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INTERNATIONAL DAY FOR THE PREVENTION OF VIOLENT EXTREMISM
AS AND WHEN CONDUCTIVE TO TERRORISM

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Executive Summary

This report presents an integrated assessment of Pakistan's security, economic, political, diplomatic, and humanitarian trajectory at a critical moment. While several macro and security indicators suggest stabilisation, deeper structural vulnerabilities remain unresolved. Governance deficits, competitiveness constraints, youth exclusion, and weakened institutional trust continue to shape national fragility. The central finding is that Pakistan's stability depends not only on short-term corrective measures, but on sustained institutional reform that strengthens the social contract.

Pakistan's security landscape reflects this tension between operational capacity and structural weakness. The state continues to conduct intensive counterterrorism operations, yet recurring attacks and displacement cycles indicate that tactical gains have not fully translated into durable prevention. Sustainable prevention, therefore, requires reform in justice, policing, education, and digital literacy, alongside community-level engagement that promotes pluralism and accountable citizenship.

Economic stabilisation in early 2026 provides cautious optimism, with moderating inflation, improved reserve projections, and a recorded primary fiscal surplus. However, these gains remain fragile. Elevated public debt, high debt servicing burdens, declining exports, and widening trade imbalances underscore persistent structural constraints. Without a credible competitiveness reset that lowers structural business costs and strengthens export diversification, stabilisation risks will remain temporary rather than transformative.

Political and institutional dynamics further complicate the reform environment. Intensified confrontation between government and opposition has deepened polarisation, while federal-provincial coordination remains uneven, particularly in security-affected regions. Long-standing governance reforms in policing and justice remain partially implemented, limiting institutional credibility.

Pakistan's diplomatic engagement reflects an effort to advance geo-economic priorities through trade expansion, labour mobility, and sectoral cooperation. However, the credibility of these initiatives depends on domestic implementation capacity. Trade facilitation, regulatory clarity, and investment predictability must align with diplomatic ambition. Internal reform is therefore inseparable from external economic strategy.

At the social level, systemic pressures persist. Food systems produce sufficient calories but insufficient nutritional diversity, contributing to rising non-communicable disease burdens. Literacy rates remain low relative to regional peers, with significant gender and provincial disparities. Job creation lags demographic expansion, and outward migration of skilled professionals signals declining confidence in domestic opportunity structures. Weak social protection delivery further erodes institutional trust. These interconnected pressures represent a broader capability gap requiring coordinated policy shifts toward equitable human outcomes and institutional reliability.

International Day for the Prevention of Violent Extremism as and when Conducive to Terrorism

PAKISTAN'S PREVENTION IMPERATIVE FROM SECURITY RESPONSE TO STRUCTURAL REFORM

The International Day for the Prevention of Violent Extremism as and when Conducive to Terrorism underscores a simple but often overlooked truth: violent extremism is not defeated by force alone. It is prevented through governance, inclusion, credible institutions, and opportunity. For Pakistan, this day is not symbolic. It is a strategic checkpoint. The country has endured decades of militant violence, insurgency, sectarian attacks, and ideological radicalisation. While Pakistan has made undeniable security gains since the peak of terrorism between 2009 and 2014, the persistence of extremist networks and periodic spikes in violence indicate that the deeper drivers of extremism remain insufficiently addressed.

According to the [Global Terrorism Index 2024](#), Pakistan continues to rank among the countries most affected by terrorism globally. Militant groups operating in and around the region, most prominently the Tehreek-e-Taliban Pakistan (TTP) and sectarian outfits, retain recruitment and operational capabilities. Yet violent extremism in Pakistan is not solely a product of militant infrastructure; it is sustained by structural vulnerabilities. Socioeconomic inequality, weak service delivery, politicised law enforcement, and uneven rule of law create environments where grievance narratives can resonate. Prevention, therefore, must move beyond intelligence-based operations toward strengthening the legitimacy and responsiveness of state institutions.

Demographic pressures intensify this urgency. Pakistan is one of the youngest countries in the world, with over [60 percent of its population under the age of 30](#). While this youth bulge offers economic potential, it also presents a prevention challenge. Youth unemployment remains persistently high, and labour force participation among young women is particularly low. When educational attainment is uneven, [Pakistan's adult literacy rate hovers around the low-60 percent range](#), with significant provincial and gender disparities; the capacity of young people to access dignified employment and civic voice is constrained. Extremist groups historically exploit these conditions precisely: identity-based marginalisation, economic stagnation, and distrust in institutions.

Prevention is also linked to civic space and information ecosystems. Pakistan's digital penetration has expanded rapidly, with over [120 million internet users](#) and widespread smartphone access. While digital connectivity enhances economic opportunity, it also creates channels for online radicalisation, disinformation, and polarising narratives. Preventing violent extremism today requires digital literacy, counter-narrative capacity, and community-level engagement that challenges intolerant ideologies before they translate into violence. The state's [National Action Plan \(NAP\), introduced in 2014](#), recognised the need to regulate hate speech and extremist financing. However, implementation has been uneven, and soft components, such as curriculum reform, community policing, and rehabilitation programmes, have lagged behind hard security measures.

The humanitarian dimension of violent extremism is equally critical. Conflict-affected districts in Khyber Pakhtunkhwa and Balochistan continue to experience displacement cycles, limited infrastructure, and fragile service delivery. Sustainable prevention demands long-term investment in education quality, local governance capacity, mental health support, and economic diversification. International experience demonstrates that prevention succeeds where citizens perceive fairness in justice systems, transparency in public institutions, and equal protection under law. In Pakistan, trust in policing and prosecution remains uneven, and high acquittal rates in terrorism-related cases have historically reflected investigative weaknesses rather than judicial leniency. Strengthening investigative professionalism and accountability mechanisms is therefore a prevention tool, not merely a legal reform.

Civil society organisations have played a vital role in filling these prevention gaps. Accountability Lab Pakistan's **Farq Parhta Hai** initiative exemplifies a community-driven approach to countering violent extremism (CVE). The project has focused on youth engagement, civic education, and storytelling to promote pluralism, constitutional values, and peaceful participation. By supporting local leaders, educators, and digital advocates, Farq Parhta Hai has aimed to shift narratives away from polarisation and toward constructive citizenship. Rather than confronting extremism only at its violent stage, the initiative works at the level of attitudes, perceptions, and accountability, recognising that prevention begins with dignity and voice.

On this International Day, the central lesson for Pakistan is clear: prevention must be institutionalised, not episodic. Security operations may disrupt networks, but only inclusive governance, equitable development, and accountable institutions can reduce the appeal of extremist ideologies. Violent extremism thrives where the social contract is weak. Strengthening that contract, through education reform, youth employment strategies, digital literacy, justice sector reform, and community-based resilience, is Pakistan's most durable defence. Prevention is not a secondary pillar of national security; it is its foundation.

Political Updates

Pakistan's political landscape in early 2026 is marked by intensifying confrontation between the government and the opposition, growing institutional friction, and renewed debate over structural reform.

The health condition of incarcerated former prime minister Imran Khan has emerged as a flashpoint, [triggering protests](#), parliamentary disruption, and renewed polarisation. A medical report submitted to the Supreme Court claimed that Khan has lost approximately 85 per cent of vision in his right eye, with only [15 per cent](#) remaining. The Pakistan Tehreek-e-Insaf (PTI) has described the situation as a consequence of medical neglect and solitary confinement, staging sit-ins outside Adiala Jail and later the Supreme Court to demand access for personal physicians and family members. Following a meeting with the Chief Justice, PTI leaders secured assurances that medical reports would be shared with the family, leading to the suspension of their protest, though party officials signalled that broader mobilisation remains under consideration.



Source: Arab News

The issue spilled into parliament, where the Senate was abruptly adjourned after opposition lawmakers attempted to suspend routine business to debate Khan's health. The [confrontation](#) reflects a broader institutional strain, as political contestation increasingly migrates from electoral arenas to courts and legislative chambers. The government, through the information ministry, has rejected claims of mistreatment, asserting that the former premier is receiving appropriate care and facilities. Meanwhile, PTI leaders have framed the episode as emblematic of democratic backsliding and selective accountability, warning of rising public anger among supporters. The episode shows the extent to which legal proceedings, prison administration, and political messaging are now intertwined in Pakistan's polarised environment.

Federal-provincial tensions have also intensified, particularly between Islamabad and the Khyber-Pakhtunkhwa (KP) government. Amid displacement from Tirah Valley and broader security concerns, [KP Chief Minister Sohail Afridi](#) met Prime Minister Shehbaz Sharif in what both sides described as a necessary coordination effort. Public statements following the meeting emphasised cooperation on law and order, terrorism, and outstanding fiscal dues, including discussions related to the NFC framework. However, divergences remain evident. The KP leadership has questioned federal handling of displacement and security operations, while the federal government has stressed that provinces bear primary constitutional responsibility for maintaining law and order. The meeting, though described as constructive, highlighted the fragile balance between political rivalry and administrative necessity in a federal system under stress.

At the governance level, debates over institutional reform have resurfaced. A former inspector general's reminder that a comprehensive [2018 police reform blueprint](#) remains unimplemented has rekindled discussion about the politicisation of postings, weak investigative capacity, and accountability deficits within the criminal justice system. The report's central warning, that flawed investigations drive high acquittal rates and erode public trust, remains salient. Parallel friction between federal investigative agencies and local authorities, such as the recent visit by the Federal Investigation Agency to the [Karachi Metropolitan Corporation headquarters](#), further illustrates tensions around jurisdiction, coordination, and administrative authority. Collectively, these developments point to a political environment characterised less by policy consensus than by contestation over institutional control. As economic pressures, security challenges, and electoral grievances converge, Pakistan's political trajectory will depend not only on managing opposition-government confrontation but also on strengthening federal-provincial cooperation and advancing long-delayed governance reforms.

Diplomatic Landscape

Pakistan's diplomatic landscape in February 2026 is being shaped by an increasingly pragmatic mix of economic corridor-building, legal-institutional signalling, and security diplomacy, but the gap between announcements and execution remains the core vulnerability. On the economic track, Islamabad is pushing "geo-economics" through regional connectivity and preferential trade: Pakistan and Uzbekistan agreed to expand their [Preferential Trade Agreement](#), more than double the current 17-item list of tradable goods, and target \$2 billion in bilateral trade within two years (up from around [\\$450 million](#) last year). The emphasis on customs digitalisation, logistics, transit cooperation, and visa facilitation for business communities shows an effort to move beyond ceremonial ties into trade-enabling infrastructure and rules.



Source: Dawn News

Yet the credibility of this economic diplomacy hinges on whether Pakistan can de-risk commerce through predictable implementation: transport corridors, direct air links, and functioning border/trade facilitation mechanisms are where ambitious targets often stall. The planned Pakistan-Uzbek labour working group (mobility, skills, employment visas, workplace safety) is diplomatically significant because it treats labour as an economic instrument, not only a social sector issue, but it will be tested by Pakistan's own regulatory capacity and the private sector's ability to operationalise cross-border supply chains. In short, the \$2bn goal is achievable only if trade facilitation reforms outpace the political cycle that typically resets priorities.

Security diplomacy is likewise being internationalised. Pakistan’s Foreign Office publicly welcomed the [latest UN reporting](#) as supporting its position that the TTP operates from Afghan soil in a “permissive environment,” and signalled follow-up engagement with UN stakeholders. This is diplomatically important because it attempts to shift Pakistan’s counterterror narrative from bilateral accusation to multilateral validation. However, it also carries a strategic trade-off: externalising the threat narrative can build pressure, but it cannot substitute for internal reforms that reduce militant recruitment space, strengthen prosecution capacity, and improve governance in border regions.

Finally, the outreach to Türkiye on [agricultural technologies](#) illustrates a quieter but meaningful strand of diplomacy: technology-enabled cooperation in food systems (productivity, livestock, value chains). The risk is that such engagements remain delegations and MoUs unless paired with bankable investment pipelines, regulatory reform for agritech adoption, and credible provincial delivery capacity.



Source: The Diplomat

Economic Outlook

Pakistan enters 2026 with signs of macroeconomic stabilisation, but without a decisive structural shift toward durable, export-led growth. According to the State Bank of Pakistan (SBP), inflation is expected to stabilise within the 5-7 percent medium-term range during most of FY26–FY27, real GDP growth is projected at 3.75-4.75 percent in FY26, and foreign exchange reserves are expected to rise to around [USD 18 billion](#) by June 2026. Fiscal data for the first half of FY26 also shows a primary surplus of [Rs 4,105 billion](#) (3.2 percent of GDP) and a fiscal surplus of Rs 542 billion.

However, these improvements are underpinned partly by one-off factors, including a large SBP profit transfer, while debt servicing alone consumed [Rs 3,563 billion](#) in six months, far exceeding development spending. Public debt remains elevated at 70.7 percent of GDP, exceeding the statutory ceiling by roughly [Rs 17 trillion](#). The fiscal position, therefore, remains structurally tight despite headline improvements.

External balances continue to present a material risk. Although the SBP expects the current account deficit to remain contained at [0-1 percent of GDP](#) in FY26, recent trade data indicates growing stress. Exports declined by 5 percent in the first half of FY26 while imports rose by over [12 percent](#), raising the risk of a wider current account gap. Trade with neighbouring countries deteriorated sharply, with the regional trade deficit widening by [44.4 percent](#) to USD 7.68 billion in H1 FY26 as exports fell 18.6 percent and imports increased 24.8 percent. Structural export weakness is compounded by geopolitical disruptions and concentration in a narrow product base, particularly textiles, which remain highly sensitive to cost competitiveness and external market access.

Competitiveness is now the central macroeconomic constraint. Estimates suggest the cost of doing business in Pakistan is approximately **34 percent** higher than in comparable regional economies. Electricity tariffs average around Rs 34 per unit compared to roughly Rs 17 regionally, policy rates remain near **12.5 percent** versus 6–7 percent in peer economies, and fuel levies are elevated. These cost distortions are reflected in industrial contraction, with hundreds of mid-sized textile firms reportedly shutting down and over 400 cotton ginning factories closed, weakening domestic value chains and increasing reliance on imported inputs. The recent **EU-India trade agreement** further intensifies pressure on Pakistan's largest export market, which accounts for roughly one-quarter to **two-fifths** of total exports depending on measurement, raising the risk of preference erosion and potential losses estimated at up to USD 2 billion annually.



Source: Nikkei Asia

The investment climate remains subdued despite macro stabilisation. Foreign direct investment reportedly declined by 43 percent to USD 809 million, reflecting persistent concerns around policy unpredictability, high taxation, and regulatory discretion. **Retrospective taxation** measures and recurring capital flow restrictions have undermined investor confidence. Meanwhile, **SMEs**, critical for employment generation, face severe liquidity constraints, high energy costs, and complex compliance burdens, limiting their ability to expand capacity or formalise operations. Labour market data showing rising salaried employment relative to self-employment suggests increasing risk aversion and declining entrepreneurial dynamism.

Agriculture presents both risk and opportunity. While policymakers acknowledge the sector's untapped potential and call for **increased investment** in value addition, infrastructure, and resilience, productivity remains constrained by climate stress, financing gaps, and policy uncertainty. At the same time, IMF-linked reforms, including restraint on support pricing and new levies on agricultural inputs, may prove politically and economically sensitive. Without coordinated reforms that enhance productivity while maintaining fiscal discipline, agriculture is unlikely to offset pressures from manufacturing and exports.



Source: Dialogue Earth

Overall, Pakistan's economic outlook is characterised by short-term stabilisation alongside medium-term structural fragility. Macroeconomic buffers have improved, but growth remains modest and highly exposed to competitiveness gaps, export concentration, debt overhang, and governance inefficiencies. The central challenge is not the absence of stabilisation, but the absence of a credible competitiveness reset, one that rationalises expenditure, restores policy predictability, lowers structural business costs, strengthens export capacity, and channels investment into productive sectors. Without such reforms, stabilisation may prove cyclical rather than transformative.

Security and Governance

A widening gap between tactical capability and institutional legitimacy defines Pakistan's security and governance landscape in early 2026. The state is demonstrating high operational intensity against militant networks, yet repeated cycles of violence and displacement continue to expose structural weaknesses in governance, civil-provincial coordination, and service delivery. In Balochistan, coordinated attacks across multiple locations in late January 2026 killed 31 civilians and 17 security personnel, prompting a rapid security response in which authorities reported 145 militants killed within 40 hours and a three-day total rising to 177. These operations signal state capacity, but they also underscore that violence in the province is not episodic. It is embedded in long-standing political and economic grievances, and it directly intersects with Pakistan's external economic promises tied to Balochistan's resources and strategic infrastructure.



Source: Reuters

The security stakes are inseparable from Pakistan's economic recovery narrative. Balochistan anchors large, high-profile investment agendas, including flagship China-linked infrastructure and renewed US interest in mineral extraction, yet risk perceptions remain high and the macro picture is fragile. State Bank figures referenced in the reporting show foreign direct investment falling to **\$808 million** in the first half of FY2026, down from \$1.425 billion in the same period a year earlier, reinforcing the view that instability is constraining investor confidence even as Pakistan seeks stability under a \$7 billion IMF programme. While strategic, government-to-government projects may persist despite insecurity, sustained violence raises the cost of doing business, increases reliance on securitisation, and limits broader, market-driven investment flows.

That stabilisation gap is stark in the tribal districts, where [tens of thousands](#) fled Tirah Valley after mosque announcements warned of possible military action, despite official denials of a large-scale operation and competing claims between federal and provincial authorities about consultation and intent. The episode echoes the pattern of repeated operations over two decades, where displacement recurs, and post-operation governance phases are perceived as neglected. Together, these dynamics suggest Pakistan's core challenge is no longer only security. It is rebuilding citizen trust through accountable governance: predictable intergovernmental coordination, transparent administrative systems, and reforms that address local consent and inclusion alongside kinetic enforcement.

Social and Humanitarian Updates

Pakistan's social and humanitarian outlook in February 2026 is being shaped by a common thread: systems are producing "outputs", but failing to deliver equitable human outcomes. The clearest warning comes from a UN-led (FAO and UN partners) assessment presented at a national dissemination workshop on an "Integrated Roadmap for Sustainable Food Systems Transformation." It finds that Pakistan is producing enough food energy, yet not enough healthy, diverse foods aligned with the [National Food-Based Dietary Guidelines \(2018\)](#). The imbalance is structural: oversupply of cereals, sugar and edible oils alongside shortfalls in fruits, vegetables, pulses and legumes. This is not just a diet story; it is a public health and productivity story, with the analysis linking these consumption patterns to a "double burden" where undernutrition coexists with rising obesity and diet-related disease. The reported burden is severe: Non-Communicable Diseases (NCDs) account for [58% of deaths](#), and diabetes is estimated to affect [34.5 million people](#).

Beneath the nutrition crisis sits a deeper political economy problem: state incentives are often aligned to cheap calories rather than affordable nutrition. The UN analysis explicitly urges strategic reallocation of subsidies toward nutrient-rich foods (especially fruits, vegetables and pulses) and recommends higher taxes on sugar and sugary beverages, with revenues reinvested into nutrition programming. This matters because Pakistan's food transition is accelerating; market indicators referenced in the same reporting suggest processed food sales volumes have "nearly doubled" in recent years, indicating that affordability and convenience are reshaping diets faster than health systems can cope. The humanitarian implication is straightforward: when the cheapest foods are the least nutritious, "choice" is not really choice, particularly for rural households where fruit intake is consistently low and protein beyond dairy remains limited.



Source: WUNC News

At the same time, Pakistan's human development constraints are tightening from another direction: skills and learning remain weak at scale, limiting mobility and resilience. A FAFEN review drawing on PSLM-HEIS 2024-25 places Pakistan's literacy at 63% (ages 10+), the [lowest in South Asia](#), with slow gains from 60% in 2018-19 to 63% in 2024-25. The gaps are sharply unequal: male literacy 73% vs female 54%, and major provincial disparities (Punjab 68% vs Balochistan 49%). Youth literacy is higher (77% for ages 15-24), but adult literacy (15+) remains around 60%, signalling a large stock of adults locked out of skills, information, and better jobs. This is not only an education failure; it is a multiplier of vulnerability across health, employment, and civic access.

Employment is therefore the binding humanitarian and social stability constraint, and the World Bank is now framing it as a generational risk. World Bank President Ajay Banga argues Pakistan must create [25-30 million jobs over the next decade](#) (2.5-3 million annually) or face heightened risks of outward migration and domestic instability, under a 10-year Country Partnership Framework that envisages about [\\$4 billion per year](#) in World Bank Group financing (with a large private-sector component).



Source: The News International

The warning is already visible in the talent exodus: nearly 4,000 doctors emigrated in 2025, reportedly the highest annual outflow on record, reflecting how fragile working conditions and weak opportunity structures can drain essential services. Alongside jobs, Banga highlights power-sector dysfunction as the near-term choke point for growth, and argues climate resilience must be embedded into mainstream infrastructure, agriculture, housing, and water investments rather than treated as a standalone agenda, because repeated shocks will otherwise keep pushing households back into vulnerability.

Finally, it is also about dignity and administrative justice, not only income and calories. A parallel governance failure is visible in social protection delivery, where citizens report [pension entitlements being delayed](#), arbitrarily fixed at minimum levels, and met with chronic institutional silence despite formal rules and contribution records. This kind of administrative non-responsiveness turns ageing into precarity and corrodes trust in the state's basic promise of protection, particularly for those who have paid into systems for decades. In combination, diet-driven disease burdens, low literacy, inadequate job creation, and weak social protection responsiveness, Pakistan's social challenge is not a single-sector crisis but a stacked crisis of capability: the country needs policy shifts that move resources toward human outcomes, and institutions that reliably deliver them.

Reading Recommendations

- Mental Health Access for Women: Cultural Stigma and Systemic Barriers ([Click Here](#))
- Concrete Over Canopy: The Unmaking of Islamabad's Green Capital Dream ([Click Here](#))
- Menstrual Health Management: Policy Gaps, Access to Hygiene Products and Cultural Taboos ([Click Here](#))
- Climate Change and Food Security in Pakistan: A Crisis on Our Plate ([Click Here](#))
- Environmental Health Risks: Gendered impacts of air pollution, water contamination, and climate change on women ([Click Here](#))
- Imagination as the Blueprint of Reality ([Click Here](#))
- Constitution for All: Rethinking Gender Inclusive Governance in Pakistan ([Click Here](#))
- Rethinking Reforms Process in Balochistan: Innovation and Leadership at BCSA ([Click Here](#))
- Sports as a Tool for Preventing Violent Extremism in Pakistan ([Click Here](#))
- Groundwater Recharge: Reviving the Hidden Lifeline ([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](#))