

IMF bailouts - roads to stability or recipe for disaster

① Introduction

Thesis Statement:

IMF bailout may ensure short-term stability for a developing country but in the long term, the bailouts prove to be the disaster as it makes a country and its overall policies dependent.

② Bailout as a Debt Trap

- ① Due to bailout repayments, country's resources are challenged towards debt service.
- ② Excessive bailouts makes a country insolvent.

③ Bailout as Hindrance in Progress

- ① Excessive tariffs are levied on commodities.
- ② Industries are shut down.

④ Institutional Dependency

- ① Monetary institution becomes dependent: State Bank
- ② Diplomatic institution becomes dependent

⑤ Bailout Compromises Economic Policies

- ① ^{High interest based economy} Country's currency is depreciated.
- ② Excessive bailout results in economic crisis.

⑥ Monetary Dependency

- ① Country's currency is depreciated.
- ② Monetary policies become dependent.

⑦ Political Polarization

- ① IMF bailout results in ^{blame} ~~blame~~ game.
- ② widens gap between political leaders and parties.

Date: _____

(M) (T) (W)

8 Rise in Debt Culture ✓

9 Bailout as Inflation Bomb ✓

10 Compromised Sovereignty ✓

(a) loss of decision making authority ✓

(b) influence of external actors ✓

Conclusion

Also give counter
-narrative/anti-thesis