



IMF Crocodiles Tears for Tanzania

News:

Tanzania media reported on International Monetary Fund (IMF) warning to Tanzanian economy. The warning stipulates that President John Magufuli's policies may hurt Tanzanian economy especial its mish mash policies and uncertainty of its actions that could dent Tanzania's record of a stable economic growth.

Comment:

According to IMF, President John Magufuli's economic approach and its management faces four key challenges with a risk of undermining the country's macroeconomic stability. It listed them as a tight stance on macroeconomic policies, the slow pace of credit growth that may become protracted, slow implementation of public investment, and private sector uncertainty about the government's new economic strategies.

Interestingly, in other side, IMF welcomed President Magufuli's tax revenue collection measures which termed it as a pivotal combat against tax evasion, which would ultimately led to higher fiscal revenues.

In the real sense Magufuli's measures in the reconstruction of Tanzanian economy has nothing to do with helping grassroots rather than squeezing them with further hardship and austerity.

Also IMF statement together with World Bank is just smokescreening, since both are arch-enemy Institutions of the less developed countries (LDCs) like Tanzania from their policies and conditions which have nothing to sympathise poor and Tanzanians in general. These fiscal institutions always made LDC nations bleeding from their exploitative policies and higher interest loans with full oppressive interference of LDCs' economies.

Ultimately, LDC nations forced to raise taxes, interest rates, devaluation of their currencies and tight economic instructions like austerity in monetary and fiscal, liberalization of finance, privatization etc.

All these neo-colonial measures resulted into governments reducing expenditure, reduction of output, increases unemployment, stop productive investments, tight monetary policy, skyrocketing interests and redundancy.

Therefore, all current actions taken by President Magufuli are the measures suggested by IMF for the benefit of these global fiscal institutions plus great capitalist nations.

Thus, cautions by IMF has no intentions whatsoever of helping poor but bourgeoisie such as creditors in the short run as well as improve their capital forever.

The LDC nations such as Tanzania need radical ideology changes that will liberate them from dependent economy which unfortunate stripped their political independences.

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