

## Headlines:

- **Economic Revival Without Islam is a False Promise**
- **Muslims of Pakistan Spend Billions of Rupees on Charity**
- **IMF is the Cause of Currency Devaluation**

## Details:

### **Economic Revival Without Islam is a False Promise**

On 25<sup>th</sup> May 2019, Prime Minister Imran Khan anticipated stability returning to the country's economy by July this year, after which a new era of progress and prosperity will start through industrialisation and revival in exports. He was addressing a gathering of industrialists in Karachi. This new promise of Prime Minister is yet another attempt to deceive people. How can the economy of Pakistan return to stability while the prices of electricity, gas and oil are being raised and Rupee has been devalued massively against US Dollar? After reaching an agreement with the IMF, the prices of electricity, gas and oil will further increase in the upcoming federal budget for the financial year 2019-20. This will further raise the costs of production, whilst industrialists, the business community and farmers are all already complaining about the high costs of production and costs of doing business. If the costs of doing business keeps increasing, then how will new industries be established? When there will be no new industries, how we will get extra production to export? Unless the Khilafah (Caliphate) on the Method of Prophethood is established and the Islamic economic system is implemented, after uprooting the capitalist economic system, stability can never be achieved. The economic system of Islam declares electricity, gas and oil as public property. So private companies can never become their owners. It is these companies that ensure an increase in the prices of these essentials to ensure their profitability. As these resources are public property, the state will supervise them and ensure their supply to every segment of society at a price which does not hinder economic prosperity. Also in the Khilafah the currency will not be pegged to the Dollar. Instead the Khilafah's currency will be based on gold and silver, ensuring stability in the value of the currency. Therefore when electricity, gas and oil will be available at reasonable and affordable prices and the currency will be stable, then the economy of Pakistan will achieve stability and strength.

### **Muslims of Pakistan Spend Billions of Rupees on Charity**

The Dawn reported that this year in the month of Ramadhan, the estimated spending on charity is about 170 billion Rupees which is more than one billion Dollars. People are spending on charity even though Pakistan is engulfed by a deep economic crisis. Inflation has increased, as the Rupee has lost almost one third of its value

against the US Dollar. Economic specialists are predicting that in the coming days employment and salaries will be decreased and the prices of utilities will be increased. If people spend on charity even during hard economic times, it shows that there is much good in the people. It also shows that if people think that certain actions will bring them closer to Allah (swt) then they participate in that action enthusiastically, although their economic conditions do not allow them to do so easily. On the other hand, despite the rulers' best efforts to exact taxes, people do not give taxes willingly. This is because Muslims of Pakistan consider current taxes as oppressive and that the rulers are corrupt tools of colonialist powers. The rulers of Pakistan follow the capitalist economic model and apply oppressive taxes on the Muslims like Income Tax and GST, which means that if you earn, you pay income tax and if you spend, you pay GST. From the salaried class, income tax is deducted from their salaries, without even investigating if the salary is to support two persons or ten. Similarly GST applies in a manner that a rich and a poor person give same amount of GST, if they purchase anything. So it is no surprise that Muslims do not like to give taxes in this oppressive system, but spend money with an open hand on charity.

### **IMF is the Cause of Currency Devaluation**

After a massive drop in the value of Pakistan Rupee and a record increase in the value of dollar, the people have been smashed by inflation. The government claims that the instability created because of the withdrawal of the state role in fixing the value of Rupee will end. However, the reality is that the currency of Pakistan is a fiat currency that is tied with the Dollar, creating instability inherently. In order to end the currency instability, Pakistan's currency must be linked with gold and silver, which provided stability in prices for centuries in the past. Today the IMF stops the world from basing their currencies on gold and silver. Now a question arises, is it possible to go back to gold and silver standard in the presence of IMF? The answer is no, its not possible. In 1944, it was agreed in the Bretton Wood Agreement that those countries who become a member of IMF must link their currencies with the US Dollar. Eventually, the US delinked its currency from gold and so the currencies of the world are tied to a fiat dollar. Those who are aware of the reality of the IMF can easily come to the conclusion that economic independence and following IMF dictates cannot go together. Yet, the visionless rulers of Pakistan still think that IMF prescriptions will bring economic stability. Pakistan needs a leadership which sees these colonialist institutions as they are. They do not provide help to get you out of economic turmoil. Instead they are tools of the enemy whose aim is to keep Pakistan economically weak. We need a ruler who organizes the economy on Islamic legal rulings so that Pakistan, which is blessed with human and natural resources, emerges as an economic power as it truly deserves. And that leadership will only be under the Khilafah (Caliphate) on the Method of Prophethood, which will rescue Pakistan and the whole world from slavery to colonialist financial institutions.