

# IMF AND PAKISTAN: ISSUES AND WAY FORWARD

## 1- Introduction

Thesis Statement: Poor resource management and economic policies have led Pakistan to IMF support multiple times. This support comes at cost of independent foreign and economic policies. However, promoting local industry and practical implementation of economic policies can lead Pakistan towards economic independency.

## 2- History of Pakistan seeking for IMF programs

### 3- Factors which led Pakistan to the doors of IMF

- a- Poor management of natural and human resources
- b- Continuous political instability has weakened the economy
- c- Participation in block politics had severe economic consequences
- d- Failure of education system resulted in economic failure
- e- Import based economy

### 4- The viscous trap of IMF packages

- a- IMF packages hinder the long term economic stability
- b- loan packages minimize the growth of local industry
- c- Economic and taxation policies are directly controlled by IMF

d- Foreign loans come at the cost of hijacked foreign policy

e- IMF support is not reliable

5- How Pakistan can avoid the trap of IMF

a- Incentivize the growth of local industry

b- Reform education system to produce innovative human resource

c- Foreign aid shall not be left at the hands of interest groups

d- Seek for foreign investments in the country not loans.

e- Introduce tax reforms and bring everyone under tax net

f- Increase investment in IT sectors

6- Conclusion