

LCCI urges govt not to accept IMF's tough conditions

LAHORE: The Lahore Chamber of Commerce and Industry (LCCI) has suggested the government to avoid tough conditionalities of the IMF which would ultimately shrink economy and jack up unemployment graph.

"Let us work jointly to take the economy out of woods," the LCCI chief suggested to the government in a statement on Friday. If funding from the IMF is necessary, then no harmful conditions like increase in discount rate, more audits for business community and utility price hike should be accepted at any cost, LCCI President Almas Hyder said.

"It would not be wrong to say that most of Pakistan's economic woes are just because of haphazardly borrowing from the IMF as previous governments accepted their strict conditions without keeping in view the ground realities," he said and added that the IMF is squeezing the developing countries instead of providing assistance to strengthen their economies. When Malaysia, Indonesia and Thailand were facing economic crisis, Malaysia rejected the IMF prescribes and came out of the mire within their resources.

Almas Hyder said that discount rate in Pakistan is already at the higher side and further increase would hamper new investments and unemployment graphs would go up. He said the availability of cheaper money for the businesses is a must to expedite the process of industrialization.

The LCCI President said that cost of doing business would swell if strict conditions of IMF are accepted. He said there are 10 indicators for ease of doing business about government's rules and regulations. He said that doing business has become a most difficult task in the presence of these rules.

Almas Hyder expressed the optimism that the country would be able to overcome its economic challenges even without IMF.

Senior Vice President Khawaja Shahzad Nasir and Vice President Faheem-ur-Rehman Saigal said our cost of raw material is higher than the finished goods of China. They said manufacturing sector cannot not be competitive at the existing tariffs and duties. The difference between filer and non-filer has shrunk the market as there is a difference between taxpayer and filer. They said that stakeholders from agriculture sector, tribal area and people having a certain salary are not filers.

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