

17. In order to be effective in influencing a  
 (A) Money and expertise  
 (C) A permanent headquarters
18. During which part of the public policy cycle does the government explore possible  
 (A) Agenda Setting (B) Policy Formulation (C) Policy Implementation (D) Decision Making
19. The in-depth study of the technical, financial, and economic viability of a project is referred to as:  
 (A) Project Appraisal (B) Project Feasibility (C) Project Preparation (D) Project Approval
20. Karl Marx's perspective on bureaucracy focuses on its role in:  
 (B) Maintaining capitalist interests (D) Advancing democracy

TIME ALLOWED: THREE HOURS  
 PART-I(MCQS): MAXIMUM 30 MINUTES

PART-I (MCQS)  
 PART-II

MAXIMUM MARKS = 20  
 MAXIMUM MARKS = 80

- NOTE: (i) Part-II is to be attempted on the separate Answer Book.  
 (ii) Attempt ONLY FOUR questions from PART-II. ALL questions carry EQUAL marks.  
 (iii) All the parts (if any) of each Question must be attempted at one place instead of at different places.  
 (iv) Write Q. No. in the Answer Book in accordance with Q. No. in the Q.Paper.  
 (v) No Page/Space be left blank between the answers. All the blank pages of Answer Book must be crossed.  
 (vi) Extra attempt of any question or any part of the question will not be considered.

**PART-II**

- Q. 2. What are the indicators of collapse of failure of governance? Explain the diagnostic tools used to identify these indicators and their effects on society. (2)
3. How does Marxism analyze the impact of class struggle, capitalism, and private ownership on governance dynamic? How does it envision a transition to a classless society and collective ownership of resources? (2)
4. How do international donors, particularly the IMF, impact policy formulation, through documents like the "Memorandum of Economic and Financial Policies,"? What implications does this have for a country's public policies and governance? (2)
5. How do the various types of accountability interact to ensure effective governance? How does the concept of accountability differ when applied to private versus public entities? (2)
6. How does the distribution of powers and responsibilities between Federal, Provincial, and Local Governments in Pakistan's context reflect the principles of federalism? What are the benefits of granting autonomy to local entities within this framework? (2)
7. How do the theories of Max Weber, Karl Marx, John Stewart Mill and Woodrow Wilson provide insights into different dimensions of Bureaucracy, including its characteristics, potential impact and implications for governance? (2)
8. How does the incorporation of ethical principles, as exemplified by the Estacode and similar codes of ethics, shape the behaviour and decision-making of government officials within the realm of public administration? What role do these codes play in ensuring transparent and accountable governance? (2)

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Handwritten notes and diagrams at the bottom of the page, including a flowchart and various scribbles.

Q:4

Answer

Introduction

"The IMF like international donors have a great influence on countries' policies."

(Toqeer Hussain, the Governance dilemma, 2023)

The international donors, particularly the IMF, impact policy formulation, through documents like the "Memorandum of Economic and Financial Policies".

In consequence, it has severe implications for a country's public policies and governance. Thus, the IMF has a great influence on economic policies.

2- A birds eye view of the establishment of the International Monetary Fund, IMF

"Motive of the IMF

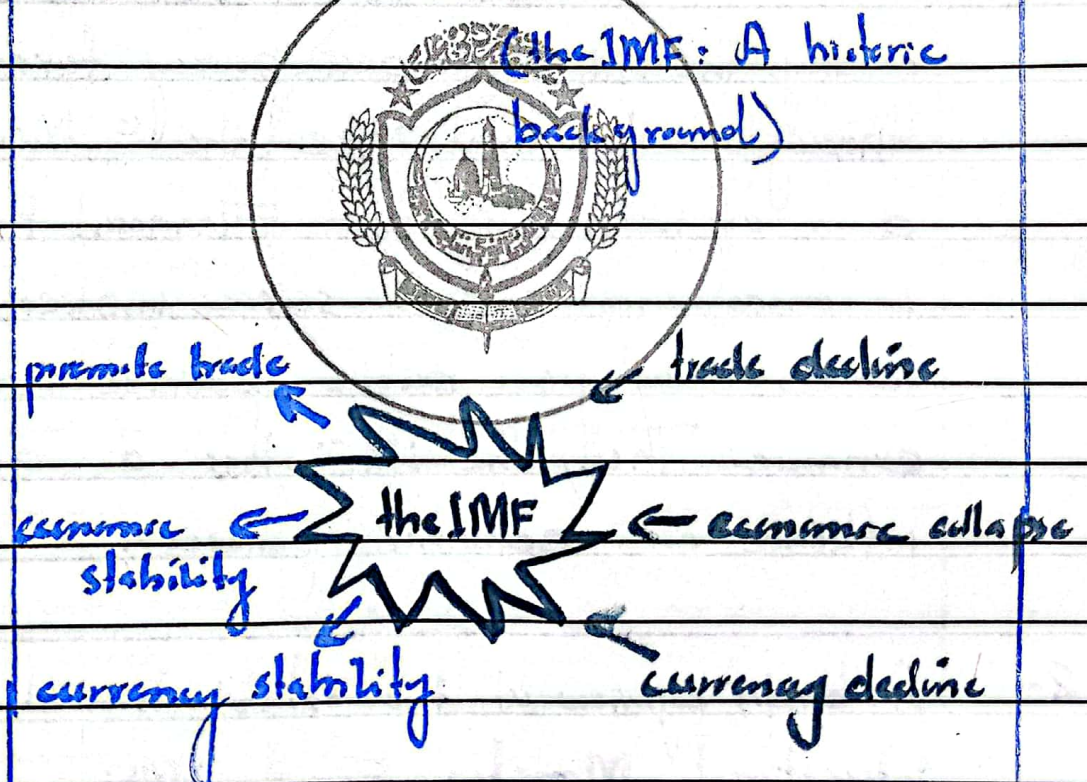
include economic

prosperity."

(the IMF objectives)

The world has faced revolutionary era of two great wars, the WWI and the WWII. As a result, the economy of the world collapsed at peak.

"the IMF - an organization got establishment to restructure economy of the world."



Thus, the IMF became an organization of economic development.

3- The IMF: Impact on policy formulation, through "Memorandum of Economic and Financial Policies."

Following are impacts:

a) Reducing subsidy principles  
 Reducing subsidy principles is a main agenda of the international donors. It has essence to save the greatest amount.

"Pakistan should reduce the BISP subsidy in order to save amount."

(The World Bank Recommendation, 2023)

Hence, subsidy reduction is a huge impact of the international donors.

b) Increase in taxation collection

Moreover, taxation should be increased. This, as a

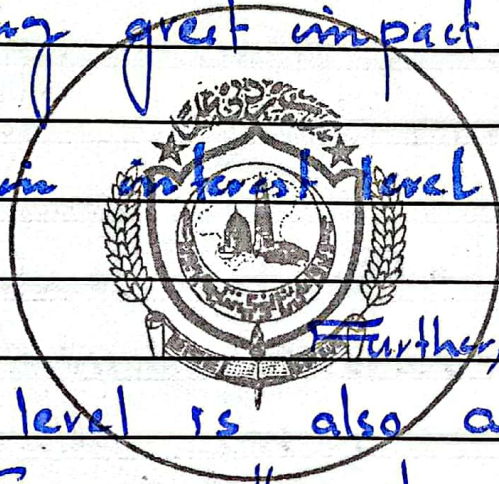
result, will help in collecting more amount.

"Pakistan should collect tax of \$385 millions on the agreement of the IMF."

(The IMF, 2023)

This taxation level will help in providing great impact on policies.

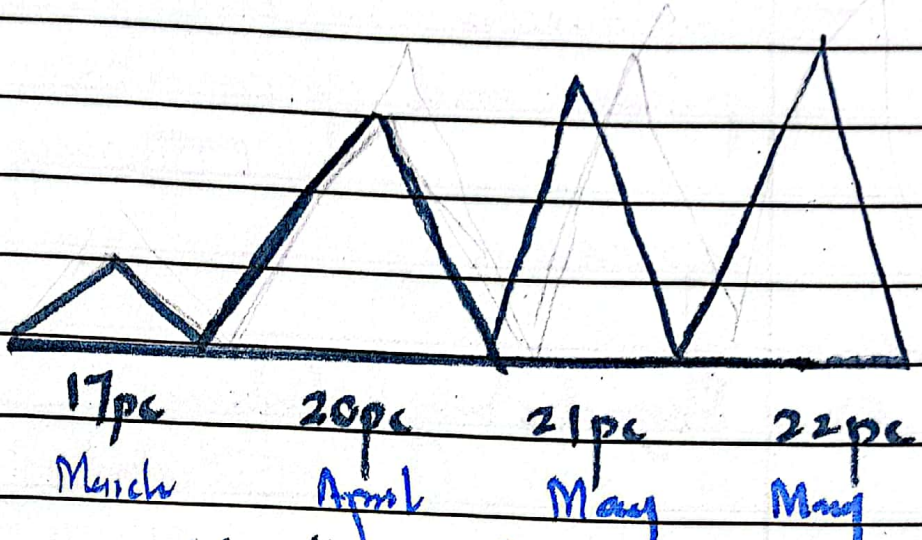
c) Surge in interest level of the banks



Further, rise in the interest level is also a main policy. Consequently, it will control economic regulation of the country.

"Pakistan has jumped to the interest level from 17 to 22 pc."

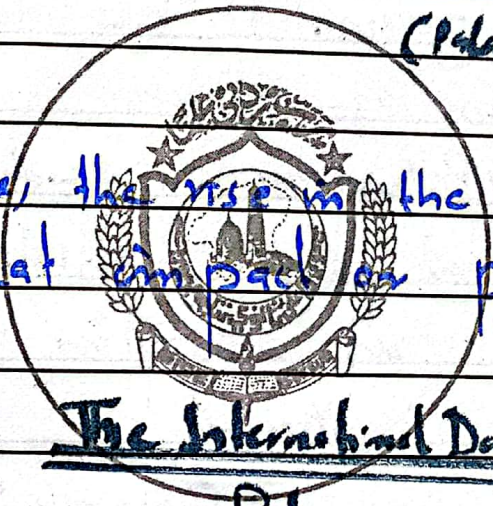
(Pakistan Bureau of Statistics, 2023)



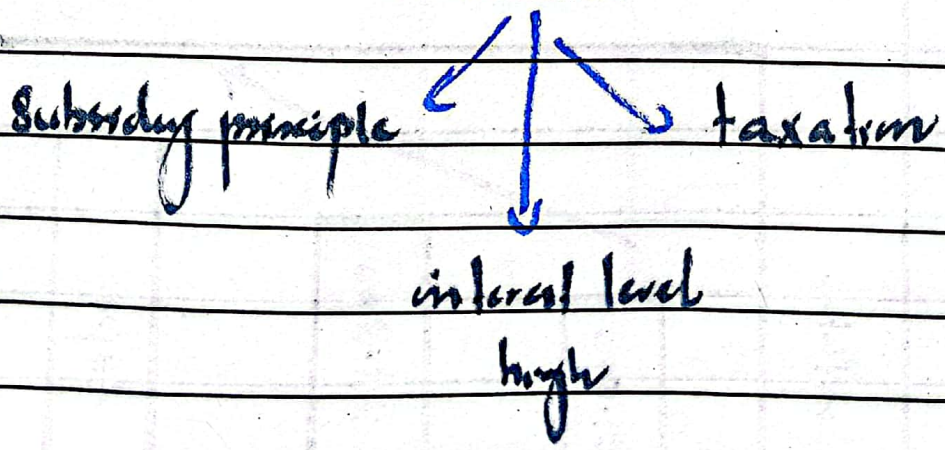
Interest rise - Palestine - 2023

(Pakistan Bureau of Statistics, 2023)

Therefore, the rise in the interest also has a great impact on policies.



The International Development Bank  
Policies



## 4- Implications for country's public policies and governance

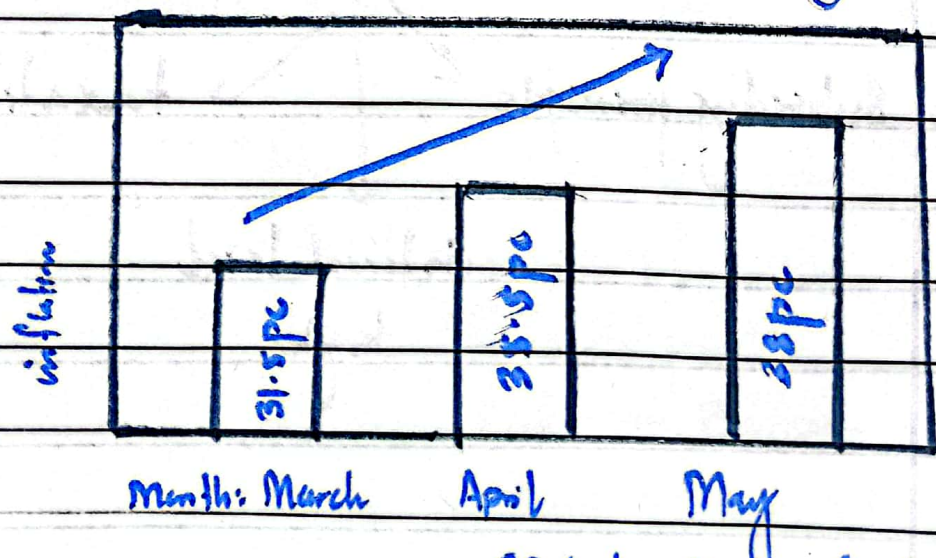
Following are implications:

### a) Skyrocketing inflation

Skyrocketing inflation is a major impact of it. As a result, government has to fulfill the commitment of donors.

• Pakistan has reached at peak of inflation at 38 pc in May 11

(Economic Survey, 2023)



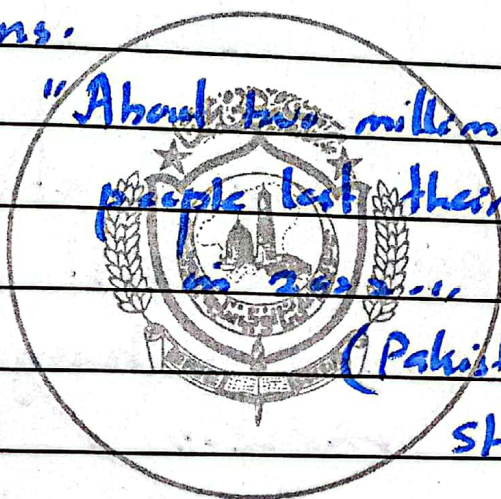
(Pakistan Bureau of Statistics 2023)

Unprecedented inflation prevails throughout the country.

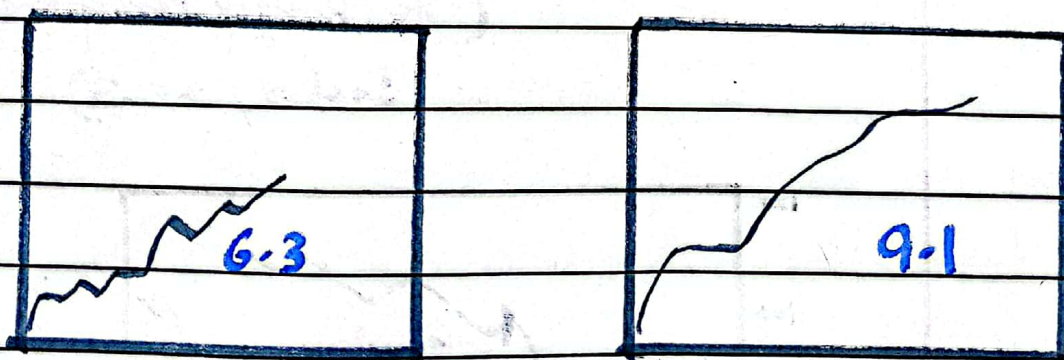
b) Surge in unemployment

Along with inflation, surge in unemployment is also a severe impact for governance. No doubt, government becomes obliged to fulfill conditions.

"About two millions of people lost their jobs



(Pakistan Bureau of Statistics, 2022)



- 2022

- 2022

• Unemployment in Pakistan

(Pakistan Bureau of Statistics, 2023)



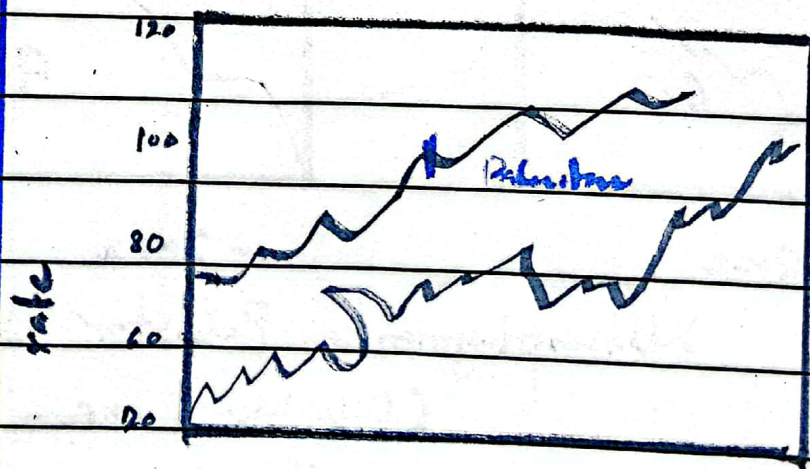
This also causes unemployment in the country due to strict conditions.

c) Long-prevailing poverty

Moreover, certain policies also cause poverty in a respective country. Unfortunately, Pakistan has become dependent on strict policies as a temporary solution.

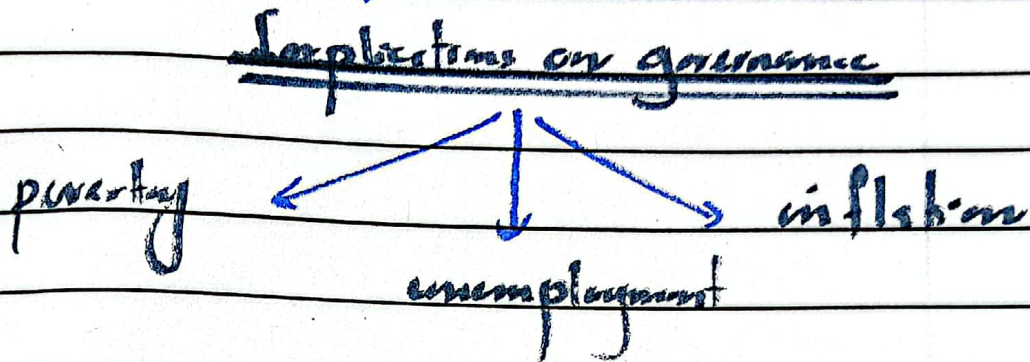
• Pakistan ranks at 99th out of 121st countries in hunger index.

(The Hunger Perception Index, 2023)



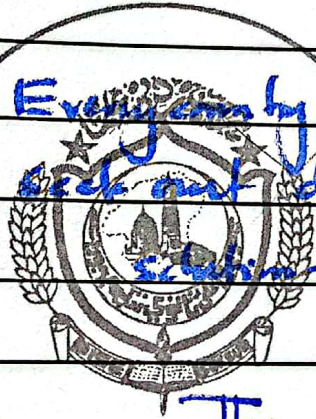
(The Hunger Perception Index, 2023)

Hence, strict policies also result hunger in a country.



### S- Conclusion

" Every country needs to  
seek out domestic  
solutions "



(Taqwa Hussain)

The International donors, particularly the IMF impacts the policies formation of countries. This, as a result, has several implications on public policies and governance performance. Thus, the international donors have a huge impact on governance of countries.