

MUD HOUSES, BREXIT AND DE-DOLLARIZATION

It is often said that we are doomed to keep repeating history until its lessons are learned. The laws of nature or if I may say the lessons nature is forced to teach are never pain-free. Seldom have we witnessed anyone go unpunished in the international arena for failing to learn from the past. The question I am pondering is, does each repeat become more or less painful. In one of my previous article, I have argued: ["that the geopolitical position of Pakistan has been both a curse and a blessing."](#) This probably is its fate, being a curse and a blessing.

Pakistan is a developing economy. In the 1950s and 1960s, most of the rural population lived in mud houses. Maintaining these mud houses was an arduous task. The occupants were required to check and repair any weakness or holes on roofs and walls each summer, just prior to the arrival of the monsoon. In Punjab, this was called (*pocha*), a kind of plastering made out of mud and hay. The task was often made less painful when neighbours helped each other in applying *pocha*. The positive thing about this annual *pocha* and these mud houses was that the rooms were colder in the summer and warmer in the winter.

It is intriguing that the Pakistani leadership has been busy with this so-called *pochas* for many decades. It all started with General Zia in 1977. For two years General Zia applied *pocha* and prepared Pakistan for the monsoon (regional upheaval). There are three examples of history repeating itself and *pochas* applied in Pakistan:

1. General Zia takes reins of power in 1977 and after two years the USSR invades Afghanistan.
2. General Musharraf takes reins of power in 1999 and after two years the USA invades Afghanistan. General Musharraf too applied *pocha* and prepared [Pakistan](#) for the monsoon (regional upheaval).
3. PTI party won the elections in July of 2018 and took hold of reins of power, some allege with the blessings of the establishment. History indicates that there will be another upheaval in the region after two years, in 2020.

Due to whatever reasons, it was not viable for the army to retake the reins of power once again in 2018. Some argue that the so-called establishment in [Pakistan](#) encouraged the election victory of PTI, a party run by Imran Khan. In other words, the army still continues to play an influential role (albeit behind the scenes) in Pakistani politics and its foreign policy. Was PTI brought to power in 2018 for the purpose of another *pocha* to prepare Pakistan for the monsoon or upheaval that will be unleashed in 2020?

There are many socioeconomic forces that are converging to unleash havoc by triggering the collapse of the markets and banks. One of the biggest causes will probably be the Brexit. Although China and Russia have made much progress in their endeavour for de-dollarization, the dollar is not likely to be dethroned without a big push. Brexit will be just in time to create and provide such a push. An economic global chaos triggered by Brexit will eventually push the dollar off the cliff. Maybe this was the true purpose of Brexit, to dethrone the dollar as global reserve currency.

De-dollarization means the collapse of the USA as a sole

hegemonic superpower of the world. Will history repeat itself? Will the USA go quietly, like when the USSR collapsed from within, in December of 1991? Unlikely! Should the world be worried about how the USA will react to the dethroning of the dollar? Yes, very much so. Chinese and Russian Presidents have recently warned their nations to prepare for a war. The year 2020 is surely predicted to be an eventful year. Future is very hard to predict and the truth is we do not know the future. Nonetheless, we should expect a monsoon or an upheaval in the near future, maybe in 2020 or soon after.