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COUNTRY ANALYSIS REPORT



Edition 59

f l X @ d y /accountlabpk

Aug 1st - Aug 15th, 2025

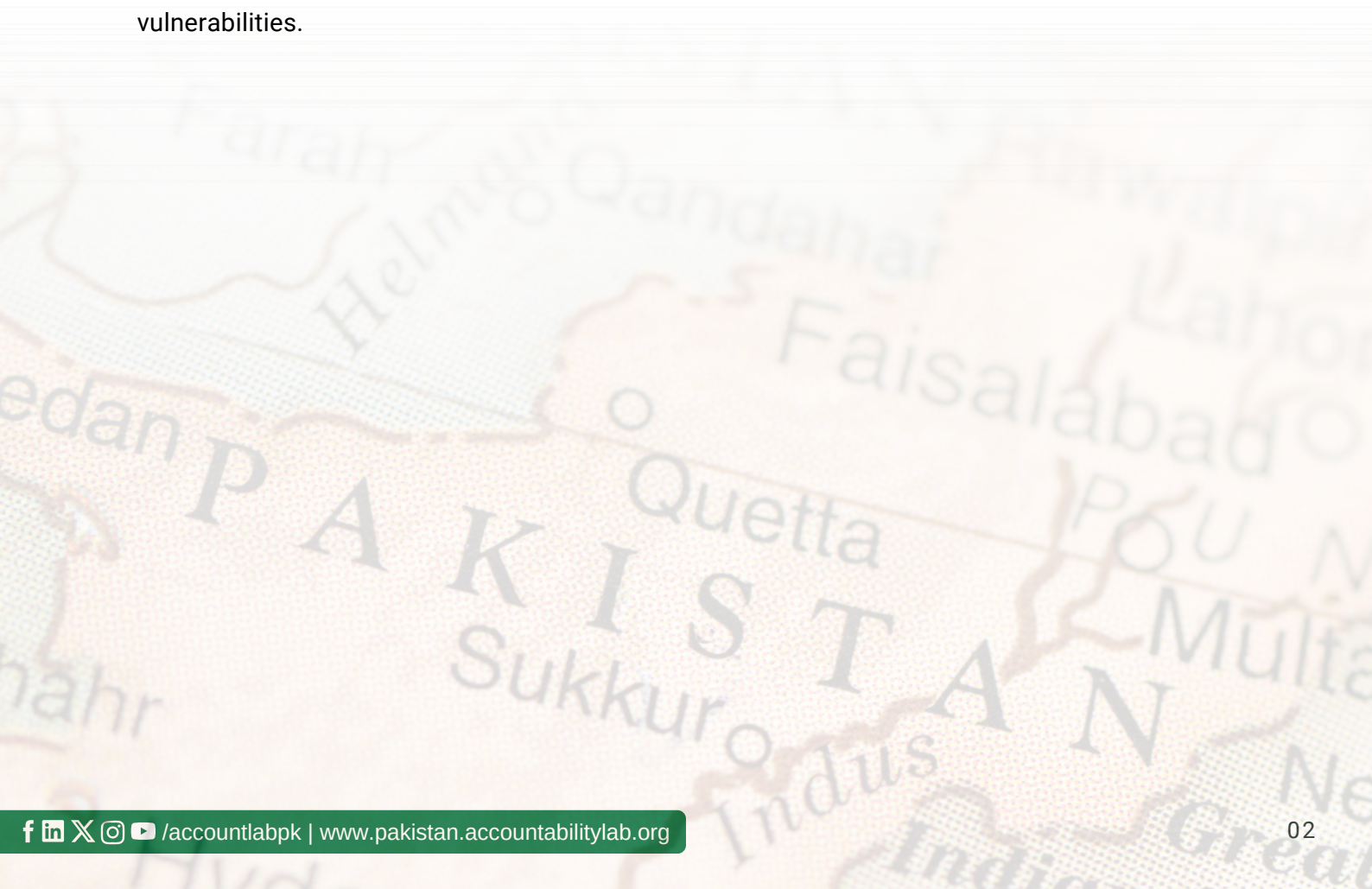
Executive Summary

In August 2025, Pakistan grappled with a mix of symbolic recognition, political turbulence, and fragile stability. National Minorities' Day highlighted both the contributions of religious minorities and the gap between constitutional protections and ongoing discrimination. Politically, the first half of the month was dominated by PTI's "Black Day" protests, marking two years since Imran Khan's arrest.

While rural areas especially in Khyber-Pakhtunkhwa showed strong mobilization, heavy state clampdowns, mass arrests, and weak urban turnout exposed the party's internal divisions and limited momentum.

On the diplomatic and economic fronts, Pakistan sought to diversify partnerships and project resilience. Deepened trade and security ties with Iran, expanded energy and space cooperation with China, and legal victories over Indus waters strengthened its international standing, while declining U.S. aid was partly offset by government co-financing and diaspora contributions.

Domestically, heavy monsoons and glacial outbursts underscored the costs of climate change, even as authorities improved disaster response and regulation. Moody's credit upgrade, a rare current account surplus, and policy reforms in AI and mining signaled cautious economic stabilization, though high unemployment, poverty, and governance gaps remain. Together, these dynamics illustrate a country balancing short-term gains against deep structural vulnerabilities.



Minorities' Day in Pakistan

Every year on August 11, Pakistan marks National Minorities Day, a date the federal government officially [designated in 2009](#) to honour the contributions of non-Muslim communities and to recall the promise made to them at the nation's founding.

The choice of August 11 deliberately echoes Quaid-e-Azam Muhammad Ali Jinnah's famous address to the Constituent Assembly on 11 August 1947, in which he declared: "You are free; you are free to go to your temples, you are free to go to your mosques or any other places of worship in this State of Pakistan."

Official population figures show religious minorities are a small but significant part of Pakistan's social fabric: the [Pakistan Bureau of Statistics' religion breakdown from the 2017 census](#) places Muslims at roughly 96.3% of the population, Hindus at about 1.6%, Christians at about 1.6%, Ahmadis at about 0.2%, and other groups (including Sikhs, Parsis, Baha'is and Buddhists) making up the remainder.

On paper, Pakistan's constitutional framework offers protections: Articles of the Constitution guarantee freedom of religion and equality before the law, and the state has adopted measures such as reserved parliamentary seats and various institutional mechanisms intended to promote minority inclusion. The National Commission for Human Rights and other official reports note steps like reserved seats in the National Assembly and Senate, and the creation of ministries and committees aimed at minority affairs.

Yet the gap between law and lived reality remains a central theme of Minority Day reflections. International and domestic human-rights monitors consistently document societal discrimination, targeted violence, forced conversions, blasphemy-related cases, and other forms of exclusion that disproportionately affect minority communities. Reports from the U.S. State Department, United States Commission on International Religious Freedom (USCIRF), and independent groups highlight [recurring attacks](#) on [places of worship](#), mob violence, and legal provisions that have been used against minorities.

Minorities' Day in Pakistan, therefore has a double meaning: it is both a day of recognition, celebrating doctors, teachers, artists, businessmen, and civil servants from minority backgrounds who contribute to national life, and a day of accountability, asking whether the state and society are living up to Jinnah's promise of equal citizenship. Civil society groups commonly use August 11 to press for concrete policy changes: better enforcement of anti-discrimination laws, protection for places of worship, reforms to prevent misuse of blasphemy laws, and measures to ensure minorities can exercise political, economic, and social rights without fear.

As Pakistan observes National Minorities Day, the challenge remains to transform symbolic recognition into sustained, measurable improvements in their safety, representation, and equal opportunity.

Political Updates

From 1–15 August 2025, Pakistan’s political landscape was dominated by Pakistan Tehreek-e-Insaf’s (PTI) nationwide ["Black Day" protests](#), marking two years since the arrest of former Prime Minister Imran Khan. Branded as the start of a new phase in the party’s struggle for ["justice and democracy,"](#) the movement saw rallies under the Tehreek Tahaffuz Ain-e-Pakistan (TTAP) alliance banner across all provinces. Supporters waved national flags alongside PTI colours and white “peace” flags, framing the demonstrations as a constitutional and peaceful demand for judicial independence, restoration of political freedoms, and an end to what PTI calls “fascist tactics” by the government.

The state’s response was swift and uncompromising. Section 144 was imposed in major urban centres, banning gatherings, pillion riding, display of weapons, and loudspeaker use. In Rawalpindi, Adiala Jail, Khan’s place of detention was sealed with shipping containers, while Punjab Rangers and anti-riot police manned barricades. PTI reported over 300 arrests in Punjab alone, including senior leaders and sitting lawmakers, with viral footage of the detention of 80-year-old Rehana Dar drawing sharp criticism. Authorities also blocked family members and legal teams from meeting Khan.

Despite the party’s call for a ["nationwide" mobilisation](#), turnout in major cities was lower than anticipated. Analysts attributed this to the heavy security clampdown, fear of arrest following recent 10-year sentences in May 9-related cases, and divisions within PTI over protest strategy. Urban middle classes appeared wary of further economic and security disruptions, while rural strongholds in Khyber-Pakhtunkhwa saw larger, more defiant gatherings.



Source: Tribune

PTI leaders, including Asad Qaiser, Gohar Ali Khan, and Ali Amin Gandapur, delivered speeches portraying the struggle as a broader fight for freedom, rejection of military operations in KP, and resistance against a judiciary “subordinate to the executive.” Imran Khan’s sisters, Aleema Khan and Noreen Niazi, vowed to maintain a presence outside Adiala Jail until granted access to him.



Source: Tribune

Adding to the political friction, the Election Commission of Pakistan (ECP) de-notified nine PTI lawmakers, among them Senate Opposition Leader Shibli Faraz and National Assembly Opposition Leader Omar Ayub Khan, citing convictions linked to the May 9 unrest. PTI denounced the move as unconstitutional and part of a campaign to eliminate the party from the political arena. While PTI's overseas outreach, including a tour by Khan's sons to the United States, drew attention to its cause internationally, domestic analysts remained skeptical.

Editorial commentary underscored the party's reliance on KP for mobilization, internal factionalism, and the risk of the [August 5 movement](#) becoming symbolic rather than transformative.

Looking ahead, PTI announced a second protest phase beginning August 14, with a shift in focus towards Sindh. The leadership insists the campaign will continue until Khan's release and what they call the restoration of "true democracy." Yet the first half of August 2025 has demonstrated that without a unified strategy and broader urban engagement, the movement may struggle to translate symbolic protest into decisive political change.

Diplomatic Landscape

Pakistan's diplomacy in 2025 is defined by parallel tracks. Islamabad is hardening its security posture on volatile frontiers, leaning on international law to defend core interests, and opening new economic doors with neighbors who are central to its energy and trade calculus.

The most telling shift is on the Iran file. President [Masoud Pezeshkian's first official visit](#) drew a red-carpet reception, a personal welcome by Prime Minister Shehbaz Sharif, and a rare level of military engagement that included meetings with the army chief and senior brass.



Source: Pakistan Today

Both sides elevated economics to the top tier, reiterating a plan to lift annual trade from roughly 3 billion dollars to [10 billion dollars](#), with 12 fresh agreements and MoUs across trade, transit, science and technology, tourism, agriculture, cultural exchange, maritime safety, and judicial cooperation. Islamabad and Tehran signaled intent to finalize a Free Trade Agreement, revive the long-delayed Joint Economic Commission, operationalize border markets, expand quotas for rice, fruits, and meat, remove non-tariff barriers, and use barter where sanctions complicate payments. The symbolism was matched by substance on security. With a 900-kilometer border vulnerable to groups like Jaish al-Adl and the Balochistan Liberation Army, both leaders framed terrorism as the principal obstacle to prosperity and called for tighter border coordination.



Source: Brecorder

Politically, Shehbaz Sharif backed Iran's right to a civil nuclear program, while both sides aligned on Palestine and noted Iran's support for Kashmir, signaling a more independent foreign policy even as Washington pressures Tehran.

Legal diplomacy also advanced. The Permanent [Court of Arbitration's August award](#) on the Indus Waters Treaty affirmed Pakistan's right to the unrestricted flow of the Western rivers and tightened design limits on India's run-of-river projects. Although plant-specific rulings on Kishanganga and Ratle are still to come, the judgment strengthens Pakistan's leverage in water talks and demonstrates a willingness to litigate rather than escalate, a valuable counterweight to frequent military and rhetorical tensions with New Delhi.

Security pressures remain acute. The army's announcement that [33 militants were killed](#) while attempting to cross from Afghanistan into Balochistan underscores the persistent threat from the Tehrik-e-Taliban Pakistan and allied outfits. Preemptive steps such as temporary mobile internet suspensions in sensitive districts ahead of Independence Day show a state prioritizing tactical stability on the periphery while pursuing strategic deals with neighbors.



Source: Al- Jazeera

On the eastern economic flank, Pakistan is aligning with [China on nuclear energy and space](#). Officials highlighted the K-2, K-3, and C-5 power plants as anchors of energy cooperation, a renewed push for space collaboration under the Uraan Pakistan initiative, recent satellite launches with Chinese support, and ambitions that include sending a Pakistani astronaut to the Chinese space station in 2026 and laying groundwork for a lunar mission by 2035. This is as much about technology acquisition and human capital as it is about signaling long-horizon partnership in sectors that can lift growth and resilience.



Source: Dawn

Domestic resilience is part of the foreign policy story. The sudden [freeze of US assistance](#) deepened a tough funding climate, but Pakistan's social sector adapted through restructuring, increased [government co-financing](#), and a [rising share of diaspora contributions](#) that now underwrite major health, education, and water projects. This diversification blunts geopolitical shocks and reduces overreliance on any single donor.

Taken together, Pakistan's multi-vector diplomacy projects an image of strategic resilience, yet its blend of legal maneuvering, calibrated coercion, and targeted economic outreach often appears more improvised than orchestrated. Efforts to transform fragile borders into corridors of commerce carry as much risk of deepening external reliance as they do of fostering genuine stability.

Climate Change Related Updates

In August 2025, Pakistan continued to face the stark realities of climate change. Heavy monsoon rains and flash flooding that began in late June claimed nearly [300 lives](#), including 140 children, injured over 700 people, and destroyed more than 1,600 homes, primarily in Punjab and Khyber Pakhtunkhwa.

The National Disaster Management Authority carried out extensive rescue operations, evacuating almost 3,000 people and distributing relief, including tents, dewatering pumps, hygiene kits, and more.

Scientific analysis showed that human-driven climate change increased rainfall intensity by 10 to 15 percent, turning what might have been a heavy monsoon into a catastrophic event. Forecasters warned of continued heavy rain through mid-August, especially in urban and mountainous areas, raising the risk of further flooding and mudslides.

In the north, the dangers of climate-induced instability became tragically clear. In Gilgit-Baltistan, a mudslide struck on August 11, killing seven volunteers who were repairing drainage channels damaged by earlier floods, injuring others, and triggering evacuations as parts of the Karakoram Highway collapsed. This disaster followed glacial lake outbursts that posed urgent threats to infrastructure, trade routes, and local communities.

As flooding and landslides dominated headlines, another environmental crisis was unfolding quietly in Khyber Pakhtunkhwa. The [unregulated construction of hotels](#) along the Swat River has resulted in the discharge of sewage and solid waste directly into the water. A study involving several regional universities found methylmercury contamination in river water, fish, and human samples that exceeded World Health Organization safety limits by six percent.



Source: Breccorder

These toxins are now linked to serious health risks, including organ damage, gastrointestinal diseases, and illnesses in children. In response, authorities banned new riverside construction, canceled pending building permits, and began developing a master plan to tackle encroachments and poor drainage.

Yet amid climate-driven destruction, there were responses that reflected learning and adaptation. Rescue teams mobilized across regions, early warning systems were activated, and policymakers moved to curb environmental damage. The question now is whether the country can shift from reacting to crises to building lasting resilience through improved infrastructure, enforcement of environmental safeguards, and support for vulnerable communities in a climate that grows more volatile each year.

Security and Governance

August 2025 underscored the intertwined challenges of security and governance in Pakistan, as the country faced a mix of violent incidents, diplomatic shifts, and infrastructure sabotage. In Balochistan, nearly two dozen armed men stormed the Zard Ghulam Jan Mangochar Grid Station late one night, overpowering security guards and Quetta Electric Supply Company staff before vandalising critical power infrastructure.

The [attackers damaged the control room](#), transformers, and auxiliary systems, forcing staff to flee under threat. The same week, saboteurs targeted the 132kV Yaro industrial transmission line near Kuchlak Bypass, creating a technical fault and stealing almost 700 metres of conductors along with other components. These incidents highlighted both the vulnerability of national infrastructure and the growing sophistication of attacks against it, prompting Qesco to urge public cooperation in protecting essential facilities.



Source:Dawn

The month also brought a significant diplomatic development when the [United States formally designated the Balochistan Liberation Army \(BLA\)](#) and its elite suicide unit, the Majeed Brigade, as Foreign Terrorist Organizations. Islamabad hailed the move as a major boost to its counterterrorism strategy, noting that it would enable Washington to freeze the group's assets, impose travel bans, and prosecute supporters.

The BLA, blacklisted since 2019, has been implicated in numerous deadly attacks, including suicide bombings and targeted strikes on civilians, security forces, and Chinese-backed projects. The Majeed Brigade has gained notoriety for high-profile operations, often aimed at derailing CPEC initiatives and targeting foreign nationals. The US decision came after years of Pakistani lobbying, reflecting a renewed alignment in security cooperation and bolstering Islamabad's diplomatic leverage against the group and its alleged external supporters.

These developments illustrate the dual pressures facing Pakistan: containing insurgent and militant networks while safeguarding critical infrastructure from sabotage and theft. The targeting of the Mangochar grid station and industrial transmission lines speaks to systemic vulnerabilities in governance and law enforcement, particularly in remote or conflict-affected areas. Meanwhile, the US designation of the BLA and Majeed Brigade marks a rare win in Pakistan's effort to internationalise its security concerns, but the impact will hinge on how effectively both countries can translate the diplomatic gesture into operational gains on the ground. August thus revealed both the fragility of Pakistan's internal security architecture and the potential for external partnerships to bolster its fight against entrenched threats, provided that governance gaps are addressed with equal urgency.

Economic Updates

August 2025 proved pivotal for Pakistan's economy, with significant developments across fiscal policy, international financing, reform trajectory, and economic modernization, all signaling cautious stabilization amid persistent vulnerabilities.



Source: Brecorder

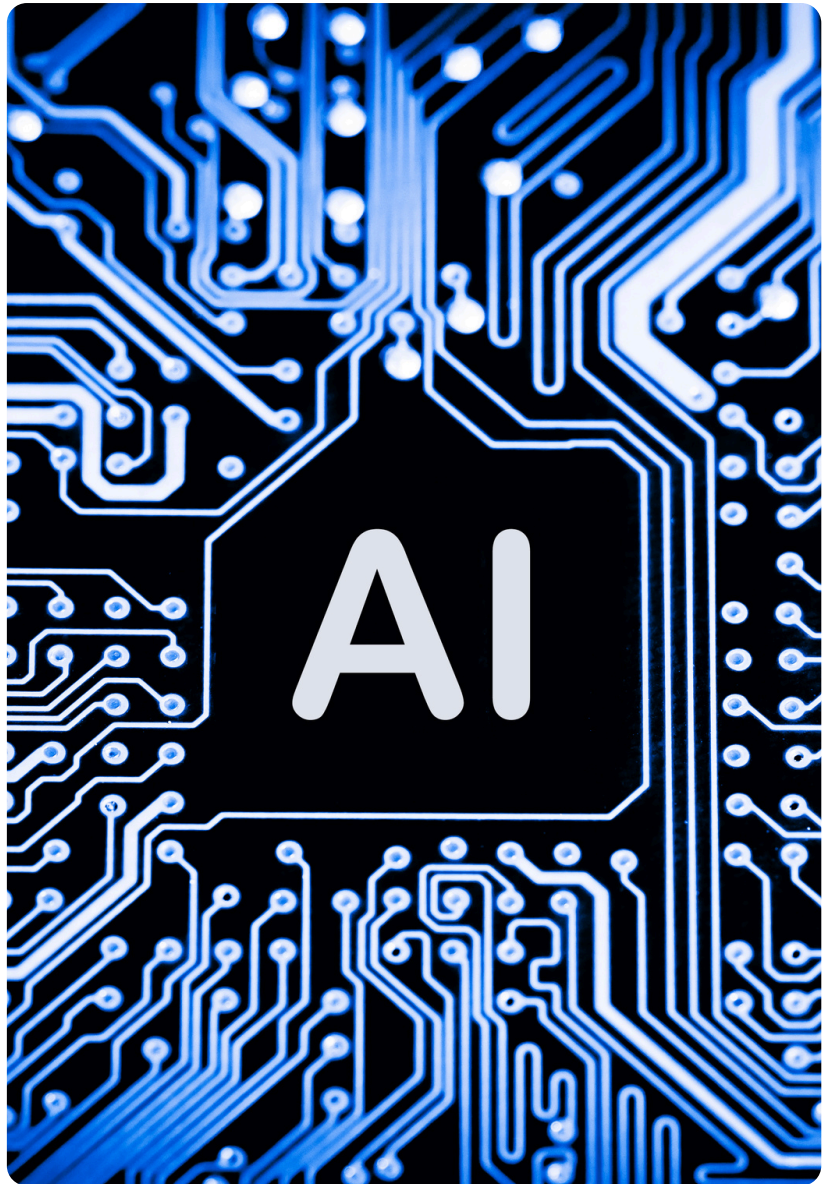
The most consequential news came from rating agencies: Moody's upgraded Pakistan's credit rating to [Caa1](#) from [Caa2](#), citing improvements in the external financial position and successful IMF-supported reforms. The upgrade came with a "stable" outlook and immediately buoyed international bond prices, marking the highest levels seen since early 2022. Finance Minister Aurangzeb welcomed the move and signaled further interest-rate easing may be on the horizon.

Economic stability was further evidenced by a rare current account surplus of [\\$2.1 billion](#) in FY2025, up from a deficit of the same magnitude the previous year, representing the most substantial improvement in over two decades. Growth projections also shifted upward: the central bank now expects GDP growth of up to [4.25%](#) for [FY2026](#), though it cautioned that the trade deficit may widen despite surging remittances and improved foreign inflows.

In parallel, the mineral sector attracted renewed attention on the global stage. Barrick Mining issued a \$3.5 billion financing appeal from G7 lenders, including IFC, the U.S. Ex-Im Bank, ADB, and others, for its massive [Reko Diq copper and gold project in Balochistan](#). If successful, the project would begin operations as early as 2028, reinforcing Pakistan's potential to tap into mineral value chains.

Meanwhile, on the digital front, the government operationalized its National Artificial Intelligence Policy 2025. The new strategy commits to training one million AI professionals by 2030, launching 50,000 civic AI projects, and supporting [1,000 homegrown AI products](#) through dedicated innovation and venture funds.

The policy pledges inclusive access, cybersecurity safeguards, and alignment with international standards. These domestic reforms dovetailed with overarching economic transformation under the ["Uraan Pakistan" framework](#), implemented to stabilize macroeconomic indicators, boost exports, and expand fiscal space through strategic investments, including ICT and infrastructure.



Source: Breccorder

In August 2025, new labour market data underscored the depth of Pakistan's social and economic distress, revealing a structural erosion of livelihoods that extends beyond short-term inflationary shocks. Analysis by Dr Hafiz A. Pasha highlighted that the [unemployment rate had surged to over 22 percent by 2023](#), the highest in three decades, and remains elevated amid anaemic GDP growth averaging just 1.7 percent over the past three years. Even among the employed, inflation has sharply outpaced wage growth, with real incomes in labour-intensive sectors such as construction and personal services falling by up to [20 percent since 2022](#).

This combination of mass unemployment and declining real wages has driven the poverty rate to an estimated 44 percent, reflecting not just cyclical weakness but deep structural imbalances in Pakistan's economy, where slow productivity growth, weak sectoral performance, and inadequate wage adjustment mechanisms are locking large swathes of the population into economic precarity.



Source: Getty Images

August's economic indicators show a shift from crisis management to cautious stabilization. Moody's upgrade and a current account surplus provide short-term relief, but these improvements rest on IMF-driven austerity rather than domestic economic strength. Announcements on AI policy and Reko Diq financing point to diversification efforts in technology and resource sectors, though both face long timelines, governance risks, and political uncertainty. Structural weaknesses in exports, persistent external vulnerabilities, and limited institutional capacity continue to undermine durability, leaving the recovery tentative and exposed.

Reading Recommendations

- The Backyard Solution to Food Insecurity ([Click Here](#))
- Selling Misinformation ([Click Here](#))
- Data-Driven Cities: Lessons from World for Pakistan ([Click Here](#))
- The FY 2025–26 Budget and Its Impact on Pakistan’s IT & ITeS Sector ([Click Here](#))
- Planting for Survival: Pakistan’s Path Out of the Heat ([Click Here](#))
- Transparency Through Open Data: Key to Reforming Governance in Pakistan ([Click Here](#))
- From Reports to Reality: Why Pakistan Ranks Last in Global Gender Gap Index ([Click Here](#))
- From Policy to People: Rethinking Governance with Design Thinking ([Click Here](#))
- Floods, Heatwaves, and Hope: Reimagining Agriculture in a Warming Pakistan ([Click Here](#))
- The Fight for Transparent Access to Information in Pakistan ([Click Here](#))
- Life without Autonomy: Understanding Our Culture of Dependency ([Click Here](#))
- Prioritizing Citizens Beyond the Ballot ([Click Here](#))
- Solving the corruption challenge: The key may lie with the citizens. ([Click Here](#))
- Citizens’ Inclusion and Accountability is the Key to Improved Governance and Efficient Public Sector Institutions ([Click Here](#))
- Digital Community Policing ([Click Here](#))
- Privatization of Schools in Punjab ([Click Here](#))
- Water Governance Challenges in Pakistan ([Click Here](#))
- Consumer Protection in Pakistan ([Click Here](#))

