

Addressing inflation and wage crisis in Pakistan.

one suggestion please write more about inflation and wage crisis before writing about possible measures

1. Introduction

2. Intertwined relationship between inflation and wage crisis

3. Possible measures for addressing inflation and wage crisis in Pakistan

3.1 Introducing regulatory framework for products prices and wages of workers

3.2 Focusing on the home industries; make in Pakistan initiative.

3.3 Implementing the government's decided wage rate and product price.

3.4 Exporting products and services

3.5 Assessing the supply chain to ensure ethical consumerism.

3.6 Ensuring the cost-saving measures to mitigate inflation

3.7 Balancing the supply and demand in the

- market
- 3.8 Providing the employment to the people.
 - 3.9 Diversifying the economy.
 - 3.10 Addressing the energy crisis of the country and ensure sufficient infrastructure
 - 3.11 Engaging with the globe; bilateral and multilateral trade partnerships.

4. Hurdles in addressing inflation and wage crisis in Pakistan.

4.1 Lack of required initial finance.

4.2 Insufficient infrastructure to support the production and exports of quality goods

4.3 Mismanagement in the operating system of the country

4.4 Political instability

4.5 Unchecked laws, Labor and consumer protection act

5. Conclusion

Pakistan is suffering from economic crisis since its inception. Various factors have coupled together over the period to lame the progress of the country. If one counts the resources it seems these are quite enough for the country to function smoothly.

Though problems seem to be in the execution of the resources.

Economic after effects could be both gradual and longlasting and immediate and severe, when these both qualities are mixed we get to see inflation and resultantlly the wage crisis.

Inflation ~~process~~ is coupled due to various economic factors it could be severe and longlasting.

With the inflation if not timely addressed there could be wage crisis and Pakistan is the perfect example to analyze drastic effect of inflation on wages and over all living standard of the people.

To drag out country of these economic crisis Pakistan needs to revamp the economic as well as social structure. Such as, Introducing regulatory framework for implementing decided product prices and labor rate.

as per government annexure. Home industry should be prioritized with focus on product export. Country needs ethical consumerism with intact supply chain and balanced supply and demand of the products and services in the market. Moreover, Pakistan needs to diversify its industry in various fields and bring modern and innovative technology in existing industry. Along with this, energy crisis in the country should be addressing and alternative and sustainable energy should be produced. This is the high time Pakistan should open its market for the foreign products and shake hands with international trade community in the terms of bilateral and multilateral trade agreements. However, at the moment it does not seem straight forward for Pakistan to do it. There are quite hurdles faced by Pakistan. Such as, country lacks the finance to implement these measures, infrastructure is insufficient to produce and export goods, mismanagement and political

Instability are some of prominent hurdles in the path of progress of the country. Pakistan has sufficient resources to overcome the menace of inflation and wage crisis with implementation of possible steps towards the healthy economy; however, currently it faces inherent obstacles.

Inflation and wage crisis are inter-related. Going by the meaning of inflation it's the gradual increase in prices of consumable goods and wage crisis indicate insufficient earning for the individual to purchase the consumable goods which are basic necessity goods. For instance a person earns Rs 10 per week and one apple cost Rs 5, so he can buy 2 apples from the wage of week. When the price of apple increase to Rs 7.5 then these two apples will cost in Rs 15 that is Rs 5 more than his wage of ~~two~~ week. On the other hand, when price remain same and person is paid more ~~than~~ he will demand more goods which will lower the supply or availability of product in the market.

which again increases the price of goods. That shows elastic relationship between both the inflation and wage crisis, change in one leads to similar change in another.

Economic elements are tightly bound with each other, though there are quite possible measures which Pakistan can take to make run the economy of the country, simultaneously can address the inflation and wage crisis.

Pakistan needs the economic regulatory framework to bring the economy back on the track.

A robust law is needed and clear steps to implement that law regarding market operations and the wages of the labor.

One such example in the history is ~~private~~ consumer protection act 2002 which was laid by federal government, though its quite evident that law has harassed nothing for the consumers or the country and that is buried with partnership act 1872, National economic commission's policies, electronic transactions act 2008 and newly found ~~the~~ joint venture of military and civilian partnership Special

Investment Facilitation Council (SIFC). This new regulatory framework should enforce market prices decided by government and also ensure that workers are paid equal or more than government decided wages to cope up with inflation. The implementation of the regulatory framework will trade off between inflation and wage crisis.

Pakistan should focus on making in Pakistan initiative. One of the prominent reasons for inflation is the balance of payment issue. Pakistan imports ten times more than its exports, which imbalances the trade of rupee and dollar, the demand for dollar increases; hence the value of rupee decreases which plays its role in increasing inflation and widens the gap between inflation and wages. Even after becoming an agricultural country, Pakistan imports agricultural products, the country has to lower this reliance on imported goods and has to encourage and focus on home industry. By producing within the country which can lower the imports as well as the trade imbalance and

home produced items would avoid various taxes and will be economically available to the people.

Similarly, Pakistan can export products which will uplift economy of the country which in turn will lower inflation. Exporting the product will bring in the more dollar which will lessen the demand and price of dollar in accordance with the rupee. Strong rupee will inherent the more value of the currency which lowers the inflation. On the other hand exporting products will solve the balance of payment issue and country doesn't need to borrow money which will lower the cost of capital for the country which in turn lowers the taxes on the consumable goods. This shows that increasing the exports can save the country from the wrath of inflation and crisis of wage.

Supply chain is another prominent factor which influence inflation of the products price. Such as, Russia and Ukraine was disturbed the supply chain which lowered the supply of products

in the markets, thus lower supply leads to the higher prices of the product. Controlling whole supply chain is the blessing Pakistan has to shorten the supply chain and make sure it's not disturbed even in the hardest conditions. That can be done by producing most of the consumer goods within country.

Management of supply and demand in the market can also manage inflation and pay gap.

Excessive supply of product increases its availability in the market which decreases the price of a good.

plz put some data and put some real life examples

Such as, in the mango season mangoes and product related to mango becomes cheaper than its off season prices. Similarly, every year in March and April prices of wheat falls drastically due to its harvesting season. On the other hand, limited supply can decrease the availability of a product in market hence can increase its price. Same mango's example at the start of season one box of mango is sold at the highest price than its whole season. Therefore, inflation is closely

ties with supply and demand, balance between both can also reap the favourable fruit for inflation.

Pakistan should create and provide employment to its citizens, which cope with inflation and wage crisis. People with jobs will be able to earn which circulates the money in the economy. As the money reaches the spending hand it empowers them to higher purchasing power and thus lessens the wage crisis and inflation. Another way is normalizing part-time work so more family members will be able to earn at their own convenience that will also increase the earning of the family hence it lowers the wage gap. Providing employment opportunities to the people enable them with more earning opportunities and that helps them to fight inflation.

Another way to deal with inflation and wage crisis is diversification of economy. As more industries with variety of operations will be operational in the country that can provide

wide range of opportunities to each person of caste, color, religion and gender. A huge section of population the women sit idle at home, they can participate through the diversification opportunities which finally pours more money in the economy hence again increases the purchasing power of the population which in turn help to cope with inflation. ~~Similarly, more industries will pay government more taxes by this government will be having more money at the disposal which can be expensed for the welfare schemes such as, Benazir Income Support Programme (BISP), Kissan Card, Sehat Card and one more addition the ration card by doing this government directly helps people to lower the cost of basic necessities hence the individual can save more money with that assistance and it lowers the cost of individual. This shows the diversification can play vital role in controlling inflation and managing the wage crisis.~~

kindly try to write more in better

Energy crisis is the bone of contention for the Pakistan and it plays dark role in increasing inflation. As businesses

uses energy for the production and in the manufacturing units. That cost of energy is added in the price of the one unit of the product as a direct cost to the product, which is finally paid by the consumer of the product. Pakistan has the one of the highest cost of energy per unit in the region. Moreover, insufficient power infrastructure brings continuous power shortage. These unusual costs are added in the product which are suffered by end user. Pakistan's shift to renewable energy along with sustainable use of energy can lower the cost to the product which ultimately lowers the final market price of the country. A well equipped infrastructure can harness more energy capacity for the country that can not only be utilized within country but can also be exported via IAPI and ITI to other countries.

Pakistan needs to engage with the globe to diversify its trade. There are very few countries with whom Pakistan is sharing trade relation and

most of them Pakistan has trade deficit. It is upto recently when Pakistan issued its engage Africa 2023 policy and playing operational role in regional organizations, such as Shanghai, Cooperation Organization, the ASEAN, recently Pakistan has signed MOU's with UAE, however most of these have produced nothing at the moment. For the time being country should focus on one to one approach like having bilateral and multilateral relations with country and try to negotiate trade balance with them.

Pakistan has a lot to offer in terms of manpower, raw material for the thousands of products, precious stones, tourism. This kind of activities will open gates for wider economic activity of the country. One such case study is India, in 1991 India was trapped in similar situation as Pakistan today, the inflation and wage crisis, they opened their economy to the world maintained bilateral and multilateral relations with the country and today they are reaping what they seeded back in the time.

However, this is not an easy task for Pakistan to implement these strategies. At the moment, Pakistan faces countless challenges before it can stand back at her feet.

Pakistan lacks initial investment to implement these strategies. Country faces budget deficits every year it does not even have money to run daily affairs of the country. Since 2021 it continuously facing the threat of default. In may 2022, country has just \$6 billion in federal reserves which is equivalent to two weeks of country's import. In such cash-trapped situations Pakistan can not afford to invest in these projects. hence country needs gradual development to eradicate inflation and closing the wage gap.

The problem of finance also stretched to the non availability of funds for expensing them on the power infrastructure. Pakistan's insufficient infrastructure becomes the hurdles for many progressive policies

such as, power infrastructure is so outdated that it does perform on its capacity coupled with this country is having highest wage rate in the region. For the production infrastructure country lacks the value adding infrastructure. Pakistan is so rich with raw material that it can rely on just herself, however, due to insufficient value adding infrastructure Pakistan cannot even export that raw material. Currently country takes help of China and Gulf country for mineral excavation. Reliance on other countries has costed Pakistan extra even for the needle. These abnormal costs are borne by end consumers who have to suffer the inflation as well as wage crisis.

~~Mismanagement and corruption in the country has become the birth right now.~~

corruption sucks the money from legal economic circulation of the money and that money goes in the bad debts of the country. That money earned by corruption goes undocumented and imbalance the supply and demand in

the market. Moreover, government is unable to tax that money and that can also be used for terrorism activities - that can be even more dangerous. Mismanagement kills the meritocracy in the system which imbalances the whole economic system of the country and that uncontrolled economic activities directly hit the operational markets. Thus corruption and mismanagement imbalances the economic activities which effect the supply and demand in the market which in turn hit back in the shape of rising prices hence the inflation.

Political instability another huddle in the progress of the country. One of the severe drawback of instability is non-continuation of economic policies. Economy shows its symptoms gradually be it positive or negative. However, continuing policy in Pakistan seems a herculean challenges. Political fluctuation is so bad that country could not seen a single prime minister who has completed his tenure in the office.

An economic policy cut in middle of its operation can also draw negative impacts for the country. one such example is nationalization of economy by Zulfikar Ali Bhutto has killed the private sectors efficient and operations of banks which still hurts the economy in some way. Again Islamization by Zia diverted economy to new track which leads to nowhere such with head and foot experiment have made the economy of the country to crippled and be dependent always.

essay is more about logical discussion and more about writing factual position

One of the direct impact of wage crisis is considered the non-implementation of labor laws in the country. Along with other policy documents labor laws too are crushed under the feet of authorities as well as common people. No proper working hours are followed, no wage rates are followed, not proper pay slips are maintained. Most of workforce in Pakistan operate in informal economy which means country lacks proper numbers as well as severity of the problem. Documenting the economy can be beneficial for country in

many ways. It can help in proper implementation of policies it can provide proper analysis to the country about the severity of the problem

Conclusively, Pakistan is facing severe conditions of inflation and wage crisis. Mainly wage crisis are driven by inflation & however, there are secondary factors too which have effected the wages of individual. At the moment, Pakistan faces various obstacles for overcoming the drastic effect of inflation and wage crisis. Pakistan lacks in finance, to take the economy out of crisis country need a lot of free money to implement various strategies. Due to non-availability of funds Pakistan cannot invest in its infrastructure which in turn hurts the efficiency of the country. Mismanagement and political instability are two other pillars of hurdles faced by the country along with this biased labour laws have significantly hurted the wages of workers. Pakistan has to workout on these issues along with other possible solutions to over the menace of

inflation and wage crisis, such as regulating framework for the market operations and labor markets. This is the high time now Pakistan should start grow its own industries and equip its workforce with diverse and modern skills, so they can be updated with modern technology. Development of home industry will produce wide range of products that too in the excess of home demand, Pakistan can export these excessive products and skills of their workforce which can increase the earning of individuals as well as opens the gates for employment for them. These variety of economic activities enables country to earn more and have sufficient money for the infrastructure such as, investment in power sector which will lower energy crisis and will decrease the inflation rate due to it. Economy of Pakistan needs a lot of work and money to bring it on the working track, though economy should be induced with both short-term measures and long term expensive strategies so that it can cope with immediate problems as well

can prepare herself for the
future challenges. A healthy economy
is the steady economy, a strong
economy is coping economy.