



Tip of the Iceberg

The bizarre disappearance, or rather more accurately theft, of an entire Airbus A-310 PIA airliner has left many bewildered and exasperated. For a country with the unfailing knack of producing world firsts in mayhem, disorder and corruption, this is yet another award to add to the ignominious list.

In a not so transparent manner, the plane was gradually penciled in for disposal via sale to a salvage company based in Austria, but the price agreed (and to be paid in the form of unexplained 'marketing services') is a mere \$160,000 which would not even buy a luxury car these days, and is well below even the scrap value of the plane. In the process the fully functional plane has been flown out of the country and its location as well as ownership remains uncertain, with a German museum currently claiming ownership, depriving the state of Pakistan and its people of yet another valued asset.

The first lesson to be drawn from this incident pertains to the main characters involved in orchestrating the elaborate theft. Namely the two Europeans hired to serve at the highest levels of PIA; Bernd Hildenbrand as the acting CEO and Helmut Bachhofner as the Senior Technical Consultant. This demonstrates that it is not the Pakistani gene alone that is inherently corrupt, or that low education levels or lack of exposure to Western style democratic values produces high levels of malpractice and disregard for society. Both the individuals in this case are highly educated foreigners who manipulated their way into the corrupt environment of Pakistan and once there fully embraced the opportunity to loot and plunder.

The other key personality who facilitated this scam is none other than a senior military official, in this case a high up PAF officer - Air Commodore Imran Akhtar, brother of outgoing former DG ISI Lt Gen Rizwan Akhtar, serving as Director Procurement and Logistics Department. It was under the supervision of the Air Commodore, seconded to PIA at a hefty salary, that allowed the felony to take shape and unfold, proving that corruption at the highest levels in Pakistan are not the sole domain of civilians, but also extends to the upper echelons of the military as well.

However a deeper and more chilling issue that surfaces concerns the resource management approach at play in Pakistan. As per capitalistic principles the concept of freedom of ownership prevails across all spheres and departments, where the land's natural resources and state industries can be privatised and sold off to private companies, who in turn are free to make exorbitant profits in selling these resources or products to international markets or even back to the state itself. One alarming example is the nature of deals struck with Pakistan's IPPs (Independent Power Producers), who after having bought state utilities and/or the right to own the land's natural resources, often for a pittance, now contribute roughly 40% to the state's annual electricity generating capacity. According to the Institute of Policy Reforms, the IPPs have been making massive rates of return on equity, well above any other industry in Pakistan, no doubt helped by sovereign guarantees (ensuring payments at agreed prices regardless of market conditions) signed with the then government. Sadly in comparison to this legalised theft, the plunder of one PIA aircraft is just the tip of the iceberg.

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