

Q: Industrialization is the backbone of modern economic system and uplifts the living standard of masses. Elaborate causes of retardance of industrial development in Pakistan.

Introduction

Industrialization is the backbone of modern economic system. Nowadays with advancement of technologies the concept of smart production has increased. Countries with stable economy like Germany, USA, India and others have increased industrialization. However, in Pakistan the industrial development has not yet achieved properly due to some factors like energy crisis, inflation, political instability and others.

Industrialization as a backbone
of modern economy.

It is not wrong to say that modern economy is highly dependent on industrialization. As per world bank report top 5 stable countries in terms of economy are Germany, U.S., ~~Russia~~, China, Japan and India. These countries are rich in industrialization. Industrialization brings investment in the country which creates employment opportunities. It multiplies the taxes collected by government. Also with more investment and greater number of industries the competition in market increases which in turn reduces the prices of products. This decreases inflation. Another factor is exports, It also ~~boost~~ uplift the exports which is a way to improve

exchange rate. when government has handsome amount of tax collection then it can be used on other developments within the country. One of which is to enhance tourism within the country. Its also very powerful factor that contributes to the economy. One of the examples is Malaysia, Mahatir Mohamad improved Malaysian economy by increasing tourism within the country.

Industrialization uplifts the living standard of masses.

Industrialization improves the living standard in different ways. It creates employment and reduces the inflation by generating a competitive market. This expands the purchasing power of people. Secondly when government has greater tax collection it can add in different

development activities like education improvement, public transport improvement, public places like parks, sea areas ~~and~~ and other infrastructure is also upgraded. people of country afford houses, cars, conspicuous consumption, and good education.

Hindrance in industrial development in Pakistan.

Pakistan since its birth is facing political instability. Its a big obstacle in foreign direct investment. Each govt after taking charge make new policies and even its not for whole 5 years because almost every government left before completing its time. This reduces the confidence of investors. Secondly energy crisis, Pakistan.

has been facing this ^{for} ~~since~~ long
ago. Factory owners suffer ^{from} ~~electro-~~
-city power shortage. Their prod-
-uction of goods is highly affected.
Nowadays internet issue

is also going down. Pakistan ranks
3rd highest country whose people
are freelancing, but internet
issue is affecting their work also
damaging impression while meeting
thirdly rule of law, countries
security condition is also not
good or satisfactory. People doing
contracts have no confidence
~~on~~ on whether it would be
properly fulfilled or not becau-
-se as the government goes
the new government put its own
conditions.

Another factor is inflation, due
to inflation the consumption capacity
of people has decreased so
industrial owners not generating
required profit. This makes
them shut their business.

As per BBC news many

private companies such as their
businesses like Toyota, Suzuki,
Nishant Churnian limited, Dia-
-mond industries and many others.

Conclusion

In ~~modern~~ modern world, indus-
-trialization has high impact
on economy and countries
which cannot improve their
Industrial setup may face
very difficulty. Pakistan's
major obstacles are political
instability, energy crisis,
rule of law, inflation.

By improving these things and
making business friendly
policies we can improve
industrialization within the country.

China in the recent years has
emerged as biggest economy.
India is also a big economy
and its due to ~~the~~ industrial-
-ization