

# Socio-economic problems of Pakistan

outlines

## i. Introduction

Thesis Statement,

Pakistan has been facing socio-economic problems for a long time now. They have multiple effects on the society.

## ii. Bird view <sup>of</sup> social-economic problems

### iii. Social problems faced by Pakistan.

(a) Poor law and order situation

(b) Poverty

(c) Unemployment

(d) Illiteracy

(e) child labour

(f) Underage marriages

(g) Lack of women empowerment

(h) Sectarianism

(i) Terrorism

(j) Injustice

(k) Overpopulation

(L) Feudalism ✓

m) Inequality ? of what?

IV. Economic problems

(a) Power This is not economic problem  
root cause of economic problem

(b) Loss of MNCs ✓

(c) Industrial crisis ✓

(d) Agricultural crisis ✓

(e) Heavy import Trade imbalance

(f) Debt: national and external

(g) Troubling stock market ✓

(h) Loss of foreign exchange  
reserve throusis

(i) Influx of people from  
war ridden areas ✓

(j) Unprecedented inflation ✓

V. measures to deal with the problem

(a) Ensure justice ✓

(b) Improve law and situation ✓

(c) Accountability and transparency ✓

(d) Effective education system ✓

(e) Alleviating poverty ✓

(f) Remove Address energy crisis

VI conclusion

Pakistan has been facing multiple ~~challenges~~ **challeng**  
**for** ~~since~~ the last couple of decades **es**  
 There are multiple factors contributing  
 to the social and economic  
 problem in the country: political  
 instability, economic instability,  
 over population and bad governance.  
 Social and economic problems  
 included: poor law ~~and~~  
 and order situation, poverty,  
 unemployment, illiteracy, injustice,  
 inequality, child labour, under  
 age marriages, sectarianism and  
 terrorism; security problems from  
 India and Afghanistan side.  
 Whereas, ~~from~~ economic problems:  
 power crisis and war against  
~~terrorism~~, contribute to the economic  
 problems. Further, inflation, loss  
 of FDI, troubling stock  
 market, heavy input vs. output  
 debt, agricultural crisis, industrial  
 crisis, loss of foreign exchange  
 reserve through tourism industry.

influx of people from underdeveloped areas.

Multiple problems facing the country. poor law and order situation, poverty, unemployment, illiteracy, child labour, child marriages, lack of women empowerment, sectarianism, terrorism.

These problems **have been** caused by poor governance and lack of accountability, political instability and economic instability. Whereas

economic problems caused by poor governance and unstable political situation in the country and lack of political will.

According to Pakistan Economic Survey report

2002-03, 40 percent of the

population is living in poverty and 24 percent below the

poverty. And 7 percent of the labour force is unemployed.

Unemployment is to be increased in coming years. Literacy rate at the country

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is relatively low to the neighbouring countries: India, Iran, Turkey and Bangladesh. The most grim is that 86 million children are out of school aged between 5 to 16, mostly in Punjab more than 11 million. 4 in 10 are illiterate in the country. Further, child labour is rampant in the country, it is the outcome of the poverty. Another social problem is child marriage particularly in KP. It affects the growth of the females, lack of women empowerment hinders the growth of the development. Women are fighting for their empowerment for decades now the move became sound. ~~Entrepreneurism, terrorism, and sectarianism~~ is also a social problem in the society. Pakistan is facing from 1974 Soviet Afghan war. Moreover, the society is dominated by injustice. It also

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all spheres of society. An old  
age saying: "Injustice anywhere  
is a threat to justice everywhere."  
Similarly, over population is  
also contributing to the social  
challenges. Feudalism and  
inequality are also affecting  
the the order of the society.  
Whereas **in** economic challenges,  
power crisis is one of most  
important. economic challenges.  
At this time the country facing  
more than 7000 MW shortage of  
power. A acute power shortage faced  
the country in 2007, when  
oil prices hiked and distribution  
companies **was** unable to pay  
the oil companies. Agricultural  
issues and industrial crisis prevailing  
in the country. Declining foreign  
investment and evaporation  
business led to economic slow  
down and progressing negative  
**Decline** in stock exchange  
also blocked the economic

and development of the country and resulted in various economic and social issues. So, the country is facing social and economic problem which has many effects on the development of the country and growth of the society.

There are multiple social issues in the country: poor law and order situation, poverty, unemployment, illiteracy, injustice, and other social problem like terrorism and sectarianism. Poor law and order situation is one of the most significant challenge to the country. It impacts the law and situation of any country which leads to different social problem in the country like poverty, unemployment, illiteracy and bad governance. It breed political instability in the country which leads to uncertainty situation in the country. The country is

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Facing terrorist situation since the last recent couple of months, 2003 recorded highest militant attack in the last 10 years since army public school attack in 2014. It took many lives including children and civilian. Recently, most tragic incident was occurred in Peshawar police line mosque that took more than 100 lives of civilians and personnel. According to reports TTP is insurging Pakistan particularly Balochistan and KP backed by Afghan Taliban. TTP is used Afghan soil against Pakistan to project the China Pakistan economic project. So, poor law and order situation leads to different crisis in the country. Poverty is also contributing to the social challenges. It is known to be the mother



of all social evil in the society. Poverty mean lack of basic facilities to survive the people. When the needs of the people are not fulfilled it is known to be a poverty. According to United Nations and World Bank ~~report~~ poverty is a shortage of fundamental need: food, health, education and shelter. According to Pakistan Economic Survey Report FY 2022-23 40 percent of the population living in poverty and 94 percent living below the poverty in Pakistan which leading to different social issues like illiteracy and unemployment. So, poverty caused illiteracy and unemployment in the country and society which breeds many social problems. Similarly, unemployment is the most critical challenge to the country from the last couple of decades. In recent years it

added to the social problem. Pakistan has 74 percent of the population under the age of 30, a large chunk of the population is unemployed. The unemployment and poverty in Pakistan is that people are choosing perilous journeys going abroad for their greener pasture. In the mid of 2003, a vessel of illegal migrant from Pakistan and other neighbouring countries drowned in the Mediterranean Sea that claimed the lives of 350 people mostly from Pakistan; Gujranwala, Punjab and Mandi Bahaudin. The most sad picture of the unemployed is that intellectuals, professionals and educated and highly qualified are leaving the country. In 2003, more than 2 lakh people left the country for their better future. It is feared to halt the development of

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of the country. So, unemployment is worst social problem. Moreover, illiteracy is another significant challenge to the country. According to Economic Survey report 2022-23, the literacy rate of the country is stood at the 68.9 percent; province wise literacy rates, Punjab 68.1, Sindh 61.2, KP 58 and Balochistan 54 percent. Rural and urban literacy rate 73 percent and 53 percent, and male female literacy rate is 73 and 58 percent. The most tragic part is that 2 billion children aged 5 to 16 are out of school in Pakistan, mostly 11.5 million Punjab. Higher literacy rate is in Balochistan and Sindh due to lack of funds, 15 percent of schools are lack of electricity. Pakistan has world's second highest out of school children after Afghanistan.

The main reason of the failure of education system of Pakistan is lack of adequate funds. Less than 2 percent <sup>of GDP</sup> is allocated to the education sector.

Child labour and underage marriage, the most important challenge to the country.

Underage marriage affects the growth of the girls.

It is most common in KP and Balochistan. Former due to poverty in the country. People send their children at work rather than sending to school. Both affect

the development of the country. Such has passed law against children labour and underage marriage. No bear fruit due to adamant of religious scholars.

Lack of women empowerment is also the most tragic part of our society. As women

As women are suffering from patriarchal and dominant society. Women are allowed to ~~diff~~ some fields in the society. They have no rights. They are harassed at work place but laws existed in the statute book are not implemented in true letter and spirit. Women are 48 percent of the population and contributing to the national income. They are treated inferior than men in the society and paid low than men. They are considered illegible for many posts in the society.

Extremism and sectarianism.

a significant to the country Pakistan has two school of thoughts Shia and Sunni.

Both are extreme against each other. Shia → Sunni conflict erupted at a time when Iranian revolution came

in 1979, Khomeini was the master mind of the Iran revolution. He wanted to make Shia of its neighbouring Sunni muslim countries. A literature was dispatched to Pakistan which content was against the companion of prophet. In 1985, a religious-political party emerged against the Shia literature from Jhang. In the past two or so decades extremism and sectarianism was at peak point. It was left the country into a dark. Now, it is dipped to the same extent but completely not addressed. So, extremism and sectarianism proved to be the significant social challenge to the country. Terrorism also put the black picture of the country before the world. Pakistan engaged in terrorism in 1979,

when Soviet attacked Afghanistan to influence the region. The USA anti USSR, had supported the Afghan Taliban against the USSR to project its influence in the region. Pakistan exposed to waves of terrorism. According to an estimate the country lost 85000 lives in the war against terrorism, and, 150 billion loss at economy was suffered. Now, the militant groups emerging again\* in the country like TTP in Balochistan. It has destroyed the peace at the country. Injustice is another social problem in the society, it breeds poverty, poor law and order situation, political instability and bad governance. An old age saying: "Injustice anywhere is a threat to justice everywhere". Injustice is rampant in the country since the last couple of decades. It has affected the country.

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badly and put the people  
lives into the poverty and  
unemployment. Injustice is caused  
disorder in the society and  
dysfunction at the state system.  
Overpopulation is a significant  
challenge to the country. The  
population of the country increased  
at an alarming rate. At the  
time of inception the total  
population of the west Pakistan  
was 33 million according to  
Pakistan Bureau of Statistics  
and the population of East  
Pakistan (Now Bangladesh) was  
49 million, Dhaka was the  
most populous city of the  
country. In 1998, the total  
population of the country  
was 130 million and in 2017  
207. According to digital census  
year 2008, the total population  
was recorded 211 million,  
33 million increased since 2017.  
The growth rate of the country



is 9.55 percent according to Pakistan Bureau of Statistics is alarmingly high when compared to neighbouring countries. Currently, the total population of the ~~country~~ Bangladesh is 164 million. It has many negative effects on the country, it leads to poverty, unemployment and illiteracy in the society. If the growth rate continues at the same rate it will seriously affect the country in terms of administration, and management.

Furthermore, feudalism is also a pressing concern to the country. It contributes to the social challenge in the society. 60 percent of the land holders are feudals. 80 percent of the industrial sector hold by the feudals. It contributes to the poverty, illiteracy and unemployment in the society. It also hinders the development of the country. So, feudalism, a significant challenge

to the society.

Inequality among masses, men and women; poor and rich, a significant challenge to the society it may lead to uncertainty situation to the society. which may be turned into extremism among the masses in the society. It also leads to the poverty. There is extreme inequality in the society and affecting the development of the country.

Power crisis is one of the economic challenges to the country. It has badly hit the economy of the country. Energy is a lifeline for a country and backbone of the country economy for a country Pakistan is facing energy crisis since 2007 when the prices of oil hit from 100 bar dollar per

barrel to 147 dollar per barrel. The distribution companies were not provided subsidy and they were unable to pay the oil companies. Consequently the country faced shortage of electricity by more than 6 thousand megawatt. All the economic engines, wheels of industry, agriculture and business need energy to run. The main reason of the energy crisis in the country is that 80% of the oil is imported from middle east countries. The country also facing debt crisis due to heavy import. So, energy crisis led to the economic slow down. In the last year most of the industries were closed down due to high cost production and high cost of electricity. The production contracted more than half

and 40 percent of the industries was closed down due to hiked oil prices in the post covid-19 and Russia-Ukraine conflict. According to Economic survey report 2021-23 total installed power generation capacity was 41,000 MW and the distribution of electricity stood at 25,000 MW. So energy crisis led to the economic challenges.

War on terror created uncertain situation in the country and led to bad governance, political upheaval, poverty, unemployment, terrorism and illiteracy in the

~~country~~. According to reports Pakistan had suffered a 25000 deaths and 150 billion dollar in the war against terror.

The country was used by US-led west for vested interests. Subsequently the country faced sanctions from the

from us side. It badly affected the country by economically and socially. No one was ready to invest in the country because of the war against terror.

The country was turned a terrorist state. Many foreign investors packed the business from Pakistan to other countries.

As per report 70% percent of the multinational companies left the country owing to uncertainty and situation in the country. So, Pakistan paid the heavy price in war on terror.

Industrial sector of any country is known to be the backbone of the country economy. Industrial sector produces different productions for exporting to other countries.

But the industrial sector of the country is facing many challenges like political uncertainty, bad governance and energy

Energy crisis has led the industrial sector in the dark. In the last year 40 percent of ~~the~~ industries were closed down and remaining industries contracted their production due to high inflation and high cost production. The purchasing power of the people was lost. Industrial sector crisis led to declining export of the country and high inflation further deteriorated the economic condition of the country.

Similarly agricultural crisis also contributing to economic challenges. There are multiple reasons of the agriculture crisis like lack of investment in this sector, obsolete seed, lack of political will and climate change. Pakistan is an agricultural country but not sufficient to meet the requirement of the people. Agriculture to be the backbone

of the economy of a country. At a time when the country exported wheat, rice, cotton and other commodity but now the country has to import wheat from Russia. In 2003, the total requirement of country of wheat was more than 30 million tonnes of wheat but the production was 09 million tonnes. In 2002, the country imported 9 million tonnes of wheat from Russia. Which is an additional burden on the foreign exchange reserve of the country.

Pakistan has to import many items like oil, gas, and parts of automobile industry and mobile phones. Pakistan also imports heavy motor cars which is an additional burden on the foreign exchange reserve. Pakistan was already faced shortage

of foreign exchange reserves. Heavy import impacted the foreign exchange reserve of the country badly. According to estimate the total export of the country was 36 billion dollar and the total import of the country was 80 billion dollar in 2017. The huge gap between import and export affecting the foreign exchange reserve of the country.

Another challenge to the economy of the country is that circular debt and nation. According to Economic Survey report the debt of the country is amounted to more than 5000 billion of rupees and more loan is borrowed to pay loan. The total debt of the country is equal to 974 billion dollar. It also limited the growth of the country.



Pakistan stock exchange has been in trouble for the last couple of decades. The stock exchange has not seen mitigation in issues all the time of the country. It also depicts the true picture of economic meltdown. Multiple factors contributing to the declining in stock exchange: political upheaval, martial law and ineffective democratic system. They badly affected the stock exchange of the country. During this year many times Karachi stock exchange has seen its lowest point. Local and foreign investors are hesitant to invest in Pakistan owing to endless social issues. They have showed poor performance throughout 2008. Similarly, the country could not exploit the places of tourism that attract foreign tourist to visit.

In 2019 Imran Khan took steps to attract foreign tourists and state example of this is that India-Pakistan Karakoram corridor in that year. But due to political instability, multiple waves of terrorism extremism and sectarianism in the country has marred the tourism industry. Now waves of terrorism is resurging in the country particularly in Balochistan and KP. According to UN, the TTP has set a new base in KP to destroy the peace of the country. So, the country has been unable to leverage the same due to terrorism. It has badly affected the foreign exchange reserves. Inflow of the people from war ridden areas has added to the burden on the economy of the country. They also

affect the management of the country. It created the culture of weapon and terrorism and extremism in the country.

During the Afghan war since 1974 to date more than 2 million Afghans came to Pakistan that have created terrorism in the country. Resultantly declined in economic growth and halt the development of the country.

The country has been facing socio-economic challenges from the last couple of decades to date. However, the country has potential to remove them in a good manner by taking some good steps in the best interest of the country and people. Following are the measures should be taken by the country, center and provinces. It is no means impossible but difficult. That of, including good governance

law and order situation, political stable stability, and removal of energy crisis and eradicate of industrial crisis.

Law and order situation in the country is the key to economic growth and development of the country.

The concerned authorities should take good steps to maintain law and order situation in the country. Until law and

order situation developed in the country, it cannot make progress as well. Law and order situation is responsible for the development of the country.

Similarly, development of the country and economic growth demand good governance in the country.

All the state institutions should play their role under the constitutional jurisdiction. No

the country on track. At this time, the country deviated from its track and facing multiple challenges for the last couple of decades: poverty, unemployment, illiteracy and many more. Energy crisis led the country to slow down economic growth. Industrial sector is based on the energy sector that is in trouble. Agriculture sector also facing challenges, due to energy shortages that led to declining the export of the country. However the country has potential to remove energy crisis; some steps like CPCIC projects on mitigation of energy crisis. It will bring good results in eradicating energy crisis. Many countries were having energy crisis but they had made progress in this sector at large.

one ~~country~~ should fail to play its role. Developed countries have good governance and law and order situation that played major role in the development of that countries like USA, UK, Japan, South Korea and China. The country should learn lesson from these countries to make progress and deal with the socio economic problems. There is a need of collective approach of all stakeholders.

Removing terrorism is also key to development in the country, because uncertain situation and terrorism leading to poor law and order situation and bad governance result into political instability and economic instability that led to the declining in foreign investment in the

country, which is mandatory to the economic growth of the state. No new investors want to invest their revenue in such a country has gripped by social problems like terrorism and extremism with the fear of wasting their money. So, peace is the extreme need of the economic growth and development and to deal with the social economic challenges. There is a stark example of the developed countries that have made progress and on the other hand, Afghanistan is a war-ridden country, facing acute poverty and unemployment, 40 percent of the people living below the poverty line. Inviting Foreign Direct Investment is also the key to development of the country. It has many impacts on the country like

increases job and employment and reduce poverty that is the matter of social evil in the society. China is a good example that investing in many countries and going to become super power in the world. India also invites foreign investors to invest in the country for the development of the country. India has combated to in every field from Pakistan. So, foreign direct investment deals with social problem. The country has initiated move as SIFC to invite the foreign investor especially from middle east countries and CPEC from China. They will have bear fruit result.

Removing energy crisis, which is known to be the back bone of the economy for any country, may bring



the country on track. At this time, the country deviated from its track and facing multiple challenges for the last couple of decades: poverty, unemployment, illiteracy and many more. Energy crisis led the country to slow down economic growth. Industrial sector is based on the energy sector that is in trouble. Agriculture sector also facing challenges due to energy shortages that led to declining the export of the country. However the country has potential to remove energy crisis, some steps like CPIC projects on mitigation of energy crisis. It will bring good results in eradicating energy crisis. Many countries were having energy crisis but they had made progress in this sector at large.

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In conclusion, the country has been struggling many challenges and multiplication of social problems. These included: poverty, unemployment, illiteracy and terrorism they have multiple effects on the society. They lead to negative growth of the development. External challenges also contributing to the problem like Kashmir issue and Afghan border escalation. It has badly affected the in diplomatic relation in the last couple of decades. However the country has potential to ~~removing~~ remove the. The country also facing economic challenges: declining in exports, trouble in stock exchange, lack of foreign direct investment, energy crisis and industrial crisis. However, the country has potential to remove those socio and economic crisis from the country by taking some measures. These

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included: remove energy crisis,  
increase in exports inviting foreign  
direct investment, stability in stock  
exchange, peace in the country,  
good governance, equality and  
accountability and transparency.

These measures are the key to  
development and deal with  
the socio-economic problems. In  
this regard there is need  
of collective approach by all  
stakeholders. All the political parties,  
state institutions and organisations  
~~there~~ will have to on the  
same page to deal with these  
problems.

Work on coherence of ideas,  
sentence structure and follow formal  
grammar rules