

Press Release

## Budget 2016-17

### Pakistan's Budget is of the IMF by the IMF for the IMF

On 3<sup>rd</sup> June 2016, the Finance Minister of the Raheel-Nawaz regime, Mr. Ishaq Dar, presented Pakistan's budget for the financial year 2016-17. This budget just as previous budgets, presented either by democratic governments or dictators, was produced based on capitalist policies. That is why in every budget almost one third of the budget is spent on loans and interests on loans, even though Pakistan, like many colonialist oppressed countries, has paid back its obligations many times over but remains trapped through interest. The debt trap is deepening despite burdening the struggling people with ever increasing taxes. Moreover, this budget is also according to colonialist dictates, just like previous ones. This fact can easily be ascertained by the Letter of Intent signed by government of Pakistan on 10<sup>th</sup> March 2016, addressed to the Director of IMF, Ms. Christine Lagarde. The Raheel-Nawaz regime agreed in this letter that, "As is standard under all IMF arrangements, we will consult with the IMF before modifying measures contained in this Letter or adopting new measures that would deviate from the goals of the program, and will provide the IMF with the necessary information for program monitoring". After reading this letter, it becomes clear that Raheel-Nawaz regime has mortgaged Pakistan's economic sovereignty to IMF and this budget 2016-17 is of the IMF, by the IMF, for the IMF.

The Raheel-Nawaz regime presents growing stock markets and the China Pakistan Economic Corridor (CPEC), as "game changers" and as proof of economic progress and prosperity. However, it is a fact that in the capitalist system progress stock markets and mega-projects only bring further prosperity to the ruling elite and its cronies, whilst the Muslims continue to struggle for even two square meals a day. When a motorway network was constructed in Pakistan previously, the same story was spun, yet today, according to the government's own estimates, more than fifty percent of the population living below the poverty line. Similarly, the regime presenting Benazir Income Support Program (BISP) as the cure for poverty is another deception, as it is an established fact that such programs have never alleviated poverty. Such programmes are mere band-aids on a huge gaping, bleeding wound, because the capitalist system is constantly concentrating the wealth of a country into the hands of a select band of powerful people, whose financial corruption is so huge that it is leaking into the media and public knowledge, despite using secret channels.

Economic revival is not possible under any budget within the capitalist system because this system is based on the accumulation of wealth through various measures including interest based loans, privatization of state and public property and heavy taxation on the poor, which are all colonialist requirements, conveyed via the IMF, to prevent Pakistan from ever being a challenge to the current major powers. Economic revival is only possible under the economic system of Islam which is implemented by the Khilafah state. The economic system of Islam ensures the distribution of wealth not its concentration in the hands of the few. Islam ends interest (Riba) on loans, mandates Sharia revenues, including Zakah, Ushr and Kharaj, mandates oil, gas, electricity and mineral resources as public property, whose substantial wealth is spent on fulfilling the needs of the people, forbids non-Sharia taxes such as the oppressive income tax and General Sales Tax and emergency taxation, when it is needed, is focused on the most wealthy rather than across the board, without discrimination or consideration of the burdens of the Muslims. Therefore unless the Khilafah (Caliphate) on the Method of the Prophethood and its Islamic economic system are restored, the Muslims of Pakistan, who have great resources, skills and motivation, can never achieve economic revival. Allah (swt) warned us:

﴿وَمَنْ أَعْرَضَ عَن ذِكْرِي فَإِنَّ لَهُ مَعِيشَةً ضَنْكًا﴾

"But whosoever turns away from My Reminder (Quran) verily, for him is a life of hardship" [Taha:124]

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