

## Abstract

*International Monetary Fund acts as a linchpin in global financial system and comes to facilitate in Balance of Payments crisis and assists developing countries through its two pronged policy framework i.e. providing financial assistance on one hand and introduction of structural reforms on the other, aimed at providing long term gains. States are required to fulfil certain parameters promulgated as thematic basis of neoliberal doctrine i.e. roll back of state and self-regulated markets, privatizations, trade liberalization, encouraging fiscal austerity and discipline, expenditure cuts etc. This study intends to examine the close relationship of stringent IMF conditions with political uncertainty and instability resulting in underachievements in developing countries. Pakistan being a developing state has remained a regular recipient of financial assistance from IMF since 1980's. This study essentially aims at determining the impacts of Structural Adjustment in Pakistan during 2013-2017 and how this program has assisted Pakistan to restore its economic stability. Pakistan acquired hefty loan of 6.6 billion dollars from IMF under Structural Adjustment Program in 2013 and government acted with sheer responsibility taking all decisions wisely. Pakistan's economy experienced boom after decades and country started moving towards a progressive path. Though Pakistan's economy experienced unprecedented growth during 2013-2016, however, to everyone's surprise, unexpected unravelling of macroeconomic stabilization started immediately after Fund left Pakistan in September 2016. Economic mismanagement, weak and improbable decisions, fiscal profligacy at provincial and national level, Dharna politics, policy inaction, unparalleled political instability and uncertainty followed by sudden removal of elected prime minister in 2017 added to already flagging situation. It fortifies the general perception that economic stabilization achieved under fiscally disciplined program of IMF was seemingly feigning. Pakistan's extended engagement with Fund in every financial crisis as first and last resort conveys the sense that Pakistan has been facing serious economic and structural issues which need to be addressed punitively and adamantly from both sides i.e. IMF and country itself.*