

Press Release

To Please the IMF, Pakistan's Rulers Weaken the Rupee resulting in Increase in Prices and Burden on Muslims

Whilst blaming the previous rulers for the mess the economy is in now, the PTI government is marching on exactly the same path that the previous rulers took. On 8 October 2018, the Finance Minister, Asad Umar, confirmed that Pakistan's new rulers will also go to the IMF. Then on 9 October 2018, fulfilling a key demand of the IMF, the Rupee was weakened by Rs 11.70 against the dollar in one day. The ever weakening Rupee causes continuous, back-breaking rises in prices. It increases the cost of local agricultural and industrial production, making industrial production costly. It makes essential imports more expensive, at a time where local industry is overtaxed and underdeveloped. Moreover, once the IMF is pleased with the weakening of the Rupee, it will extend more loans on interest that will push Pakistan deeper into the debt trap. As a condition on its loans, the IMF will insist on privatization, depriving the state treasury of revenue from its large scale capital intensive enterprises, as well as energy and minerals. Then to compensate for the losses in revenues, the IMF will demand huge increases in taxation to worsen the burden on the people, the agriculture and industry. Clearly, the IMF will never ever alleviate poverty or allow Pakistan to stand on its feet. Indeed, any country into which the IMF has sunk its teeth, has been economically ruined.

Nothing less than ruling by all that Allah (swt) has revealed will save Pakistan's economy. The Khilafah (Caliphate) on the Method of the Prophethood will generate the equivalent of billions of dollars for the state treasury, without resorting to interest based loans, which are forbidden by Allah (swt) and His Messenger (saaw). It will implement the Islamic ruling for energy and minerals, which is that they are a public property, whose entire benefit is for the people's needs. It will implement the Islamic rulings on company structures, which restricts the scale of private ownership of capital intensive industry, such as large scale manufacturing, construction, transport and telecommunications, allowing the state to dominate these sectors and hence have access to large revenues to look after the affairs of the people. It will implement the Islamic rulings on revenue generation which abolish oppressive taxation, such as GST and income tax, which do not take into account the poverty of individuals. It will implement the Islamic ruling on currency, ensuring that it is backed by gold and silver, ending the root cause of inflation; a currency which ensured the Khilafah enjoyed stable prices for over a thousand years. The Khilafah will implement the Islamic ruling on the excessive increase in personal wealth of the rulers during ruling, which is to seize the ill-gotten wealth and put it in the Baytul Maal. So, is it not time that the Muslims worked to ensure that ruling is by all that Allah (swt) has revealed, so that wealth is circulated throughout society, rather than being confined to a few? Allah (swt) said, ﴿كَيْ لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ مِنْكُمْ﴾ **“So that the wealth does not circulate solely among the wealthy from among you.”** [Surah Al-Hashr 59: 7]

**Media Office of Hizb ut Tahrir
in Wilayah Pakistan**