

# Topic: Economic Crises in Pakistan P#2

## Subtopic: Causes of economic Crises in Pakistan

The first and foremost cause of economic crises in Pakistan is Russian invasion of Ukraine. The Russian-Ukraine war has caused fuel prices to rise not only in Pakistan but also throughout the world-wide. Both Russia and Ukraine exports LNG to Pakistan; since this crises, this country faces severe shortage fossil fuel, LNG and petrol. (According to a report of July 2023), Russia exported over 7.9 million barrels of oil per day in 2022, up from approximately 7.8 million barrels daily recorded in the 2021. (www.statista.com). Global oil price have increased \$100 per barrel since the war <sup>has</sup> started. In this way Russian-Ukraine war is a big issue of economy crises in Pakistan.

crises

## Impacts of economic in Pakistan

Russian-Ukraine war is a cause of <sup>economic</sup> crises of in Pakistan, it impacts tremendously on the economy of Pakistan. Due to Russian-Ukraine fight, Pakistan has faced fuel issues which is effected on economy of Pakistan as high rates of inflation. Inflation is increasing day by day since war



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has been started. An estimate that the war has directly contributed 8-9 percent to current inflation rate in Pakistan as oil prices shoot up in the global market after a war. (www.arabnews.pk). Because of oil prices, every product's price has been affected. Hence, the impact of war is caused of inflation in Pakistan.

## Remedies of Economic Crises in Pakistan

Impacts of Russian-Ukraine war on economic crises of Pakistan are in shape of inflation but despite of that there are some solutions which can be reduced the negative impacts. Pakistan should launch electric vehicles in Pakistan which can save fuel. According to a report (Wikipedia) China is in number one rank who use electric vehicle, As of June 2022, China had largest stock of highway legal plug-in passenger cars with 70



million units, 46% of the global fleet  
in use. Palintan can apply same  
strategy to solve the problem. To sum  
up the solution of economic crises  
in Palintan is to introduce electric  
vehicles.