

# ECONOMIC CRISIS IN PAKISTAN: CHALLENGES AND PROSPECTS

1. Introduction

2. Crunch paragraph

3. Economic Crisis in the world:

(i) Somalia: A catastrophic hunger crisis tops the watchlist around the globe.

(ii) Ethiopia: Droughts and other conflicts torment tens of millions.

(iii) Afghanistan: An entire population is pushed into poverty.

4. Economic Crisis in Pakistan:

(i) Low economic growth and high inflation leading to poverty and unemployment.

(ii) Energy shortages have posed great problems to the citizens.

(iii) Social indicators reflect serious deficiencies in education, health and population.

(iv) The law and order situation in the country poses a great threat to security as well as the economy of the country.

(v) The struggle against terrorism and extremism continues to impose social, human and economic costs.

## 5. Major Challenges to deal with the Economic Crisis:

(i) High dependence upon external factors i.e., foreign assistance and remittances.

(ii) High burden of debt repayment.

(iii) Low investment as a percentage of GDP in different sectors.

(iv) poor infrastructure i.e., unscientific agricultural practices and lack of industrialization.

(v) Low literacy rate and unskilled work force.

## 6. Prospects of Economic Crisis in Pakistan:

(i) Balance of payment crisis.

(ii) Political uncertainty.

(iii) Severely depleted foreign resources.

(iv) extremely grim prospects of external financing.

(v) Quality of life of citizens.

## 7. Way Forward:

- (i) Major structural reforms needed
- (ii) Improvements in savings and investments.
- (iii) Leveraging Pakistan's geopolitical position.
- (iv) Role of establishment to bring political stability.
- (v) to manage demographic trends, water scarcity and the educational emergency.

## 8. Conclusion.