

Press Release

Government's "Relief" Package for Agriculture Sector Gives False Hope Agricultural Sector Needs Relief from Capitalism, not Another "Band-Aid" Relief Package

On Tuesday 15th September 2015, Pakistan's Prime Minister Nawaz Sharif announced a relief package for the agricultural sector comprising of 341 billion rupees in a gathering of farmers. The Prime Minister mentioned various problems faced by this sector including; unfavorable weather conditions, declining trend in prices of agriculture products in domestic and international markets, the rising cost of production and falling income. In this package the government pledged cash support of Rs 5000 for the growers of cotton and rice will be disbursed amongst the farmers owning a maximum of 12.5 acres of land, lowering the prices of potassium and phosphate fertilizers by Rs 500 per bag, insurance cover on crops for small farmers, payment of interest on loans from the government and the reduction in General Sales Tax on purchasing of agriculture machinery.

Unfavorable weather conditions and low prices of commodities are not the root of the problems faced by the farmers as they are recurring matters out of our control. Blaming calamities does not absolve the government from its responsibilities or excuse it from its neglect, especially when the government is implementing the oppressive system of capitalism. At this point every sector of the economy whether its agriculture or industry is protesting against the government due to the heavy cost of doing business. High input costs have made our agriculture and industrial products non-competitive against foreign products in both local and foreign markets. Doing business has been made difficult because pursuing IMF commands, the government is raising the Tax to GDP ratio, increasing the prices of electricity and gas and raising General Sales Tax amongst an entire library of taxes.

Whenever any government has announced relief package for any sector or for the common people without addressing the root problem, the capitalist economic system, it has only benefited the large capitalists and large land owners, whereas small businesses, smaller farmers and the common people never have their burdens reduced. Therefore this package is doomed to fail as similar packages in the past have all failed.

If the government wants to establish an economy on firm footing then it must adhere to what Islam mandates and abandon the IMF program immediately, declare oil, gas and electricity as public property and ensure their supply at affordable prices, as well as abolish all non-Sharii' taxes including the General Sales Tax. These steps will cut the cost of doing business many-fold and our products will rapidly become competitive against foreign goods both locally and internationally.

However, improvement can never happen under Democracy as it is a system to secure the interests of the powerful. Under the capitalist system, whether it's in the world's biggest democracy, India, or its loudest flag bearer, the US, the life of the common people will continuously deteriorate. The Khilafah is the only ruling system where real relief is secured because Islam alone provides a unique system to run the economy, with unique provisions regarding public property and revenue generation, which allows the people to conduct businesses without excess burdens. A stark contrast to the current system where public property is privatized, depriving the society of a large source of revenue, with the government resorting to usurping the people's private property through illegitimate forms of taxation. Therefore Hizb ut Tahrir Wilayah Pakistan calls upon businessmen and farmers to join the struggle of Hizb ut Tahrir for the establishment of Khilafah upon the method of the Prophethood. Only the end of capitalism and establishment of the Khilafah will build an economy on sound and firm footing.

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