

IMF Bailouts: Roads to stability or recipes for disaster

A-Introduction

Thesis Statement: IMF bailouts are not roads to stability rather recipes for disaster due to certain reasons.

B-IMF bailouts are recipes for disaster

- 1- Non-Transparent funding process results in corruption.
- 2- Intervention in domestic policies lead to political instability.
- 3- The structural adjustment programs (SAPs) create debt trap.
- 4- The import liberalization policies lead to currency devaluation.
- 5- Austerity measures increase inflation rate.
- 6- Condition of to levy indirect taxes increase poverty.

7- Condition to cut government spending leads to social disparities.

8- One Same policy for all countries create social unrest against governments.

9- Condition to cut energy sector subsidies affect production.

10- Budget cut on education and health results in poor human capital.

11- Debt & repayment burden creates hurdles to invest in environmental protection.

12- Conclusion