

What measures would you suggest to improve the economy of Pakistan particularly in the area of debt reduction and enhancing export capacity?

Background:

After the independence, Pakistan has been facing economic crisis, which are hurdles for the growth of the country. After every government, new government visit the (IMF) for loan. Thus, the increasing in debts and reduction in exports slow down the country day by day. Many factors are responsible for the current situation of Pakistan. Corrupt bodies used the debt money for their own purposes and bad governing system did not form the impressive policies for enhancing the export capacity.

Improve tax collection procedure and formation of strong policies of tax collection for elite class of Pakistan:

According to recent statistics, IMF suggested to Pakistan to increase the tax culture in country specially in case of elite class. Tax collection increase the GDP of the country and every citizen contributes in growth of the state. Tax collection helps to run the state affairs individually without loans, which enhance the value of state and overcome the circular debts. Many developed

Countries like China, UK, USA, Germany etc are best examples of federal states which grow rapidly just due to improvement in tax collection procedure in their countries. According to 2024 reports, Pakistan tax collection increase rapidly, it is good thing for country and it was possible just due to strict law and order policies for non-filers. Government blocked the mobile sims and ATM cards of the non-filers. In case of that strictness government collected the tax ratio which was a record in history. Elite class of the country own the high ratio of property, vehicles and also black money. Government need to make policies and strict law and orders for tax collection to the elite class which will help in the growth of the country.

Improve the Agriculture (Back-bone) of the Pakistan and need to glorify its importance:

Pakistan is a agricultural state and all-over independent in agricultural field. The economy of the country 70% ~~is~~ relies on agriculture and it is plus point of the Pakistan because Pakistan has large area of fertile land and also have many hectares of infertile land which are possible of agriculture

with the help of technology. The whole world food system relies on agriculture and number of countries in the world see forwards agricultural states to full fill their need of food. In other case we can say Pakistani have resources of treasure in their pockets, but the governing bodies of Pakistan have no interest in agriculture field. The ignoring field provided millions of tons export quality rice which cost was 3.283 billion dollars and it was just a single 3 to 4 month crop. The export of fruits generate billions of dollars revenue for state like this many crops have lot of potential for the growth of the country and only a single department has enough potential to remove the debts of the country, But recent moves of government disappoint the farmer and policies of the state did not impress the farmer. In wheat and cane department government destroy the confidence of the farmer and did not provide their reasonable rates of their crops. The drastic moves of the government create a chaos among the farmers and farmers announced, "They will not produce enough crops for the country." and it will create severe problems for state and people. Authorities need to subsidise the farmers and provide them lot of agricultural facilities and technologies and educate them for the betterment

of the Pakistan. Need to make the policies to strengthen the agriculture. Agriculture need to support because this field has lot of potential to improve the economy of the Pakistan.

Need to give importance to local products over imported products.

According to 2022 data the imports rate was 82.82 Billion dollars in case of exports those were just 34 billion dollars. This is alarming situation of Pakistan. It should be opposite in case of Pakistan because Pakistan is a under developing countries and its poverty ratio is high among lot of countries and every citizens of state is under 2.5 lack international loan so on this situation Pakistan cannot afford this types of luxuries. Pakistan need to ban imported products and enhance the importance of local products with the help of this type of policies country can save billions of dollars and provide the path to local investors which will help to over come the threat of circular debt and also reduce the ratio of imports. In the neighbour of Pakistan India is the best example of local products promoter and now India is the 5th largest economy of the world because they give importance and provide safe pathway to local investors.

In recent years government banned the imported products, with the help of this policy government save the lot of dollars and now the time to take serious actions for low down the imports and enhance the exports.

Need to give importance to textile industry and provide smooth pathways to international investors:

Pakistan is a hub of cotton industry and a larger exporter of cotton around the world. The cotton industry of Pakistan contributes the billions of dollars in GDP. Pakistan has advantage to produce raw material of cotton in larger area. But due to lack of good governance and instability in political procedure badly affected the business fields. According to 2021-2022 statistics textile owners had lot of international orders of textile products, but after that chaos between political parties and low-down the morale of the state and energy policies also affected the industries. The increase in taxes for industries and costly energy production affected them, which affected the production of material and imports. In the neighbouring country Bangladesh has shortest history of independence over Pakistan but in very short time they grow up as Asian tiger just because of its industrial policies they provide subsidies to industries and provide

Conducive environment to international investors. In such case Bangladesh grow its economy rapidly. The Industrial Zones in Pakistan are impressive moves of Ex-governments which help to foreign investors to move in Pakistan and these industrial zones are tax free zones for 6 years which will help to attract to the local industrialists and make more confidence on their state. With the help of these policies exports ratio will increase and due to dollars exchange among the countries circular debt will also reduce.

Need to promotion of rupees / local currency and enhance the trade capacity in local currency;

Many developed countries like China, Russia, India are increasing the importance of their local currencies and work on de-dollarization. These countries enhancing their trade capacity in South-Asia in their own currencies. Pakistani government need to promote local currency (Rupees) at international level and make trade possible in its own Rupees. This policy enhance the value of local currency and lowdown the dollar hike and also over come the weight of debt.

Conclusion:

Pakistan is an underdeveloped state and has a heavy weight of debt on its people. It is time to take a serious action for the future of Pakistan because it has a lot of potential and a lot of countries want to annex Pakistan just due to its geographical implications. This state needs a good governing system, nothing more, Pakistan has the capacity to rule the world. Authorities need to do some impressive implementations for the people of Pakistan. Government of Pakistan needs to form policies which are in favour of debt reduction and enhancing export capacity.