instance, remains one of the country's most consequential examinations. Under the current admission framework, MDCAT carries substantial weight alongside matriculation and intermediate results, making performance in a single test critically important for aspiring medical students.

The same pressure is visible among engineering aspirants appearing in the Engineering College Admission Test (ECAT), while universities such as Punjab University and other leading institutions conduct their own admission assessments for various programmes. For critics, the central problem is the disconnect between what students learn in classrooms and what

they are required to demonstrate in entrance examinations. Pakistan's education system has long struggled with rote learning. Students are frequently rewarded for memorising textbooks and reproducing prepared answers rather than questioning assumptions, applying concepts or solving unfamiliar problems.

An entrance examination can reinforce this culture if students discover that success depends primarily on memorising large amounts of material and mastering predictable question patterns. The result is a growing coaching culture. As entrance tests become more important, specialised academies, private tutors and test-preparation material have become an integral part of the admission race.

This creates another question of fairness: does a test measure academic ability if some students can spend months and considerable sums preparing specifically for it while others cannot? The issue becomes even more complicated because Pakistani students enter university from different educational streams.

FSc students follow the provincial or national intermediate curriculum, while O-Level and A-Level candidates are educated under a substantially different system. Students from different provincial boards can also encounter variations in curricula, teaching quality, examination practices and grading standards. A common entrance test is intended to put all candidates on the same footing. Yet critics argue that an examination closely aligned with one curriculum can create an advantage for students trained in that particular system. Supporters counter that precisely because board examinations differ, a common test is necessary. If one provincial board awards exceptionally high marks while another maintains stricter assessment standards, simply comparing intermediate percentages may produce an equally unfair outcome. A standardised examination, they argue, provides a common benchmark. This is perhaps the strongest argument in favour of entrance tests. Pakistan has a huge youth population and a limited number of places in its most competitive professional programmes. Without a common screening mechanism, universities would face enormous difficulty selecting candidates transparently. The question, therefore, may not be whether entrance tests should exist, but what kind of entrance test Pakistan needs.

An effective test should assess what a student understands rather than how much information he or she can memorise. It should reward reasoning, interpretation, application and problem-solving instead of simply speed and

pattern recognition.

Some institutions have already moved in this direction. The Pakistan Medical and Dental Council has sought greater emphasis on analytical and reasoning abilities in the MDCAT framework, reflecting recognition that future doctors need more than the ability to recall facts. But reforming the content of an examination is only one part of the challenge. The credibility of the examination itself is equally important.

Questions surrounding alleged paper leaks, irregularities, unusually high scores or differences in testing arrangements can undermine confidence even when the examination is academically well designed. Students and parents must believe that the process is transparent, secure and equally administered.

There is also the problem of what happens after admission. Universities rarely conduct systematic studies asking whether students who perform exceptionally well in entrance tests actually become better university students than those who score moderately. Such research could provide an important answer to the debate.

If entrance-test performance strongly predicts university success, the case for retaining the tests becomes considerably stronger. If the correlation is weak, universities would have reason to reconsider how much weight they place on a single examination.

Education experts therefore increasingly argue for a broader admission model. Instead of allowing one test to dominate the process, universities could combine standardised testing with properly moderated board results and assessments designed to measure analytical and subject-specific skills. Depending on the discipline, structured interviews, writing samples, aptitude assessments or other evidence of academic potential could also be considered.

Such a system would not necessarily eliminate entrance examinations. Rather, it would reduce the pressure on a single test to determine a student's future.

The 2026-27 admission cycle offers Pakistan an opportunity to examine the issue seriously. As students sit for entrance tests at UHS, UET, Punjab University and other leading institutions, thousands will once again experience the anxiety of knowing that a few hours of examination can determine whether years of schooling lead to their preferred university and career. For some, the test will represent fairness — an opportunity to compete on a common platform regardless of where they studied. For others, it will represent another hurdle in an education system already marked by unequal oppor-

tunities, different curricula and an entrenched culture of examination-oriented learning. Both sides have a point. Pakistan needs a reliable mechanism to select students for limited university seats. But reliability should not be confused with merely ranking students according to their

ability to memorise and perform under time pressure. The ultimate objective of an entrance examination should be to identify students with the knowledge, reasoning ability and potential to succeed in higher education — not simply those who have mastered the art of taking tests.

As the country moves through the 2026-27 admission season, the question is therefore not whether entrance tests should be retained or abolished. It is whether Pakistan can redesign them so that the best students get through the gate — rather than simply the best test-takers.

When the police station becomes a place of fear

Dr. Fatima Khan

The alleged rape of a mentally challenged young woman at a police station in Lahore's Ghaziabad area is deeply disturbing because it strikes at the very foundation of public trust in law enforcement. A police station is supposed to be a place where vulnerable citizens seek protection, not where they fear abuse. While the criminal investigation must proceed impartially and the accused remains entitled to due process, the allegations, if established, would point to a grave failure of policing, supervision and institutional accountability.

The Punjab police's decision to suspend the entire staff of the station reflects the seriousness of the allegations. Lahore DIG's observation that no officer questioned why the woman had been brought to the station without female personnel, or why established procedures had apparently not been followed, raises equally troubling questions about the culture within the police force. Such failures suggest that vigilance and professional responsibility may have given way to routine negligence.

Collective disciplinary action, however, cannot replace individual accountability. If the allegations are proved, those responsible must face the full force of the law. At the same time, the circumstances surrounding the incident should be examined carefully to determine whether other officials failed in their supervisory or professional duties. Serious abuses rarely occur in complete institutional isolation; they are often facilitated by weak oversight, procedural violations and a culture in which colleagues hesitate to question misconduct.

The alleged victim's vulnerability makes the matter even more distressing. The state's responsibility to protect citizens is greatest when dealing with people who are least capable of protecting themselves. A woman with mental disabilities brought into police custody or otherwise placed within a police station requires particular care and safeguards. If her vulnerability was instead exploited by an official entrusted with enforcing the law, the incident would amount to a profound abuse of state authority.

The initial response by the authorities is therefore important. The registration of a first

information report, arrest of the accused officer, intervention by the prosecutor general and judicial oversight of the investigation are necessary steps. They demonstrate that the allegations are being treated with the seriousness they deserve.

But these initial measures will ultimately mean little unless they are followed by a fair and credible investigation and a professional prosecution. Public outrage tends to be intense when disturbing cases first emerge, but it can fade quickly. Pakistan has witnessed numerous instances in which investigations attracted considerable attention at the outset only for proceedings to lose momentum later. This case must not become another example of justice being weakened once public scrutiny diminishes.

The incident also exposes broader weaknesses in the country's policing system. Police stations should operate under strict standards governing the treatment and protection of women and other vulnerable individuals. The presence of female police personnel where required, proper visitor and custody records, functioning surveillance systems and effective supervisory mechanisms are not bureaucratic formalities. They are safeguards intended to prevent precisely the kind of abuse alleged in this case.

The question is therefore not simply whether one police officer committed a crime. It is also whether the systems designed to prevent such conduct were functioning. If established procedures were ignored, why did no senior or subordinate officer intervene? If the absence of female personnel was apparent, why was the woman brought into the station under such circumstances? And if surveillance and record-keeping systems were in place, can they establish what happened?

These questions require clear answers. Police reform in Pakistan is often discussed in terms of recruitment, equipment, training and operational capacity. Those issues are important, but institutional accountability deserves equal attention. A police force cannot command public confidence merely by possessing greater powers or resources. Citizens must also believe that officers who misuse those powers will be identified and held accountable.

This is particularly important for women and other vulnerable groups. People who ap-

proach the police often do so because they have nowhere else to turn. If police stations acquire a reputation as places where victims may face humiliation, intimidation or abuse, the consequences extend far beyond individual cases. Victims may become reluctant to report crimes, witnesses may lose confidence in investigations and the credibility of the entire justice system may suffer.

The state therefore has a dual responsibility in this case: to ensure justice for the alleged victim and to determine whether institutional failures contributed to the incident. One cannot be achieved at the expense of the other. The authorities should also resist the temptation to treat the suspension of the entire station staff as the end of the matter. Administrative action can signal seriousness, but sustainable accountability requires a careful examination of individual responsibilities. Officers who were directly involved must face criminal proceedings where warranted, while those who failed in supervisory duties should also be dealt with according to law and established rules.

Ultimately, restoring confidence will require more than securing a conviction, should the evidence establish guilt. It will require strengthening the safeguards that are supposed to prevent abuse in the first place. Police stations must have effective monitoring, strict compliance with procedures, accountable supervision and mechanisms through which officers can be challenged when they fail to perform their duties.

The alleged incident in Ghaziabad should therefore become an opportunity for institutional introspection as well as justice. The credibility of law enforcement depends on the simple principle that those entrusted with enforcing the law are themselves subject to it. For the alleged victim, justice must be impartial, timely and uncompromising. For the police, the lesson must be equally clear: authority without accountability creates the conditions for abuse. Police stations must remain places where citizens seek safety and justice, not places they fear. Only by ensuring both individual accountability and institutional reform can the Punjab Police begin to rebuild the trust that such allegations inevitably put at risk.

What the Taliban achieved and failed to achieve in five years

Obaidullah Baheer

Five years ago, the Taliban entered Kabul triumphant, almost 20 years after the collapse of its first government, triggered by the invasion of Afghanistan led by the United States. As US and other troops scrambled to leave, chaos and a bombing attack took the lives of nearly 200 Afghans. Today, Kabul is no longer a chaotic city dotted with reinforced walls to protect from bombings or roamed by armed personal convoys blocking the traffic. It is a cleaner, calmer city that is learning to live again. On this anniversary, it is worth looking back at what the Taliban has accomplished, where it has failed, and what the coming years may hold.

One of the Taliban's major failures during its first reign between 1996 and 2001 was its inability to capture all of Afghanistan. The provinces that resisted its rule eventually became the bases from which the US and its allies fought it. The Taliban appears determined not to repeat that mistake. It now controls all of Afghanistan and is able to maintain relative security and safety. This is quite remarkable considering the threat posed by the Islamic State – Khorasan Province (ISKP) during the final years of the pro-US government.

The Taliban has significantly weakened the group and, for now, faces no major insurgent challenges. Afghans can travel to parts of the country that were once effectively inaccessible without fearing for their lives. For a country where even movement within the capital was dangerous, this is a significant achievement. The economic picture is more complicated. For two decades before the return of the Taliban, economic activity in the country was largely sustained by international aid, while corruption and insecurity undermined it. An economy so dependent on foreign assistance was bound to suffer when much of outside support disappeared overnight.

But the Taliban has managed to keep the Afghan economy afloat despite the enormous shock of 2021. Afghanistan appears to have reached a low equilibrium. Improved security has allowed greater economic activity, including natural resource extraction. Refugees returning to the country have brought in capital and, in some cases, business investment. Improved taxation and customs collection have increased domestic revenues, while Afghans abroad continue to send billions of dollars home in remittances. Better relations and greater

trade with neighbouring countries, particularly in Central Asia, have also helped. The Taliban government is working on large infrastructure and development projects, such as the Qosh Tepa Canal, the Turkmenistan–Afghanistan–Pakistan–India (TAPI) gas pipeline and extensions of electricity transmission networks with Uzbekistan. In addition, there are many roadwork and construction projects completed and under way across the country which offer hope to ordinary Afghans. And yet, the Taliban government remains untransparent about public finances and unwilling to consolidate state institutions. That, to a certain extent, curtails its ability to cope with deep structural problems such as accountability and corruption.

The Taliban's greatest failure has been its social policies. The past five years have brought a succession of decrees restricting women and girls, reinforcing Afghanistan's reputation as the world's most extreme example of gender exclusion. It is a shame to society and a loss to



the economy that Afghan girls and women cannot receive formal modern education beyond the sixth grade.

The consequences are becoming increasingly difficult to ignore. Afghanistan is running low on female doctors, teachers and other professionals. The contradiction is obvious: the Taliban leadership argues that schools are not sufficiently safe or appropriate for girls, while the country increasingly needs women to fill in essential jobs for which they cannot receive training.

The quality of education more broadly has also suffered, with too little attention paid to retaining qualified teachers and lecturers. Meanwhile, religious schools have multiplied and appear to have become the government's preferred model of education. Religious education has a legitimate place in Afghan society, but it cannot substitute for a modern education system.

At the centre of these policies is the growing reach of moral policing, the idea that the state should regulate areas of life that citizens once considered private. This has not simply changed how Afghans live; it has deepened the distance between the government and large sections of its own population. The Taliban has also failed to make its government more inclusive of other groups in Afghan society. Even within the movement, Supreme Leader Hibatullah Akhundzada has sidelined prominent figures. Many of those who negotiated and signed the Doha agreement have since been removed from influential positions or pushed aside.

The resulting centralisation of power has slowed governance and allowed the vision of a relatively small group around the supreme leader to dominate. Internationally, the Taliban has also failed to secure the recognition it hoped for. There have been moments of engagement, and neighbouring and European countries have maintained practical relations with Kabul, but

formal recognition remains elusive. As long as the restrictions on women's education and rights remain, Afghanistan is likely to remain isolated from much of the international community.

For now, the Taliban appears to have a firm grip on power. There is no viable military threat, the political opposition remains deeply divided, and the international community has neither the appetite nor the resources for another attempt at regime change in Afghanistan. The greater danger to the Taliban may therefore come from something less immediate: the slow accumulation of public grievance.

A government can survive opposition for a long time. But it can become vulnerable when ordinary people begin to feel so alienated from it that they become indifferent to the forces seeking to undermine it, whether foreign powers or domestic insurgents. The Taliban's current stability should therefore not be mistaken for a permanent political settlement. Five years after its return, the movement has secured control of Afghanistan but is yet to resolve the fundamental question of what kind of state it intends to build.

International isolation and growing public alienation are recipes for a looming disaster. Some within the Taliban can see it. The question is whether those who recognise the need for change will eventually be willing to stand against the concentration of power that has brought the movement to this point. Something will have to give.

Kurram tensions

It has been several days since the residents of Kurram have avoided using the Thall-Parachinar road for any kind of transportation due to security reasons. One reason behind it is the expiration of the temporary peace settlement that was reached last year after a serious conflict. Now, troublemakers on both sides are getting ready to disturb the already fragile situation. Another reason is the misuse of social media apps. Warmongers from both the sectarian communities engage in hateful content online to test each other's patience. Last year's conflict, which took several lives, was triggered by the same conditions. The authorities should look into these matters.

Maryam Batool
Kurram

Illegal godowns

In pre-partition days, the Shishi Bhushan Street (Babu Bazar) used to be an ideal residential locality housing the famed Calcutta Office babus. Today, the residential locality and its environs have become a throbbing commercial den. Ground floors of several houses serve as showrooms for materials, including inflammable foam mattresses. The authorities remain oblivious to intermittent outbreaks of fire in illegal residential godowns in the area. An illegal food factory runs in a house adjacent to the playground between Street Nos 4 and 5. The authorities should seal off all illegal shops and godowns after a door-to-door survey of the area.

Zahida Parveen
Rawalpindi

Pakistan's NFC formula

The federal finance minister recently met and asked his American counterpart to provide Pakistan with \$10 billion under the Exchange Stabilisation Support Facility to help strengthen the national economy. If I recall it correctly, this recipe for kickstarting economic growth has been used twice in the past, but it failed each time; once after the Soviet-Afghan war, and, then in the wake of the infamous 9/11 attacks. In both these periods, subsequent to years 1979 and 2001, economic growth was achieved with dollars borrowed and received as geopolitical rent. As soon as the flow dried up, the economic growth stalled. I am struggling to understand why our rulers and economic managers are preparing to use yet again the failed recipe for economic growth which can only add to the overall debt burden.

The time has come for Pakistan to go through structural economic reforms to lay down the foundation of real economic growth for the future. Such reforms are, of course, painful, but they represent the only solution to our economic ills. Fundamental economic reforms will go a long way towards restoring the confidence of investors and overseas Pakistanis, and dollars might start trickling into Pakistan.

It is interesting to think that there are around 10 million overseas Pakistanis, and if each of them sends \$1,000 for investment, it will add up to \$10 billion, which is just the amount the minister has asked the United States to dole out for stabilisation.

Ejaz Ahmad Magoon
Dubai, UAE

FBR system glitches

It has become an annual routine that whenever the tax return filing season begins, the Federal Board of Revenue (FBR) suddenly decides to introduce changes to its portal, return forms and filing procedures. Instead of making improvements well before the filing season, these experiments are carried out when the taxpayers are ready to submit their returns. As a result, the system becomes unstable, technical issues arise, and the filing process gets delayed and cumbersome. This year is no different. We are already in August, but thousands of taxpayers and tax practitioners are unable to file income tax returns because the filing system remains incomplete or unavailable due to ongoing modifications. Valuable time has already been wasted, creating anxiety among taxpayers, while the filing deadline continues to hover around. The FBR should understand that taxpayers expect a stable, fully functional and tested system at the beginning of the filing season. What they do not want is continuous experimentation. Any changes or upgrades should be completed months in advance so that taxpayers may file their returns without unnecessary obstacles.

The FBR should improve its planning, complete all technical updates before the commencement of the filing season, and extend the filing deadline to compensate taxpayers for the time lost in delays.

Ahsan ul Haque
Karachi

Pakistani media needs quality, not just access

The government recently held talks with Netflix aimed at increasing the global visibility of Pakistani dramas and films. While the ambition to position our creative industry as an export sector is welcome, I believe the conversation is missing an important point: access to a streaming platform alone will not make Pakistani content globally competitive.

A Pakistani filmmaker has rightly pointed out that Pakistani productions often lack the technical standards, such as High Dynamic Range (HDR) workflows, professional colour grading and advanced sound design that global streaming platforms now consider standard requirements. Beyond technical shortcomings, our storytelling has grown overly reliant on formulaic, family-centred dramas, while international audiences increasingly look for political thrillers, crime dramas and historical narratives that have a wider relevance. Blaming 'regional politics' for

our limited presence on platforms like Netflix, as some officials have suggested, sounds like a convenient excuse rather than an honest diagnosis of the industry's actual gaps. It is high time the government prioritised investment in crucial technical training, production infrastructure and support for original screenwriting alongside its diplomatic outreach to streaming companies.

Indeed, a partnership with streaming platforms can open a door, but genuinely competitive content alone will help us keep international audiences engaged.

Yasmeen Yaseen
Bahawalpur

Hiring fraud in Pakistan's job market

Pakistan's corporate sector continues to face a fundamental structural gap, the lack of a secure and integrated system connecting government records with businesses and industries, particularly in the context of employee verification. At present, employers rely heavily on CNIC data and manually-collected documents when hiring candidates.

While the CNIC system, managed by the National Database and Registration Authority (Nadra), definitely provides a reliable foundation for identity verification, it remains isolated from other critical datasets, such as educational qualifications, employment history and background checks.

This disconnect creates inefficiencies and exposes organisations to significant risks, including fake experience, identity misuse, hiring fraud and data inconsistencies. Employers are often left to verify credentials independently, which can be time-consuming, costly and, in some cases, unreliable. Smaller organisations, in particular, are disproportionately affected because of limited access to structured verification tools. There is a pressing need for a secure, consent-based digital system that enables due collaboration between government institutions and the corporate sector. Such a system would allow all employers to verify a candidate's identity, education, professional data and, where appropriate, background records through authorised channels, ensuring proper accuracy while maintaining data privacy. More importantly, such a framework must prioritise individual consent and data protection, ensuring that personal information is accessed only with the unambiguous approval of the individual concerned. By adopting a transparent and regulated approach, Pakistan can strengthen trust between employers and employees while modernising its hiring ecosystem.

Establishing such a system would not only improve business efficiency, but also enhance accountability, reduce fraud and support a more competitive workforce.

Fizza Rafiq Godil
Karachi

How extreme cold and low precipitation make Antarctica the largest desert on Earth

Derek Davis

A desert is not defined by sand, and it is not defined by heat. It is defined by the absence of water. Any region receiving less than roughly 10 inches (250 millimeters) of precipitation a year meets the standard. Antarctica's frozen interior qualifies. So do the dunes of North Africa. That single measurement hides a lot of machinery. Four mechanisms do most of the work. Sinking air suppresses cloud formation, and mountains strip moisture from storms before they cross the crest. Cold ocean water shuts down evaporation. Some interiors simply sit too far from the sea. Warm, moist air rises near the equator. It cools as it climbs, releases its water as tropical rain, then drifts poleward at high altitude. Near 30 degrees north and south, that air has cooled enough to sink back toward the surface. Descending air compresses and warms. Warming air holds more water vapor rather than less, so clouds evaporate instead of thickening. This overturning pattern is called Hadley circulation. It parks a belt of high pressure across both subtropics and keeps rain away for months at a stretch. The result is visible on any globe. The Sahara, the Arabian Desert, the Kalahari, the Thar, and most of arid Australia all sit inside those two bands. The Sahara alone spreads across about 3.6 million square miles (9.2 million square kilometers). Terrain builds deserts, too. Air pushed up the windward flank of a mountain range cools and condenses. It drops that moisture as rain or snow before clearing the crest. Whatever descends the far side arrives warm and wrung out.



Young finches learn songs much like human babies learn language

Eric Ralls

Young Bengalese finches learn an adult's song the same way – in chunks. Researchers have now found that the song itself is built from “words.”

Simon Kirby of the University of Edinburgh, Kazuo Okanoya of Teikyo University, and Inbal Arnon of the Hebrew University of Jerusalem led the work. They borrowed a method first used on human infants and ran it on the songs of six young male finches. In an interview with Earth.com, Arnon – also a Leverhulme Trust visiting professor at Edinburgh – said the chunks behave like words in two ways. Hear one sound in a chunk and you can guess the next, and a few chunks come up constantly while most stay rare. “This is really exciting because both properties arise in human language because they help learning,” she said. Only the males sing, and each young bird learns its song from a single adult tutor. Each male's song is built from about eight distinct syllables, and each bird strings them in its own order. The team counted how often every syllable in a recording followed every other – the same cue infants track in speech. When the next syllable was less than half as easy to guess as the one before, they cut the song at that spot. With each syllable represented by a letter, one adult's song began: cc, bbc, aaaaaa. The bird then sang one longer chunk, bccddeefaaa, over and over for the rest of the song. In earlier experiments, chicks raised with several tutors spliced together sections from different adults' songs. They made the joins where the next syllable was hardest to guess. Across languages, the most common word tends to appear about twice as often as the runner-up and three times as often as the third. In English, that word is “the.” Linguists call the pattern Zipf's law.



Hidden body fat may be speeding up your heart aging, study finds

Kristen Fischer

Too much visceral fat—the kind that collects deep in your midsection and wraps around your organs—may accelerate aging in your heart and blood vessels, a new study shows. Visceral fat is sneaky:



You can carry a lot of it without knowing—and still fall within a “healthy” weight range if you do. But it's more harmful than fat found directly under the skin—known as belly fat or subcutaneous fat, Declan O'Regan, MBBS, PhD, lead researcher and a professor at the MRC Laboratory of Medical Sciences and Imperial College London, told Health. Visceral fat has been linked to diabetes, cardiovascular disease, and other chronic conditions. But the new study in the *European Heart Journal*, is the first to suggest that it may also speed up aging, O'Regan said. The study underscores that “individuals should pay attention to their total body fat but also to its distribution,” said Nour Makarem, PhD, an assistant professor of epidemiology at the Columbia University Mailman School of Public Health, who reviewed the new study. The team evaluated imaging scans from 21,241 participants in the UK Biobank, a comprehensive health database. The scans revealed details about their hearts, blood vessels, and distribution of both visceral and subcutaneous fat.

Your greatest health threat is you

Lisa Marshall

Eat healthier. Exercise more. Take your medication. Quit smoking. Chances are, everyone you know has made a health vow like this.



Chances are even better they failed.

“Setting long-term goals is a uniquely human trait,” said Elliot Berkman, PhD, a professor of psychology at the University of Oregon who studies health behaviors. “Yet, paradoxically, we are really quite bad at achieving them.”

New Year's Resolutions are routinely abandoned. At least 80% of diets fail. Smokers try as many as 30 times before kicking the habit. And in what some call an “ignored epidemic of medication nonadherence,” up to half of chronic disease patients either don't take their prescribed drugs as directed or don't take them at all. “If nonadherence were listed as a cause of death, it would be around the sixth most common cause in the United States, killing about 125,000 people annually (that's more than Alzheimer's),” said Fred Kleinsinger, MD, a family practice doctor in California who has researched the subject. “Millions of people are dying, and billions of health care dollars are being wasted because people don't take their damn medications.”

It's enough to make you wonder: Why do rational people, with good intentions, consistently not do what's right for their own health? Over the decades, psychologists have blamed everything from lack of information to scarce resources to weak willpower. But mounting evidence suggests a deeper challenge: Our brains are working against us. “We evolved to be highly sensitive to learn where we receive rewards and work hard to recreate the situations that brought them about,” said Berkman, who uses brain imaging to study why people fail and succeed at health goals. “Attempting to change behaviors ... often means working against this powerful system.”



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