

Topic:

IMF Bailouts: Roads to

Stability or recipes
for Disaster

Outline:

1. Introduction

1.1 Attention Grabber

1.2 Overview of IMF

1.3 Thesis Statement: IMF bailouts and its policies are the recipes for disaster more than the roads to stability.

2. IMF Bailouts are the Roads to stability
(Anti-Thesis)

2.1 Bringing more people under tax net

2.2 Privatization is reducing burden of SOEs.

2.3 Reduced government spending

2.4 Ensuring economic stability and alleviating poverty.

3. Rebuttal to the arguments of roads to stability: rather IMF bailouts are the recipes for disaster (Thesis)

3.1 Increased taxes disturbing people

3.2 Privatization and the worries of workers

3.3 Structural Adjustment Programs (SAPs) not giving benefit

3.4 An unending debt trap

3.4.1 Case study of Pakistan

3.5 A threat to sovereignty

3.5.1 Case of Asian Countries

3.6 Currency devaluation and Inflation

3.6.1 Highest commodity prices

4. Conclusion

The Essay

'The world is governed by International Institutions who are governed by some powers'. IMF the International Monetary Fund is an international institute that lends money to the countries of the world who need it. It was developed under the **Bretton Woods** system to help poorer countries uplift them, improve their economic condition and alleviate poverty. More than focusing on helping poor countries, IMF shows its aggressive nature. It lends money with a lot of conditionalities known as **SAPs**. In order to fulfill the conditions of IMF countries face a lot of difficulties. IMF holds the ~~to~~ country in such a way that it has to run its activities according to IMF that affects the state and people as well. IMF bailouts affect all sectors of the states and has

a strong influence. IMF bailouts are a recipe for disaster because of the taxes, privatization of SOEs, SAPs. It devalues the currency, causes inflation and becomes a threat to the sovereignty of the country. Due to these reasons these bailouts are the recipe for disaster, more than a road to stability.