A Comparative Overview on Political Instability and Its Vicious Impacts on Economy and Development: A South Asian Reference & Purview

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Abstract
Development is a most fascinated and awaited gain in south Asian region nonetheless various political experimentation made hitherto have not accomplished expected outcomes in course of causing welfare and betterment to people. The mismatch, comparative disorder and deterioration, which are regularly unchallenged in this circuit of the globe- thus has regularly impoverished lives- can be attributed to various reasons. Among of them, political instability should be placed atop and this paper in detail explores the way how growing political instability has groomed the negative impacts on economy and development of this region.

Keywords: Economy, Development, Instability, Deprivation, Backwardness

Full Article
Though the term ‘right’ can be multifold interpreted as per the doctrine of necessity and on the situation of country, Economic, Social and Development Rights of people are regarded as most fundamental and principal rights throughout the globe. Mere political and rhetorical rights neither value in society and nor make people feel happy nor do cause any significant changes into day to day livings unless rapid progressive cum positive changes do take place into economic and social status of people. But politics, which is supposed to be the key driver of all policies, is in quizzical instability hence makes severely inverse impacts on rest of rights, especially in South Asia. Still the index of quality life of people in South Asian region is quite low. Economic proliferation, cultural modification and developmental status are almost at standstill. These severe impacts among them are caused because of dense political instability, un-charred since long.

Unless economy of people improves, the rest of rights will be mere a mirage. Though various sorts of discriminations are talked, those will automatically fade away provided economic standard of people can be strengthened. The real development lies behind economic development and people feel changes if and only if economic prosperity seems possible to them. Bellù (2011) notes it as “actual socio-economic systems” (5) and argues that “economic development has traditionally been seen as the first form of development indicated by PCI” (6). Adelman and Morris (1967) use the word ‘expected development’ to rate the very course. Aghion and Armendáriz (2004) feel it to be a ‘most needed approach’ to mass people. Bourguignon & Morrisson (1998) deem ‘economic inequality’ as crux of the problem then urge to overcome such inequalities to assure right path of development. But South Asian region has missed it for long and has remained almost standstill or back slackening on these issues and it is so because of political instability.

Talking about nature of discrimination in Pakistan, Beall (2006) discusses the notion of ‘facing dirt’ as well as reeling under ‘disordered development’. He makes a surreal portrait of people of Mahaiyawa MC as inexplicably pathetic as an upshot of political instability. Community has poor and highly congested housing. People there have to often reel and negotiate with limited land rights. Heavy reliance on public latrines, which are mere erected and poorly maintained by the KMC, is only option. Inadequate sewerage creates huge problem and other excessively adulterated urban services suffocate people as evil spirits. The author lays stress that such mismanagement has disordered the regular development process too. The backhandedness is based on economic gap and poor status rather than the caste. Had they had better economy, they would have obviously practiced better life. Confirming the issue, Gill (2007) notes that always those are poor people, who are hardest hit with problems like civil war, ethnic riots and natural disasters like tsunami. All of arguments allow in inferring a fact that the people face problem not because of the caste but of class. But improving class and abridging the economic gap among people is largely affected because of political instability in many nations. Lindgren (2005) observes the political instability and confrontation induced civil war in many countries as base reason for...
economic devastation and development degradation. Overcoming such mishap, only stable politics to implement better vision is the first and foremost ground to have sound departure, Mishkin (2006) postulates. Thorat and Shah (2007) feel caste as less significant and less visible over the concern of class. For them, economic status comes to be the chief issue of empowerment. Such portrait encapsulates that economically substandard situation deprives people from other rights too. And real empowerment is sided with economic promotion and betterment. Acemoglu and Robinson (2006) urge that economic prosperity of any nation is inversely related to political instability. In case of stability, the authors postulate that any form of political systems can assure equal economic and social development be it either democracy or dictatorship.

Culture is way of living; and way of any living by rich people will be normally accepted, respected and even expected for simulation. Or being rich encourages people to adopt any mode of living. Almqvist (2005) notes that three elements constitute the cultural dimension of the individual and those are: skills (cultural equipment); cultural norms (adiaphora); and ideology (comprehensive doctrine) and writes, “a person’s skills enable/disable action, norms and ideological outlook shape and, to some extent, define the purpose and manner of action” (41) and Hastrup (2001) claims that shaping to be an outcome of economic status of people. Van der Ven and et al write (2004) “omitting any one or more of them will erode the concept of a human rights culture, at least in the context of a deliberative democracy” (83) thus regard that economy and economic development to be most important and undeniable part of sustainable and successful democracy. But political instability has severely decelerated and impoverished the expected economic development; and in result, assurance of progress and development to people especially into south Asian region has always remained stagnant.

As politicians remain very frequently concerned in toppling and tapping the government, no strong programmes to assure economic progress and developmental activities to mass people take speed into actions. Most of the times, the entire political deterrence will be busy in altering government and engaging into power-games. Nepal has 23 governments in 27 years with an average life of a year. Thus no substantial progress was possible in this time. Bringing any strong plan to assure better economy and development was beyond reach because of consistent frequency on the change. Dahal (2016) writes, “Political experiments are rife and economic development has been always a back seat” (7) and adduces the aforesaid argument. But in the same period, India has only 6 governments, Malaysia had Mahathir Mohamad and Singapore had Lee Kuan Yew. They ruled for long period and profoundly exerted many action plans to make paradigm shift in economy and development of nation. Even Bhutan has good progress because stability exists there but Bangladesh is lagging behind. The frequent changes in the government will cause changes on policies and planning. A party won’t like to continue the plans initiated by others then others sorts of programmes will be announced by next. It causes low economic progress in country and people surf into meager life with poor and slow development.

In Srilanka, the 67 years from inception of regaining independence were characterized with regularly confusion-wrapped flux in economic policy. Every change of government with or without any sound plan opted then enforced it. But in outcome, it brought uncertainty then discouraged home and outer investment as well. 25 years of civil conflict had 2 percent growth rate and now in average it is about 6 % once political stability is noticed. Instable politics extends an environment where politicians misuse nation’s treasure and embezzle the national resources for personal gains. Agreeing with the argument, Dahal writes, “today’s rulers are very different from the Shahas, Ranas and Panchas of yesterday in the style and rhetoric: but they are rulers yet and share the same motive-- personalization of power, resource and authority and distribution of patronage to families, friends and clients” (2010:1). His statement decipherers that power-mongering and cutthroat competition are still unchecked and such misfortunes have severely other way shifted and drifted the politicians from quest of economic development of the nation. Such dilly-dally has left nation ever poor and least developed then caused negative index in all rights of people.

Political instability even destroys the social life. Reports exhibit that approximately 4 million of Afghans citizens are thought to have suffered from starvation during Taliban Rule and 40,000 plus of Afghans have direly sought an asylum in many of nations in Europe from January to August in 2014. About 41% had reported of losing one or both parents in course of the ongoing conflict. And over half of them had witnessed terrible torture or heart-broken violent death. Many children sufficiently expressed the ingrained fear of dying in the conflict. The data projects the bleak and weak social picture of human life.

If political instability continues, there will be regular protest and logger headings among parties. Rather than concentrating and penetrating to work for betterment of citizens and welfare of societies, parties engage in: having protest, recriminating others and making bedlam and pandemonium. They misjudge of being counted and acknowledged for their presence with such anti-political sprees. Blomberg and Hess (2006) rightly examine the way that types of political conflicts affect within and outside trade in the countries. Their estimates duly suggest that any sort of violent conflicts is always greater barrier to trade and traditional tariff too. The very argument is supported with studies of Glick and Taylor (2010), who take help of historical data ranging the period 1870–1997 to examine the impacts of conflict over the ‘bilateral trade’. Their findings herald a conclusion that conflict has excessively profuse and persistently adverse effects on trade of nation thus it affects economy and
development. Besides those studies, Martin and et al (2008) also use a gravity equation to scrutinize the outcome of civil conflict on bilateral trade between different countries and find conflicts having vicious outcomes in trade. In Bangladesh, there were 70 hartals in 2013; and Ahsan & Iqba (2014) write that those caused loss of $5000-10000 million. Nepal is also estimated to incur 2 billion loss because of a day of strike at once and has recorded more than 1500 various types of minor to major strikes or obstacles in last 10 years. Such actions which are always outcome of political instability have largely slackened the economy and eroded development speed.

Consistent struggle between Zia and Sheik family in Bangladesh is causing political turmoil, which has adverse impacts in economy and development. As projected from the World Bank International Monetary Fund, Bangladesh Bank (BB) and many experts, the gross domestic product (GDP) of nation to step down below 6%, which was significantly lower than the target of 7.2% for FY2014. Throughout last entire three decades, the country negotiated with growth of only 1% per decade. In period of July-October 2013, revenue generation made by National Board of Revenue (NBR) was only 16.4%, but the target was 25.3% for FY2014. On January 1, 2015, the DSEX index was 4941.52. The series of vandalism regularly followed by strike and blockade too started from 6th January 2015 and as the result the DSEX index started catching declining graph continuously. By the time of 1st February 2015, the index reached down to 4618.47. Such sordid fall not only succinctly reflected the current but also the looming threat of further economic damage as byproduct of such instable politics-induced activities i.e. vandalism, strikes and blockades. Bangladesh suffered 36 nationwide shutdowns in year, 2014. Figures from the Federation of Bangladesh Chambers of Commerce and Industry showcased that the strikes had accumulated an approximate loss of more than $7bn. The entire reason for those all ebbs and fall, which hampered economic and development speed of nation and people, was political instability.

Ksoll and et al (2010) observe the impact of 2007 post-poll aggression and violence in Kenya over the export of flowers produced there. Flowers on being highly fragile and frail, any delays resulted from conflict left strong adverse effects on exports. Besides these representative cases, there are plenty of examples where the negative impacts on income generating economic mobility of people are sure because of conflicts created on ground of political instability and ruffle among parties. Ultimately it leads to considerable curtailing on people’s economic capacity and access to development. In Maldives, 86.7 percent of all jobs in the country are either directly or indirectly supported by the industry and those are affected on ground of political instability and turmoil. Nearly US$100 million is thought to be missed because of state of emergency in 2014 and it has negatively affected the economy of nation and hampered in economic right of people.

Investment risk among entrepreneurs is the next greatest misadventure that political instability crowns to a nation. Real development meaning to people is economic and it roots from aggressive investment, abundant generation of employment opportunities and massive mobility of economy, which are based on dense investments done in the nation. But frequent fluxes and mutations flabbergast and procrastinate even prorogue the investment planners. Rather capital flight in various excuses swells beyond imagination and control too. Pagano and Paolo’s (2005) notion of political economy and corporate governance too highlights the need of stable politics for automatic and spontaneous promotion of corporate activities in the nation. Roe and Jordan (2009) draw cause and effect relation between investment speed, economic development and political stability. Blattman & Miguel (2010) largely discuss the negative impacts on business activities and investments incentives because of political instability. Various reports written between 2008 and 2013 state that the foreign direct investment into Pakistan declined by approximately 70%; and almost so was the case into national investment as well. Capital flight from Nepal is high in each latter years and the reason for all is politics is instable, volatile and capricious. Inexplicably rapid fluctuations what Pakistan faced in stock in 2005 as an explicit outcome of political instability induced terrorism was another significant root reason to huge deficit to majority of the industries and trading sectors as well. The studies of All Pakistan Marble Mining Processing Industry and Exporters Association (APMMPIEA) makes a surreal revelation that 300 of marble units were forced to be shut down and 250 more were prone to reel under same fate. Such misfortune has assumed of shedding over than 50,000 jobs already. Karachi stock market faced 666.24 points down. Pakistan has scrolled down to 146th rank among category of the low income making countries. Though there was 6.8% growth rate in 1960, it is in decreasing order these years. And for all those displeasing outcomes, which have spoilt the regular economic growth and access to development of people, political instability is the cause.

Dhakal and et al (2003) write “disruption of political order and business networks and channels has an enormous economic cost” (12) and justify the hellish outcomes in economy and development in case politics of nation goes instable. On ground that there will be low economic mobility, financial fluctuation and inflation will be rife; and it lowers the purchasing power of the people. Affording quality life will be beyond the reach of mass people then level of poverty cements ahead. Aisen and Francisco (2006) regard instable politics as one of arch causes for devaluation of money and sweeping inflation. Boxis (2003) believes that stable democratic practice as most fundamental need to have better redistribution of resources and cause equal economic and social development together with controlling inflation in right manner. Dutt and Devashish (2008) too regard the economic unfairness and inequality as direct byproduct of continuous political turmoil and logger heading as it
drifts politicians away from devoting for development of nation. Glaeser (2006) feels inequality to exist in society when politics of nation deviates from working for development and equity of people but gets sunk into only power exercise and power game.

Even the instability, unsolicited logger heading and volatile politics suffocate then sabotage tourism, which is one of key sources of revenue generations and development expansions in almost every nation. As various political groups with different sorts of intentions and motif emerge, intentional terrorism/insurgencies are always undeniable. Detaining them pullulates violence and not curbing them encourages them to breed browbeating and cowing people from their behalves. Sparks of terrorism will be ignited thus tourism declines. Enders (2004) has found that terrorist activities have severely subtracted tourism enterprises and attraction in the targeted countries. Besides, it also has affected the adjacent and bordering countries as well with profusely negative outputs. Drakos and Kutan (2003) have inferred that any sorts of international terrorism leaves a sufficiently negative impact over tourism and those intentional terrorism is more rife incase political instability in nation is on. Hazbun (2006) has the opinion that tourism economies, which are assisting the economic progress and developmental mission of many nations, are generally vulnerable because of political violence and instability.

Political instability leaves another negative impact as the bureaucracy too will pay substandard accountability and answerability to serve people. Bureaucrats rather take the time of jittery as an opportunity to embezzle the resources of nation for personal benefits. You and Khagram (2005) too note the growing corruption mostly as the upshot of inequality and inequality as the outcome of failure to have economic development mostly overshadowed by political instability. Once corruption takes a speedy hit it further causes economic devastation and class gap. Frequent changes in government will often confuse bureaucrats about the channels and persons for regular reporting. And negligence to power will be common because there will be no fixed and permanent body to observe them. Parties fight for power and try to finish oppositions. Back to that bickering, bureaucrats mis-exploit resources of nation and ask people cost additionally for service they have to offer. The flow of economic progress, development activities and responsible administration get no attention from either of side.

Political instability has most unwelcomely institutionalized the trend of corruption. The frequent changes in government and consistent shuffling of planning not only confuse people but also diminish the accountability in bureaucrats. Wills (2014) writes “the 21st century, then, has seen a weakening of the political centre and the devolution of power to a broad range of politicians, policemen and civil servants and this process can be described as a ‘democratization of corruption’ in which the benefits of office are available to a wider section of the population” (8). His statement shows that the corruption has been an inseparable part of instability since devolution of authority makes it easy and accessible for many people. Snyder (2010) believing that Nepal stands as a “fragile state,” in understanding of international community notes as a state which “barely holds together the elite consensus for civil peace” (287). Because of violence among parties, Nepal stands as most corrupt nation in the region. Afghanistan is so in south Asia but India and Bhutan are relatively fair. Transparency International’s report 2016 too makes the similar hint. Nepal lies into 130th in listing of Transparency International and cause of it is severe political instability in Nepal.

In case of Nepal, even in two years, victims of mega-quake have not received any significant assistance and guardianship on behalf of the government and the primary cause of it is consistent shuffling of the government. Development Projects are largely underdeveloped. Singapore has 82,000 of per capita income but Nepal is with 768. People in Singapore can afford lavish life, facilities, earn social prestige and fame around the world but Nepal is regarded with pauper’s status. The major reason behind the condition is political instability induced economic backwardness and poor development status.

Once instable politics grows and national standard and national consensus among major forces decline then international and cross border diplomatic encroachment and invasion come to be robust either in name of foreign assistance or NGOs/INGOs. Those often bear interest of donor countries and come with agendas of splitting people into this or that issues. Secularism, federalism and other progression-plated issues in Nepal have further derailed and diluted the path of progress. Bangladesh too suffers the same pitty as she has more INGOs than Nepal. Seriously, there will not be a free lunch in diplomacy. Golding’s Lord of the Flies (1954) justifies the way how donors have been less boon and more bane or burden to donation receiving countries. Dahal’s (2016) arguments in his two articles Tapping Our Possibilities and Disgraceful Deviation regard political instability as chief cause of economic regression and it has caused backwardness in development of both the nation and people. Upreti (2010) also writes “Large number of aid agencies such as bilateral donors, multi-lateral agencies like banks, INGOs, UN agencies and charity organizations support post-conflict development in war-torn countries but their interests, priorities, aims, working procedures and approaches are often contradictory and different” (130). The same argument is adduced here again that such activities emasculate people and those are groomed in name of political instability. But regular economic progress and development activities in nation will be washed away in this case.
Authoring a widely read book, ‘Dead Aid’, Moyo (2009) argues that governments’ development finance is mandatory to be generated from private sector and self-made economic growth rather than mercy and donation of aid agencies. Economic growth being maintained at present cannot suffice to address prevailing socio-economic crisis existing in many of developing countries. Always relying on foreign assistance entails poverty level increase without challenge and eventually flow of aids decrease job poses serious risks ahead. Such mishaps will weaken enjoyment of economic and development rights to people. And the reason for those all unwelcoming outcomes is political instability.

Frequent shuffling of governments and political instability create a heavy pool of VVIPs for whom the nation has to manage a big fund. In last 8 years, a pool of 35 big five, whom a large portion of nation’s treasure is to be spent, is in Nepal. The money spent in first Constituent Assembly, which brought no any result, could suffice to generate large volume of hydro-power. It could establish many factories, it could offer education to many children, and it could save life of many people who were deprived of basic health hygiene and social safety. But that all was useless and political instability of nation made resource underused other-ways. Political instability thus not only caused unproductive use of economy but also missed the opportunity to cause further economic progress and development.

Conclusion
As political satiatility is must for economic development and improvement, the very same is need of the hour for the better financial opportunity as well. But the very misfortune is driving force to impel various South Asian nations to dive into the misadventure of economic stagnation and snail-sailed or backfiring social development.

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