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## • Economic crisis in Pakistan and its solutions

The modern world is divided broadly in two types of countries: the developed countries and the developing ones. Citizens of a developed country all basic amenities as well as, luxuries of life. These countries usually top in all human development indexes and the citizens are usually rated to be happiest around the globe. On the contrary, developing countries struggle with even providing the basic needs, like clean water, to its citizens. The main decisive factor between the developed and the developing world, is the strength of the economy of the country. Pakistan has struggled with its economy for the most part of its young 76 year history. More often than not, it finds itself in an economic deadlock, like in the early months of 2023, when it was on the brink of a default. The causes of such a downfall range from socio-economic to cultural reasons. Corrupt government machinery and bureaucracy is one of the arch reason as it's range from low investor confidence to wasting away of public resources. Bad economic policies can be counted as another reason that inhibited entrepreneurship and industrialization in the country, resulting in meagre exports compared to huge amount of imports. This

negatively affects the balance of payment and pushes the country into a crisis situation. However, not all is still lost and effective policies can surely help bring Pakistan out of this situation. The government needs to take a hardline against corruption; and impart exemplary punishments as a source of deterrence. Further, policies that favour young, small entrepreneurs should be formulated to generate positive economic activity and creativity. The balance of trade issue needs to be addressed in an effective way, and building local industries should be our foremost priority. Another very important approach should be to stop ~~the~~ excessively relying on external loan programs to run the country, and pull Pakistan out of this whirlpool of debt servicing. Therefore, it will not be wrong to say that Pakistan is indeed in deep economic crises due to multiple social and cultural factors, but it is not possible to pull it back from this precipice through effective policies and leadership