

Headlines:

- **1.8 Billion Rupees Profit Repatriation by Foreign Companies Exposes Dangers of Rampant FDI**
- **Only the Khilafah on the Method of Prophethood will end Disobedience of Allah (swt) for the Sake of Maintaining Power**
- **Bajwa Backs Establishing Chinese Colonialism Alongside American Colonialism**

Details:

1.8 Billion Rupees Profit Repatriation by Foreign Companies Exposes Dangers of Rampant FDI

The State Bank of Pakistan published a report on 4 July 2017 revealing that foreign companies working in Pakistan repatriated \$1.88 billion in profits and dividends to their home countries over eleven months through to May. This represents a year-on-year increase of nearly 7 per cent, as the same was recorded at \$1.5 billion during the first 10 months (July-April) of the last fiscal year. The total outflow in the outgoing fiscal year could top \$2bn, which is a large amount for the country, considering the backdrop of falling remittances, declining exports and increased dependence upon imports.

Foreign Direct Investment is the investment by a foreign company in a host country to take advantage of its resources, cheap labor and local market for its own benefit. Initially, the FDI may increase the aggregate demand of the host economy in the short run, via productivity improvements and technology transfer, if it occurs, unhampered by patent laws. However, in the long-run, once the initial investment starts to turn profitable, capital returns from the host country to where it originated from. Worse, over time the foreign companies begin to dominate the local market, as they are given tax concessions from the government to "attract FDI." Another competitive advantage is that they have greater resources, they are better able to absorb the rising costs of industrial and agricultural inputs.

This is the reality of Foreign Direct Investment, often celebrated in government budget speeches as an achievement. During the Musharraf period, the rate of FDI had increased by a third, from 17.2% of GDP in 2001-02 to 23% in 2006-07. Domestic industry has been in constant decline, with many interests abandoning manufacture and turning to trade of foreign goods instead. Pakistan's economy is becoming ever more dependent on foreign manufacture, a trend which continued under Kayan-Zardari, Raheel-Nawaz and Bajwa-Nawaz regimes. Successive rulers facilitated foreign companies in establishing businesses by drastically reducing tariff rates from a maximum of 225% in 1986 to less than 20%, reduced excise on the import of machinery and other economic inputs and tax holidays on profits, which are sent back to strengthen the economy of the foreign country. So, it is not surprising today that thousands of industrial units have been declared sick and overall local industrial production is at an all-time low, whilst foreign companies are dominating the local markets in fields as diverse as industrial machinery and soft drinks.

Regarding funding of industrial development, by restoring the public properties to public ownership and ensuring strong state ownership of essential industries, as well as implementing other Shariah rules regarding revenues, the state will be able to finance

industrial development through the state and private sector without dependency on other nations and their restrictive conditions. This will allow the State to become self-sufficient regarding matters such as military technology, clothing, housing, education and health. Foreign trade will be with those countries that are not belligerent and will be undertaken in a way so as not to strengthen them to resist the call to Islam, as ultimately Islam is to be implemented over the entire world. When paying for imports through foreign currency, the State's currency should not be jeopardised by making it susceptible to instability, or by undermining its credibility, just for the sake of establishing trade or economic relationships. As for the foreign control of the economy, in its **Introduction to the Constitution**, Hizb ut Tahrir has adopted Article 165, **“Development and investment by foreign funds within the State are forbidden. It is also prohibited to grant franchises to foreigners.”**

Only the Khilafah on the Method of Prophethood will end Disobedience of Allah (swt) for the Sake of Maintaining Power

Senior PML-N ministers addressed a press conference 11 July 2017 in an effort to counter rising political pressure on the bigwigs of the ruling party in the wake of the Panama Papers Leaks. The crux of the PML-N's message was that the Supreme Court-sanctioned joint investigation team (JIT) that had investigated the Sharif family's business dealings had submitted a flawed report, which would be challenged in court. One minister went so far as to term the report a product of a wide-ranging conspiracy, alleging that the strings were being pulled by unnamed actors — some of them abroad. Finance Minister Ishaq Dar opened the press conference with a suggestion for concerned parties to exercise restraint.

The Panama Papers Leaks issue confirmed all over the world, from Iceland to Pakistan, that Democracy is the means for authority to be exploited for personal gain. This is only possible because sovereignty is for those in authority and so they can make laws to secure wealth and hide it. And yes Nawaz is right when he said corruption is always there because the Muslim World is all under man made law. On top of the financial corruption, Democracy ensures the Fasaad (corruption) of making Halaal, Haraam and Haraam, Halaal. This is the root of our economic exploitation and foreign policy humiliation. This is what ensures that despite immense resources, we are drowning in hardship, whilst our enemies delight in usurping our lands. And it is the willingness of the rulers to betray their Ummah that keeps them in power with the support of their enemies.

Corruption is caused by Democracy because it gives the right to human beings to make laws according to their whims and desires, disregarding all that Allah (swt) has revealed. By doing so, Democracy becomes the horse of the US and no matter who rides it, whether Nawaz Sharif, Asif Ali Zardari or Imran Khan, the colonialists will steer our affairs. The colonialists continuously manipulate Democracy into passing laws that contradict Islam and harm Muslims through strong contact with the rulers and the legislators. Our key economic policies are determined by the US dominated IMF, leading to privatization of our valuable assets, deepening debt due to interest and back breaking taxation. Our foreign policy is determined by the US State Department, Pentagon and CENTCOM, leading to our armed forces being burned as fuel to consolidate the US foothold in Afghanistan, whilst being chained in "restraint" before ever increasing Indian hostility. Democracy is the open door for all the colonialist policies that impoverish and harm us. It is Democracy upon which the corrupt rulers depend to stay in power with the support of the colonialsits. Democracy deserves only abolition because it assigns assemblies of men and women as sovereign, allowing them to choose laws according to their whims and desires, even though Allah (swt) said, ﴿وَأَن أَحْكَمَ بَيْنَهُمْ بِمَا أَنزَلَ اللَّهُ وَلَا تَتَّبِعْ أَهْوَاءَهُمْ وَأَخْذَرُهُمْ أَن يَفْتِنُوكَ عَن بَعْضِ مَا أَنزَلَ اللَّهُ إِلَيْكَ﴾ “And

judge between them by what Allah has revealed, and do not follow their desires, and beware (O Muhammad) that they might seduce you from some of what Allah has sent down to you.” [Surah Al-Maa’ida 5:49].

Bajwa Backs Establishing Chinese Colonialism Alongside American Colonialism

In his keynote speech at a seminar organised by the National Logistics Cell on CPEC Logistics on 12 July 2017, General Bajwa said people must benefit from the CPEC for which "all national institutions will have to make a deliberate effort to ensure success of the CPEC."

It is imperative for any leadership devising foreign or economic policy to consider that China is far from a friendly country for Muslims and the people of Pakistan. It is a greedy state, oppressive to Muslims at home and abroad. This is obvious from its brutal treatment of the Muslims of East Turkestan, where Muslims are prevented from fasting in Ramadhan, entering Masajid and growing beards. Muslim women are forbidden to wear Islamic dress and now Muslims cannot even name their children "Muhammad" after our beloved RasulAllah (saaw). And China has politically supported colonialist projects by other major powers throughout the Muslim World. China itself is a state looking out for its interests alone, just like Russia, Britain and the US. As for CPEC, it is nothing but a one way deal, where China benefits from Pakistan's resources for Chinese industry and Pakistan's markets for sales of Chinese goods.

As for the dangers to Pakistan of exposing itself to dealings with yet another colonialist state, CPEC has already established Chinese ownership of key resources, which is a game loser, not a game changer. CPEC has already drowned Pakistan in even more interest based foreign debt, adding to its huge debts to other colonialist powers and institutions. Through CPEC, the regime has established dependence on Chinese imports and labor, which is further crippling the long suffering local agriculture and industry. If anything, Pakistan is only grabbing crumbs from China and even these crumbs are for the Bajwa-Nawaz regime and its cohorts, rather than Pakistan as a whole.

So, despite Pakistan's huge potential, the visionless Bajwa-Nawaz regime has reduced Pakistan to spoils for foreign powers to exploit. It is high time that the Muslims rejected this failed leadership and worked for the project that will put an end to this damaging era of dependency on foreign powers, which is the Khilafah project. Only then will the Muslims have a leadership that will strive to strengthen the Muslims, such as unifying the current Muslim states as one Khilafah and building transport, communication and energy links between the hugely resourceful Muslim lands. Moreover, rather than depending on foreign technology and investment, the Khilafah itself will invest heavily in establishing a strong heavy industry, including the manufacture of engines, heavy machinery and arms, so that the economy is built on a strong footing, giving it the capacity to become the world's leading state.

﴿مَا يَوَدُّ الَّذِينَ كَفَرُوا مِنْ أَهْلِ الْكِتَابِ وَلَا الْمُشْرِكِينَ أَنْ يُنَزَّلَ عَلَيْكُمْ مِنْ خَيْرٍ مِنْ رَبِّكُمْ وَاللَّهُ يَخْتَصُّ بِرَحْمَتِهِ مَنْ يَشَاءُ وَاللَّهُ ذُو الْفَضْلِ الْعَظِيمِ﴾

“Neither those who followed earlier revelation who deny the truth, nor the Mushrikeen like to see good bestowed upon you from your Sustainer; but Allah bestows grace upon whom He chooses- for Allah is limitless in His great bounty.”
[Surah al-Baqara 2:105]