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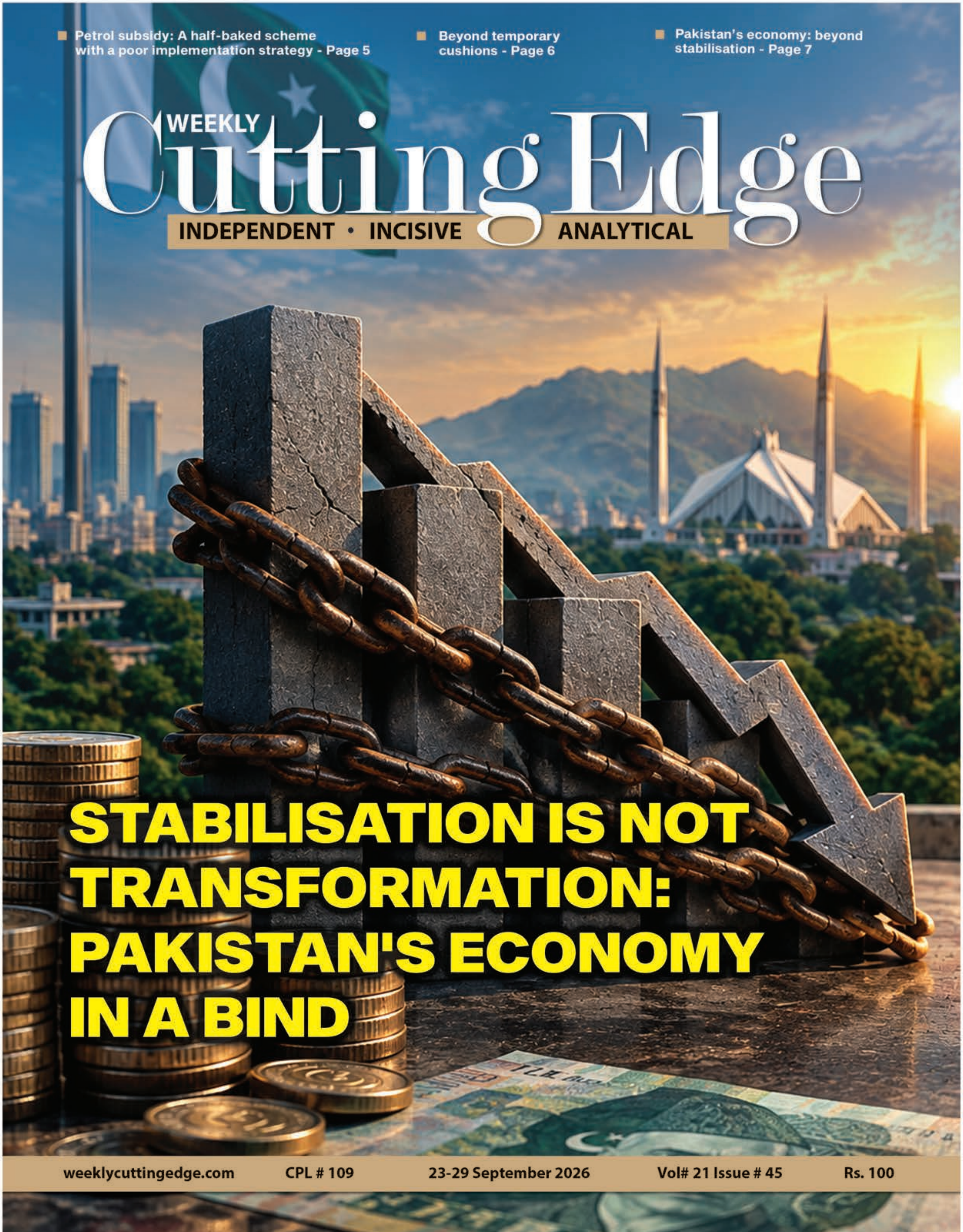

STABILISATION IS NOT TRANSFORMATION: PAKISTAN'S ECONOMY IN A BIND

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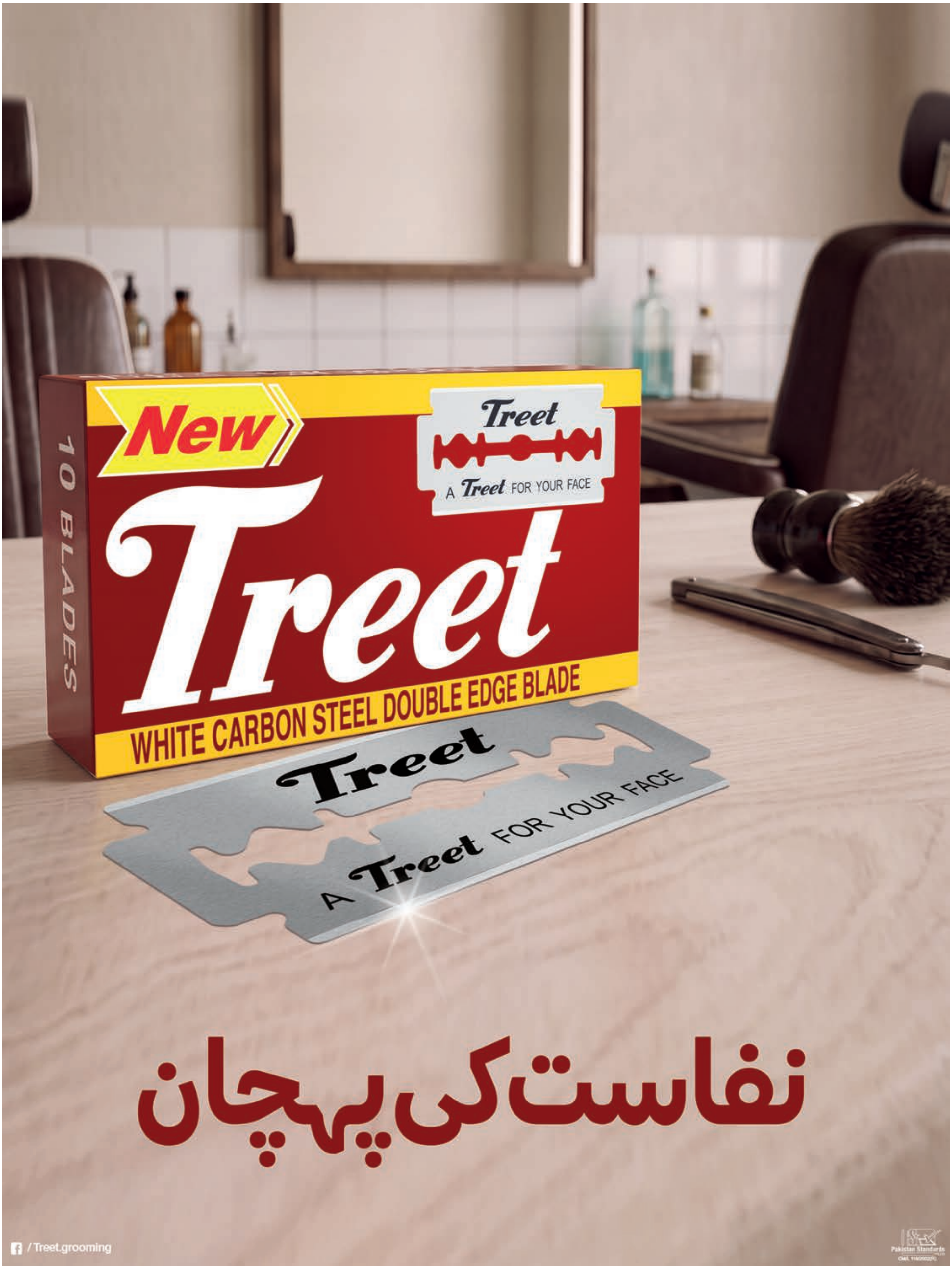
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Stabilisation is not transformation: Pakistan's economy in a bind

Farhan Khan

Recent data show a marked improvement in key macroeconomic indicators, reinforcing the government's claim that stabilisation has been achieved. Yet behind the encouraging headlines, the structural weaknesses that have repeatedly pushed the country to the brink remain largely untouched.

According to the latest reports, the current account deficit narrowed by a striking 34 percent in the first two months of the current fiscal year. Remittances were the main driver, and they rose despite projections to the contrary given the ongoing Middle East conflict. Reports suggest the increase is partly explained by emigrants from other countries leaving the Gulf states because of the war, while Pakistanis continue to work there. A growing shift towards official channels for sending money home has also helped.

The government also raised $3 billion through a dual-tranche Eurobond issuance, which strengthened foreign exchange reserves and the external account. The offering consisted of a $1.75 billion bond with a 5.5-year maturity at a 7.5 percent coupon and a $1.25 billion bond with a 10-year maturity at 7.9 percent. Both rates are lower than what the government pays on domestic borrowing. The bonds are repayable in dollars, while the rupee typically loses 3 to 4 percent of its value a year, so the true cost to the taxpayer will be higher than the coupon suggests.

Foreign direct investment (FDI) for July-August 2026 rose 24 percent year-on-year, with stronger inflows in August. According to the State Bank of Pakistan, the two-month total stood at $495 million. Minor discrepancies between the central bank and Finance Division figures on monthly numbers are a reminder that even data reporting needs tightening. More importantly, the amount remains extremely low compared with regional peers. The upward trend is welcome, but there is little room for complacency. Large-scale manufacturing (LSM) grew 3.03 percent year-on-year and 9.51 percent month-on-month, a positive sign for GDP growth and job creation. Automobiles led with growth of 57 percent, followed by garments at 22 percent.

Each of these gains comes with a caveat. The remittance windfall is unlikely to survive the end of the Gulf conflict. Some political commentators expect the turmoil to last until the end of the Trump term, but nobody can build a budget on the assumption that a war will keep going. A current account that improves because of someone else's misfortune is not a durable achievement.

The manufacturing picture is also contested. The textile sector, the backbone of Pakistan's exports, says more than 100 units have shut down because of a sharp rise in input costs, which it attributes to administrative measures adopted under International Monetary Fund conditions. The claim finds some support in official figures. The Finance Division's monthly update shows private-sector credit flows remaining negative, and the contraction deepened between July-August 2025 and the same period this year. Strong numbers in autos and garments cannot hide the fact that businesses are struggling under high costs and tight credit. Headline growth that does not translate into broad-based investment and employment will feel like stagnation to ordinary citizens.

The global economy is suffering major supply disruptions, driven not only by the Middle East but also by the war between Russia and Ukraine. Neither conflict looks likely to end soon. Pakistan, a net importer of energy, is exposed to every tremor in fuel markets. When fuel is available at all, it comes at a very high price. This calls for strategic planning rather than fire-fighting. Too often policymakers respond to each shock by extending subsidies, drawing on a kitty whose fiscal space narrows with every such decision. That approach is unsustainable. It trades short-term relief for long-term vulnerability and leaves the country just as exposed at the next shock.

Nowhere is the need for reform more urgent than in the energy sector. Households are already coping with an almost daily rise in the cost of fuel. Unless mitigating measures are put in place, the situation will only worsen. The government needs a coherent energy plan that reduces demand for petrol and for the fuel used in power generation. That means shifting the generation mix away from expensive imported fuels, improving efficiency, curbing losses and building resilience against global shortages. A country that cannot insulate itself from fuel-price spikes will remain hostage to events far beyond its control.

The tax system presents an equally stubborn problem. Pakistan's revenue effort has long relied on squeezing those already in the net, whether through higher rates or a wider ambit of existing taxes, while large segments of the economy remain lightly taxed or undocumented. Every rupee of avoidable spending increases pressure to raise taxes, and it is the salaried and compliant taxpayers who bear the brunt.

That is why curtailing government expenditure across the board is not merely an austerity slogan but a precondition for fair and workable tax policy. The state's spending on itself has ballooned, and the privileges enjoyed by government functionaries are particularly hard to defend. Lavish perks such as fleets of official vehicles, fuel entitlements, housing and large retinues of staff belong to another era. It is difficult to ask a struggling public to endure rising fuel prices and taxes while those who administer the economy live in near-royal comfort. Cutting these privileges would free real resources and would also signal that the burden of adjustment is being shared.

Pakistan has a breathing space, but breathing space is not a strategy. Remittance surges, Eurobond proceeds and a rebound in a few manufacturing sectors are not substitutes for an efficient energy sector, a broad and equitable tax base and a leaner state. If the authorities treat the current improvement as proof that the work is done, they risk squandering the opportunity and repeating the boom-and-bust cycle that has defined the country's economic history.

Petrol subsidy: A half-baked scheme with a poor implementation strategy

Nasim Ahmed

The government's newly launched petroleum relief package has sparked an intense national debate, drawing a deeply fractured response from the public, fuel retailers, and political circles across Pakistan. Aimed at cushioning low-income citizens from skyrocketing energy costs, the targeted subsidy has instead exposed massive structural gaps, leaving the country caught between short-term financial relief and long-term economic anxiety.

While the initiative was designed to win over a frustrated electorate struggling under severe inflationary pressures, its problematic implementation has triggered a wave of logistical hurdles and fierce resistance from the business community. From the moment the government announced the relief package, public interest was undeniably massive. The dedicated SMS registration system was immediately flooded with requests from hundreds of thousands of low-income commuters, particularly motorcyclists, rickshaw drivers, and owners of small, under-800cc vehicles. For a population currently enduring historic high prices at the pump, even the promise of a subsidized litre of fuel offered a glimmer of hope.

However, the initial rush of enthusiasm quickly gave way to widespread public frustration. Across major urban centers and rural districts alike, citizens reported severe difficulties navigating what many described as a complex and poorly explained registration format. Applicants tried sending their details multiple times, but the system kept returning errors or confusing instructions. Even for those who successfully registered, the sentiment remains distinctly mixed. While low-income commuters welcome any form of financial cushion, there is a growing consensus that the relief is a mere drop in the ocean. Critics point out that the subsidy limits—which strictly cap the number of discounted litres an individual can buy per month—are too small to offset the crushing weight of broad, everyday inflation. For delivery riders and daily commuters, the subsidized quota is often exhausted within the first week of the month, forcing them right back into paying full market rates.

While the public struggles with the digital rollout, the package faces an even more formidable roadblock at the retail level. The All Pakistan Petrol Pumps Owners Association has flatly rejected the current model, expressing complete ignorance and growing frustration regarding the scheme's execution mechanism. In a series of tense press briefings, association leaders have revealed that the government completely bypassed the primary stakeholders during the planning phase. According to senior representatives, dealers were never consulted on how the discounted fuel would be tracked, managed, or—most importantly—how the price gap would be reimbursed to pump owners.

This lack of consultation has created a massive logistical deadlock. Petrol pump operators warn that forcing them to absorb discounted rates at the point of sale without an immediate, transparent reimbursement system places an impossible financial burden on their businesses. Many dealers are already grappling with tight profit margins and outstanding pending dues from oil marketing companies (OMCs). "We cannot and will not be bound by a scheme that threatens our financial survival," a representative from the association stated. "The government cannot announce a subsidy on a whim and expect private business owners to bankroll it out of pocket. Until there is a clear, legally binding mechanism showing exactly how and when we will be paid back, we cannot participate."

As a result of this pushback, many fuel stations across the country have refused to implement the discounted rates, leaving registered citizens stranded at the pumps with valid subsidy codes but no way to claim them. On the political front, the relief package has become a lightning rod for criticism, with opposition parties wasting no time in framing the government's move as a reactive concession and pure optics rather than a well-planned policy.

Religious and political groups, including Jamaat-i-Islami, have actively claimed credit for the package. They argue that the sudden introduction of the subsidy was a direct result of their ongoing nationwide protests, shutter-down strikes, and sit-ins against soaring fuel levies. According to opposition figures, the government was forced into a corner by public anger and scrambled to put together a temporary fix to pacify the masses.

At the same time, independent economists and financial critics are viewing the package with profound skepticism. While targeted subsidies are theoretically meant to protect the vulnerable, experts warn that this specific model risks expanding the national debt at a time when Pakistan's fiscal deficit is under intense international scrutiny. Economists argue that shifting the financial burden onto an already strained national exchequer is unsustainable. They maintain that temporary relief packages are nothing more than short-term bandages on a systemic wound. True relief, they insist, will remain impossible unless the state undertakes deeper structural reforms, such as permanently reducing the broad petroleum levies and heavy taxes that make up a massive portion of the retail fuel price.

As the petroleum relief package enters its critical next phase, the government finds itself at a difficult crossroads. The sheer volume of SMS registrations proves that the public is desperate for financial relief, yet the hurdles on the ground suggest the policy was rushed into production without securing the necessary infrastructure or industry buy-in.

For the package to survive and achieve its intended goals, the government will need to urgently simplify the registration process for ordinary citizens and sit down with the All Pakistan Petrol Pumps Owners Association to negotiate a viable financial roadmap. Without these corrections, the initiative risks collapsing under the weight of its own administrative confusion, leaving low-income Pakistanis caught in the middle of a battle between state policy and market reality.

Beyond temporary cushions

Muhammad Ali

Pakistan's remittance inflows have started the new fiscal year on a strong note, offering some relief to an economy that remains heavily dependent on foreign exchange earnings to maintain external stability. Workers' remittances increased by 15 per cent during July-August 2026, reaching $7.3 billion compared with $6.4 billion during the corresponding period of the previous year. The increase has strengthened the country's external position and provided additional support to foreign exchange reserves at a time when exports remain subdued and the external environment is highly uncertain.

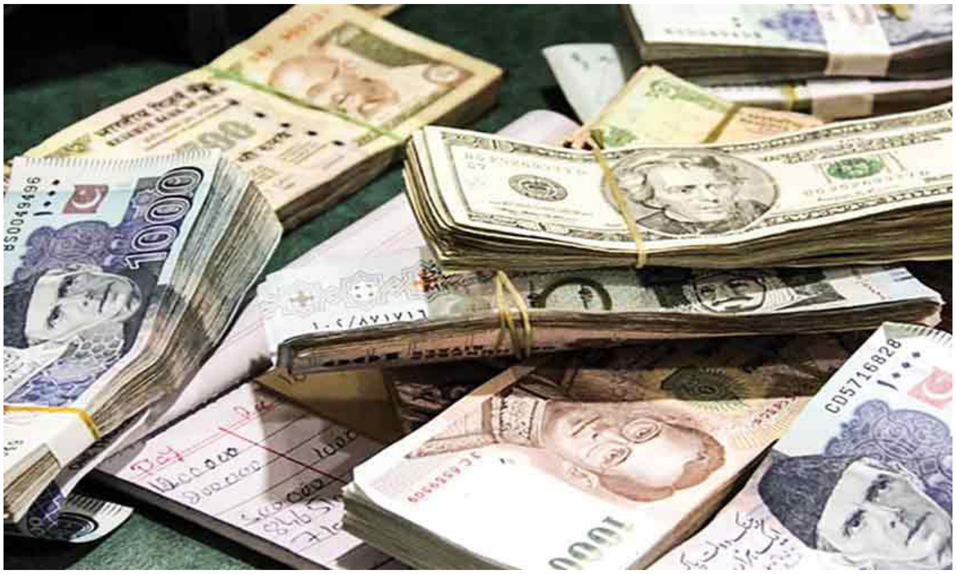
The latest figures certainly provide grounds for encouragement, but the sustainability of this growth needs to be carefully assessed, particularly after the government and State Bank of Pakistan discontinued two important remittance incentive schemes from July 1, 2026. Saudi Arabia remained the largest source of remittances during the first two months of the fiscal year, contributing $873.5 million, equivalent to around 12 per cent of total inflows. The United Arab Emirates followed with $749.8 million, or about 10 per cent. The United Kingdom contributed $563.7 million, representing 7.7 per cent, while inflows from the United States stood at $308.9 million, or around 4 per cent of the total.

The longer-term trend is equally significant. Remittances have generally increased since 2020 and reached a record $41.6 billion during fiscal year 2025-26. The Economic Survey 2025-26 attributed much of the improvement to measures taken by the government and the SBP to strengthen formal remittance channels. The increased use of digital payment platforms, including RAAST, improved transaction speed and transparency, while changes to the rebate structure for transfer charges helped reduce costs for remitters and service providers.

A relatively stable exchange rate also encouraged overseas Pakistanis to use banks and licensed exchange companies rather than informal channels. These developments helped bring more remittance transactions into the documented financial system and reduced the incentive to send money through unofficial markets. However, an important change took place at the beginning of the current fiscal year. From July 1, the SBP discontinued two government-backed incentive schemes under the IMF programme. One was the Sohni Dharti Remittance Programme, under which overseas Pakistanis received points for sending money through official channels that could subsequently be redeemed for various benefits. The other was the telegraphic transfer charges incentive scheme, under which the government reimbursed commercial banks and exchange companies for transfer fees waived for remitters.

The latter scheme represented a considerable fiscal cost, with annual reimbursements estimated at between Rs100 billion and Rs120 billion. From the government's perspective, discontinuing such programmes can reduce expenditure at a time when fiscal space is severely constrained. However, the impact on remittance behaviour needs to be monitored carefully.

The fact that remittances increased during the first two months after the withdrawal of the incentives is encouraging. It suggests that overseas Pakistanis have, at least for the time being, continued to rely on formal channels despite the removal of these benefits. But two months are not sufficient to establish whether the change will have no long-term effect. Many Pakistani workers in the Gulf are employed in relatively low-paid and unskilled occupations and may be more sensitive to transaction costs and incentives than higher-income expatriates.



The government and the SBP should therefore closely monitor remittance flows over the coming months, particularly from the Gulf states. Any sustained decline in formal-channel inflows would warrant a reassessment of the policy. The objective should not necessarily be to restore expensive subsidies, but to ensure that official channels remain competitive, convenient, transparent and easily accessible.

The ongoing conflict in the Middle East creates another source of uncertainty. Gulf countries account for a substantial share of Pakistan's remittance inflows, and prolonged regional instability could affect employment, incomes and the ability of Pakistani workers to remain in those markets. Disruptions to travel, business activity or labour markets could eventually be reflected in remittance flows.

The SBP therefore needs to remain alert to any emerging weakness in inflows, while the government should maintain active engagement with Gulf countries to protect the interests of Pakistani workers. Ensuring that Pakistani nationals retain access to employment opportunities in these markets is important not only for individual households but also for the country's external account.

At the same time, remittances cannot substitute for exports. Pakistan's merchandise exports have remained broadly stagnant at around $29 billion to $30 billion annually, while imports have continued to rise. The resulting trade deficit places persistent pressure on the current account, leaving remittances to bridge much of the external financing gap.

There is also a fundamental economic difference between export earnings and remittances. Export proceeds are normally linked to domestic production and therefore generate employment, business activity and additional economic value within the country. Exporting companies can also reinvest part of their earnings in expanding production and improving capacity. Remittances, by contrast, are primarily household income and are largely used for consumption, although they also finance education, housing, healthcare and other productive household expenditure.

Strong remittances can therefore improve living standards, but a consumption-led increase in foreign exchange inflows can also contribute to demand-side inflation if domestic production does not expand sufficiently to meet higher demand. For this reason, remittances should be regarded as an important external support rather than a replacement for a competitive export sector.

Pakistan must also prepare for a changing international labour market. The demand for unskilled and poorly educated workers in the Gulf is unlikely to remain as strong indefinitely as technology, automation and changing economic structures alter labour requirements. Pakistan's response should be a comprehensive skills-development programme designed to equip workers with technical and vocational qualifications that match emerging demand in Gulf and other international markets.

Training in construction technology, electrical and mechanical trades, healthcare, information technology, logistics and other specialised fields could help Pakistani workers move into better-paid and more secure employment. A skilled overseas workforce would not only improve household incomes but could also generate higher remittance earnings over time.

The urgency of maintaining both remittances and exports is underlined by Pakistan's foreign exchange position. SBP data showed reserves at $17.1 billion on August 28, 2026, with a significant portion of the recent strengthening linked to external borrowing. Even at this level, reserves remain under pressure when measured against the country's import requirements and the need to maintain adequate external buffers.

Pakistan therefore cannot afford complacency over the latest remittance figures. The 15 per cent increase is a welcome development and has provided valuable support to the external account, but the country's longer-term objective must be to diversify its sources of foreign exchange. That means strengthening exports, attracting sustainable foreign investment, developing a skilled overseas workforce and ensuring that formal remittance channels remain attractive.

The latest figures offer breathing space, but not a permanent solution. Remittances have repeatedly helped Pakistan manage external pressures, yet dependence on workers' earnings abroad also exposes the economy to changes in foreign labour markets, geopolitical disruptions and policies in host countries. The task for policymakers is to use the present improvement to strengthen the foundations of the economy rather than become dependent on another temporary external cushion. A resilient external sector ultimately requires both a growing export base and sustained, formal remittance inflows.

Pakistan's economy: beyond stabilisation

Husnain Shahid

Recent economic data point to a noticeable improvement in several of Pakistan's key macroeconomic indicators, strengthening the government's argument that the economy has moved beyond the most acute phase of stabilisation.

The narrowing current account deficit, stronger remittance inflows, improved foreign exchange reserves, a recovery in foreign direct investment and growth in large-scale manufacturing all provide grounds for cautious optimism. Yet these gains remain vulnerable to external shocks and domestic structural weaknesses, making it important for policymakers to focus on a sustainable economic strategy rather than rely on temporary improvements.

The current account deficit narrowed by a substantial 34 per cent during the first two months of the current fiscal year, helped largely by stronger remittance inflows. The increase is particularly notable because it was not widely anticipated in view of the continuing conflict in the Middle East and the uncertainty it has created across the Gulf region.

One explanation being cited for the stronger remittance performance is the movement of workers from other countries out of the Gulf states because of the regional conflict, while Pakistani workers have continued to maintain their presence there. At the same time, greater reliance on official channels for transferring money to Pakistan may also have contributed to the rise in recorded remittances.

However, it would be premature to assume that this trend will continue indefinitely. Some of the factors behind the increase may prove temporary, particularly if the regional conflict is eventually resolved and displaced workers return to their previous destinations. The conflict has already demonstrated how quickly regional instability can alter economic flows, and its duration remains uncertain. Some political analysts have even suggested that the turmoil could persist for much longer.

Another development that has strengthened Pakistan's external position is the successful issuance of $3 billion in Eurobonds through two tranches. The government raised $1.75 billion through a 5.5-year bond carrying a 7.5 per cent coupon and another $1.25 billion through a 10-year bond carrying a 7.9 per cent coupon. The proceeds have helped strengthen foreign exchange reserves and provide additional support to the external account.

The borrowing cost of these bonds is lower than the domestic borrowing rate, making the issuance appear attractive from a financing perspective. However, an important risk cannot be overlooked: the bonds are denominated and repayable in US dollars. With the Pakistani rupee historically depreciating by around 3 to 4 per cent annually, the eventual rupee cost of servicing and repaying these obligations can be considerably higher. The apparent advantage of lower interest rates must therefore be considered alongside the foreign exchange risk associated with dollar-denominated debt.

Foreign direct investment has also shown some improvement. According to the Finance Division's monthly economic outlook and update, FDI in July 2026 increased to $223.6 million from $178.6 million in July 2025. The State Bank of Pakistan's data put total FDI for July-August 2026 at $495 million, indicating a stronger overall performance compared with the corresponding period.

There are, however, discrepancies between the figures reported by different government institutions that need to be reconciled. The Finance Division has reported August FDI at $364.3 million, while the SBP figures indicate $316.4 million. Such differences may arise from variations in reporting or classification, but consistency in official economic data is important for assessing trends accurately.

More importantly, despite the improvement, Pakistan's FDI remains extremely low compared with the needs of an economy of its size and with inflows received by several regional economies. The increase should therefore be viewed as an encouraging development rather than evidence that the investment problem has been resolved. Sustaining the upward trend will require greater policy predictability, a more competitive business environment and improvements in energy and infrastructure costs.

The performance of large-scale manufacturing offers another reason for cautious optimism. LSM expanded by 3.03 per cent year-on-year and 9.51 per cent month-on-month. An expansion in industrial production is particularly significant because manufacturing has a direct relationship with overall economic growth, employment, investment and tax revenues. The strongest gains were recorded in the automobile sector, which grew by 57 per cent, while garments posted growth of 22 per cent.

Yet the manufacturing recovery is facing serious challenges. The textile sector has claimed that more than 100 units have been forced to close because of a sharp increase in input costs. The industry has attributed part of this pressure to administrative measures introduced under the IMF programme. Whether all of these closures can be directly linked to those measures requires further verification, but the concerns raised by the industry cannot simply be ignored.

The weakness in private-sector credit also provides a reason for caution. According to the Finance Division's monthly update, credit flows to the private sector remained negative, moving from negative Rs232.1 million in July-August 2025 to negative Rs393.4 million during the corresponding period of 2026. Stronger industrial output alongside weak private-sector credit raises questions about how sustainable the manufacturing recovery will be if businesses remain reluctant or unable to expand investment.

Pakistan is also operating in an increasingly difficult international environment. The Middle East conflict has disrupted energy and supply chains, while the Russia-Ukraine war continues to affect commodity markets and global trade. There is little certainty about when either conflict will end. For an import-dependent economy, prolonged disruptions create particular risks because higher fuel, freight and insurance costs can quickly

feed into domestic inflation and the balance of payments.

This situation calls for a shift from short-term firefighting to long-term economic planning. Repeatedly extending subsidies may provide temporary relief, but such measures place additional pressure on an already constrained fiscal position. The government needs an energy strategy designed around the possibility of recurring global fuel shortages and persistently high prices.

Reducing energy consumption should be an important component of that strategy. Measures aimed at lowering unnecessary petrol consumption and reducing the amount of fuel required for electricity generation could help contain the import bill. Greater energy efficiency, better public transport, improved industrial technology and a stronger shift towards domestic and renewable energy sources can gradually reduce Pakistan's exposure to international fuel shocks.

Fiscal discipline should accompany these measures. Reducing avoidable expenditure would lessen the pressure to raise revenues through repeated increases in tax rates or expansion of existing taxes. A more efficient state, combined with broader economic activity, would provide a stronger basis for sustainable revenue generation.

The latest data therefore present a mixed but encouraging picture. Improvements in the current account, remittances, foreign investment and manufacturing indicate that the economy has gained some momentum. But these gains remain exposed to geopolitical developments, currency risks, weak private-sector credit and high production costs. The challenge now is to convert temporary stabilisation into durable economic resilience. That will require policymakers to look beyond immediate crises and build an energy, fiscal and industrial strategy capable of protecting the economy from the external shocks that are increasingly becoming a permanent feature of the global environment.

Rate stability buys time, but Pakistan's economy needs structural reform

Shahid Hussain

The State Bank of Pakistan's decision to keep the policy rate unchanged at 11.5 per cent is a prudent response to an economic environment that remains unusually uncertain. While businesses continue to call for lower borrowing costs to support investment and economic activity, the latest inflation data and renewed geopolitical uncertainty provide strong reasons for the central bank to remain cautious.

Pakistan has made meaningful progress in restoring stability to its external account and improving several of its macroeconomic indicators. The pressure that once threatened to trigger repeated balance-of-payments crises has eased considerably, giving the economy some much-needed breathing space. Foreign exchange pressures have become more manageable, while monetary conditions are significantly less restrictive than they were during the worst phase of the stabilisation effort.

However, improved stability should not be confused with a permanent solution to Pakistan's economic vulnerabilities. The country remains heavily dependent on imported fuel, machinery and other essential goods, leaving it particularly exposed to international commodity prices and disruptions in global trade. The uncertain situation in the Middle East has added another layer of risk at a time when Pakistan is still trying to consolidate its economic recovery.

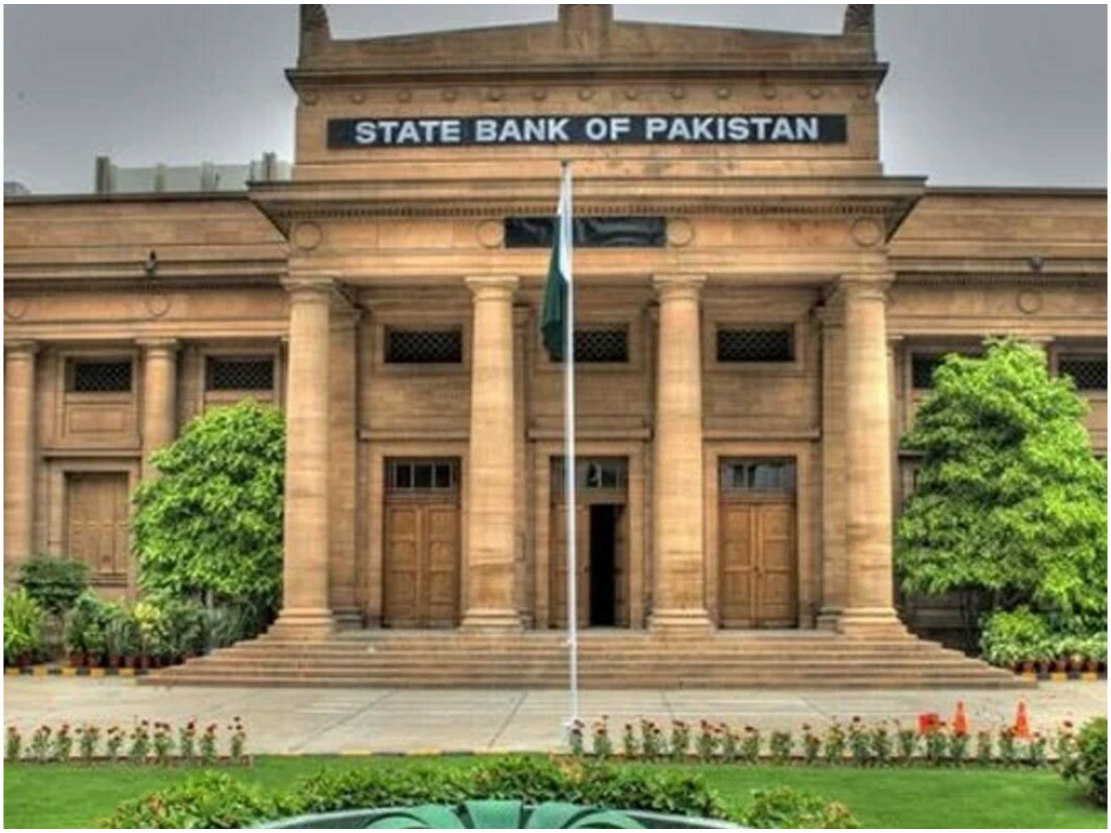
The regional situation had appeared to be moving towards greater stability only a few weeks ago, but that optimism has since weakened. Risks to oil supplies, shipping routes and energy transportation remain significant. Any prolonged disruption could push international oil prices higher and increase freight and insurance costs. For Pakistan, such a development would have immediate consequences. A substantial rise in the oil import bill could widen the trade deficit, increase pressure on the current account and create renewed pressure on the rupee.

The inflation figures released for August reinforce the case for caution. Headline inflation rose sharply to 11.1 per cent from 9.2 per cent in July. The acceleration demonstrates how quickly price pressures can return when supply-side conditions deteriorate. The State Bank has also acknowledged that inflation risks have increased significantly, making the task of monetary management considerably more complicated. Against this backdrop, reducing the policy rate would carry risks that could outweigh its immediate benefits. A lower interest rate could provide some relief to borrowers and encourage investment and consumption, but its impact would be limited if businesses remain constrained by high energy costs, weak demand, regulatory uncertainty and structural inefficiencies. At the same time, a rate cut could stimulate domestic demand just as inflationary and external pressures are beginning to build again.

The central bank must support economic activity without allowing renewed inflation or external imbalances to undermine the gains achieved through stabilisation. The decision to pause appears to reflect an attempt to preserve this balance rather than abandon the process of monetary easing altogether. The current policy rate of 11.5 per cent is already considerably lower than the exceptionally high levels maintained during the earlier inflation and external-account crisis. Monetary conditions have therefore eased substantially over time. Businesses and investors are no longer operating under the same degree of monetary restraint that prevailed during the most difficult phase of the adjustment programme.

This is important because Pakistan does not necessarily need another immediate rate cut to achieve a moderate recovery in economic growth. Growth of around 3.5 to 4.5 per cent is possible without aggressively loosening monetary policy, provided other economic conditions remain supportive. What the economy needs more urgently is a reduction in structural constraints that continue to limit productive investment and competitiveness. The direction of inflation and interest rates over the coming months will depend heavily on developments in energy markets. If the Middle East situation deteriorates further and oil prices remain elevated, inflation could accelerate again while the import bill rises. In such circumstances, the SBP may need to retain sufficient policy space to respond to renewed external or balance-of-payments pressures.

Conversely, if energy markets stabilise and geopolitical risks recede, the central bank would have greater room to reassess monetary conditions based on domestic inflation, growth and external-account trends. Keeping rates unchanged now therefore gives policymakers flexibility rather than closing the door on future easing.



The debate over interest rates also highlights a broader problem in Pakistan's economic policy. The business community understandably wants lower financing costs, particularly after years of high interest rates and weak economic activity. But cheaper credit alone cannot resolve the structural weaknesses that have repeatedly pushed the economy into crisis.

Pakistan needs reforms that can permanently strengthen its economic foundations. Broadening the tax base is essential to reduce the burden on existing taxpayers and improve fiscal sustainability. The energy sector requires fundamental improvements to address inefficiencies, high costs and the accumulation of circular debt. Investors also need greater policy predictability so that long-term decisions are not undermined by abrupt changes in taxation, regulation or economic priorities.

Export competitiveness deserves equal attention. Pakistan cannot achieve durable external stability simply by compressing imports whenever foreign exchange becomes scarce. The country needs to expand and diversify exports, improve productivity and move towards higher-value products and services. A stronger export base would reduce the economy's repeated dependence on external financing and make it less vulnerable to global shocks.

The present situation should therefore be viewed as a period of breathing space rather than the conclusion of Pakistan's economic troubles. The improvement in external stability and macroeconomic conditions is important, but the underlying vulnerabilities remain. A renewed oil shock, geopolitical disruption or domestic inflationary surge could quickly test the progress made so far.

For the time being, the SBP's decision to maintain the policy rate at 11.5 per cent provides a cautious response to these risks. The central bank can reassess its position as inflation, energy prices, external flows and regional conditions become clearer. What Pakistan needs alongside monetary stability, however, is a sustained programme of structural reform. The focus should now move beyond the demand for cheaper money towards building an economy that can generate investment, exports, employment and growth without repeatedly returning to the same cycle of external crisis and stabilisation.

Kohat mosque attack exposes growing terrorism threat in KP

Raza Khan

The deadly September 19 terrorist attack on a mosque near Old Police Lines in Kohat district of Khyber Pakhtunkhwa (KP), which claimed the lives of at least 35 people, mostly police officials, must raise alarm across the country, particularly in KP, as more such attacks are likely to be carried out in the province by terrorist groups.

According to media reports, the attackers drove a vehicle packed with explosives towards a mosque in the Old Police Lines complex in Kohat during Friday prayers. The explosion caused extensive damage to the mosque building and the multi-purpose complex that houses the district's police headquarters and key departments, including the Counter Terrorism Department and Special Branch.

Notably, this was a major terrorist attack targeting police officials and civilians after a relatively long period. The Tehreek-e-Taliban Pakistan (TTP)-linked Ittehad-ul-Mujahideen Pakistan (IMP), led by the Hafiz Gul Bahadur Group, claimed responsibility for the attack in a statement. Here, it is also important to note that the apparent purpose of the attack was to inflict the heaviest possible damage on the police in the district and across KP.

The KP police have, for more than two decades, been playing the role of the first line of defence against terrorist groups, particularly the TTP, and have borne the heaviest brunt in this struggle. In recent years, the role of the KP police has become even more pronounced in confronting terrorism. In particular, in the southern districts of KP, police officials have gone to every extent to fight terrorists, and the bravery of countless police officials has been instrumental in preventing militants from regaining control of many areas and districts. Their sacrifices and courage will remain an important part of the province's history.

There appears to have been a serious lapse in planning by senior police officials in failing to relocate the offices of the police administration, Special Branch and Counter Terrorism Department (CTD) from a location that was highly vulnerable to attack. The site was not far from the restive Hangu district and, further beyond, the Kurram district bordering Afghanistan. The police lines in Kohat are located on the Kohat-Hangu Road and were therefore relatively exposed to militant attacks.

The terrorists took maximum advantage of this vulnerability and inflicted heavy casualties on the police. This does not necessarily mean that the TTP, Hafiz Gul Bahadur Group and other militant organisations have been unable to stage high-level attacks. Rather, it indicates that a significant vulnerability remained on the part of the police leadership, leaving a large number of police officials concentrated at a location that could be targeted by terrorists.

Moreover, the fact that terrorists claiming to act in the name of Islam carried out a deadly attack on a mosque, killing not only police officials but also civilians who had nothing to do with their agenda, demonstrates the extent to which such groups disregard the very religious values they claim to defend. It is also an indication of the pressure and frustration under which terrorist groups may now be operating. For the resilience and resistance shown by the KP police, credit must go to the force and its personnel who have continued to confront terrorism despite enormous risks.

Coming to the claim of responsibility for the Kohat terrorist attack by the Gul Bahadur-led IMP, the alliance also includes Harakat Inqilab-e-Islami Pakistan (HIIP) and Lashkar-e-Islam (LeI), the group associated with the late Mangal Bagh in Khyber district of KP. Although the Hafiz Gul Bahadur Group (HGBG) and its alliance with HIIP and LeI are not widely known to the general public, and even to some analysts who usually attribute terrorist attacks primarily to the TTP, the reality is that Pakistan faces a wider militant landscape involving several organisations.

The HGBG and the IMP under its influence are serious militant groups and, at times, their attacks have reportedly involved sophisticated planning. This is partly linked to the background of Gul Bahadur, a veteran militant commander whose organisation relocated much of its command and control structure to Afghanistan in 2015 following Pakistan's major security operations after the December 16, 2014 school attack in Peshawar, in which around 150 students and staff members were killed.

Since then, Hafiz Gul Bahadur and many members of his group have remained based in Afghanistan. The Afghan Taliban have condemned the Kohat terrorist attack, saying that any attack on a place of worship is unacceptable. However, the Taliban's response has also been criticised because of its failure to directly condemn the IMP or Gul Bahadur, whose group claimed responsibility for the attack. This creates questions about the consistency of Kabul's stated position against terrorism emanating from Afghan soil.

It is important to note that the HGBG, as mentioned above, is a separate Pakistani militant group from the TTP and is based in Afghanistan. The group has increasingly turned against Pakistan, contributing to the growing threat of terrorist attacks inside the country. The Kohat attack, in which dozens of police officials, including a Superintendent of Police (SP)-rank officer, along with several civilians were martyred, underlines the seriousness of this threat.

The turning of the Hafiz Gul Bahadur Group against Pakistan while operating from Afghanistan represents a major setback for Pakistan's Afghanistan policy of the last two decades. That policy at different stages relied on relationships with militant groups, including Hafiz Gul Bahadur's network, which was once regarded in some policy circles as part of the so-called "good Taliban" landscape. Such groups were seen as useful in supporting the Afghan Taliban in their fight against Afghan government forces between 2002 and 2021 and against the US-led NATO presence in Afghanistan.

While such policies may have achieved certain short-term strategic objectives, the subsequent emergence of former allies or tolerated groups as direct security threats to Pakistan demonstrates the potential for serious blowback. The transformation of the Gul Bahadur Group from a group once viewed differently by sections of Pakistan's security establishment into an organisation carrying out or supporting attacks against Pakistan represents a major challenge for Islamabad. The situation has become so serious that Pakistan has carried out air strikes inside Afghanistan targeting alleged hideouts of the TTP and HGBG.

The HGBG mainly originates from North Waziristan, the former tribal district of KP located directly along the Afghan border. The group once exercised substantial influence in the area and maintained what was effectively a militant stronghold. However, after Pakistan's military operations in the region following 2015, the state effectively reclaimed North Waziristan and other tribal districts from the militants, and the writ of the state was significantly restored.

After the Afghan Taliban returned to power in Afghanistan, however, the HGBG has made a strong comeback from its bases across the border. Therefore, while counterterrorism operations and other security measures are continuing, a key determinant of the success of military and counterterrorism efforts against HGBG and similar groups in North Waziristan will be how effectively the government maintains its physical control over the district.

Sustained physical control of territory is necessary for creating the conditions required to defeat terrorist and insurgent organisations. Once government forces establish and maintain a permanent presence across an area, militants face far greater difficulties in reclaiming territory. With regular forces physically manning the territory, it becomes extremely difficult for terrorist groups to regain areas they once controlled for years.

The Kohat terrorist attack is therefore deeply unfortunate, but it also reflects the harsh reality that even after the state has reclaimed territory from militant groups, terrorist organisations can continue to stage deadly attacks. Counterterrorism cannot be treated as a one-time operation. It requires sustained intelligence, policing, border management, physical control of vulnerable areas and constant adaptation to changing militant tactics. For KP in particular, the challenge is likely to remain formidable, and the Kohat attack should serve as a warning that the fight against terrorism is far from over.

The Pakistani siblings who turned grief into global plea for peace

Dr. Zaheer Ahamd Babar

In a modest household in Gujranwala, where school gadgets sit beside stacks of handwritten petitions — not with ink, but penned in own blood, two children have spent more than two years doing something most adults find too heavy to sustain: refusing to look away. As the world marked International Day of Peace on September 21 — observed this year under the United Nations theme "Invest in Peace: For Everyone, Everywhere, Every Day" — Ghulam Bishar Hafi (13), and his younger sister Ubaydah Al Fiddhah Hafiah (11), are renewing a pledge that has, by now, outlasted more than one ceasefire and more than one news cycle: that they would keep speaking for the children too small, too frightened, or too far away to speak for themselves.

Their campaign, "Voice for the Voiceless," did not begin with a press conference or a carefully worded statement. It began with grief that had nowhere else to go. On the International Day of Innocent Children Victims of Aggression, the siblings — guided by their father and mentor, Prof. Dr. Aurangzeb Hafi, a senior research methodologist whose own career has been shaped by humanitarian and academic work across Asia and Oceania — drafted the first protest note for them — not to be written in ink, but in their own blood. It was a gesture almost too stark for the vocabulary usually reserved for childhood, and it marked the beginning of a discipline the two children have maintained ever since. A single note grew into a sustained campaign: an online petition titled "Stop Infanticide in Gaza," launched on International Human Solidarity Day, and a series of open letters — several again written in blood — addressed to world leaders, including Netanyahu, and to United Nations bodies entrusted with protecting children in conflict.

The language in these letters has never softened with time, even as the siblings themselves have grown two years older with each fresh appeal. In their most recent resolution, issued to mark UN World Humanitarian Day, they described the children of Gaza as living through what they called a "can't-live-can't-leave tragedy" — trapped behind a siege that had by then stretched past twenty months, cut off from food, medicine, and the most basic guarantees of safety. They wrote of children being "farmed like animals," treated, in their words, worse than the standards the world extends to kittens or puppies. It is an accusation too severe for most adult commentators to risk in public discourse — and it is precisely that unfiltered rawness that has made two children from Pakistan impossible for the world's diplomats to dismiss as merely sentimental.

The world, in fact, listened. The Palestinian Ambassador to Pakistan, Dr. Zuhair Zaid, hosted the siblings at a special reception at the embassy, where he made a declaration rarely extended to strangers, let alone children from another country: that Palestine now considered Ghulam Bishar and Ubaydah its own, and that the petitions, resolutions and protest notes they had issued on its behalf belonged to the Palestinian people as living testimony. The invitation followed a documentary screening in Karachi that had introduced their blood-written notes to a wider domestic audience, cementing their reputation as, in the ambassador's words, the youngest activists ever to take a frontline advocacy role for Gaza's children. In a moment the family has since described as among the most moving of the entire campaign, Dr. Zaid — accompanied at the reception by his own young daughter — told the siblings he would now count them among his own five children.

Recognition followed from other institutions too. On World Children's Day, the siblings were honoured with the 'Grace de Monaco' International Medal and the 'Eglantyne Jebb Platinum Pen for Peace' — awards carrying the names of two of history's most consequential champions of child welfare — along with a two-year fully funded study scholarship worth $10,000, giving them the choice to pursue an education anywhere in the world. Yet in a decision that surprised even their most ardent supporters, the siblings chose to dedicate both medals outright to the children of Gaza, insisting that no recognition of their own effort should be allowed to eclipse the suffering that had inspired it in the first place. Around the same period, their father's own humanitarian credentials deepened further: Prof. Hafi became co-recipient of the 'Bidecadal Merit Award' alongside Pakistan's most revered philanthropist, Bilquis Edhi, who is said to have declared him her third son, alongside her own two biological sons.

Crucially, the siblings' concern has never confined itself to a single border. Their letters and petitions have widened over time to speak for children in Indian-occupied Jammu and Kashmir, Congo, Mozambique, Myanmar and Syria — a deliberate widening, their father has said, born of the conviction that a child's suffering carries no passport and demands no particular geography to matter. When a UN-organised exhibition titled "Gaza, Palestine — A Crisis of Humanity, A Cry for Justice" was due to be dismantled, the siblings pushed to have it extended into a virtual format, ensuring its photographs and testimonies would continue to reach audiences long after the physical walls came down — a small but telling example of how two children have learned to translate grief into strategy.

Their persistence has now drawn further honour. Impact Hallmarks, the international merit-indexing body, has named Ghulam Bishar and Ubaydah among its 'Young Trailblazer Impactpreneurs', formally recording their campaign in its final verdict as a rare instance of sustained, youth-led humanitarian conscience — a recognition that places two schoolchildren from Gujranwala alongside far older names in the field of global advocacy like Greta Thunberg of Sweden and Orion Jean from the US.

What distinguishes the Hafi siblings' campaign, ultimately, is not any single letter or medal, but its refusal to end. Wars fade from headlines; ceasefires are announced and quietly unravel; global attention, notoriously, moves on. Ghulam Bishar and Ubaydah have not. Each new anniversary of their campaign has brought not a retrospective, but another letter, another petition, another blood-written note — evidence that theirs was never a gesture staged for a single news cycle, but a discipline the two children have built into the rhythm of their young lives.

This International Day of Peace, as the United Nations calls on "everyday architects of peace" to invest in safety, dignity and cooperation for everyone, everywhere, every day, two children from Pakistan need no reminder of what that phrase is supposed to mean. Their message, repeated now across more than two years of letters, petitions, and — when words alone felt insufficient — their own blood, remains unchanged: peace cannot be a single date circled on a calendar. It must be demanded, in ink or otherwise, until every child, in Gaza and every other forgotten corner of the world, is finally allowed to simply be a child again.

Child protection cannot remain a cycle of outrage and inaction

Dr Fatima Khan

The reported cases of violence and abuse against children in Pakistan during the first six months of 2026 should be far more than another occasion for expressions of shock and condemnation. Around 2,000 cases were reported across the country during this period, according to figures cited by Senator Sherry Rehman. The numbers point to a deeply troubling child protection crisis that has persisted despite years of public debate, official promises and repeated calls for stronger safeguards. Nearly four cases were reported every day, and the scale alone should compel the state to examine why existing protection mechanisms continue to fall short.

The figures become even more disturbing when the circumstances surrounding the reported incidents are considered. Around 43 per cent of the accused were known to their victims, while nearly 45 per cent of the reported incidents occurred inside children's homes. Punjab accounted for approximately 80 per cent of the cases, while 57 per cent were reported from urban areas and 43 per cent from rural communities. These figures demonstrate that child abuse cannot be treated simply as a problem associated with a particular neighbourhood, income group or geographical setting.

The fact that a significant proportion of alleged perpetrators were known to the children is particularly important. Children are often expected to regard their homes, relatives and familiar surroundings as places of safety. When abuse takes place within those environments, the conventional idea that a child can simply seek help from a trusted adult becomes much more complicated. A child may fear punishment, disbelief, social stigma or retaliation, particularly when the alleged perpetrator is a family member or another person in a position of authority.

The repeated emergence of horrific cases has generated considerable public anger in Pakistan. Political leaders issue statements, governments announce measures, committees are established and demands for strict action dominate public discussion for a few days. But once public attention shifts to another issue, the urgency frequently disappears. The persistence of abuse suggests that this cycle of outrage followed by inaction has not produced the institutional response required to protect children.

What Pakistan needs is not another temporary campaign but a child protection system that functions continuously. Such a system must make it possible for children and their families to report abuse safely, ensure that complaints are investigated professionally, protect victims from intimidation and provide meaningful support throughout the legal process. Prevention must also become a central component of policy rather than relying almost entirely on action after abuse has already occurred.

The reported registration of 89 per cent of cases with the police may initially appear encouraging. Yet registration is only the first step in a much longer process. The real test is what happens after a complaint is lodged. How many cases receive prompt and competent investigation? How effectively is forensic and other evidence preserved? How long do proceedings take? How many cases result in prosecution and conviction when the available evidence establishes guilt? And, perhaps most importantly, are children protected from further harm during the investigation and trial?

These questions matter because the legal process itself can become an additional source of trauma for a child. A victim may have to deal with police officers, medical examinations, investigators, prosecutors and courts while attempting to recover from the original abuse. If procedures are insensitive or repeatedly force children to recount traumatic experiences, the justice system can become intimidating rather than protective.

The responsibility therefore extends across the entire state apparatus. Provincial governments must ensure that child protection institutions have sufficient resources, trained personnel and the ability to respond beyond major urban centres. Police departments need specialised training in dealing with child victims, investigating allegations and preserving evidence. Prosecutors require the capacity to build cases effectively, while courts need mechanisms that prevent proceedings from becoming unnecessarily prolonged.

Schools and healthcare institutions also have an important role. Teachers, doctors and other professionals are often in positions where they may notice behavioural, physical or emotional signs that a child is facing abuse. They should have clear procedures for reporting suspected cases and referring children to appropriate protection services. Social welfare departments and child protection agencies must be connected to these mechanisms so that a report does not disappear into an institutional vacuum.

Institutional accountability is equally necessary. Where agencies fail to respond because of negligence, inadequate procedures or lack of coordination, there should be mechanisms for identifying and addressing those failures. A child protection framework cannot be effective if institutions are judged only by the number of complaints they register rather than by the quality and outcome of their response.

Families and communities also have a crucial role to play. Parents and caregivers need greater awareness of the warning signs of abuse and must create environments in which children feel safe speaking about uncomfortable or threatening experiences. Communities can also help challenge the stigma that often surrounds victims and their families.

At the same time, responsibility cannot simply be shifted onto parents. Children can be particularly vulnerable when the alleged perpetrator is someone they know or someone who exercises authority over them. A child may lack the confidence, independence or opportunity to report abuse. Protection systems must therefore be designed around the needs and vulnerabilities of children rather than around the convenience of the institutions responsible for responding to their complaints.

There is also a need to improve the quality of data on child abuse. Reported cases represent incidents that reach authorities; they cannot automatically be assumed to capture the full scale of the problem. Fear, social stigma, family pressure, lack of awareness and limited access to institutions can all discourage reporting. Reliable, regularly updated data would help policymakers identify geographical patterns, vulnerable groups, recurring forms of abuse and weaknesses in the response system.

Pakistan has discussed child protection for many years. The language of concern, condemnation and zero tolerance has become familiar. What is still needed is a measurable shift from declarations to results.

Success should ultimately be judged not by the number of statements issued after a tragic incident but by whether fewer children are subjected to abuse, whether vulnerable children can obtain help before violence escalates, whether complaints are investigated promptly and professionally, and whether victims receive protection and support throughout the justice process. Where guilt is established, offenders must face the consequences under the law.

The reported 2,000 cases in just six months should therefore be treated as a warning that cannot be allowed to fade with the next news cycle. Pakistan needs a permanent, properly funded and accountable child protection framework that works before, during and after an incident. Children cannot protect themselves from every threat, and the state cannot continue to respond to their suffering only after the damage has been done. The true test of child protection is whether institutions are capable of preventing abuse, responding effectively when it occurs and ensuring that vulnerable children are not left to face its consequences alone.

The pro-Israel censors are starting to lose

Ahmed Najar

For decades, Israel's greatest advantage in the West was not simply military or political support. It was narrative power.

Israel and its supporters enjoyed enormous influence over the boundaries of acceptable discussion about Palestine: which violent incident received attention, whose security mattered the most, which historical context was relevant and, crucially, what criticism of Israel could be allowed in public.

That power has not disappeared. But the extraordinary controversy surrounding Macklemore's removal from Ed Sheeran's US tour shows how rapidly it is eroding.

The fact that the American rapper was dropped from the tour after he spoke about Palestine on stage meant that the old system worked. A powerful billionaire objected. Venues applied pressure. The artist disappeared from the stage. What was different this time was the backlash. In response to the censorship, every remaining support act on Sheeran's tour walked away. Finneas, Lukas Graham, Aaron Rowe and Beoga all withdrew. Meanwhile, ticket prices for Sheeran's remaining concerts plunged, in some cases losing 50 percent of their value, as many fans felt outraged.

Macklemore stood his ground and pledged the $1m he had earned from his appearances to six organisations supporting Palestinians. Subsequently, the media reported Sheeran would donate $2m towards humanitarian relief in the region. All of this has helped generate further donations and attention for Palestinian aid organisations, including a $1m pledge from children's educator Ms Rachel.

Consider what happened. An attempt to push "Free Palestine" off the stage resulted in Palestine receiving vastly more attention, artists abandoning one of the world's biggest tours and more funds being donated to Palestinian organisations. The attempt to control the message amplified the message itself. And that tells us something much bigger than how controversy is handled in the music industry.

Amid its genocide in Gaza, Israel is facing a crisis not simply of public opinion, but of narrative control. For almost three years, the world has watched Palestinians killed, displaced and starved. It has seen neighbourhoods flattened, hospitals overwhelmed and families repeatedly driven from one place to another. A United Nations Commission of Inquiry has concluded that Israel committed genocide in Gaza. The International Criminal Court has issued arrest warrants for Israeli Prime Minister Benjamin Netanyahu and former Defence Minister Yoav Gallant over alleged war crimes and crimes against humanity.

The old narrative increasingly struggles against a force Israel cannot easily control: people can see what is happening themselves. Palestinian journalists, doctors, parents and ordinary citizens no longer depend entirely on Western governments or established media organisations to narrate their lives. Images, testimony and documentation travel directly from Gaza to millions of phones around the world.

There are limits to propaganda when people can witness the consequences of power for themselves. Public opinion increasingly reflects that rupture. A Pew Research Center survey across 36 countries this year found a median of 67 percent of respondents held an unfavourable view of Israel. In the United Kingdom, it was 69 percent, Germany – 73 percent, Italy – 75 percent and Australia – 79 percent. Even in the United States, Israel's most important ally, 60 percent viewed Israel unfavourably.

Among younger people, the transformation is more dramatic still. Seventy-four percent of Americans aged 18 to 34 surveyed by Pew viewed Israel unfavourably, as did 78 percent of young Britons and 87 percent of young Australians. This does not mean everyone supports Palestine or agrees on what a political settlement should look like. It means that the cost of speaking up for Palestine is falling.

For years, the implied question confronting artists, academics and other public figures openly supporting Palestine was: what are you prepared to lose? Your booking? Your sponsorship? Your reputation? Your career?

The purpose of such consequences was larger than the individual. Punish one person publicly and hundreds of others would understand the warning and keep silent. But deterrence only works when people are deterred. This time, they weren't. And that put pressure on the censors and those who complied.

The backlash forced Sheeran to speak up publicly about Palestine. On Saturday, during his concert in Philadelphia, where he had to play solo, he called what is happening in Gaza "unjustifiable". The equation has clearly changed. Speaking for Palestine can still carry a professional cost. Macklemore has just demonstrated that. But increasingly, censors may discover that silencing pro-Palestine voices carries a cost, too. That is why the Israeli narrative crisis runs deeper than falling approval ratings.

The old power was not merely the ability to silence Palestinians and those who stood with them. It was the ability to determine which account of Palestine the world would hear. That monopoly is breaking. They succeeded in removing the man who said "Free Palestine" from the stage. But "Free Palestine" became louder. And that may be the clearest indication yet that Israel is not simply losing an argument. It is losing its grip on the story

Misconception about extremism

A longstanding misconception about extremism is that it stems from seriously low self-esteem. This concept, however, is a flawed one as it makes societies see political violence purely as a psychological problem. It allows them to look upon the terrorist as a hurt child who turned into a monster, and a good therapist and some self-help books can cure him. A closer look debunks this theory since the issue is much more complicated.

Roy Baumeister and his colleagues more than 30 years ago looked for a direct link between poor self-image and aggression. They could not locate one. Rather, they noted that people who do not feel good about themselves are more likely to react aggressively when they feel insulted. The reason behind such a reaction is not self-hatred; it is actually a feeling of an attack on one's self-esteem, known as 'threatened egotism'. Hence, violence usually emanates from those who think they are entitled to better treatment, but are treated with disrespect.

This is not merely an academic debate. The tension between Afghanistan and Pakistan, with cross-border firing being common, has existed for years, especially since 2021 when the Taliban once again came to power and created an environment suitable for the Tehreek-i-Taliban Pakistan (TTP). They do not consider themselves 'worthless', but actually quite the opposite of it. They claim a Pashtun homeland belonging to their people. It is not a feeling of disaffection which inspires such groups, but a powerful mix of grievance, sense of entitlement and wounded pride conveyed through the narratives of justice.

Similar dynamics can be observed from the hills of erstwhile federally adminis- tered tribal areas (Fata) to the lone-wolf attackers in Western societies. The issue is far from being simple, and any account that suggests otherwise is only misleading. Structural theorists have repeatedly cautioned against placing the focus of the cause of terrorism entirely on psychological factors. Instead, they propose that individuals' motivations are triggers to violent action, and that structural conditions provide the environment in which violence can take place.

How, then, does a psychological wound become a rather deadly weapon? Arie Kruglanski's 'significance quest' theory contends that militants are rarely driven by feelings of insignificance alone. They are driven by the promise that violence will make them matter. A related manifestation of this dynamic is Nietzsche's concept of 'ressentiment', the slow-acting poison experienced by those who cannot fight back, transforming their weakness into moral virtue and their opponents' strength into an unforgivable wrong.

A century ago in Vienna, Alfred Adler called it overcompensation; an inferiority complex reinforced and transformed into a sense of superiority. After 25 years of interviewing survivors of Rwanda and other genocides, Evelin Lindner came to the same conclusion, calling humiliation the 'nuclear bomb' of human emotions. This is dangerous since it hides itself under the guise of justice. If this assessment is correct, much of today's counterterrorism efforts are actually inappropriate. People suppressed through border walls and drone strikes can in the end become even more embittered and would then be recruited as the next group of militants to further this 'humiliation' narrative.

In the absence of due action to address the core reality, countries and governments would remain focused on treating the symptoms of extremism, and contribute to the very conditions that fuel extremism.

Barira Mumtaz
Islamabad

Accessibility barriers in mobile apps

Digital banking has transformed the way people manage their finances, offering convenience, efficiency and independence. However, for many people with visual impairment in Pakistan, recent developments have had the opposite effect. For the last eight years, I have independently managed my banking through accessible mobile applications using screen-reading technology. I have been able to pay utility bills, transfer funds, shop online and handle financial transactions without depending on others.

Unfortunately, after a recent update to my bank's mobile application, my whole independence came to an abrupt end. The application now refuses access whenever android's TalkBack accessibility service is enabled, effectively preventing users with visual impairment from logging into their accounts.

This is not an isolated case. Members of the visually impaired community have reported similar accessibility barriers in the mobile applications of several other banks as well. These accessibility features are not security risks; they are essential assistive technologies that allow blind and visually impaired people to use their smartphones independently. The problem extends beyond mobile applications.

Many persons with disabilities continue to face unnecessary difficulties while opening bank accounts or seeking routine banking services, because bank staff often lack adequate awareness of accessibility and disability rights. Thousands of visually impaired people in Pakistan receive their salaries through banks and rely on digital banking in their daily lives. Denying access to banking is not merely a continued inconvenience; it compromises independence, privacy, dignity and equal participation in society. The State Bank of Pakistan (SBP) should establish and enforce mandatory accessibility standards for banking platforms across the board, ensuring compatibility with screen-readers and other assistive technology-related tools. Besides, banks should also ensure that future software updates do not disable any accessibility feature, and should provide appropriate disability awareness training to their staff.

Dr Saba Ghizali
Karachi

GPF settlement

The general provident fund (GPF) is a compulsory savings scheme under which a prescribed amount is deducted every month from the salaries of government employees. After attaining the prescribed age, say 45 years, and becoming otherwise eligible under the rules, employees are entitled to withdraw 80 per cent of these savings, and 100pc after attaining the age of 50 years.

Despite significant advances in digital governance, many government employees continue to face undue difficulties in obtaining the credit memos required for the settlement of GPF. Those who have served at multiple stations are often required to approach accounts offices of each district where they were previously posted to collect records relating to deductions made years earlier. This is a cumbersome, rather time-consuming and completely avoidable process.

My own recent experience illustrates the problem. To process the GPF withdrawal case at the Peshawar office of Accountant General Pakistan Revenues (AGPR), I was asked to obtain credit memos from all stations I had previously served. I had to obtain credit memos from four offices in Sindh and one in Quetta. A few good friends in Sindh helped me get the required memos within a year, but AGPR Quetta took more than 18 months.

It is difficult to understand the very logic behind this hassle, especially in an era when salaries are processed electronically, and deductions are made automatically. The present system imposes needless financial and psychological stress on public servants, and results in avoidable delays in the release of funds. It also creates unnecessary dependence on manual record retrieval and repeated visits to accounts offices and using personal connections.

The relevant authorities should immediately introduce an integrated digital mechanism whereby an employee's GPF account is transferred automatically with the issuance of the Last Pay Certificate whenever a transfer takes place. Such a reform would simplify record management, ensure timely settlement of GPF claims, enhance transparency, and minimise chances of foul play at accounts offices.

Zaheer Ahmed
Peshawar

Common eye disease can cause hallucinations, but few people know it

Ellyn Vohnoutka

Seeing people, flowers or patterns that aren't really there can be frightening. But for people with serious vision loss, these visions are often a known and harmless side effect, experts say. The condition, called Charles Bonnet syndrome (CBS), causes vivid visual hallucinations in people who have lost much of their sight. Many people keep quiet about it because they fear they're developing dementia or a mental illness, according to The Washington Post. Studies suggest CBS affects about 1 in 6 people with retinal disease or major vision loss. It's more common in people with the worst sight. CBS most often occurs with age-related macular degeneration (AMD). This eye disease damages the macula, the part of the eye that handles sharp, straight-ahead vision. About 11 million people in the United States have AMD, according to the U.S. National Eye Institute. The risk rises with age, especially after 55. Varda Yoran, a 97-year-old sculptor in Brooklyn, New York, who is legally blind, once noticed a phantom street scene while waiting in a hospital wheelchair, The Post reported. At home, she sometimes sees strangers sitting in her living room. She knew they weren't real, but she worried she was losing her mind. Her daughter eventually found information about CBS online. Yoran's primary care provider agreed it matched her symptoms, The Post reported. Part of the problem is that awareness is low, even among doctors. "I think a lot of people are not familiar with it, even within the medical community.

Chronic stress may trigger hidden inflammation that damages the heart

Samantha Rey

Chronic stress from people's everyday lives may be causing lasting structural changes to the heart, harming health and reducing life expectancy.

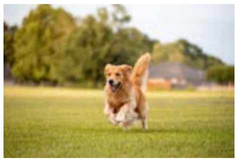
The findings come from a study of almost half a million adults in the UK, believed to be the largest of its kind, led by researchers at the MRC Laboratory of Medical Sciences and Imperial College London. It finds that chronic inflammation, associated with people's socioeconomic situation and lifestyles, is linked to damaging structural changes in the heart, as well as to a higher risk of heart attacks and stroke.

The researchers explain that these changes may appear years before people experience any cardiovascular symptoms, remaining a hidden health threat. Professor Declan O'Regan, British Heart Foundation Chair of Cardiovascular AI at Imperial College London, said: "Our study, which is the largest of its kind, suggests that millions of people could be living with hidden inflammation, which is slowly changing their heart and causing long term damage - increasing the risk of heart attack and stroke. Chronic inflammation is complicated, but we know it's tied to our health and driven by a range of lifestyle and economic factors – meaning people may be at more risk just because of their surroundings, their economic status, their family's health and their lifestyle."

"But while tackling health inequalities remains an issue, there are things that we can do about inflammation, including reducing risk factors like smoking and obesity." Chronic inflammation is a long-term low-level activation of the body's immune system. It has been linked with a range of diseases, including cancer and diabetes, and is increasingly recognised as a hidden driver of heart disease.

Dogs show a surprisingly human-like brain response while resisting temptation

Sanjana Gajbhiye



A dog sitting inches from a favorite treat can face a difficult problem. The food is close enough to grab, but an owner has said to wait, so the dog has to stop itself from taking something it clearly wants. That everyday moment matters because self-control supports attention, decision-making, and the ability to stay focused on a goal. A new experiment suggests that dogs show a human-like pattern of brain activity when they resist temptation, giving researchers a new way to examine how control works across species. In the Department of Ethology at Eötvös Loránd University, Márta Gácsi has studied how dogs can help researchers understand conditions that also affect humans. "Dogs live and age faster than humans but move in the same environments and adapt to the same social and physical challenges," Gácsi said. "This means that developmental and age-related factors associated with pathological conditions can be examined more time-efficiently than in human populations." The team worked with 14 dogs that had already learned not to take food or a toy when their owner told them to wait. Across the experiment, the researchers collected 226 short recordings of the dogs' brain activity. During the main task, a reward the dog wanted was placed within reach, where it could be seen and smelled.

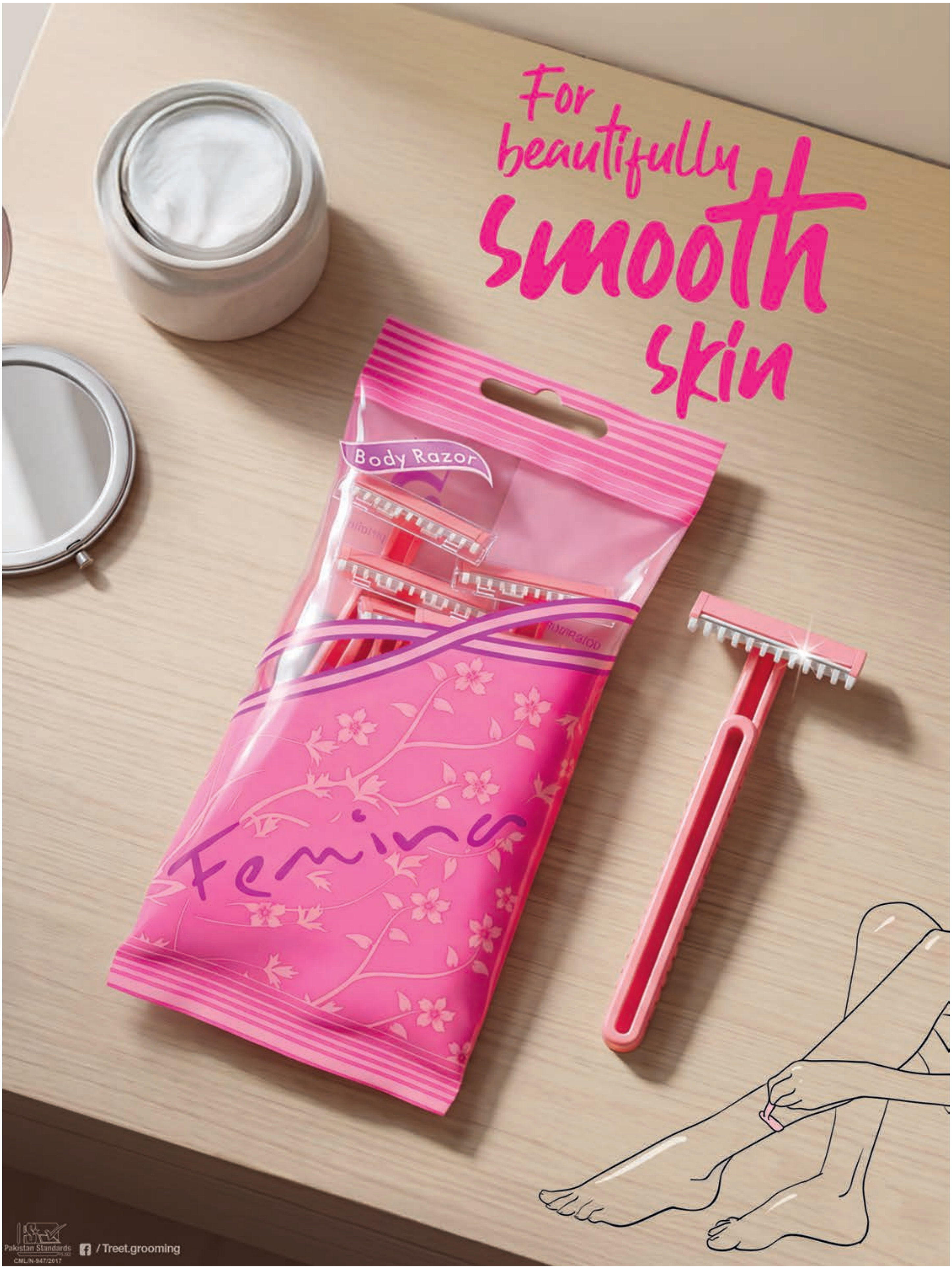
Big space mirrors could bring Earth on-demand light — and upend our night sky

Lisa Grossman

Since 1989, astrophysicist Jonathan McDowell has tracked every human-made object in space. McDowell's meticulously maintained catalog, updated every few weeks, is more comprehensive and detailed than that of most governments.

From his front-row seat, he has watched with growing alarm as private companies launched dozens, then hundreds, then thousands of satellites over the last decade. So when McDowell heard that a space company called Reflect Orbital plans to launch a satellite to reflect the sun's light onto the night side of Earth, he heaved a deep sigh.

"It's an insane project," says McDowell, who retired from Harvard this year and is now an honorary professor at Durham University in England. "There's a failure to understand that darkness is a good thing." Reflect Orbital, based near Los Angeles, hopes its satellite and others like it some day offer "sunlight on demand," illuminating disaster areas for search and rescue efforts, lighting up nighttime events and festivals and allowing solar farms to run all hours of the day. "We believe that exploring how new technologies can help the world forgo fossil fuels is a responsible application of the scientific process," Christopher Buscombe, a spokesperson for Reflect Orbital, wrote in an email to Science News. "We will continue to work closely with scientific partners who share this belief." But many space observers and dark sky enthusiasts are in an uproar. The consequences to astronomy could be catastrophic, they say, and the reflected light could threaten human health and safety and disrupt wildlife.



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