

# Shipwreck in Greece: Why were half those onboard Pakistanis?

At least 298 passengers who drowned in the infamous shipwreck off the Greek coast on June 14 were from Pakistan, writes *Farooq Sulehria for Green Left (Australia)*. Twenty-five came from the same village in Pakistan-administered Jammu and Kashmir. According to some reports, more than 400 people onboard the ship were Pakistani.

Initially, when the news broke, the mainstream media in Pakistan ignored it. The tragedy only got attention when the Pakistani origins of the dead were reported. Suddenly, it was headline news. The Federal government also took “notice” of the tragedy. However, neither the mainstream media, nor government spokespersons have answered the simple question: why were so many Pakistani citizens onboard the ship that sank to the bottom of Mediterranean?

In general, the government has blamed the rackets involved in human trafficking. A few arrests have been reported. Irritatingly boring, but expected, statements have been issued by the ministers and bureaucrats to condemn human trafficking. The mainstream media, meantime, have been busy blaming the victims. The “chattering classes” ensconced in palatial villas, echoing the heartless media discourse, are also holding the “risk-taking” youth responsible for mindlessly boarding the ship and paying exorbitant sums of money to the mafias.

The fact of the matter is that poverty and an utter lack of hope drives young people to hand over their parents’ life savings to human traffickers and hop on overcrowded boats leaving the Libyan coast in the dead of night. It is not that

the government or the media and chattering classes lack the knowledge about obscene poverty all around or the absence of hope in the country's darkening future.

By blaming the victims or pointing fingers at the people-smugglers, the apocryphal "1%" in control of the government and media absolve themselves. A few savvy ones, acquainted with postcolonial theories imbibed during their student days on Western campuses, also mention "Fortress Europe" in their tweets.

Fortress Europe, no doubt, is the prime suspect in the shipwreck under discussion (more in a while). However, Fortress Europe operates in Pakistan, like other countries on the periphery, in connivance with the native 1%. This 1% is equally responsible for the 300 or so coffins to be dispatched from the Mediterranean to Islamabad. Following is the indictment of Pakistan's 1% who connived with Fortress Europe in the shipwreck conspiracy.

## **Pakistan's One percent:**

Pakistan's richest 1% own 16.8% of the wealth.

The richest 10% own 25.5%.

The poorest 40%'s share of wealth is also 25.5%.

This inequality is structured, systematised. One mechanism of this systemic inequality is the elite capture of the country's resources.

The benefits and privileges enjoyed by different vested interest elite groups (constituting the idiomatic 1%), amount to Rs2.66 trillion (US\$17 billion) annually. The taxation system is the largest source of benefits. Almost 50% of the \$17-billion in benefits the elite enjoys, occurs through the tax system (benefitting the landed class, traders and high-income individuals).

The landed elite, for instance, is granted a tax break of Rs195 billion (\$1.5 billion) annually (US\$1 was equal to Rs150 at the time of the study quoted here).

Rs468 billion (more than US\$2 billion) in tax revenue is lost owing to tax exemptions granted to the corporate sector. Similarly, large traders and high-net-worth persons are awarded tax concessions worth Rs612 billion (\$2 billion) respectively. Rs1275 billion tax concessions are granted on an annual basis. Another method benefitting the 1% (the primary beneficiary being exporters) is price mechanisms, accounting for 26%. Likewise, privileged access to land, infrastructure and capital (the military being the primary beneficiary) accounts for 24% of the Rs17 billion collective class privilege.

Ironically, the corresponding cost of social protection programs is roughly Rs600 billion (US\$2 billion). Roughly 10% – if health is excluded – of the population is covered by a social protection net. “If just 24% of the privileges of the powerful were diverted to the poor, this would double the benefits available to poor Pakistanis,” claimed a United Nations Development Programme (UNDP) study.

But how many poor are there? At least 32% in a country of 220 million people are poor. Based on the UNDP’s Human Development Index, in 2021–22, Pakistan ranked 161<sup>st</sup> out of 192 countries. According to the UNDP’s multidimensional poverty index, 38.3% – based on a 2017–18 survey – face multidimensional poverty, 21.5% face severe multidimensional poverty, while 12.9% of the population is vulnerable to multidimensional poverty. The intensity of deprivation is 51.7%.

## **Inequality as panacea**

In the 1960s, a policy of “functional inequality” (à la Simon Kuznets) was introduced. In other words, a strategy of unequal

growth, accentuating inequality, was deployed in order to enable the capitalist class to accumulate more capital so that the rich had a higher level of savings.

These savings, it was assumed, would be invested into industry, resulting in higher economic growth. As far as inequalities were concerned, Simon Kuznets' theory was deployed to project an optimistic future: market mechanisms would in time overcome the inequality during the initial stages of unequal growth. This policy has "persisted to this day", claimed Pakistan's noted economist Akmal Hussain in his recently published tome.

The result of these policies in the 1960s has recurred almost every 10 years: exports based on primary goods and low-value-added agricultural-based manufactures do not keep pace with the import requirements of a rapidly growing manufacturing sector. This, in turn, leads to the following two consequences. Firstly, a balance of payments crisis occurs since growth after an initial spurt slows down. Secondly, to overcome economic slowdown, foreign aid was/is deployed. This is one critical way Fortress Europe enters Pakistan to trap the country into forever-ballooning debt.

## **Enter 'Fortress Europe'**

Negotiations with the International Monetary Fund (IMF) were underway at the time of writing these lines. Perhaps, when 300 Pakistanis were handing over Rs2.3 million (US\$7000) each to the human traffickers for their fateful journey, the IMF-Pakistan negotiations were also underway. Pakistan has been begging for months for a \$1-billion tranche. To secure \$1 billion, Pakistan paid \$12 billion during the first half of the 2021–22 financial year (FY).

Pakistan's total external debt and liabilities have reached \$127 billion (41% of gross domestic profit). Meanwhile, its sovereign bonds have lost more than 60% of their value,

exports have declined to 7%, remittances have dropped to 11% and foreign direct investment has dropped to 59%. Amid this situation, its external debt repayment obligations are \$73 billion over 3 years (FY 2023–25). Presently, foreign exchange reserves have been reduced to \$4–5 billion. Pakistan pays more than \$1 billion a month in debt repayments and interest on public debt.

While the capital in the name of “debt retirement” is welcomed in Fortress Europe, Pakistan’s labour is left to drown in the Mediterranean.

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## **Norway shifts left – what implications for Scotland?**

The result of the Norwegian general election on Monday 13 September showed a marked shift to the left in the important oil-producing European state, writes *Mike Picken for [ecosocialist.scot](https://ecosocialist.scot)*.

The three major right wing parties lost 20 seats between them in the 169 member parliament and the Conservative-led government has fallen.

The Conservative Party that has led the right wing coalition government since 2013 lost nine of its 45 seats, while the

most right wing party in the parliament, the anti-immigrant Progress Party, lost six of its 27 seats. The smaller Christian Democrat right wing party lost over half of its parliamentary seats to be reduced to just three.

The social democratic Labour Party has continued as largest party and the speculation is that it will lead what is probably a re-run of the three party coalition that ran Norway from 2005 to 2013. Although its victory has been hailed as a 'landslide' and a triumph, the Labour Party nevertheless lost one seat in the election to fall to 48 seats, less than one third of the parliament.

The Labour Party is already seen as neo-liberal but will face strong pressure to move further right from its likely coalition partner, the Centre Party, which made the biggest gains winning an extra nine seats to take it to 28.

## **Left and Green gains**

The election was dominated by the climate crisis and the most significant feature of the election for ecosocialists was the big increase in seats for the left and greens – the Socialist Left Party, the Red Party and the Green Party. All three parties work together in the environmental and other movements.

The Socialist Left Party was originally part of the traditional communist movement and gained two seats to move to 13 seats. The party has been faced with criticism from its left due to taking part in the Labour-led coalition from 2005 to 2013. (This period was called the 'Red-Green' coalition, though this is after the colours of the parties rather than a political description). The Centre Party are the likely coalition partner for Labour, but are publicly opposed to the inclusion of the Socialist Left Party in government now. Given the shortfall in seats, so there could well follow a lengthy period of debate about whether the Socialist Left

should join the Labour-led government, or support from the outside [as the Left Bloc did in Portugal](#).

The significant winners from the far left was the Red Party which doubled its vote to 4.7% and gained seven seats to go from one seat to eight. The Red Party also describes itself as a communist party and has had a significant extra-parliamentary role focussing on defence of the welfare state in Norway, one of the key gains of the post war period.

Also gaining seats was the small Green Party which increased from one to three seats. The Norwegian Green Party aligns itself with the German Greens, but its strong opposition to extraction of North Sea oil by Norway makes it an impossible governmental partner for the Labour Party. The Green Party calls for the phased ending of oil extraction, though the demand for a sharp reduction programme and for the end by 2033 is regarded as totally unacceptable by both conservative and social democratic parties.

Also winning a seat was a small local campaign, Patient Focus, against a hospital closure in the Finnmark region, reminiscent of the Kidderminster hospital campaign that won a seat in the UK parliament in 2001.

## **Impact on British and Scottish politics**

The routing of the right wing parties and the certainty of a social-democratic led government means that all five Nordic countries will have centre-left rather than right wing governments – Norway, Denmark, Finland, Sweden and Iceland.

Within Britain, the defeat of the right shows the important of a focus on the climate and environmental crisis. The UK government hosting of the [COP26 in Glasgow](#) in November means we have to challenge relentlessly the UK Conservative party

policies that offer no hope of challenging the crisis. But the impact of the elections is likely to have greatest impact in Scotland.

The social democratic-inclined majority devolved Scottish government is newly established as an agreement between the Scottish National Party (SNP) and Scottish Green Party following their electoral gains in May. The SNP and Scottish Greens are likely to see Scotland as facing similar challenges to oil-producing Norway. The SNP and some others in the independence movement are influenced by the argument that Scotland can survive as an independent country outside the UK through alignment with the similarly sized Nordic nations, with their long history of social democratic government and welfare states. However huge tensions exist in this policy. The pressure for continuing oil extraction from a global capitalist system oblivious to the need for immediate action is relentless and the SNP has been historically a strong supporter of an oil and gas driven economy for Scotland. So long as the oil production is only slowly phased out, climate change continues to rampage across the globe causing destruction of the ecosystem and death of species. While this now has its appearance in floods and fires across Europe and North America in recent months, the biggest impact of climate change remains on the 'Global South' of poorer countries. The whole planet is on fire, not just the rich countries who mainly caused it.

But the main problem with this Nordic-alignment approach in Scotland is that the UK state is not going to allow Scotland to go independent easily. The blow to the UK's global role would be too great, especially as it would mean relocating Britain's nuclear weapons from Faslane near Glasgow (recently depicted in the most watched British TV programme – the BBC's 'Vigil' drama).

Scottish independence will only be won by a mass movement for change linking independence to internationalism – climate and



social justice – not by persuading the UK state and British ruling class of the error of their ways.

Norway remains steadfastly outside the EU internal political structures, while supporting free movement across Europe through the European Economic Area (EEA) process. But both the Scottish Greens and SNP support an independent Scotland unconditionally rejoining the neoliberal EU, while the SNP support joining NATO (which the Greens are opposed to and have freedom to argue that in their recent governmental agreement). Both parties are opposed to possession of nuclear weapons by either the current UK or an independent Scotland. However not a single NATO member state has yet endorsed the international Treaty for the Prohibition of Nuclear Weapons (TPNW) for fear of the repercussions from the likes of USA, France and the UK. Despite conference policy to oppose nuclear weapons, the Labour leadership in Scotland follow the line of the UK Labour and Keir Starmer in supporting Trident and membership of NATO. In the current spat between France and the UK and USA over support for Australia gaining nuclear powered submarine technology, The Labour leadership at Westminster has resolutely come to the defence of NATO.

## **Challenges of the Brexit disaster for Scotland**

The overwhelming vote in Scotland to remain in the European Union in the 2016 Brexit referendum has been trampled over by the Westminster Tory party and Boris Johnson's UK government. There is therefore debate about what to do about it, especially if Scotland becomes independent. The halfway house 'Norway solution' of EEA through membership of the European Free Trade Association (EFTA) that unites Norway and Iceland (with Switzerland and Liechtenstein), is advocated by some in the newly created Alba Party in Scotland, led by disgraced former First Minister Alex Salmond, that split earlier this

year from the SNP. But this solves none of the challenges of the environmental crisis nor does it give Scotland a political voice. Besides, Alba Party support is miniscule and not only did they fail to make any impact at the recent election despite a lot of hype, the latest opinion poll shows them on 0% and Alex Salmond as even more unpopular than Boris Johnson in Scotland.

The Tory process of Brexit has been disastrous for the UK and is strongly opposed in Scotland, not least on democratic grounds as Scotland voted so strongly against Brexit in 2016. A future independent Scotland will need to trade and support free movement of people, but the SNP and Green policy of **unconditionally** rejoining the EU is not adequate to confront either the climate crisis or the post-pandemic economic and social crises. An independent Scotland should give voice to those in the Global South protesting over the legacy of British and European empires and colonialism that have exploited their lives, currently being denied effective representation at the UK government hosted COP26 in Glasgow in November due to global vaccine apartheid where only 3% of the population of Africa have been vaccinated. Any independent Scotland rejoining of the EU should be conditional on both the explicit agreement of the Scottish people and negotiations on demands for the EU to change its disastrous neo-liberal policies and processes.

## **Important Lessons for the Scottish Socialist Party**

With 21 seats between them the success of the both the Socialist Left and Red parties in Norway is also a lesson for the left in Scotland, particularly the Scottish Socialist Party (SSP). It shows that it is possible to challenge neo liberalism and the climate crisis effectively, both on the streets and in elections. The SSP had six seats in the

Scottish parliament of 2003-2007 and put forward economic, social and environmental policies that are now considered mainstream in Scotland and have in part been adopted by the government (the SSP demand for free school meals for all is now supported by every party in the Parliament). The SSP tried to rebuild itself after its one-time leader Tommy Sheridan and his supporters tried to destroy the Party. But the SSP disastrously sat out the last Scottish Parliament election on the spurious grounds that “there was a pandemic” (just as there is in Norway). If it had followed the lead of the Socialist Left and Red parties in continuing to contest elections effectively and giving voters a clear class choice on defence of the welfare state and the need for urgent solutions by governments to the environmental crisis, the whole of the pro-independence left in Scotland would now be in a stronger position.

Mike Picken

| Party                            | Vote share | Seats      | Change |
|----------------------------------|------------|------------|--------|
| Labour Party (Ap)                | 26.4 %     | 48         | -1     |
| Conservative Party (H)           | 20,5 %     | 36         | -9     |
| Centre Party (Sp)                | 13,6 %     | 28         | 9      |
| Progress Party (FrP)             | 11,7 %     | 21         | -6     |
| Socialist Left Party (SV)        | 7,5 %      | 13         | 2      |
| Red Party (R)                    | 4,7 %      | 8          | 7      |
| Liberal Party (V)                | 4,5 %      | 8          | –      |
| Green Party (MDG)                | 3,8 %      | 3          | 2      |
| Christian Democratic Party (KrF) | 3,8 %      | 3          | -5     |
| Patient Focus                    | 0,2 %      | 1          | 1      |
|                                  |            | <b>169</b> |        |