

Selling PIA: Incompetence Disguised as Strategy

News:

Arif Habib Corporation Limited (AHCL) confirmed that a consortium led by it has emerged as the highest-ranked bidder in the privatization process of Pakistan International Airlines Corporation Limited (PIACL), after submitting a bid of Rs135 billion for the step-wise acquisition of a 75 % equity stake. ([Source](#))

Comment:

State owned enterprises (SOEs) are common throughout the world and are responsible for providing services like telecom, transportation, energy to the public. The primary aim of these enterprises is not to generate profit but to facilitate the people. Many of Pakistan's SOEs have been causing huge losses for years as a result of a challenging mix of overstaffing, poor governance, mismanagement, corruption and vested interests. In 2025 Federal Minister for privatization Abdul Aleem Khan has presented a five-year plan to privatize 24 SOEs, Pakistan International Airlines (PIA) being on the top of list. The selling of PIA has been on the Government cards for a long time and it made claims that Etihad, Emirates, and Qatar were "eager buyers," but the truth that finally surfaced was that PIA was sold for only Rs10 billion to a group of local investors. The government of Pakistan is now trying to showcase the deal as a "Rs135 billion sale,". The remaining Rs 125 billion is not sale revenue, it is merely a promise from the buyer to reinvest in PIA over one year to keep the airline operational. This is pure deception. The country is being run like a company in the hands of these deceptive rulers, who will never shy away from selling assets or even people for their personal worldly growth.

When the Government decides to sell an SOE, it is basically shedding a responsibility and throwing its people in the hands of private companies, who are investing in a project with an aim to generate money by turning it into a business. As a result, it is the workers and the people who will bear the cost. The same people have been bailing out the cost of Government's poor management through their tax money. This sale depicts the story of a state that eroded its own institutions, wasted public wealth through corruption and poor governance, and now offloads the remnants under the label of "reform."

Islamic economics presents a basic principle of ownership in the holy *Qur'an*, *Surah Al-Maida*, "Allah is the owner of all creations including wealth. From earning money and making assets to spending money and distribution of assets all has to be done according to the Islamic guidelines. **وَلِلَّهِ مُلْكُ السَّمَاوَاتِ وَالْأَرْضِ وَمَا بَيْنَهُمَا يَخْلُقُ مَا يَشَاءُ وَاللَّهُ**

عَلَى كُلِّ شَيْءٍ قَدِيرٌ "And to Allah belongs the dominion of the heavens and the earth and whatever is between them. He creates what He wills, and Allah is over all things competent." [Al-Maida:17].

The important element here is to understand that the ruin and regression of Muslim Ummah is because it is not being ruled by the systems of Islam. The economic system is one of these systems. The state has set methods of revenue collection and we have examples from history on how seriously these were taken by the successors of Rasool Allah (saw). While serving as caliph, Abu Bakar declared war on groups refusing to pay zakat (Ridda Wars) after the death of the Prophet Muhammad (saw). This was his pure understanding of the implementation of Islamic economic system and how necessary it was to uphold the commands of Allah (swt). In that Islamic environment the Khalifah (Caliphate) stood in front of the pressures and saved the people from harm of the both worlds. Under the current capitalist system, the Government of Pakistan is shamelessly selling the assets meant to facilitate the lives of the people of Pakistan to generate momentary relief and to fulfill the demands of the International Monetary Fund (IMF), and causing pain to the people of Pakistan.

The Khilafah State will follow the ways defined by Islam for revenue collection. Hizb ut Tahrir states in its Introduction to the Constitution, Article 149: “The permanent sources of income for the Bayt al-Mal are the booty, Jizya, land tax, a fifth of buried treasure, and Zakat. This income is collected continuously irrespective of whether there was a need or not”

The people of Pakistan are smart enough to see and express their displeasure on the financial steps taken by the Government on the request of the IMF and the rulers of Pakistan are arrogant enough to ignore the needs and opinions of the people.

'Amr bin Murrah said to Mu'awiyah: I heard the Messenger of Allah (saw) saying: «مَا مِنْ إِمَامٍ يُغْلِقُ بَابَهُ دُونَ ذَوِي الْحَاجَةِ وَالْخُلَّةِ وَالْمَسْكِنَةِ إِلَّا أَغْلَقَ اللَّهُ أَبْوَابَ السَّمَاءِ دُونَ خَلَّتِهِ وَحَاجَتِهِ وَمَسْكِنَتِهِ» “No Imam closes his door on one in need, dire straits and poverty, except that Allah closes the gates of the Heavens from his dire straits, his needs, and his poverty.” So Mu'awiyah appointed a man to look after the needs of the people.”

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