

## Headlines:

- **Bajwa-Imran Regime Begging Peace from India**
- **Capitalism Ensures Concentration of the Wealth through Tax Breaks for the Rich**
- **Increase in Interest Rate will Jeopardize Economic Activity and Raise Unemployment**

## Details:

### Capitalism Ensures Concentration of the Wealth through Tax Breaks for the Rich

The Dawn reported on 23 May 2019, "Within 11 months of the last amnesty scheme lapsing, the government has come up with another scheme for the benefit of those who neither pay their taxes nor declare their assets." The latest amnesty scheme allows real estate investors to pay one per cent tax on 1.5 times the DC (deputy commissioner) value of land. This rate too is almost a fifth to a tenth of the market value, if not less. Even after legislation imposing punishment and confiscating "benami" property with five years of imprisonment, not a single culprit has been punished. Instead they are being offered amnesty schemes.

Allah (swt) revealed, ﴿كَيْ لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ مِنْكُمْ﴾ **"Lest the wealth circulates solely among the wealthy from amongst you."** [Surah Al-Hashr 59: 7]. One of the many mechanisms in Capitalism to ensure the constant concentration of wealth is its system of revenues. It gives tax breaks to the large capitalists on the grounds of encouraging and investment friendly environment and others such covers. It then applies regressive taxation, which does not discriminate between those who are wealthy, have some savings, have no savings, are in debt or are destitute. In Islam, taxation is not applied on the poor, indebted or the destitute. Instead they are deserving of Zakah. In Islam, revenues are taken from the wealthier in society. So Zakah is taken on the one who has the strength to maintain a Nisaab of savings over an entire year. Zakah on merchandise is only taken from the trader who has a Nisaab of trading merchandise after a year. Kharaaj is taken only from the one who has the wealth to own agricultural land. Thus, the distribution of wealth occurs naturally. The Khilafah (Caliphate) will implement the Islamic rulings on revenue generation, such as Zakah on trading merchandise and Kharaaj on agricultural land, whilst abolishing oppressive taxation, such as GST and income tax, because it is not permitted by Islam and so it is considered theft of the private property. RasulAllah (saaw) said, «كُلُّ الْمُسْلِمِ عَلَى الْمُسْلِمِ حِرَامٌ دَمُهُ وَمَالُهُ وَعِرْضُهُ» **"Every Muslim's blood, property and honor are unlawful to be violated by another Muslim."**

### Bajwa-Imran Regime Begging Peace from India

On 20<sup>th</sup> May 2019, the Foreign Minister of Pakistan, Mr. Shah Mehmood Qureshi, has called upon India to come to the negotiating table and engage with Pakistan for the sake of regional peace, after the new government takes office in New Delhi, following the Indian general election. He further stated that, "war has always brought destruction and cannot be considered as an option, particularly when both the countries are nuclear powers."

Although the new regime has yet to come to power, in New Dehli, but the Bajwa-Imran regime is so eager to prostrate in front of her, upon American dictates. Why is this regime begging peace from India, whilst the Hindu State is committing heinous crimes against our brothers and sisters in Occupied Kashmir and martyring our civilians and soldiers across Line of Control for many years by indiscriminate firing? Moreover, this latest begging from the Foreign Minister of Pakistan surfaced after Pakistan's intelligence agencies cracked a subversive network working at the behest of the Indian spy agency, RAW, to destabilize a sensitive region of Gilgit-Baltistan. Previously, Pakistan thwarted an Indian Kulbhushan Jadav network fuelling terrorism in

Balochistan. Does the Bajwa-Imran regime want to establish a nuclear armed Pakistan as a weak country, by continuously begging for peace from the aggressor India? Why has Indian aggression not been responded to in a language that the Hindu State? After all we have seen the effectiveness of the armed forces on 27<sup>th</sup> February 2019, when our brave and capable pilots of Pakistan Air Force shot down two Indian fighter jets.

The Bajwa-Imran regime talks much about making Pakistan a state like Madina. However, its actions in every matter are contrary to it. RasulAllah (saaw) never begged for peace from any aggressor who attacked Madina. He (saaw) responded in a befitting manner. Thus, when the Quraysh violated the truce of Hudaibiyah, RasulAllah (saaw) gathered a magnificent force of ten thousand men and marched towards Makkah until it was opened. The Quraysh were taught a lesson for their treachery, despite the continuous begging of Abu Sufiyan in Madinah to restore the peace treaty. The upcoming real state of Madina which will be founded on the Method of Prophethood. It will not beg peace from India. Instead, it will give a befitting response of the aggression. It will never abandon the Muslims of Occupied Kashmir to the Indian brutal forces. The Khilafah will liberate Occupied Kashmir and its people through Jihad, because Allah (swt) has commanded us to do. Allah (swt) said, ﴿فَمَنْ اَعْتَدَىٰ عَلَيْنَا فَاَعْتَدُوا عَلَيْنَا بِمِثْلِ مَا اَعْتَدَىٰ عَلَيْنَا﴾ **“So who ever has assaulted you, then assault him in the same way that he has assaulted you.”** [Surah al-Baqarah 2:194]

### **Increase in Interest Rate will Jeopardize Economic Activity and Raise Unemployment**

On 20 May 2019, the Dawn newspaper reported that the State Bank of Pakistan raised the interest rate by 150 points while announcing her monetary policy. After this upward revision the interest has rate reached 12.25 percent. This raise the in interest rate has been done on IMF instruction to limit economic activity, so money can be transferred towards banks.

In the capitalist system, when the interest rate is raised, money changes its course towards the banks because investor gets relatively more guaranteed profit whilst depositing his money in banks, rather than investing in any economic activity. It therefore results in limited economic activity and increases in unemployment. On the one hand the people of Pakistan will take the burden of more taxes in the upcoming annual budget on IMF dictates, whilst on the other hand they will face growing unemployment as less jobs will be available. The purpose of this policy is usually to curtail prices and inflation. If an effort is made to control inflation in the capitalist system then simultaneously unemployment is increased. Similarly if efforts are made to increase job opportunities in the capitalist system, it usually increases inflation as well. Therefore the capitalist system never ever able to end inflation and unemployment at the same time. This scenario is witnessed in every capitalist economy. This situation happens because of the wrong assumption in the capitalist system that wealth can be generated without any economic activity through interest based banking. However, a long lasting and strong economy is build where wealth is generated through actual economic activity.

In Islam there is no interest based banking system. Therefore an investor has only one option to increase his wealth, by investing his money in an economic activity. An investor has to pay 2.5 percent Zakah on his savings if it crosses Nisab and remained there over a period of one year. So in contrast to capitalism, money under Islamic economic system remains in circulation in Khilafah, which encourages economic activity and ends unemployment. Beside this, the currency in Islam is based on gold and silver and this prevents the state to mint money at will. As state cannot mint money without backing, the issue of inflation is solved and the exchange rate of that currency remains stable. Therefore the economic system of Islam simultaneously resolves the issue of inflation and unemployment and steers people from darkness into light. Allah (swt) said, ﴿الر كِتَابٌ اَنْزَلْنَاهُ اِلَيْكَ لِتُخْرِجَ النَّاسَ مِنَ الظُّلُمَاتِ اِلَى النُّورِ بِاِذْنِ رَبِّهِمْ اِلَى صِرَاطٍ الْعَزِيزِ الْحَمِيدِ﴾ **“Alif-Lam-Ra. (This is) a Book which We have revealed unto you (O Muhammad) in order that you might lead mankind out of darkness into light by their Lord's Leave to the Path of the All-Mighty, the Owner of all Praise.”** [Ibraheem: 1]