**[Money & control](https://www.dawn.com/news/1690576/money-control)**

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AS charges of foreign intervention in Pakistan’s affairs ring loud and clear in the chaotic political discourse, there is no talk of forging a consensus to sort out issues that could lead to an economic collapse. The blame game doesn’t allow compromises.

The fact is, our public intellectuals had been warning us for decades about what lay in store for us if we didn’t check our begging bowl syndrome. What is happening today is the accumulated consequence of accepting foreign aid.

In an essay titled ‘Pakistan: the burden of US aid’ (1962), Hamza Alavi, one of our widely acclaimed scholars, wrote: “Successive US governments have … fre­quently felt called upon to insist that the mechanism of US aid was directly geared to the furtherance of US interests, at home and abroad.”

There is absolutely no doubt that the billions of dollars the US has spent on Pakistan have carried a heavy price tag. The strings attached are ‘monumental’, and deeply interwoven into the fabric of our governance. Compliance with policies that serve American global interests has been ensured by installing a subservient regime in Pakistan’s capital. Through such rulers the US has designed our economy to perpetuate our dependence on the aid giver ad infinitum and robbed us of a level playing field.

Our super-rich are reluctant to pay their taxes.

The process of self-destruction began in 1953 when Pakistan signed an aid treaty with Washington followed by the Baghdad Pact and Seato. Our leaders tried to engage in Cold War politics to neutralise America’s growing grip on the country but failed as its increasing dependence on the US limited its options.

Unsurprisingly, our foreign policy has also followed the same pattern. Our former cricketing captain, who is now posing as an innocent victim of an American conspiracy, apparently did not do his homework well before he entered the stadium of politics. Had he done so he would have also announced a contingency plan for the economy which no mature and responsible leader would leave in the lurch.

The economy, not politics, is what we need to focus on. In that context, London-based senior economist Yousuf Nazar offers a five-point plan in his article in The Friday Times that could show the way out without limiting our future options or requiring us to borrow funds from abroad. His recommendations are:

“1. Increase petrol prices by Rs30 to Rs50 per litre. Remove tax exemptions/subsidies (for Rs800 billion) for the corporate sector immediately… . 2. Impose a financial emergency under Article 235(1) of the Constitution and ask the provinces to collect at least Rs100bn through higher taxes on land, property, and agricultural income… . 3. Impose a special emergency tax of Rs500,000 on vehicles of 1,600cc or more. This can bring in at least Rs20bn. Double the electricity tariff on residential properties of 800sq yards or more. 4. Cut non-combat defence spending by Rs100bn out of the total defence budget of more than Rs1.3 trillion. Downsize the federal government and abolish/downsize all those divisions that handle subjects [devolved under the 18th Amendment]. This can bring in an additional Rs30bn. 5. Ban all land allotments and make it mandatory to sell state land by public auction only and launch a privatisation programme to create an investment-friendly environment.”

One hopes that an immediate solution is found and Pakistan doesn’t default with all its dire consequences. Then what? Plan for restructuring the taxation system and boosting our revenues, manufacturing and industrial output as well as services that should be competitive in the international market.

The real problem is the reluctance of our super-rich to pay the taxes they should in accordance with the principles of social justice and equity. They either block the passage of taxation laws that are needed or cheat to circumvent the law if it is already in place.

Who are the super-rich? Yousuf Nazar identifies them as the corporate sector, the landowners, big property holders and big agriculturists. He rightly observes that their assets have to be documented.

Part of this work has already been done during the tenure of Shabbar Zaidi, appointed as FBR head by PM Khan. A sizeable part of his work was to bring all major bank account holders into the tax net by documenting their assets with Nadra. But he could not even last two financial years when the corporate sector stepped up its pressure and Imran chickened out. Agricultural land has been registered by various bodies such as the provincial boards of revenue and the mukhtiarkars under the district commissioners. But these records do not give sufficient information to the tax authorities to enable them to do their job properly. What is needed is the political will and the moral courage to fight corruption in high places.

Can a country be truly independent whose super-rich do not even pay their taxes and where the foreign hand feeds the poor?

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