



# **Headlines:**

- The Abolition of Capitalism is the Solution of the Issue of Circular Debt
- German 22.4 Million Euro is not in Pakistan's Interest
- Attacks on the Armed Forces of Pakistan are Because of US Presence in Pakistan

#### **Details:**

#### The Abolition of Capitalism is the Solution of the Issue of Circular Debt

According to the *Dawn* Newspaper, the government is planning to gather two hundred billion Rupees from banks on interest through so-called Islamic bonds in order to pay the circular debt that has accumulated in the power sector. For this proposal, the finance ministry called a meeting of ten commercial banks on Monday 29 July to finalize the issuing of Energy Sakuk bonds worth 200 billion Rupees. It must be remembered that this will be the second batch of 200 billion Rupees bonds in six months to be utilized for paying circular debt. This is all happening when an intense discussion is taking place in the country regarding the charges of IPP's being paid in dollars, circular debt and capacity charges.

The basic reason of the circular debt is the IPP Act of 1994 and 2002, which has provided unprecedented concessions to foreign investors in the energy sector. According to this act an investor who puts up 20 percent of the investment required to establish a power plant will be provided with a loan for the rest of the 80 percent, with the interest of this debt being charged on electricity bills. Investors were guaranteed 15 percent profit for 30 years through charges within the electricity bill. Electricity rates were finalized in dollars so whenever the rupee depreciate against dollar, the electricity charges also increase. And on top of all these extraordinary concessions, if the government does not purchase electricity from power producers, because of the unavailability of fuel or reduction in consumer demand, the government has to pay capacity charges to the investors. The government has to pay 642 billion rupees in account of capacity charges of the previous year which comprises a large part of the circular debt. Despite knowing all these facts, no government in the last three decades has ever tried to change this black act because all the current leaderships implement capitalism, which transfers public property assets to private and foreign investors in the name of "freedom of ownership." All these regimes are slaves of the colonialist powers and so despite knowing this that the profit of IPP's is a huge burden on the treasury and people are forced to pay higher rates of electricity, the regime continues to to gather more money to fill the pockets of the owners of IPP's.

The capitalist system, whether implemented by democracy or dictatorship in Pakistan, deprives the people and state of huge revenues by privatizing public properties through legislation. In contrast to this, Islam declares power resources as public property because the RasulAllah (saw) said, «الْمُسْئِمُونَ شُرَكَاءُ فِي تَلَاثِ الْمَاءِ وَالْكَلَاِ وَالنَّارِ» **Muslims are** partner in three things: water, pastures and fire (energy)." (Abu Dawood). Therefore

the Khilafah will abolish the capitalist economic system and implement the economic system of Islam. The system of Islam ensures the distribution of wealth and in order to achieve this objective declares the electricity, along with coal, oil and gas, as public property. These assets can never be privatized nor their ownership transferred to the state. The state manages their affairs and ensures that every citizen of the state, regardless of their gender, religion or race, enjoys their benefits. The Khilafah will end taxes over power and petroleum products which will reduce their prices. If the situation necessitates, the state can charge the cost of their production and supply. And any surplus production of these resources can be sold to non-Muslim non-belligerent states and the money acquired through such sale will be spent on the collective needs of the public. The electricity policy of Islam will greatly benefit Pakistan and will help to make Pakistan to become an industrialized state.

## German 22.4 Million Euro is not in Pakistan's Interest

On 27 July 2019, the *Express Tribune* and *Business Recorder* published a report that on 26<sup>th</sup> July 2019 an agreement worth 22.4 million Euro was signed between Pakistan and Germany, in the presence of the Minister of State for Economic Affairs, Hammad Azhar. According to this agreement Germany will use this money for renewable energy, the betterment of grid stations and for financial services. Furthermore this money will also be used in the Gilgit-Baltistan area for health and for the eradication of polio campaign being conducted by the government.

Pakistan has been taking aid and loans from Germany for some time. In 2018-19 Pakistan received 15.23 million dollars. Similarly during the same period, various European countries, like Britain and France, provided 160 million dollars to Pakistan. This money was received under the heads of trade, aid, loan or foreign investment. Germany and other western countries, who are the flag bearers of Capitalism, use this investment as a tool to push their ideas and way of thinking, especially when Pakistan is passing through a severe economic crisis. The money which comes under the head of aid or investment always has some conditions with a purpose to promote the Western civilization and to increase their political clout and influence. The German paper Deutsche Welle (DW) published a column which stated that Germany wants to increase her strategic relations with Pakistan, in order to increase trade, regional peace and democracy. In the past, we have seen that Europe asked for the release of Aasia Bibi for the resumption of aid. Similarly, Europe uses the granting of GSP+ status to Pakistan as a tool to create pressure on Pakistan. Furthermore whatever money we receive under the head of investment goes back out of the country, as it is a precondition to award contracts to foreign companies in order to utilize this amount.

Western countries use this money to purchase loyalties in Muslim countries in order to secure their political interests in Muslim lands. Islam prohibit foreign loans, foreign investment or aid for development as this grants influence to the Kuffar over us. Allah (swt) said, هوَلَن يَجْعَلَ اللَّهُ لِلْكَافِرِينَ عَلَى الْمُؤْمِنِينَ سَبِيلَا﴾ **Allah (swt) does not permit the believers to grant the kuffar authority over them."** [Surah An-Nisa'a 4:141]. Furthermore countries which are actively involved in a war against Muslims, like America, Britain, Germany, are Kafir belligerent states. Islam prohibits any kind of direct trade with them. Therefore in an Islamic state, citizens of Kafir belligerent states are not allowed to invest. The Islamic Khilafah state focuses on internal investments or grants or grants special permits to Kafir "Muahid" or "Mustamin" to invest in the state in a way that they can't yield any influence in the matters of Muslims. Also the Islamic state is responsible to provide health facilities to all of its citizens which is a basic right of a society. It is the responsibility of the Islamic state to invest in power projects, so people have easy access to it. In order to realize this policy Islam has provided an economic system which enables the state to collect enough resources that ends her reliance on foreign states. So the state remains free from colonialist clutches and economy stands on her own foot.

### Attacks on the Armed Forces of Pakistan are Because of US Presence in Pakistan

On 27<sup>th</sup> July 2019, two deadly attacks in the northwest and southwest of the country broke a relative lull in terrorist violence. Ten soldiers, among them a captain, were martyred in the assaults on the security forces in North Waziristan tribal district of Khyber-Pakhtunkhwa and Turbat city of Balochistan. Army chief General Qamar Javed Bajwa described the two attacks as the "dying efforts of frustrated inimical forces" while urging the international community to "facilitate regional peace".

Since the American occupation of Afghanistan, the blood of the armed forces and the people of Pakistan is being spilled continuously. The irony is that despite being an American ally and providing all out political and military support to consolidate the crusader occupation, the armed forces and the people of Pakistan are under continuous attacks from Afghan soil under the nose of the American forces and its puppet regime. This was not the case when Soviet Russia occupied Afghanistan and Pakistan was fully supporting the resistance movement of the Muslims of Afghanistan, whilst facing not only the secret service of Soviet Russia, the KGB, but also India's RAW and Afghanistan's KHAD, yet such relentless attacks were rare. However, after American occupation, the armed forces and the people of Pakistan are insecure. There is no doubt that these attacks take place with the full knowledge and support of America. The purpose of these attacks is to address the fact that the armed forces and the people of Pakistan do not consider the American "War on Terror" as their own war. Therefore in order to convince the armed forces and the people of Pakistan that it is their war as well, they are attacked by "unknown" terrorists. Then America paints a perception that these are the same people against America is fighting. However, America is fighting against Afghan Taliban who are not the enemy of Pakistan.

This situation can only be changed if the political and military leadership of Pakistan supports the Afghan resistance politically and militarily, so that America retreats from Afghanistan in humiliation, as Soviet Russia and Britain did before. Then Washington will never think of coming back, even in its dreams. However, the current political and military leadership will never take this brave step, as the purpose of their life is to secure the pleasure of America. This brave step will only be taken by the Khilafah (Caliphate) on the Method of the Prophethood because the purpose of the life of her political and military leadership is to secure the pleasure of Allah (swt). And Allah (swt) said, أَنْ حَيْثُ مَنْ حَيْثُ

أَخْرَجُوْكُمَ﴾ "And kill them wherever you overtake them and expel them from wherever they have expelled you." (Al-Baqara 2:191)