

## “The Jagga Tax” and Psychodynamics of Tax Morale in Pakistan

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### Abstract

Lollywood Punjabi film “Jagga Tax, 2002” – a typical bandit-hero movie – casually characterises EXTORTION as TAX, and effectively conflates them. Jagga Tax, 2002 is based on Jagga Gujjar who forcibly imposed *bhatha* on meat-sellers of Lahore in 1960s, which phenomenon gave rise to a popular catchphrase “Jagga Tax.” In turn, Punjab Police resorted to the *Ghoonda Act, 1959*, to crackdown on *bhatha* business syndicates, which gave rise to Jagga Tax’s close variant “*Ghoonda Tax*,” with both being consistently used since interchangeably. These two conceptual vulgarizations of TAX – normally considered a superior socio-civic obligation of the citizenry towards the state – through later decades have led to the social construction of a perverted tax reality that may be an omnipresent, embedded, and a critically important variable of low tax morale in Pakistan. The paper examines not only Jagga Tax, 2002, but also parsimoniously scans theatre and television to generate requisite empirics to support the main premise of the paper. It is posited that having become part of the vernacular and gotten institutionalized into the semantics of the society, both “Jagga Tax,” and “*Ghoonda Tax*,” have been systematically exploited to legitimize illegal extortion, and de-legitimize ‘legal extortion’ – as and when suited to societal segments. The paper leverages this perverted tax reality to seminally undertake a sub-surface analysis of tax morale – intrinsic willingness of an individual or a group to defray their tax liability voluntarily – namely, its psychodynamics or what lies beneath the intrinsic willingness in a Pakistani context.

**Keywords:** Tax System, Jagga Tax, Tax Reforms.

### 1. Introduction

Lollywood Punjabi film “Jagga Tax” unveiled on February 23, 2002, is a typical bandit-hero, high-pitched, and violence-rich movie. The film appears to have been produced to promote Gujjars’ clannish narrative and entertain illiterate and semi-literate lower middle class Punjabi male viewership romanticising a daring bandit’s taking on state authorities and deriving a momentary relief from their own perceived injustices in life. It deeply vulgarizes TAX, and systematically equates it with illegal EXTORTION. The movie is based on Jagga Gujjar who forcibly imposed *bhatha* on butchers of Lahore in 1960s. The phenomenon gave rise to a popular crooked catchphrase “Jagga Tax.” Punjab Police, in response, invoked and resorted to the *Ghoonda Act, 1959* to crackdown on the rampant *bhatha* business syndicates giving rise to Jagga Tax’s close variant “*Ghoonda Tax*,” which have since been used interchangeably.

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These two conceptual vulgarizations of tax – normally considered a superior socio-civic obligation of the citizenry towards the state – have since led to the social construction of a perverted tax reality, which being deep-seated, and pervasive, may be the single most important variable of low tax morale in Pakistan. Not that this was a first film on the matter, but it certainly was the first which fully focused transformation of a small-time local *bhatha*-collecting goon of Lahore into a larger-than-life cinematic hero that not only glorified extortion at mass level, but also popularized the two vulgarizations thereby muddying the tax lingo in the society. It is posited that having become part of the vernacular and a component of the psychodynamics of the society, both “Jagga Tax,” and “Ghoonda Tax,” have created a significant strategic space that has been systematically leveraged to legitimize illegal extortion, and de-legitimize “legal extortion” – as and when suited to societal segments.

It is posited that the spectre of perverted tax reality unmistakably connects to the tax culture. At some level, a better understanding of what *motivates* citizenry to participate in and comply with a tax system is a perennial question and finding an answer to it could be quite useful. Theoretically, tax administrations could benefit from increased compliance and higher revenues, and taxpayers would be better served by tax systems that understand them better and are responsive to their preferences. Moreover, attending to the softer side of citizenry’s motivational mix could deepen tax administration’s comprehension of tax-craft, and expand frontiers of knowledge on the discipline. In addition, enhancing understanding of the tax process would help the government bolster tax collection, civil society improve tax communication, and development partners maximise the impact of development assistance in low income countries (Olate et al., 2019). This paper is geared to seminally lay bare the cryptic dimension of the society’s perceptual architecture and resultant conceptualization of tax-craft, that is, what lies beneath tax morale in Pakistan. It does not look to deny or dismiss, but isolate other relevant pull-back factors such as elite capture, unethical practices, and tax base fragmentation operating on the tax system.

The paper divides itself into seven sections. After section 1 has set the tone, section 2 surveys and reviews select relevant literature in both national and international contexts and develops a theoretical lens for a holistic analysis. Section 3 lays bare Jagga Gujjar both as a MAN, and a LEGEND so as to contextualize the movie made on him. Section 4 treats *Jagga Tax, 2002*, at length, which presumably gave a significant perverse overhaul to the conceptual make-up of tax reality in Pakistan, covers the rise of the competing concept of “Ghoonda Tax,” and critically appraises its clearance and certification by the Central Board of Film Censors (CBFC) in rather a superficial manner. Section 5 stocktakes other media to argue that the perverted tax reality is leveraged to legitimize illegal extortion with a garnish of low comedy dipped in vulgarity giving it a wider and deeper social acceptability. Section 6 encompasses exactly the opposite, that is, the process of de-legitimization of “legal extortion,” on the actual tax scene of Pakistan. Section 7 mops up the debate with crisp policy pathways.

## 2. Theoretical Underpins

A society’s natural propensity to pay tax maybe the most important determinant of its overall revenue collection. This propensity in economics literature is dubbed as tax morale – the ingrained proclivity of a person, group, or society to pay tax voluntarily. The scholarship on tax morale suggests that an individual’s proclivities towards tax compliance may be impacted by both *pecuniary* and *non-pecuniary* behavioural factors. Torgler posits that the “extensive literature,” which “has developed overtime analysing how differences in tax morale – defined as the intrinsic willingness to comply with tax obligations – across countries can explain differences in tax

compliance” (Torgler, 2007). It would be instructive to review some of the relevant scholarship on the subject.

## 2.1 International Context

There is consensus that the seminal work on tax compliance was done by Allingham and Sandmo, (Allingham & Sandmo, 1972) who applying Becker’s expected utility model of crime to tax-evasion, (Becker, 1968) highlighted the importance of pecuniary factors for compliance – the penalty rate, probability of audit, and chances of getting caught. Luttmer et al explicate that cardinal parameters in the Allingham and Sandmo model are tax rate, probability of getting caught, and quantum and possibility of penalty being imposed in case of detection (Luttmer & Singhal, 2014). On the basis of “high variability in attitudes towards taxation internationally,” it has been averred that other behavioural factors might as well be at work (Cyan et al., 2016). Ali et al reinforce this point in case of Kenya, Tanzania, Uganda and South Africa (Ali et al., 2014). The behavioral factors genuinely captioned as tax morale include (a) societal culture; (b) political participation in the governance system; (c) socio-demographic factors; (d) socioeconomic factors; and (e) tax system – taxpayers’ perception of tax administration’s virility.

Olate et al delve deeper and make an attempt to “identify some of the key socio-economic and institutional drivers of tax morale across developing countries, and seek to test for evidence of the social contract by examining the impact of public services on tax morale” (Olate et al., 2019). They exploit data sets on tax certainty to investigate tax morale in individuals and businesses (Olate et al., 2019), and suggest that “a better understanding of what drives differences in tax morale is a key element in explaining variations in tax compliance,” and which may be “an alternative, grassroots perspective on tax systems, to more traditional administrative and quantitative measures, such as tax-to-GDP ratios” (Olate et al., 2019, p. 4). They also find that “age, education, gender, religion, and trust in government, all appear to influence tax morale,” and further that “tax morale is generally higher in countries that tax more heavily” (Olate et al., 2019). They go on to sum up that while internationally women may have a relatively higher tax morale “in Africa they are found to have lower tax morale,” and also that “the perceived quality of the tax administration is a key determinant of tax morale” (Olate et al., 2019). They indicate that improving tax morale would be easier pathway to increasing tax revenue as compared to enforcement (Olate et al., 2019).

The World Bank theory of change for tax compliance tends to highlight the dynamic relationships between trust, facilitation, and enforcement, and their role in building tax morale. This theory suggest that trust is driven by the degree to which the tax system, including the approach to facilitation and enforcement, is characterized and conceived as fair, equitable, reciprocal, and accountable (Sjoberg et al., 2019). Therefore, “strengthening tax compliance is not only about improving tax enforcement and “enforced compliance,” but also about pursuing “quasi-voluntary compliance” through building trust and facilitating payments – all underpinned by a credible, fair and equitable system of enforcement” (Sjoberg et al., 2019). Torgler undertakes a comprehensive stocktake on tax morale from various dimensions at the international level (Torgler, 2011).

## 2.2 Pakistani Context

In spite of the fact that an extensive scholarship on tax morale has emerged internationally over the past couple of decades, an analysis on identical lines on Pakistan could not take place until the mid-2010s. In 2016, exploiting “a novel survey of tax attitudes in Pakistan based on a nationally

representative sample of 2,562 individuals,” Cyan et al estimated “what determines tax morale in Pakistan” (Cyan et al., 2016). They, using a binary probit regression model, found that segments “with lower labour force participation rates have more positive attitude towards tax compliance” (Cyan et al., 2016). However, educated taxpayers tended to “have higher tax morale in comparison to illiterate” ones. They also found that major urban centres holding large populations – industrialized metropolises and “seats of government, have significantly high tax morale” (Cyan et al., 2016). Moreover, women “have significantly higher tax morale than men, but this trend diametrically reverses amongst elderly men and women” (Cyan et al., 2016). On the basis of these findings, Cyan et al conclude that addressing “current failures of tax administration and dealing with the horizontal inequity resulting from administrative weaknesses is likely to contribute materially to improving voluntary compliance” (Cyan et al., 2016).

Kamal positing a link between tax evasion and public service delivery, identifies four factors of tax morale, namely, “feelings of guilt and shame; lack of trust on government; perception about other citizens paying taxes; and level of penalties” and synonymises them with “determinants of tax evasion in Pakistan” (Rehman et al., 2019). The requisite data were generated through a survey performed on 400 salaried individuals and “analysed using t-test” (Kamal, 2019). Kamal finds that “perception about utilization of money, elements of shame, ... other citizens’ compliance behaviour, and level of penalties, affect tax evasion,” but the “variables of guilt and perception about corruption do not have significant impact on evasion behaviour” (Kamal, 2019). He proposes stricter imposition of fines and penalties and putting in place policy of ‘naming and shaming’ of tax delinquents at governmental level as a means to augmenting tax morale in Pakistan (Kamal, 2019).

Rehman et al expressing their discomfort with government’s time-tested approach “to reduce tax evasion by increasing the odds of catching tax evaders or by raising the punishments,” exhibit a preference in favour of social and psychological motivations as an alternative “approach to promoting tax compliance” (Rehman et al., 2019). They exploit the data of government’s a couple of innovative interventions, that is, (a) public disclosure of tax paid; and (b) a recognition-and-rewards scheme for top taxpayers,’ and on the basis of rigorous econometric work, find that these are marginally “effective in influencing private and social behaviour,” and “potentially offer a cost-effective complement to standard tax-evasion measures” (Rehman et al., 2019).

In the same vein, Madni et al hold that against the more widely prevalent policy in low-income countries to collect taxes, raising tax morale might turn out to be more relevant and effective approach towards lifting the levels of tax compliance on voluntary basis (Madni et al., 2019). Applying weighted ordered probit model to the data acquired from the World Values Survey 2010-14, they find that “confidence in parliament, confidence in civil services, confidence in government, religiosity, marital status and person’s age play significant roles in building higher tax morale in the country” (Madni et al., 2019). Their finding that married people tend to have higher tax morale than the unmarried ones and that “financial satisfaction” may also have “significant impact for tax morale” (Madni et al., 2019) are rather counter-intuitive. They go on to validate Cyan et al. findings that “women have higher level of tax morale as compared to men,” but invalidate the one on education suggesting that education, had no positive correlation with tax morale in the country (Madni et al., 2019).

Ibn-e-Hasan et al investigate the relationships of an individual taxpayer’s voluntary tax compliance behaviour with select “economic, social, behavioural and institutional factors,” through diverse theoretical lenses on attribution, equity, expected utility, and social change (Hassan et al., 2021). They regress data of 435 individual taxpayers collected via questionnaire-based survey to arrive

at a counter-intuitive finding that “tax compliance simplicity has a larger impact on tax filing than perception about government spending and tax morale” (Hassan et al., 2021). They further find that “perception of fairness significantly mediates the strengths between morale, simplicity, government spending and compliance behaviour” (Hassan et al., 2021).

Khan et al focus the lowest tier of government, that is, the local government, and enquires into “whether strengthening the link between local taxation and urban services can revitalize the social compact between citizen and state” (Hassan et al., 2021). Upfront they develop a plausible circular argument whereby “low willingness to pay taxes leads to low revenue collection, and prevents adequate service provision, which in turn, reduces willingness to pay, and can even lead to citizen disengagement from the state” (Khan et al., 2022). It is, therefore, logical for countries with lower tax morale, and by implication a weaker social contract to break out of this vicious trap and rebuild the citizen-state trust by building tax morale. They potentially add robustness to the connection between tax collection and municipal service provision “eliciting citizen preferences for specific services when taxes are collected, earmarking revenue for specific services, and enabling local politicians,” in Punjab’s mega cities (Khan et al., 2022). While Khan et al successfully extracted “citizen preferences and delivering services against them,” they found that “despite successful delivery of services...many citizens are unaware of being in a special scheme or of having received greater local goods,” and hence, “muted effects on attitudes towards the state or increased tax payments” (Khan et al., 2022). They, therefore, broadly suggest focusing on raising awareness, which could possibly “lead to improved attitudes towards the state and greater tax payments” (Khan et al., 2022). Shaikh, in a qualitatively-oriented piece, also argues in favour of “policy interventions informed by behavioural insights” (Khan et al., 2022).

### **2.3 Gaps in Research**

Much of the scholarship reviewed generally consecrates itself to figuring out which segment of the society has low or high tax morale without delving deeper into and estimating the “why” component of the equation (Cyan et al., 2016). Some have definitely tried to explore qualitative non-pecuniary variables – feeling of guilt and shame, lack of trust in government, peer-pressure; (Kamal, 2019) public disclosure of tax paid, recognition and reward scheme; (Rehman et al., 2019) marital status, age bracket (Madni et al., 2019), confidence in parliament, civil service, government, religion, and public service delivery, (Khan et al., 2022) and found their causal connections with tax morale at varying levels of strength. In Pakistan, the situation maybe significantly more intricate and complex, in that, non-cognition of tax as a superior legitimate charge, and its mass-level vulgarization and *similarization* with extortion via coinage of perverted concepts like Jagga Tax and Ghoonda Tax, at both conscious and subconscious levels, may be the root cause of an intrinsic deep-seated demotivation and lack of willingness to pay tax.

### **2.4 Theoretical Lens**

In order to dissect this complex situation, it is imperative to investigate how the society constructs its tax reality and operationalizes the psychodynamics at work that impel its members into “not pay” than “pay” action. It may be added that, at some level, reality means conversion of mental processes into actions.

#### **2.4.1 Social Construction of Reality**

A constructivist would posit that all reality is socially constructed, which implies that not only that a socially constructed reality is interest-driven, value-charged, but also a perennial work-in-



progress. Berger and Luckmann posit that individuals and social groups while interacting amongst themselves develop conceptual responses to one another's actions (Berger & Luckmann, 1966). Over time, they become habituated to these conceptual responses assuming in the process reciprocal social roles. When these social roles become available at large to replicate, mimic and portray these generally acceptable and reciprocal social interactions smoothly transform into institutionalized behaviours operating pretty much as social facts aggregated into social reality. Thus, in the process of social construction of reality, the meanings and contexts of social roles are disseminated to the social group members as cultural knowledge (Berger & Luckmann, 1966). They go on to emphatically argue that “the primary knowledge about the institutional order...is the sum total of ‘what everybody knows’ about a social world, an assemblage of maxims, morals, proverbial nuggets of wisdom and so forth” (Berger & Luckmann, 1966, p. 65), aver that “the “social stock of knowledge differentiates reality by degrees of familiarity” (Berger & Luckmann, 1966, p. 46).

They maintain that language plays an important role in the integration of everyday reality as it connects commonplace knowledge to finite provinces of meaning. They further argue that language provides interoperability of mechanisms for the construction of a social reality since it “is capable of becoming the objective repository of vast accumulations of meaning and experience, which it can then preserve in time,” and transmit to future generations” (Berger & Luckmann, 1966, p. 39). Moreover, the institutionalization of social processes grows out of habitualization and customs, acquired through mutual observation and lateral agreement as to the “way of doing things” (Berger & Luckmann, 1966). They go on to stipulate that institutional structures are provided legitimation through symbolic universe – a body of beliefs “everybody knows,” which aims at making them acceptable for the individual – who otherwise might not comprehend or agree with the institutions’ underlying logic.

### **2.4.2 Social Construction of Tax Reality**

Berger and Luckmann do not necessarily get into the normative analysis by looking into how a negative or positive social reality may be constructed nor into whether could there be a “positive” or “negative” socially constructed reality – the one far from the mean of other societies. They also do not appear to suggest (nor, of course, deny) that socially constructed reality could not be disaggregated, dissected, and utilized for further deeper analysis. This paper looks to expand the boundaries of Berger and Luckmann’s theory, suggesting that it could pretty much be dissected on a normative yardstick, that is, how much is it removed from other societies’ mean – Pakistan tax reality being in focus. It further explores the innate and embedded causes lying deep down the societal norm of not voluntarily defraying the tax liability, that is, a vulgarized socially constructed tax reality.

## **3. Jagga Gujjar – the Man; the Legend**

### **3.1 Jagga – the Man**

Muhammad Sharif Gujjar was born in *Chowburgi*, Lahore, in 1940. His mother nicknamed him “Jagga,” purportedly after Jagat Singh Jagga – a folkloric robber subsequently lionized as a freedom fighter (against the British), who undertook most daring robberies in Kasur (then part of Lahore), and adjoining districts during 1910s, and 1920s.<sup>3</sup> Jagat Singh Jagga has been

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<sup>3</sup> (A couple of Urdu novels have been written that try to romanticize Jagat Singh Jagga and paint him in a robinhood shade, such as, *Jafri*, 2011; *Navid*, 2014)

romanticized and lionized after his death for daring acts of engagement against the colonial-era Punjab Police.<sup>4</sup> Jagga Gujjar's father Chaudhry Raees Gujjar, also known as Budha Gujjar, was a well-known *Deradar*, who ran a *Panchayat* as a strongman of *Bakra Mandi*, in Lahore. Jagga's life took a raw turn when barely 14, he chased and gunned down two of his brothers, Makhan Gujjar's murderers. He was arrested, put on trial, and convicted to life imprisonment. Jagga further complicated his life in gaol. Holding Acha Shukerwala also behind his brother's killing, Jagga successfully planned and executed an attack on Shukerwala gang and killed a couple of his men. His taking on Shukerwala brought him into an indirect tiff with the mighty Governor of West Pakistan – Amir Muhammad Khan, Nawab of Kalabagh. Purportedly, Kalabagh kept Shukerwala as his hitman to settle scores with political opponents. Jagga was released on parole at the age of 28, in 1968. He soon imposed an extortion rate of Rs. 01 per animal slaughtered on the butchers of *Bakra Mandi*, Lahore. This is what later notoriously came to be called "Jagga Tax."

### 3.2 The Goonda Act, 1959

Jagga soon also ran into three of Kalabagh's Cabinet Ministers – first looting them and then publicly humiliating them.<sup>5</sup> Kalabagh came hard on law enforcement agencies to take out Jagga and extortion from Lahore as both somehow had become synonymous. Punjab Police equipped with colonial-era administrative powers under the so-called the "Ghoonda Act 1959" unleashed a reign of terror in the province – publicly beating men on streets, raiding private premises sans warrants, and summarily executing serious crime suspects in planned *police encounters*. Jagga fled for life to Kashmir, was chased, nabbed, brought back, and assassinated in cold blood in an orchestrated police encounter, in Lahore. Punjab Police performed awe-inspiring acts of violence on streets of Lahore steadily to exterminate extortion and decriminalize the city but ended up brutalizing policing in Punjab, for an indefinite period of time.

The Goonda Act, 1959, per se, was not a figment of Governor, West Pakistan; it traced its roots in the British-era Calcutta of 1920s. Nandi posits that when the Ghoonda Bill was presented, the Bengal Provincial Legislative Council was dominated by the English-educated Hindu Bengali community *bhadralok* – the gentlefolk. Just a year ago, the *bhadralok* had staunchly opposed the Rowlatt Act, 1919 – the anti-sedition law that had sought to empower Calcutta Police to arrest and detain any individual on mere suspicion of being "political terrorists" (Nandi, 2016). Intriguingly, in February 1923, the Legislative Council ratified the Goondas Act with little resistance "though its provisions empowered the police to deport virtually anyone from Calcutta and its surrounding industrial rim to outside the province of Bengal on mere suspicion without a trial" (Nandi, 2016). Plausibly, the target of the former law was the patricians and the latter, the plebians of Bengal.

The Goonda Act 1923, "deliberately did not define the goonda, as it was 'known' to all in the city who he was," and soon "the goondas assumed special significance," and "a new and commonly accepted social image" (Nandi, 2016). Nandi conceptualises the "goonda" in the following manner: -

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<sup>4</sup> *Jagga Singh Jagga has been a popular theme of Punjabi folk singing tradition/genre "Bolian," and has been sung by a number of Punjabi folk singers - Shaukat Ali at: <https://www.youtube.com/watch?v=JlvTk1crMk4>, and Fazal Jatt at: <https://www.youtube.com/watch?v=EH8sUKtDWIM&t=203s> - with contextually a couple of most meaningful lines being "Jaggay marya Lyalpur daka, tey taaraan kharek gaye-aan," and loosely translating into "When Jagga conducted a daring robbery in Lyalpur; telegram wires went into panic."*

<sup>5</sup> *There is also an oral account of his assassinating the three Ministers, but without any historical or empirical evidence.*

*The archetypal modern urban criminal of South Asia is the goonda, often taken to be a rough equivalent of the hooligan. The term 'goonda,' a slang of obscure etymology, came into common parlance in colonial Calcutta around 1900. Till 1918 it connoted a lowly looter who surfaced during heights of tumult and disappeared as soon as order was re-enforced. In 1920 the goonda appeared in a new avatar, that of a fearsome violent robber who lurked in the streets of some North-Calcutta neighbourhoods and preyed upon wealthy Indians or those loyal to them in broad daylight. He struck such terror among his victims and other law-abiding people that the police found it difficult to find witnesses against him (Nandi, 2016).<sup>6</sup>*

Thus, to the "makers of the law, expulsion or deportation was to serve as an unfailing method of freeing the city of an 'extraordinary' badmash" (Nandi, 2010). Nandi explicating the Goonda's sociological dimension, aptly remarks that the "material referent of the goonda was social imaginary i.e., an imagined figure typical of the urban landscape of the colonial Calcutta, constructed as an embodiment of anxieties of the elites and the middle class" (Nandi, 2010). If one displaces the Calcutta of 1920s and "deportation" of a Ghoonda in Nandi's conceptual framework, and replaces it with the Lahore of 1920s and killings of untried criminals in planned police encounters, one acquires an additional colonial-era policing lens to look at the post-colonial management of lawlessness. The Goonda Act appears to have been in force intermittently in various temporal and spatial subcontinental contexts until it made way to the Punjab Police's arsenal in 1959, interestingly when the country was serving its first Martial Law. It is emphatically added that in its original archetypal image, the Goonda was no extortionist, no Robin Hood, and "enforced" no "tax." However, "Ghoonda Tax" soon emerged as a close and interchangeable variant of "Jagga Tax" to conceptualize the process of forcible snatch of one's wealth – without regard for its legality or illegality.

### 3.3 Jagga – the Legend

Jagga Gujjar's terror appears to have confined pretty much to downtown Lahore up until 1970s. This is understandable in view of the print media being the only means of mass communication back then, which too was under brutal control of military regime. However, Jagga Gujjar began to be legendized toward mid-1980s, particularly when the Gujjar community started to glorify Jagga's criminal and extortionist exploits. Gujjar community started painting his not only a larger-than-life but also a positive image – constructing concocted stories of his coming hard on eve-teasers, raising a mosque, helping the poor against injustice, and assisting the weak and lionizing him as a local Robin Hood of sorts. Nandi convincingly remarks that like "the bandit of the past, the gangster can be considered a social rebel for more modern times, and, as such, has inspired the creation of many myths around his persona," and therefore, "criminal careers of gangsters have been subjects of factual enquiry and fictional creativity" (Nandi, 2010).

### 3.4 Gujjarology

In Pakistani film industry in 1980s, a new genre or sub-genre of filmmaking styled as Gujjarology appears to have emerged implying films based on or about Gujjar folks and their Jagga style heroics. It has been averred that "Gangsters are a challenging heroic construct because they are obviously criminal and can yet be heroized, especially when they are presented as cinematic fiction" (Nandi, 2010). In all fairness, tradition of Jagga movies already existed in the

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<sup>6</sup> *Emphasis supplied.*



form of Jagga, 1958, and Jagga, 1964, which were obviously based on Jagat Singh Jagga. The imagination of un- and semi-literate Punjabi mind starts to get fascinated with Jagga Gujjar, 1976 in which angry man Sultan Rahi played the hero. The movie turns out to be a trend-setter with over four dozen movies being made in the genre.

A few factors may have spurred Gujjarology during 1980s, and onwards. One, the *Gujjars* of Lahore were in spat with *Raangars*, which has something to do with his larger-than-life heroization of Jagga posthumously and the likes of him. Two, the non-party based elections of 1985 must also have contributed to clannish feelings all over the country, but particularly in Punjab. Three, the colonial hangover of heroizing anyone who stood against and challenged the authority also appears at work.

Nandi attempting to lay bare socio-economic aspects of Ghoonda-ism stipulates that “gangsters can be described as anti-heroes with clear flaws and a tragic dimension because their villainous traits can be interpreted as the outcome of a corrupt and greedy society to which the gangster’s criminality responds, and because gangsters, in their own perverted way, try to achieve the economic dreams of their society from within a situation of squalor” (Nandi, 2019). This is where Jagga Gujjar emerges as a paradoxical persona, in that, in his historical and biographical accounts he rises quite a Robin Hood-like character (Rehman, 2020) but in *Jagga Tax, 2002*, an ordinary street boy with no extraordinary potential, and in fact, this is what makes him an interesting character in his own right.

## 4. Jagga Tax, 2002

However, in the entire genre of Gujjarology films, the movie which stands out on account of its impact on the social construction of tax reality in Pakistan is *Jagga Tax, 2002*, a Punjabi film having a run-time of 2.35 hours.<sup>7</sup> It was released on Saturday, February 23, 2002, on the festive occasion of Eid-ul-Adha, and received a sudden success. The film was sponsored by Jagga Gujjar Productions and directed by Masood Butt – a specialist in Gujjar films. Its star cast included Shan, Saima, Sana, Babar Ali, Asad Bukhari, Saud, and Anwar Ali. It tells rather an arcane story centered around a perverse distortion of the concept of TAX – a vital moral and legal obligation, and its similarization with utterly unlawful extortion. At some level, film highlights both the society and state’s insensitivity to the blatant undermining of the latter’s authority by extortionists at the conceptual level. At another level, it muddies the conceptual architecture of society’s tax reality negatively affecting its psychological dynamics to be compliant with tax laws.

### 4.1 Storyline

The movie kickstarts with Governor Kalabagh reprimanding a senior city police officer for failing to control Jagga’s increasing influence and heists, especially after Jagga extorted three of his own ministers.<sup>8</sup> The officer’s resignation paves way for Deputy Rana to step in, who promises to control criminal activities within next 24 hours. Rana resorts to reckless tactics including raids across the city, ultimately leading to a call for Jagga’s surrender. Instead of Jagga, his protector Malik Badshah arrives at the police station, offering his turban as a symbolic gesture of submission. Emboldened by this act, Rana declares his intent to end Jagga’s reign. However, when Jagga confronts the Deputy at the police station, he demands the return of the turban and the deputy’s life

<sup>7</sup> Shahbaz Ali: <https://www.youtube.com/watch?v=je6SCh8tHsc&t=20s>

<sup>8</sup> Amir Muhammad Khan, *Nawab of Kalabagh remained Governor, West Pakistan, with effect from April 12, 1960 till September 18, 1966.*

as *Jagga Tax*, asserting his dominance over the law. He also forces Rana to return Malik Badshah's turban, further solidifying his control and reversing the power dynamics. At this point, the pre-existing clannish rivalry between Gujjars and Raangars start to heat up. The conflict escalates as the Raangars arrive at Jagga's place, resulting in a fierce battle where Jagga's brother, Makhan, is injured; later killed. One Halako Khan, a police officer, seizing the opportunity, requests control of Lahore, promising to eliminate Jagga within 20 days – a request that is granted. Despite Halako Khan's threats, Jagga remains defiant, eventually escaping jail, and unleashing a rein of extortion in the city.

The governor enforces the "Ghoonda Act," tightening the noose around Jagga, and intensifying crackdown on extortion and lawlessness. Realizing the growing danger, Jagga retreats to tribal areas to escape arrest. The Deputy eventually tracks Jagga down, leading to a final clash where Jagga is fatally shot in front of his people. In his last moments, as Jagga's life ebbs away, the Deputy lifts Malik Badshah's turban, symbolizing the state's reclaiming of authority. However, in his final act, Jagga shoots the Deputy, causing the turban to fall back on Malik Badshah's head. Jagga flaunts to the Deputy that even in death, he leaves behind a lasting legacy of defiance.

## 4.2 “Jagga Tax” – Clip Nuggets

### 4.2.1 Governor House: Time Stamp 0.00.05 – 0.00.50 = 0.45

In this opening scene, Governor Kalabagh reprimands Lahore city police officer for his inability to control Jagga Gujjar's growing influence. He is particularly seen incensed upon Jagga's extortion of three of ministers. The gravity of the situation compels the officer to offer his resignation. Contextually, the moot point here is the Governor's reckless, and awkward use of word “Tax” for extortion. This may be reckoned as *the original sin* within the contest of the film.

### 4.2.2 Jagga's Entry: Time Stamp 0.09.10 – 0.12.00 = 2.50

After Malik Badshah, surrenders his turban to Deputy Rana, the latter declares that he will bury Jagga in that very turban, signifying his intent to end Jagga's reign. However, when Jagga arrives, he confronts the Deputy about the disrespect shown to his protector and demands the return of the turban, along with the Deputy's life as *Jagga Tax*, asserting his dominance and control over the situation, and assigning centrality to the extortion.

### 4.2.3 Turban's Return: Time Stamp 0.12.55 – 0.13.55 = 1.00

Jagga captures Deputy Rana and presents him before Malik Badshah commanding him to return the turban he had previously been represented. The turban is returned to Malik Badshah, marking a significant shift in the power dynamics between the state and its enemies. Turban is the metaphor of power which keeps shifting between competitors throughout the film.

### 4.2.4 Ministers' Mujra: Time Stamp 0.14.00 – 0.15.20 = 1.20

The ministers Jagga had previously extorted, eagerly anticipate a celebration, anxiously believing Deputy Rana is bringing Jagga's dead body. The atmosphere radically changes when Jagga arrives with Deputy Rana under his control, instead. He mocks their premature celebrations and questions who truly rules Lahore – Kalabagh or Jagga – leaving the Ministers with no choice but to acquiesce to his supremacy.

**4.2.5 Dancing Girl: Time Stamp 0.15.21 – 0.17.30 = 1.09**

Kajal, the dancer, makes her entrance, and expresses a desire to perform exclusively for him. Jagga then orders his men to shower Kajal with obscene amounts of money displaying looted wealth and asserting his power over everyone present. This act practically debunks any Robin Hood propensities in his character practically reducing him to what he is – a small-time robber.

**4.2.6 Chungi Auction: Time Stamp 0.23.30 – 0.27.22 = 3.52**

A man solicits Jagga's help, explaining that the Raangars prevent anyone from participating in local *Chungi's* contract auction. Jagga appears on the auction scene and meaninglessly disrupts the entire process announcing a bid of Rs. 01 whereas the very floor price for the contract is Rs. 8 million. This instantly results in a bizarre basely melodrama, in which one of the Raangars is stripped off his *Dhoti* – highly dishonourable act of low comedy even with worst of enemies. Jagga once again fails the Robin Hood test, in that, instead of ensuring a fair participation and auction to the aggrieved person, he disrupts and spoils the entire process. Jagga's street-boy character image gets reinforced in this scene.

**4.2.7 Dhamaal: Time Stamp 1.16.30 – 1.16.40 = 0.10**

Jagga is seen presumably at Data Darbar participating in a *dhamaal*, a traditional devotional dance, when the police arrive to nab him. When he is taken into custody, Jagga declares that he collects "taxes" from the world, while he pays tax to his spiritual guide through getting arrested.

**4.2.8 Chakki Scene: Time Stamp 1.21.30 – 1.22.05 = 0.35**

Jagga is taken to jail, where the Deputy orders him to be locked in the *Kasuri Chakki* – the death cell – to isolate and intimidate him. Jagga mockingly requests a traditional Punjabi dish and a large bed so he could oversee his tax operations before being placed in the death cell.

**4.2.9 The Ghoonda Act: Time Stamp 2.20.00 – 1.22.40 = 2.40**

After Jagga kills three of the ministers, Kalabagh invokes the Ghoonda Act, permitting summary execution of untried suspects of crimes. The Deputy triggers a ruthless crackdown against extortion and Ghoondas. Jagga's brother warns him of the inevitable fate that befalls those who challenge the state. Jagga initially dismisses his brother's concerns, but he gradually acknowledges the seriousness of the situation, showing a moment of vulnerability and contemplation. He flees to tribal areas with sacks of his untaxed "tax collection."

**4.2.10 Nemesis: Time Stamp 2.33.45 – 1.35.25 = 1.40**

Tension peaks as Jagga is fatally shot by the Deputy in front of his people. When Jagga's life appears fading away, Deputy lifts Malik Badshah's turban heralding restoration of the state authority. However, in the finale, Jagga shoots the Deputy, causing the turban to fall back upon Malik Badshah's head. Jagga, in his dying declaration, taunts Deputy that even in death, he bequeaths a lasting legacy of defiance.

**4.3 State's Moral Vigilantism**

The Central Board of Film Censors (CBFC) was established and is governed under the Motion Pictures Ordinance, 1979 (the MPO, 1979). The Censorship of Films Rules, 1980, have also been drafted and rolled out to operationalize the statute. Federal Government also notified the *Code for Censorship of Films* for the guidance of CBFC members (GOP, 2024). The CBFC's *Mission* "is to

eliminate the public exhibition of a film or any part thereof including an incident, dialogue, song or dance,” which could potentially (a) impact “the *accepted moral standards and social values* by glorification of vice or crime;” (b) give “offence to any section of the public or injure the *feelings of any class of persons;*” and (c) *hurt “national sentiments.”* (GOP, 2024)<sup>9</sup> There appears a manifest denial that either equating extortion with taxation was not a crime; and if it was, it was not considered serious enough to invite the state’s wrath and recoil.

The MPO, 1979 – itself the product of a military regime striving to give an excessive religious and ideological varnish to the state structure – traces its origins back in 1920s, when cinematography as a medium of communication and an art form, was fast-evolving. A quick peek into its history could provide invaluable insights. The Cinematograph Act, 1918, after defining the terms like “cinematograph,” and “place,” stipulated that “no person shall give an exhibition by means of a cinematograph *elsewhere than in a place licensed* under this Act or otherwise, than in compliance with any conditions and restrictions imposed by such licence.”<sup>10/11</sup>

Thus, the focus of 1918 Act appears to be the regulation of “cinema” as a place of congregation, a business, and a medium of engagement with a colonized people, rather than the content played there. The Cinematograph (West Pakistan Amendment) Act, 1958, promulgated by the 1<sup>st</sup> freshly implanted Martial Law regime, built on 1918 Act to empower the government to reject any film that was “not suitable for public exhibition” (Section 4(4) of the GOP, 1958).

Ayub Khan’s military regime well in its groove by now, heralds a paradigm shift vide the Censorship of Films Act, 1963. The change in the very nomenclature of the statute from the “cinematography act” to the “censorship of films act,” signals a fundamental shift in focus from the *cinema* to the *film* and its *censorship*, and from the *place* to the *content*. The 1963 Act also sought to fix the length of a film by creating a distinction between the local and foreign films but retained the statutory yardstick to deny any film the certification of acceptability, if it was “not suitable for public exhibition” (Section 4(2) of the GOP, 1963). The MPO 1979 built on the 1963 Act, and inducts state’s moral vigilantism into the equation by setting elaborate guiding principles for certification of films in Pakistan in the following manner: -

*Principles of guidance in certifying films: A film shall not be certified for public exhibition; if, in the opinion of the Board, the film or any part thereof is prejudicial to the glory of Islam or the integrity, security or defence of Pakistan or any part thereof, friendly relations with foreign States, public order, decency or morality or amounts to the commission of, or incitement to, an offence (Section 6 of the GOP, 1979).*

The moralistic state found overly concerned with the above emboldened agenda, but the italicized one was foregone rather conveniently when the *Jagga Tax, 2002* was presented for CBFC’s certification.

#### 4.4 Certification of *Jagga Tax, 2002*

After due process, the CBFC grants the *Jagga Tax*, Censorship Certificate bearing No.48/JT-L/2002, dated February 2, 2002, “for the whole of Pakistan for a period of twenty-five years.” The certification was subject to 13 caveats/ conditions/ excisions as follows:-

<sup>9</sup> *Emphasis supplied.*

<sup>10</sup> (Section 3 of the India, 1918)

<sup>11</sup> *Emphasis supplied.*

**Table 1: Fight scenes details**

No.	Caveats / Cautions
1	All fight scenes have been shortened by 50%.
2	All police fight scenes have been reduced by 50%. Additionally, the scenes showing police corpses have been limited to a single shot, and the scene of <b>Saud</b> being shot has been limited to three shots.
3	The shot of the DSP saluting Asad Bukhari has been removed.
4	The scene of Jagga's massacre at the police station has been shortened by 50%.
5	The scene of Babar Butt stabbing Babar Ali has been limited to three stabs.
6	The scene of the police dancing the <i>Dhamaal</i> has been removed.
7	The shot showing the Governor House board has been completely removed.
8	The scene of Jagga appearing before the officers has been shortened.
9	The scene of Shafqat Cheema and his brothers killing their father is shortened.
10	The scene showing the minister's car with the Pakistani flag has been removed. Additionally, the scene of Shaan forcibly taking the minister to court is removed.
11	The scene of Jagga killing the ministers has been shortened.
12	The scene of Jagga turning the police station into his base has been removed.
13	Dialogues: 1. "Sister has eloped," and 2. "I'll strip your <i>Dhoti</i> ," have been removed.

Looking at the prescribed excisions, one readily finds that it is the handiwork of a body of oversimplified brains, operating exclusively within the conceptual confines of section 6 of the MPO 1979, and the moralistic agenda of the military regime, being completely oblivious of the complex imperatives of statecraft in Pakistan. The insensitivity of the CBFC is so deep-seated that even the title of JAGGA TAX is not challenged and was smoothly cleared.

Thus, the question that so irresistibly arises is how come a film, which so blatantly vulgarized and demeaned the state's critical function – its very *raison d'être* – could get through the filtration process put in place by that state. There could be two plausible explanations: first, that the state was, in fact, so fatally compartmentalized that its filtration process was delinked and incommunicado from whatever was happening to other institutions and functions, and second that, in overall terms, the entire institutional framework lacked a "state sense" and a holistic perspective of its well-being and good health.

The *Jagga Tax, 2002* hugely helped the two popular vulgarizations of "Jagga Tax" and "Ghoonda Tax" free from the confines of downtown Lahore and seep into the conceptual architecture of the society – first habitualizing and then institutionalizing at the national level. The TAX was no more a civil or legal obligation that was to be performed under normal circumstances and breached only under abnormal ones; quite the contrary. In fact, on account of its being equated with extortion, default reaction that it evoked in the mind of the society was to detest, abhor, and resist tax, and not comply with it under ordinary circumstances. The *Jagga Tax, 2002* appears to have achieved normalization, namely re-characterization of "tax crime" as a "norm" from an "abnorm." The *Jagga Tax, 2002* granted a wide-going legitimacy by completely decriminalizing the tax function of the state. Berger and Luckmann talking of habitualization remark that "Each action of one is no longer a source of astonishment and potential danger to others" (Berger & Luckmann, 1966, p. 4). This is exactly what appears to have happened in Pakistan in terms of the creation of a socially constructed vulgarized tax reality.



## 5. Legitimation of Illegal Extortion

Once “Jagga Tax” and “Ghoonda Tax” were popularized and became part of the vernacular, they ended up creating strategic space in the grey zone, affecting their manipulability for both legal extortion and illegal extortion. After the successful release of *Jagga Tax, 2002*, the vulgarization of the socially constructed tax reality took place at such a wide and intense level that it was no more confined to cinematography only. In fact, it deeply penetrated television, theatre, and social media, too. It goes without saying that the deeper the diffusion of vulgarization of tax reality, the greater and more inimical its implications both for the society and the state. An illustrative survey of these media could be instructive, too.

### 5.1 Television

#### 5.1.1 Hoshyariyan: Storyline

Television has been used recklessly when it comes to social construction of tax reality – particularly since early 2000s, when private television channels began to mushroom. Illustratively, *Hoshyariyan* is a comedy stage play series produced by ARY Digital Network, presented in a skit-based format where the host, Haroon Rafeeq, interacts with both the live audience and the actors on stage, maintaining a close connection between the two throughout the performance.<sup>12</sup> One of its episodes titled as “Letter That Made Everyone Faint Upon Reading,” offers insights into societal morass and normalization whereby outrightly lawless extortion is granted legitimation through the misuse of the concept of “tax” – masking its strategic implications for the state and ramifications for the society.

The story is set in a marketplace where a vegetable vendor, a *dupatta* (scarf) dyer, and a *Pahlwan* (wrestler) conduct their daily business. A letter is received by the *Pahlwan* from Cheenka, a local goon, who is demanding Rs. 1,000 per day as extortion, recharacterized first as “tax,” and then as “Jagga Tax.” Shortly afterward, the vegetable vendor and the dupatta dyer also receive identical extortion demand letters, making them believe that paying the demanded amount is inevitable. It may be added that deployment of Punjabi *Jugat* artists in TV political comedy soaps, among others, to ridicule revenue system of the state, may have played a vital role towards building and constructing a vulgarized tax reality in the society.

#### 5.1.2 Clip Nuggets

##### Tax Demand: Time Stamp 0.05.25 to 0.06.13 = 0.00.48

A charming girl hands a letter to one of the vendors in the market, asking him to read it. He instantly faints upon reading it, whereafter the wrestler also reads it and faints. The anchor, observing this, asks the dupatta dyer and the vegetable vendor to sprinkle water on both to revive them. Once they regain consciousness, the anchor inquires about the contents of the letter. The wrestler explains that it is from Cheenka Badmaash, demanding a daily tax of Rs.1,000. The anchor amplifies it as “Jagga Tax.”

##### Tax Recovery: Time Stamp 0.18.45 to 0.19.04 = 0.00.19

Cheenka Badmaash arrives in person to verify whether all four characters – the boy, the wrestler, the dupatta dyer, and the vegetable vendor – have received the extortion demand letters. Upon confirmation, Cheenka questions why they have not defrayed the “tax” liability, yet. Cheenka

<sup>12</sup>ARY Digital Network: “Khat’ Jisay Parhtay Hi Sab Behosh Hogay” <https://www.youtube.com/watch?v=C6myqpZxJcQ>

expresses frustration, stating that he had to personally come to collect the “**tax.**” The comfortable use of “tax,” for outright “extortion,” demonopolizes the state from its extractive function, and makes it operate in the quasi-legal domain. Intriguingly, the Pakistan Media Regulatory Authority (PEMRA)’s rather stringent oversight regulations did not get triggered when the state of Pakistan’s critical revenue function was ridiculed and perverted.

## 5.2 Theatre

The demise of serious Urdu theatre must have given fillip to *Punjabi Jugat theatre* of Lahore, which subsequently diffused to most major urban centres of Punjab – Faisalabad, Gujranwala, Multan, Rawalpindi, and Sialkot, too. This low comedy theatre is weak in script, direction, plot, characterization, and props, but rich in Punjabi vernacular dual-meaning one-liners that are mostly dipped in vulgarity and sexuality, and seeks to indulge in commodification of both male and female bodies. Its audience traditionally comprise lower strata of society, but its availability in digital space has afforded it far wider acceptability across the social divide during 1<sup>st</sup> quarter of 21<sup>st</sup> century. Given the very composition of its audience, the taxman and policeman have received special attention and treatment in the genre.

### “Pagli”: Time Stamp 0.54.50 – 0.57.50 = 0.03.00

“Pagli” – a popular Punjabi *Jugat* drama – was unveiled on April 21, 2017, at Al-Hamra Complex, Lahore.<sup>13</sup> Its star cast included leading comedians like Nasir Chinyoti, Iftikhar Thakur, Khushboo Khan, Zafri Khan, Afreen Khan, Tariq Teddi, Amanat Chan, and Asif Iqbal. In this genre, the scriptwriter, director, and theme of the play are hardly important; just a laughter-generating *Jugat* or act are important. In this particular scene from “Pagli,” the bandit queen Khushboo Khan playing Sheeda Pahlwan, a tough and intimidating figure, walks through the busy market duly armed and accompanied by a gunman. Sheeda Pahlwan approaches a sweet seller, a tailor, and a doctor, demanding and collecting extortion characterized as “tax” that she enforces with strict authority duly backstopped by an explicit threat of use of force. After collecting the “**tax**” from these three, she approaches two more people, who seek her ludicrous reprieve.

In *Pagli*, extortion is given a blatant varnish of legitimation through excessive use of “tax” for 12 times in a 3-minute clip. Being a typical *Jugat* play, it has a touch of vulgarity that paints even more degrading and basely view of this purportedly superior civic obligation. Apparently, *Pagli* successfully evaded the provincial/district government’s recoil and reaction on this particular count. It may not be out of place to mention that until 2023, the Dramatic Performance Act 1876, governed the medium of theatre, when it was replaced by the Punjab Theatrical Performance Ordinance, 2023. Understandably, when the former law was framed 150 years ago, Punjabi *Jugat* theatre did not exist, and therefore, posed no threat of this particular nature. However, even when the new law has been promulgated, the focus is “to control ‘obscenity’ in Punjab theatres” (Ahmed, 2024).

## 6. Vulgarized Tax Reality – Ramifications

### 6.1 De-Legitimation of “Legal Extortion”

A socially constructed vulgarized tax reality can have wide-going ramifications for the functioning of the state, wholesomeness of the society, and the relationship between the two. Once a perverted socially constructed reality gets created, it is conveniently leveraged not only to legitimize illegal

<sup>13</sup> *Hi-Tech Music: "Pagli" - <https://www.youtube.com/watch?v=Wq1szTs8GTg&t=41s> - Total length = 01.29.07.*

extortion imposed by non-state agents as explicated in the preceding sub-section, but also to de-legitimize “legal extortion” namely, tax imposed by the state.

## 6.2 Levels of De-Legitimation

This would be done at three levels. One, in the parliament, the democratically elected public representatives – irrespective of party divide, at will, dub various tax initiatives as “Jagga Tax,” or “Ghoonda Tax” in order to debunk and discredit the revenue system of the state. An identical pattern is witnessed during sessions of National Assembly and Senate Standing Committees on Finance & Revenue, and other Parliamentary Standing Committees dealing with economic matters, exploit vulgarized tax lingo to demean, belittle, and demonize the tax administration, explicitly or implicitly. It has been argued that elites effectively control political drawing board and influence policy formulation in proportion to the economic power that they possess (Ahmed, 2017; Ahmed, 2016). Two, business and industry umbrella bodies in both formal and informal articulations, recklessly use the vulgarized tax jargons of “Jagga Tax,” and “Ghoonda Tax,” to rattle political and bureaucratic interlocutors and debunk the state’s revenue policy paradigm. These concepts having seeped into the semantic framework of the society, find immediate receptiveness and evoke sympathetic response. Three, public agitations carried out to controvert and debunk tax policy initiatives, use popular platitudes like “Jagga Tax,” and “Ghoonda Tax” to muster wider support. Illustratively, pushing back the government on capital gains tax on real estate would be difficult and not likely to win wider public support. However, when such legitimate tax initiatives get branded as “Jagga Tax” or “Ghoonda Tax,” they readily evoke a sympathetic feeling in favour of the agitationists, and against the tax administration.

## 6.3 Taxpayers’ “Ghoonda Tax”: Time Stamp 0.02.04

Haji Muhammad Haroon Memon, the Patron-in-Chief, All Pakistan Traders Association, and Chairman, All Pakistan Small Traders and Cottage Industries via a provocative video clip message addressed the entire trader community of the country on August 16, 2024.<sup>14</sup> He targets the notices issued by the FBR demanding monthly tax payments of Rs.60,000, Rs.40,000, or Rs.20,000 from various businesses duly backed by the threat of sealing their shops if they failed to pay. He firmly announces that the traders will not pay what he repeatedly calls “Ghoonda Tax.” He urges traders across the country to remain united, stating that even if they receive notices for as little as one rupee, they should not pay. He recalls similar taxes imposed during the periods of Nawaz Sharif and General Pervez Musharraf, which were successfully rejected with unity. He makes a libertarian clarion call for similar collective action to reject these taxes this time again. He vows to kick FBR out of Pakistan and finishes his note of thunder by raising passionate slogan of “*Pakistan Paindabad*” – suggesting that Pakistan would perhaps be better off without a tax administration. This is how Memon was able to de-legitimize ‘legal extortion’ put in place by the state. Soon the Government back-pedalled on the monthly plan of taxing traders which it had harboured, nurtured, and touted with much political fanfare.

Thus, a vulgarized tax reality institutionalized at the intersubjective level, helps blur the line between lawful taxation and unlawful extortion, deepening mistrust about the legitimacy of the state’s revenue system. When citizenry experiences extortion labelled as “tax,” it diminishes their trust in the actual tax system, and at sub-conscious level, they start assuming both as two

<sup>14</sup> All Sukkur Small Traders & Cottage Industries: <https://www.facebook.com/asstci/videos/797159369293>

components of the same process – adjustable one against the other. This is how the psychodynamics of tax morale in Pakistan have been fatally harmed at the conceptual level.

## 7. Conclusion

What the paper both qualitatively and empirically proves is that both the society and the state's institutional framework ostensibly adopt an attitude towards the revenue system, which is casual, at best, and inimical, at worst. In all functional states it is quite the opposite. The resultant outcomes of the revenue function then logically turn out to be insufficient and unhealthy. This is simply because unless a whole-of-the-government coupled with a whole-of-the-society approach is adopted, the revenue system would continue to produce as below par outcomes as Pakistan's tax administration is producing currently. While the relevant state institutions, continue to let the revenue system be vulgarized, ridiculed, and similarized with extortion at will sans any recoil, the society keeps granting acceptance to whatever destructive content is generated on various media and then habituated into the nation's social morass. Substantive fallouts of the twin state-society dismissive demeanor to the revenue system manifest in terms of insufficient and unhealthy tax-take year after year.

In order to effectively reverse the trend, apart from rolling out a standard set of reforms, something quite different would be needed – qualitatively improving the statutes that govern different media thereby putting in place requisite filters to cleanse the revenue system's reckless vulgarization and its similarization with extortion, and its perversion into "low comedy," thereby granting it the respect and sanctity that it deserves – at par with other key institutions of the state as in other states.

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