

Ending Exploitative Taxation:

1-What does exploitation mean exactly?

Exploitation is unfair use of people resources or situations for personal gain or benefits. Economically, profiting disproportionately from others' labour or wealth without giving fair compensation. For example, workers may be paid very low wages while their employers make huge profits in the same way a rich trader buys goods cheaply from farmers and sells them at huge profit. Legally and ethically, exploitation breaks the principles of fairness, justice and human dignity. In my view, **exploitation acts like a curse for our society holding back fairness and progress.**

2-Meaning of taxation

Taxation is the money people must give to the government so it can provide services and take care of society like schools, hospitals, roads, electricity and security. Taxes have existed since ancient times as a way to support rulers, armies, and infrastructure. It's necessary but it must be fair otherwise, it becomes a burden instead of a benefit.

Exploiting taxation: A Curse for Society

Taxes keep the country running. Without taxes, the government cannot provide basic services. But if taxation itself is exploited, it becomes harmful. Exploiting taxation means using the tax system unfairly. For example, when the poor are forced to pay more than they can afford, while the rich avoid paying their fair share. It can also happen when money is misused or wasted instead of being spent on public needs.

Fair taxation supports society, but exploitive taxation creates inequity, injustice and suffering.

Exploiting taxation in **Pakistan** means using the tax system unfairly either by overburdening ordinary citizens, misusing collected funds, or allowing loopholes that let the wealthy avoid paying their fair share. This creates serious harm to society, even though taxation itself is essential for keeping the country run.

According to Qur'an:

Qur'an (4:29) says: "Do not consume one another's wealth unjustly".

At another place Qur'an says:

Qur'an (83:1-3): "Woe to those who give less [than due], who when they take a measure from people take in full, but when they give them by measure or weight, they cause loss."

Impact on Pakistan:

From my perspective, exploiting taxation causes many harms in Pakistan:

- **Economic inequality:** The gap between rich and poor grows wider.
- **Loss of trust:** People lose confidence in the government when they see unfair taxation.
- **Weak development:** Roads, schools, and hospitals remain underfunded.
- **Social unrest:** Citizens feel exploited, which can lead to frustration and instability.
- **Low tax-to-GDP ratio:** Pakistan's tax to GDP ratio is only 9.5%(2023-24) which is one of the lowest globally. This shows systemic weakness in collection and enforcement.
- **Elites avoid taxes:** Elites avoid taxes which is so unfair because they already have enough money but the poor who do not even have money for their survival are forced to pay taxes. Wealthy individuals and landlords often exploit loopholes or evade taxes entirely leaving the whole burden on salaried classes and consumers.

A Zakat Based System: A Blessing for Society

Now what is Zakat? Zakat is one of the five pillars of Islam, an obligatory contribution from wealth to support the poor, needy and vulnerable. It is typically set at 2.5% of savings and wealth above a certain nisab. Zakat is a system provided by Islam meant to balance wealth distribution.

The Prophet ﷺ said:

“Protect your wealth by giving zakat, treat your sickness by giving charity, and prepare for calamities by supplication.”

Here, Zakat is seen as protection for wealth and society.

A zakat based system is more than a religious duty. It is a framework for justice, economic growth, and welfare for all. This is the beauty of our Islam that a zakat system keeps the wealth in the circulation in the society moving from the hands of rich to poor. When the poor receive zakat, they can meet their needs, support their families, and contribute back to the economy. In this way zakat is not just charity, it is a system of justice, growth, and welfare that benefits everyone.

Justice Through Zakat:

Justice is provided through zakat. It **prevents exploitation**. By mandatory contributions from the wealthy, zakat ensures that wealth is not hoarded. A zakat system **reduces**

inequality. It bridges the gap between rich and poor, creating fairness in society. It produces **Moral accountability**. It aligns economic activity with ethical responsibility, discouraging **corruption and greed**.

Voices Against Exploitation:

Adam Smith: *"The subjects of every state ought to contribute towards the support of the government, as nearly as possible, in proportion to their respective abilities."*

Adam Smith, often called the Father of Economics, wrote in his famous book *The Wealth of Nations* (the quote is mentioned above). It indicates that people should pay taxes according to their ability to pay. The rich should contribute more, the poor less, so the burden is fair. It is about a fair taxation system in economy.

Thomas Jefferson: *"To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical."*

In this quote Jefferson is saying that if tax money is spent on propaganda, corruption, or projects that go against the values of citizens, it becomes exploitation.

He calls it *"tyrannical"* because it strips people of choice and forces them to support something they oppose.

Why Ending Exploitative Taxation Matters?

The biggest impact is **justice**. Fair taxation ensures that everyone contributes according to their means. When the poor are not overburdened, they can spend more stimulating demand and growth. This refers to the **economic growth** of the society. Proper use of taxes can fund healthcare, education and social safety nets. Transparent and fair taxation builds confidence in government and strengthens democracy. It builds **trust**.

Why I Call it a "Curse":

Exploitative taxation in Pakistan has created a vicious cycle.

The poor are crushed under indirect taxes while the rich can actually pay the taxes without disturbing their cycle but still they don't pay it. This reality is actually sad and breaks the rules of the zakat system and Islam.

The rich evade the sense of responsibility.

The government misuses funds.

Society loses trust in the system. This cycle blocks economic growth, undermines justice and prevents welfare for all.

Justice, Growth and Welfare for All:

Justice means **fairness**. In taxation, it's about making sure the rich pay according to their wealth and the poor are not crushed under heavy taxes.

Growth means the **economy moving forward**. If taxes are fair, business invest more, jobs are created, and people have money to spend.

Welfare means **taking care of people's basic needs**. Tax money for zakat should go into the hospitals, schools, roads, and support for the poor.

Due to zakat and fair taxation, the rich give their share and fair taxes, society becomes just, the economy grows, and everyone's basic needs are cared for.

Conclusion:

Exploitative taxation has become a curse for society, especially in Pakistan, where the poor carry the burden while the rich escape responsibility. This unfair system creates inequality, mistrust, and blocks progress. Islam gives us a clear alternative through zakat which is a system that keeps wealth in circulation, ensures justice, supports growth, and provides welfare for all. If Pakistan reforms its taxation and embraces fairness alongside zakat, we can build a society where everyone's needs are met and the nation moves forward with dignity and prosperity.