

Qno: There has been fluctuating (declining mostly) economic growth of Pakistan especially since 1990s, adversely impacting governance and social development. In this context, answer the following.

- Q1) How incompatible Economic Growth has impacted the middle and poor segment of the society. Relate it with governance issues.
- Q2) What kind of Financial Discipline do you suggest for Pakistan including accountability and safeguards against malpractices?

### 1. Introduction

The economic growth of Pakistan has been declining since 1990s, because of multiple factors that includes, the political, social and institutional issues. The incompatible economic growth, because of the bad governance has impacted the middle and poor segment of the society from every dimension. For example, the increase in poverty and inflation, the decline of employment in youths, and also the decline of equity in the distribution of resources due to corruption are some of the manifestations of impacts. However, there are several ways out for the mal-economic growth of Pakistan. Such as ensuring the Horizontal and vertical accountability.

in the institutions of Pakistan and to work for the structural reforms i.e. privatization, liberalisation and Export oriented economy. Not only that, the institutional balance can also attract the foreign direct investment and that can also stabilize the economic growth of the country.

③ The impact of incompesible economic growth (owing to bad governance) in the middle and the poor segment of the society

④ Increase in Poverty and High Inflation owing to no structural reform in the economy

The increase in the poverty rate and the high inflation in Pakistan has affected the impact of the incompesible economic growth on the middle and the poor segment of the society. According to Economic survey of Pakistan the inflation rate in the country was more than 30% in the month of February 2023.

And the  $\frac{1}{3}$  of the population has been dragged into the below poverty line. This is all because of the bad governance and the reluctance in the structural reforms in the

economy and the role of the state in the economy

Decline in employment rate because of ending of FDI, due to lawlessness and political instability

Yet another impact of the incomplete economic growth of Pakistan is the decline in employment due to ending of foreign direct investment. As per a survey, the multinational companies has been shifted to Bangladesh from Pakistan and the FDI is decreased in

Pakistan by 20% in the fiscal year 2022-23 (Economic Survey of Pakistan)

This is all due to the increasing lawlessness in the country and political instability according to a survey the country is ranked 129/140 in the

World Rule of Law Index. In Pakistan

③ No equity in the distribution of resources in general masses, because of corruption and weak economic growth

The decline in the trust of the masses because of no equity in the distribution of resources is common in Pakistan. According to BBC, during the 2022 floods, the locals of Pakistan were showing no

regarding the fair distribution of the resources denoted by the world. It can be linked to the high economic growth of the country if the country could be a developed economy. The more investment could have been done in the governance sector.

④ Less investment on the developmental projects, due to financial crisis instigated by the weak governance

The impact of the inconvertible economic growth can be seen in the low investment on the development projects. For example, according to Economic Survey of Pakistan 2022-23 only 2% of GDP is given to education and some meagre amount for the health and infrastructure development. Moreover, the financial crisis can be linked to the weak governance of Pakistan. Owing to weak governance the country is unable to increase the tax revenue.

⑤ No benefit of Public Policies due to financial crisis and implementation issue

Another effect of the weak economic growth of Pakistan, is that there is no benefit of the public policies.



## ② Structural Reforms in the Economy

In order to regrow the economy of Pakistan, the structural reforms are the need of the time. Pakistan should reform its economic policies with the suggestion of the IMF and WTO. For example, ensure the privatization of the state owned enterprises, liberalize the market and go for the high in exports and low in imports.

## ③ Institutional Balance in order to attract the FDI

The foreign direct investment is another source to grow the economy of any country in the time of globalization. However the FDI requires the stable government and the stable government can only be achieved by the institutional balance. As Akbar S Zaidi has mentioned in his book, the issues in the economy of Pakistan the political instability is due to institutional instability and causing the economic instability.

## Ensuring the Stakeholder Presence while devising the economic policy

The the democracy the presence of stakeholder is necessary, because to avoid the zero sum game. In simple words, to avoid the any hegemony of politicians on the economic policy in their interests. In order to grow the economy it is important to ensure the presence of stakeholder during devising of economic policy.

## Charter of Economy: A need of time

Charter of economy is the need of time for the economic growth of the country. As mentioned above, Pakistan has been the victim of the political instability that has deteriorated the economic growth since 1990. Therefore, in order to revive and to prevent any future economic issues the charter of economy should be sought.





Ques What do you understand of Ethics in politics?  
How public policies become an instrument of political gains by those in power especially in countries like Pakistan? Under the situation of political tug of wars, what roles do you idealize for the civil servants to keep the public interest at safe front?

## ① Introduction

The term ethics in politics can not be understood with understanding the concept of politics in democracy. With standing with the fact that the public policies has become an instrument of political gains by those in power especially in countries like Pakistan, because of the political parties to show their over efficiency to the public and to denounce the policies of the then government in power. Not only that, the political parties devise policies with choosing the formal way in order to satisfy the public. Moreover the civil servants can play a pivotal role, because, in policy formation the civil servants provide their expertise from problem identification to policy implementation.

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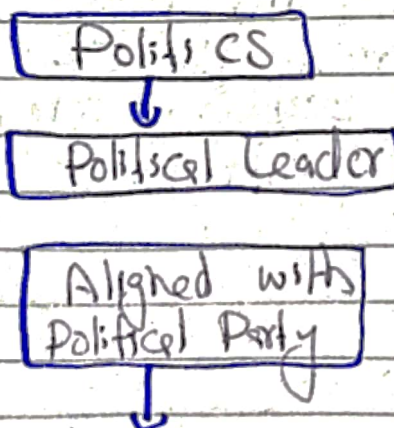
## ② Definition of Politics

Politics can be defined as the practice of acquiring power through the manipulation of public opinion or the way of achieving power by propagating the agenda of political party in order to get votes.

## ③ Understanding the term Ethics in Politics

As mentioned above, the politics is game of achieving power, by any method either by exploitation of political party resources or by manipulating the public opinion through the speech and political propaganda. Thus in this sense, it can be analyzed that, there is no ethics in politics.

## ④ How there is no Ethics in Politics



Political Party  
has its own  
agenda

Political party does not follow  
their agenda

Thus no ethics in  
politics

⑤ How Publics & Politicians become an instance  
of political gain by those in power in  
Pakistan.

① Criticizing the Policies of their Government  
in Power, in order to enhance their  
Political clout

In the transition countries like Pakistan  
it has been observed that as a new government comes to power,  
it starts openly criticism of the  
policies of the prior government in  
power in order to show the public the  
weakness of that government in policy  
making. For example, in a speech in  
an assembly, the Finance Minister openly  
criticized the economic policies of  
prior government (2023). Such practices

causes severe damage to the good public policies that can be beneficial to the public.

## ② Discontinuation of Public Policies, after coming into power, after of their government in power

By discontinuation of public policies of prior government, after the coming power of new government is common in the Pakistan's political culture.

As it has been mentioned in many books, the discontinuation of public policies is also one of the major issues of policy in Pakistan. The practice of discontinuation clearly indicates the insecurity of other the government in the successful policy, for it is not a public support.

## ③ Devising Public Policies without Policy Analysis in order to gain public support

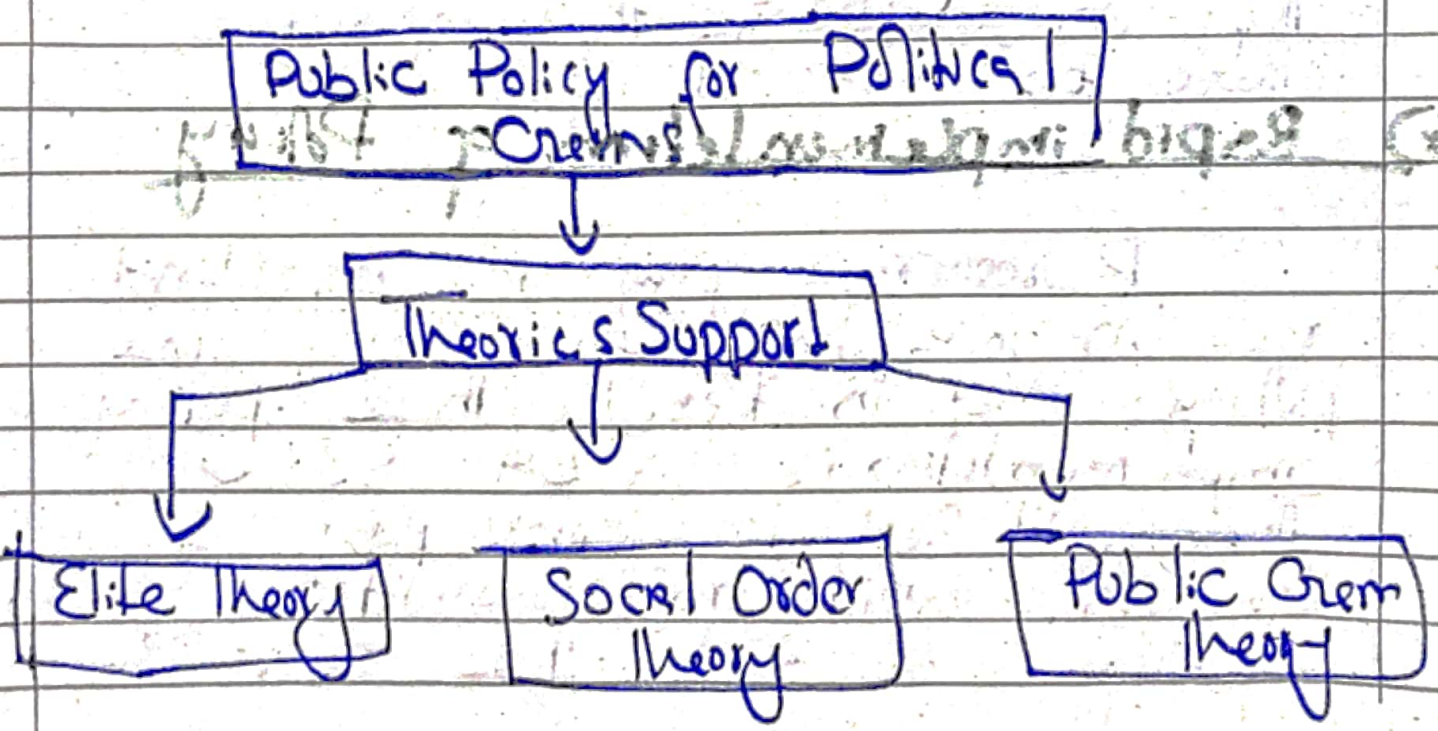
Yet another major problem in Pakistan's public policy-forming is that, the politicians devise the public policy without prior policy analysis, without keeping in mind the society's needs. The politician keeps is the temporary policy to gain

the public's interests?

## Public Policies Forming to Support Personal Interests

In a country like Pakistan because of the no involvement of stakeholders during the public policy forming, the politicians devise such policies in order to boost their own interests. According to a report, the majority of politicians in Pakistan are either industrialist or landlord and they devise policy to support their business.

## Public policies for political gains in Pakistan in the light of governance theories of Policy



⑥ Role of civil servants to keep the public interest at forefront.

## ① Showing Sincerity while Policy Analysis

The civil servants play vital role in the policy forming from the problem identification to policy evaluation in order to keep the interest of the public intact. The civil servants should show sincerity during policy analysis and identify policy issues. They should allow for the

## ② Prioritizing the real issue during agenda setting

Agenda setting is a process that filters out the many issues. The problem is identified. Although the civil servants play their role of desk work they can emphasize the legislature to chase the one real issue.

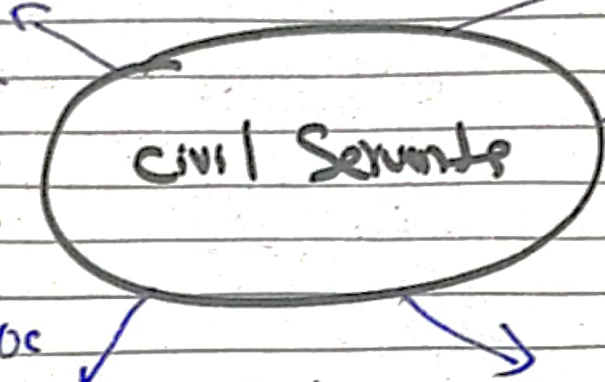
## ③ Rapid implementation of Policy

Bureaucracy play an important role in the implementation of the policy. Yet in Pakistan the policy implementation is a big issue. The civil servants can play a role in rapid implementation of policy, so that the can be

benefitted)

## Other Roles

Improving  
the  
coordination  
to  
Executive  
and  
Legislative



Quick Problem  
Identification

No Corruption

Answering  
the public  
about policy

Showing expert  
- Be in Solving  
the problem

## Conclusion

The ethics in politics can be is a vague concept, as the political parties only work for their political agenda. In Pakistan, the political parties in power devise public policies without looking at long term in order to achieve the public support as the politicians provide the public short term benefit. Not only that the government in power also criticizes, discourage the policies of their

government is power. Moreover, the  
civil servants can play an important  
role in serving of public interest  
because the public policy devising  
and implementation without bureaucracy  
is impossible.

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Civil Servants