**IMF demands, sovereignty and the mini budget**

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Amendments in State Bank Order 1948 are being brought in the form of an Act which can be named as the International Monetary Funds (IMF) Demands Act. If it is passed by the parliament, then Pakistan will partially lose the power to decide its fiscal matters. This Act will cripple Pakistan by snatching its powers to act as a sovereign state.

We are going to hand over our independence and the future of our generations to the IMF by accepting these demands, only to get $1 billion, which Pakistan could have generated from its resources.

Do you think it is the right decision, wherein we are being sucked in by this new version of the East India Company in the shape of the IMF? This law would prohibit criticising or questioning the Governor SBP for his actions, which means an utter violation of the freedom of speech. The mini budget has been presented in the National Assembly on the demand of the IMF and more taxes have been imposed on the already crushed common man.

[PML-N will establish govt in general election 2022 says Ahsan Iqbal](https://nation.com.pk/02-Jan-2022/pml-n-will-establish-govt-in-general-election-2022-says-ahsan-iqbal)

The never-ending demands of the IMF will not stop here as the agenda of the IMF is to cripple our economy and to drive Pakistan towards international demand. Every Pakistani is bound to suffer because of this mini IMF budget. The parliament, opposition parties and the government should come up with a solution to get rid of the IMF with their collective doable debt retirement programme. The nation sees a “dangal” in the parliament instead of a decent approach to handle national issues requiring the indulgence of Parliament.

Here are the salient features of the State Bank Act which has been presented in the parliament and now referred to the concerned standing committee.

As per the proposed amendment, immunity has been granted to the sitting SBP management including the present Board of Directors, the Governor, Deputy Governors, a member of any Board committee and monetary policy committee or the staff of the Bank for any act or performance of any functions or any legislation administered by the Bank.

[Saqlain Mushtaq steps down as Pakistan's interim head coach](https://nation.com.pk/02-Jan-2022/saqlain-mushtaq-steps-down-as-pakistan-s-interim-head-coach)

Not only this, but the tenure of the governor, deputy governors, external members of the Monetary Policy Committee and non-executive board members has also been increased from 3 to 5 years with two terms allowed and also one year’s extension.

As per the latest proposed amendments, the objectives of SBP have been specified for price maintenance and financial stability. While the government has justified this autonomy as a way to maintain price, there has yet been no mention of the inflation targets or price stability despite revising the act.

In what capacity can the State Bank control inflation? Moreover, now the government can pay salaries (though it is bad) by printing currency, whereas, restricting printing currency or loans to our foreign debt-ridden country will come under heavy pressure and we will be forced to beg for more loans. The government will not be able to borrow from SBP under any circumstances, which will badly affect the financial needs of the government and the national exchequer and this will create hardships for the government, pushing us to bankruptcy. There will be no check or deterrence on wrongdoings or criminal mismanagement or any criminal negligence by the employees of SBP.

[Misbah-ul-Haq tests positive for COVID-19](https://nation.com.pk/02-Jan-2022/misbah-ul-haq-tests-positive-for-covid-19)

The entire business community is showing serious objections and reservations on these amendments as the SBP will now not finance any rural credit, industrial credit, export credit, loans guarantee, and housing credit which means that these sectors will get into trouble and mafias with cash will flourish at the cost of the common man and the small business community.

The proposed amendments are posing a serious threat to the sovereignty of our country as the independent State Bank will be omitted from the State domain and it will be the State under obligation to become the subordinate of the State Bank. An independent SBP will be dictating all our institutional decisions and state secrets and operations in the national interest will be directly subject to a security risk and the IMF.

The State Bank will be under the legal ambit to supply information as already committed to the international community via FATF whereas FATF is biased and anti Pakistan.

The bill excludes any government representation on the State Bank Board of Directors as no member of parliament or any state institution will be allowed to become a part of SBP or even allowed to question its irregularities in the Parliament or any court. What a destruction of our economic system by some geniuses working for the IMF it would be. Its basic agenda is to compel the government to prioritise meeting the country’s foreign debt obligations over all other expenses and then continue to take new loans from the IMF to increase its authority. The annual report to the parliament is nothing, as the parliament is not a regulatory authority to oversee the day-to-day functioning of the SBP.

[US assassination of Iran's top general raises 'hatred' in global opinion: ministry](https://nation.com.pk/02-Jan-2022/us-assassination-of-iran-s-top-general-raises-hatred-in-global-opinion-ministry)

According to the new bill, the monetary policy is the exclusive domain of the State Bank while fiscal policies will be under the Federal government which will severely compromise and damage the macro-economic management of the country as there will be no coordination or coherence between both the domains as these amendments are contradictory and are being brought in with ulterior motives to push the country to bankruptcy. It has been unwisely decided that now the SBP is being given the status of the supreme prestigious institution of the state.

Moreover, the parliament, which can even remove a Prime Minister, cannot invoke any law against the SBP or remove the SBP Governor or Deputy Governor under any circumstances. The SBP Governor can only be removed by the federal government if found and proven guilty of misconduct. It will only be a formality that the Governor would submit an annual report or a half-yearly report, not less than that before the Parliament regarding the achievements without any sort of accountability.

[Alizeh Shah to take legal action against her smoking video](https://nation.com.pk/02-Jan-2022/alizeh-shah-to-take-legal-action-against-her-smoking-video)

What is the use of such a report which cannot be dissected for legal action? It is just eyewash as this report cannot hold the SBP, the Governor or any other employee of the SBP responsible for any wrongdoings or losses.

A glance at the draft act shows that it is not drafted by us but rather dictated by the agents of the IMF. The draft bill was also shared with the IMF before placing it before the Parliament for discussion and adoption. Our country cannot afford this level of immunity to such a critical institution as it will be detrimental to our economy as well as the sovereignty of our country.

We have witnessed how the budget has been presented in the parliament and how the masses have rejected it as it is going to hurt the common man.

The views expressed above are solely mine and in national interest and do not necessarily represent the views of my party.