

What are the Major Economical challenges are being faced by Pakistan? what recommendation suggest to deal with These issue?

⑤ → Question

① Introduction:-

The structure of economy has drastically changed since Pakistan's inception in 1947 with industry and then services sectors dominated by economy, says a finance ministry report released on 13 August 2022.

The report gives a glimpse of the country's 75-years economic journey, with all economic indicators seeing massive changes over the period.

At the time of independence in 1947, Pakistan inherited only 34 industrial units out of the 921 in undivided India.

At the beginning, the economy of Pakistan was a semi-industrialized one as it heavily relied on agriculture, textile, and food production. However, today, the sector of agriculture is the

in the national gross domestic growth (GDP) has dropped to 22.7 percent (Pakistan Economic Survey 2021-22).

The share of ^{industrial sectors} industry of has increased up to 18.5 percent 58.2 percent, from eight percent and 39 percent, respectively.

② Current Scenario of Pakistan Economy:-

Pakistan's economy has shown periodic 'boom-bust' growth cycles. The reasons for such volatile growth cycle include the wide-ranging economic challenges like shrinking fiscal space, exchange rate pressure, mounting current account deficit, inflation, energy sector bottlenecks.

State → GDP growth rate had increased gradually from 2014-2018, it started declining in 2019. The country economy has been severely damaged due to the lockdowns across the country imposed to curb the spread of Covid-19 pandemic.

Punching Paragraph

Pakistan is an import-driven country where imports surpass the exports. Bringing the trade deficit to a manageable level by boosting exports has become a real challenge.

As per the figure provided in Pakistan Economic Survey 2021-22, the country's total imports during July-March FY2022 clocked at US\$ 58.6 billion as compared to US\$ 39.5 billion in the same period last year, where its exports amount to only US\$ 23.7 billion.

The fiscal deficit increased to 3.8 percent of GDP in ^{the} July-March FY2022 against 3.0 percent of GDP during the same period last year.

③ Economic challenges are being faced by Pakistan:-

IMF Program: Hot Money and Exchange rate crisis:-

Global lender of last resort

with home Pakistan entered Extended Fund Facility program in 2019 of 6bn dollars to be released in quarterly review tranches (22 loan in 72 years). Bail out focus on Macroeconomic stability rather than household economics.

(3.1)

ISSUE in Taxation system

The weak enforcement of ^{mechanism} Tax collection is a real issue of Taxation in Pakistan. FBR does not have proper reach in whole Pakistan. FBR is operating only 23 Tax offices 4 large Taxpayers units and 19 Regional. 10 in Punjab, 5 in Sindh, 2 in KP and 1 in entire Baluchistan.

currently, agriculture, private medical sector, and home based small business are not paying Tax

Snail speed Tax litigation: on October 12, 2020, the chairman of Federal board of Revenue (FBR) while testifying before the Public Accounts committee, revealed that more than **RS. 1.856** ^{18.11} _{million}

revenue has been stuck for years due to litigation in various courts, resulting in difficult financial conditions for the country

3.2

Russia-Ukraine^{war} and its Impact on Pakistan Economy.

With the Russia war on Ukraine intensifying, most countries are beginning to feel the heat of the conflict in the shape of commodity shortage and surging prices.

Russia invasion of Ukraine has resulted in a record surge in LNG rate as the global supply chain is threatened with disruptions. This has caused immediate issues for Pakistan, as LNG companies have backed out of their contract with Pakistan to exploit lucrative European markets.

Pakistan experiencing influx of Afghan refugees. Afghan refugees within Pakistan awaiting visa acceptance from different countries may not get approvals and stay in Pakistan. This increases the likelihood of illegal refugee settlements in urban areas, which can cause social unrest and further exhaust the country's resources.

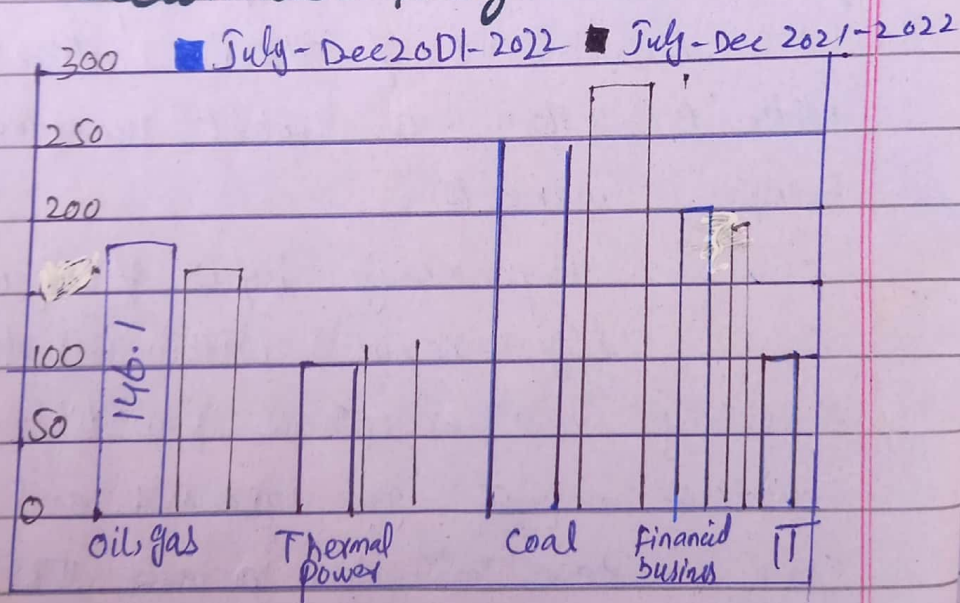
bad.
3.3

Political instability Threaten Pakistan's Economy

Pakistan has so far managed to stave off riots and repay creditors, avoiding an economic meltdown like that seen in Sri Lanka. Still Pakistan's government is grappling with multiple political and economic foreign exchange reserves are abysmally low, and it has been unable to attract much-needed foreign investment.

3.4

Sector-wise foreign investment



In the first 11 months (July-May) of current fiscal year, the FDI inflows dropped 5% to \$1.59 billion compared to \$1.67 billion in the corresponding period of previous year.

3.5

Pakistan Economy Slow Down while inflation Rises Amid catastrophic floods.

Pakistan's Economy is expected to grow by only 2 percent in the current fiscal year ending June 2023. According to the World Bank's October 2022 Pakistan Development update inflation and the poor, the slower growth will reflect damages and disruption caused by catastrophic floods, high inflation.

Recovery will be gradual with Real GDP growth projected to reach 3.2 percent in fiscal year 2024

"The recent flood are expected to have a substantial negative impact on Pakistan's economy and on the poor, mostly through the disruption of agricultural products. Said Najy Benhassine, the World Bank's Country Director for Pakistan -

3.6

Budget Deficit - another looming crisis

a climate catastrophe has wreaked havoc in Pakistan. Discuss strategies for Pakistan to tackle with ~~the~~ menace of climate catastrophe.

1- Introduction:-

"It's easy to take our planet for granted until we see the human cost of its degradation: hunger, unemployment, illness and deaths."

Amnesty International.

Millions of people are already suffering from the catastrophic effects of extreme weather disaster exacerbated by climate change. from prolonged drought in sub Saharan Africa to devastating tropical storms sweeping across Southeast Asia. Scorching temperatures have caused deadly heatwaves in Europe and wildfires in South Korea. There have been severe flooding in Pakistan, while a prolonged and intense drought in Madagascar

has left 1 million people with very limited access to adequate food.

The devastation that climate change is causing and will continue to cause means it is code red for humanity. The world's leading scientific body for the assessment of climate change, the intergovernmental panel on climate change (IPCC) warn that global green house gas emission must peak before 2025 at the latest, and reduced by 43% by 2030.

if state limit climate change to 1.5°C and avoid complete catastrophic.

2. Climate Change and Pakistan

According to the global climate risk index, Pakistan is the eight most vulnerable country to climate crisis despite its very low carbon footprint.

The temperature in the country has risen by 0.3°C per decade higher than global average, higher than global place like Jacobabad and Dadu even recorded scorching temperature above 50°C .

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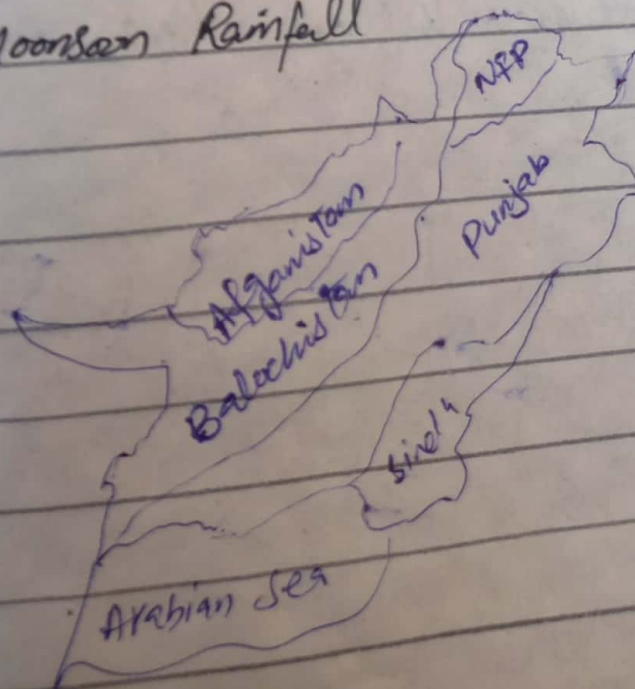
Change in Monsoon Patterns in Pakistan

Pakistan received the highest amount of rainfall in at least three decades. Balochistan and Sindh have been impacted the most.

Balochistan receive 5.1 times its 30-years average rainfall.

Sindh receive 5.7 times 30 years average.

Monsoon Rainfall



4. Impacts of climate change in Pakistan

Climate change affects different sectors in Pakistan. Monsoon flooding can harm food production and human health, leading to different diseases. Human health issues can increase mortality impact on food availability.

Flash floods have submerged one-third of Pakistan, displacing over 33 million people nationwide.

According to the National Disaster Management Authority, between 14th June and 1st September, at least 1208 people were killed, 6082 people injured.

5) How will climate change affect the world?

Climate change will have different effects across the world. According to the UN climate body, The IPCC, if global temperature rise cannot be kept within 1.5C -

- UK and Europe will be vulnerable to flooding caused by extreme rainfall
- Countries in the middle East will experience extreme heatwaves and widespread drought
- Many African countries are likely to suffer drought and food shortages.
- Drought conditions are likely in the western US, while other areas will see more intense storms.
- Australia is likely to suffer extreme of heat and increases in deaths from wildfires

Impact of climate change.

Impact of climate ^{change} affect on different sectors of society are interrelated. Drought can harm food production and human health. Flooding can lead to disease spread and damages to ecosystem and infrastructure. Human health issues can increase mortality

impact food availability and limit
worker productivity. climate change
impacts are seen throughout every
aspect of the world we live in.

6 COP27 (27th Conference of Parties on climate change.

"COP27 is an opportunity to showcase
unity against an existential threat,
that we can only overcome through concerted
action and effective implementation"

Abdul Fattah El-Sisi

Outcome or resolution of COP-26

Signing of Glasgow Climate Pact

if the pledges made at Glasgow are
fully implemented warming will be
kept below 2°C

Outcome of COP-27

Agreement to provide "loss and damage"
funding for vulnerable countries hit
hard by climate ~~change~~ disasters.

COP27 saw significant progress on adaptation
with governments agreeing on the way

to move forward on the Global Goal on adaptation, which will conclude at COP28 and inform the first Global Stocktake, improving resilience amongst the most vulnerable.

2 Climate change induced Disasters in Pakistan in 2022

- Record-breaking heat wave in March-April
- Glacial lake outbursts in Gilgit-Baltistan
- Wildfires in forests of Balochistan and KPK in May.
- Urban flooding in Karachi in July
- The early onset of monsoon, and the ensuing flash floods across the country

According to the executive director of the Sustainable Development Policy Institute and a member of Pakistan's climate change council, Pakistan has received area-weighted rainfall 780% above average levels so far this year. As of August 27, rainfall in the country was 2.9 times the national 30-year average.

7 Reasons of How Floods are Climate Change induced Catastrophe

Early ~~every~~ year of 2022, Pakistan had had extreme heat waves that caused glacial lake outbursts in Jacobabad, a city of Sindh Pakistan, the mercury reached 51°C in mid-May making it one of the hottest place on Earth.

Monsoon season started earlier this year which created havoc. This showed that climate change is real and is happening now.

Rainfall across the country is almost three times higher than 30 years average. Continuous heavy rains cause flooding, land sliding, and displacement. Climate change is the main reason for an extended period of rain ~~fall~~ that has led to floods. However, the country is at the front line of experiencing impacts of climate change, including extreme weather patterns et glacier melting, monsoon and flash floods.

Direct Macroeconomics impacts of the 2022 floods

1. Agricultural Sector

Agriculture Sector is projected to contract for the first time since FY01. An estimated 9.4 million acres of crops are affected.

Significant losses to cotton, date, wheat and rice crops.

More than million livestock are also estimated to have been lost.

2. Impacts of Floods on Industrial Sector

Cotton losses are expected to result in shortages, hindering the domestic textile industry's production.

Similarly, local food processing and slaughtering industries negatively impacted by the expected reduction in food harvests and reduced supply of livestock.

Q1. OIC is failed to meet its Objectives. Trace out the failure of OIC and give suggestion to revamp the Organization.

1- Introduction:-

Organization of Islamic cooperation (OIC) is the second largest inter-governmental organization after the United Nations, with the member of 57 states covering four continents. The OIC is the collective voice of the Muslims world to ensure and safeguard their interest on economic, socio and political areas.

The OIC member states are equally encouraged to reach out as widely as possible to the Muslim diaspora in non-Muslim countries, while engaging them in a constructive dialogue with their non-muslim fellows in order to develop a sustainable mechanisms for countering all type of discrimination.

against Muslims or any other religious minority. Unfortunately over the past five decades since its creation, the organization has failed on every ground and could not achieve its objectives.

2- Objectives of OIC

Basic objective of OIC was to establish a platform that represent and propagate the united voice of Muslim ummah and highlight different issues. Another objective of OIC is to protect and safeguarding interest of Muslim world in the spirit of promoting international

3- OIC Extraordinary Summit held in 2022

The 48th OIC Summit held in Islamabad, representing the second most prominent OIC activity following the extraordinary meeting of foreign ministers on the humanitarian situation in Afghanistan.

Theme of recent OIC Summit

Partnership of unity, Justice
& Development

AGENDA

- Afghanistan humanitarian Assistance
- Fighting islamophobia including Hijab issues
- Forced occupation in Kashmir & Palestine
- Covid / Economic recovery.

4- How OIC fail to meet its objective

Some major examples of the failure of organization of Islamic Cooperation (OIC).

4.1 Palestine Issue and Kashmir:-

The OIC, which was originally formed to support the Palestinian Cause, often has been criticized for not doing enough against the onslaught of Israel in recent years, Arab countries have started establishing diplomatic ties with

Jewish State. The same ^{Arab} Arab countries are reluctant to openly condemn the human right abuses in Indian illegal occupied Jammu and Kashmir. The reluctance stems from these countries' economic interests with India.

4.2

Rohingya Muslims' Genocide:-

In 2016-2017, Myanmar government started planned genocide of Muslims to decrease their population. Myanmar government massacred thousands of innocent Muslims and raped hundreds of women but the organization expect few statement but could not take any step for the protection of human rights. Reason behind the silence was again the economic interests of member states particularly Saudi Arabia in the region to keep their economic ties with India and Saudi Arabia and other prominent member state of the organization remained silent on the issues.

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Islamophobia the Fifth wave of Terrorism

Islamophobia is a mix of fears and hatred toward Islam that manifests itself in negative sentiments, gestures, racist and intolerant attitude.

"Islamophobia is a malicious tree whose branches are in the west. But its trunk and roots are in the east with Muslims themselves watering it and caring for it."

(5.1) Islamophobic Gestures and policies against veil, Hijab, and Burqa.

The prohibition of various restrictions in some parts of Germany, France, to an outright ban of

and in violation of Afghanistan's international human rights commitments

The OIC should put pressure on the Taliban regime to find solutions to Islamophobia in worldwide to safeguard muslims from physical attack, discrimination and make better policies for protection of Muslims.

B. Conclusion:

OIC is important international organization next to United Nations with 57 member state. OIC could help and secure muslims' interest and protect their right but unfortunately due to the above mentioned reasons of OIC has failed to achieve its objective in past. OIC need to implement proper policies for betterment of Muslim worlds.