

Inflation - Its causes and Cures

1) Introduction

Thesis statement

2) Crunch Paragraph

3) Causes of inflation

- a) Weak economic system of country
- b) Instable government in the country
- c) Fall in the value of currency
- d) Lack of foreign investment in country
- e) Climate disasters lead to crisis in the country
- f) Lack of check and balance on the prices of commodities
- g) High interest rate and Taxes on commodities
- h) Artificial control of prices, market and hoarding of products
- i) Agriculture sector which trigger the prices of food items

4) Effects of inflation on country

- a) Inflation increase the instability in the country
- b) Inflation increase the poverty, which increase the crimes in country
- c) Capitalists take ~~too~~ advantage of inflation and start artificial control of market and prices of products

- d) Industries start to shut down their units due to high taxes and inflation
- e) Reduced purchasing power and slowed economic growth
- f) Shortage of goods and services, currency devaluation and investment opportunities

5) way forward of Inflation

- a) Check and balance on prices of commodities, and artificial control of markets and products
- b) A proactive administration for products and markets control
- c) Strict punishment and fines for those who are violating the values rules of prices and markets
- d) Foreign investment in country for more growth of product at low cost

B) Conclusion:

Inflation - Its causes and cures

"Inflation is as violent as a mugger, as frightening as an armed robber, and as deadly as a hitman." - Ronald Reagan

Inflation is generally increase of prices of goods and services over time. Inflation is measured by consumer price index (CPI). Inflation rises in country due to different causes as lack of economic structure, energy crisis and security issues. Inflation rises in country day by day. Inflation torn the fabric of country progress. A country cannot handle till they do not handle inflation issues. Inflation gives birth to many issues as rise of crime rate, rise of poverty, decreasing the purchasing and increasing of the demands of supply. These issues are triggers due to inflation. Pakistan is also facing the issues of inflation. Inflation rate in Pakistan highest highest recorded is 37.97% in May, 2023. The average inflation rate in Pakistan was 29.18%, which was almost 17% higher than 2022, inflation rate was 12.15%. Inflation is measured in consumer price index (CPI) which was calculated 253.15 points in 2023. Pakistan has to handle the inflation issue rate with iron hand, which is hindrance in the path of progress. Inflation the prices in country. Skyrocketing prices are due to lack of mismanagement of administration of prices check and balance. If, Pakistan want to progress then they have to handle inflation causes with iron hands.

“Inflation ^{high} rate in the country due to unstable economy, decreases the value of currency, unstable government and lack of check and balance on market. Inflation trigger the rise of crimes, unemployment, poverty and social, and political issues in the country. Remedy for inflation is decrease corruption, lower taxes and check and balance on prices. Pakistan has need to handle inflation with iron hand.”

Inflation is the rise of prices of commodities due to unstable government, weak economic issue and lack of investment. Inflation is core issue of many problems in country. Inflation is measured by consumer price index (CPI) and CPI of Pakistan is 253.15 points recorded in 2023. Inflation rate of Pakistan in 2023 was 29.5% and highest was 37.97% in May, which was highest in Pakistan. Venezuela is the country with highest inflation rate was 360% in the world in 2023, according to International Monetary fund (IMF). Any country who want to developed their economy and social, political stabilities should work on inflation issues.

“Inflation is a venom that slowly poisons the bloodstream of a nation's economy.”
(Paul Volcker)

Weak economic system is the cause of rise of inflation. The economic growth leads to rise demand of and supply which triggers the value of products. A capitalist takes advantage of such scenario and rise the prices of commodities. During weak economic system the value of purchasing decreased. Capitalists handle the markets and adjust the values of commodities. The country currency also decrease as the comparison to the international currency standard. a Rupee is losing its value against dollar. when the currency is low and buying products at high value, which impacts the national value. The high imports and low exports is resulted of weak economic system. During the weak economic system a country tried to send more products and want to increase the export for remittances. The more exports and low the production made deficit in country. Then the value of export products increase in country and which triggers the rise of inflation in the country. A government should handle exports and imports according to the demand of country. A strong economic system can stop the high inflation rate in country. Pakistan faced food shortage due to more export than demand and supply in 2023.

Instable government leads to rise in inflation. A strong government is needed which can

develop a stable economy. A government takes some legal steps to set the economy of a country. But, a new government came and challenged the previous economic reforms steps. During this process, government is manipulated by capitalists and pressure group. The capitalists and pressure groups manipulate the markets and prices according to own benefits, which leads to instability in economic system. Instable government remained under pressure groups and do not make effective reforms for economics. Pakistan is facing such issues from independence day. A government can not complete his tenure, which leads to unstable economy of the country. and the reasons behind inflation are instable economic and government system.

The fall of the currency value increases the inflation. Currency value and inflation are hand to hand. The government prints more money/currencies than it ~~has~~ reserves and resources which leads to decrease the value of a currency. Government print more currency to pay the debt of the country. when more remittance are send out of country than the value of currency decrease. Pakistan Rupee loses 19.7% value against the dollar in 2023. At the start of the year, Rupee value was 226.43 against the US dollar in inter bank and now the value of a Rupee against dollar is 278.98. The fall of currency value is due to trade imbalances, political unrest, interest rates, debt loads and dearth of foreign investment.

The lack of check and balance on the price of commodities lead to rise of inflation. Today, in Pakistan there is no check and balance. Everyone has set own the prices of commodities special food items. Pakistan administration is proactive to tackle the situation of price adjustment which increase prices of other commodities. Therefore, a proactive administration is need which control the prices of commodities and do not give the free hand to capitalist in price and market control.

Due to rise of inflation, the taxes and duties of commodities are also rises. Pakistan government is increasing the taxes on different items to fulfill the economic gap and reserves. Pakistan has increased 18% general taxes, which is also reason behind too much inflation in 2023. Therefore, Pakistan government should work on less taxes on different items special food and domestic house products.

Artificial control of prices, markets and hoarding of products. Capitalist started hoarding when a country is facing deficit of any product. In Pakistan, recently hoarding examples are hoarding of sugar and flour, as Tareen sugar scandal 2021. which rise the value of sugar in country. Usually Pakistan also faced the hoarding issues of petrol when the prices of petrol decreased. Such types of hoarding increase the price of items, which is reason of inflation.

Inflation increase the instability in the country. Inflation is the main hindrance in the progress way. Inflation is enemy of progress. A country cannot reforms well without reforms for inflation control. when the price of one item increase than the price automatically increase in the market. As petrol price increase in Pakistan which also increase the prices of other commodities. Due to high inflation in Electricity bills in Pakistan, people protest against the rise of bills. Due to which a unstable environment created. Therefore, Government should make reforms in control of inflation, which is important for stability in country.

Inflation is the reason behind increase of crimes in society. The poverty increase in society which then claims to rise of crimes. Mostly Industrial units closed because of high taxes and duties on ^{products} which increase the unemployment in country. Poor people find alternative to earn for food for family. They have no other option for earned the bread. Corruption increases in poor society. They lived hand to mouth life due to high inflation. The inflation is like a slow poison in the vein of body which destroyed the country progress and peace. which triggers more crimes in society. So a strict regulations and rules should be set up for control of inflation and crimes.

Inflation is a venom that slowly poisons the ~~str~~ bloodstream of a nation's economy. (Paul Volcker)

Capitalists take advantages of inflation and start artificial control of market and prices of products. Capitalist started hoarding of products for shortage of items in the market. In spite of that, the prices of items increased in the markets. Then the products become costly on arm and a leg. Capitalists earned a lot of profits from such artificial control of the products and the (items) markets for own benefits. Therefore, government should tackle such situation with iron hand. Pakistan should control his resources because money does not grow on trees.

Industries started to shut down their units due to high taxes and inflation. Industries buy raw materials at high cost and ~~made~~ produce the products and sell the product, in this process they can earned only few profit and do not fulfill their margin of the profit. A recent wave of inflation in Pakistan in 2023. Most of industries shut down their units. As in 2023, a famous auto brand Suzuki sell drops 60% than previous year, therefore they shut down their

units in the country wide. Therefore, a government should provide the facilitation to companies at low cost raw materials and less taxes.

Inflation reduced the purchasing power and slowed down economic growth. During the inflation and slow economic the government (import) impose sanctions on imports and increase exports. Due to which the country faced shortages of products. The shortage of products also increase the inflation in country. When the inflation is high then people decrease the purchasing power and slow down the economic growth. Therefore, a government should keep checks and balance on the imports and the exports, which will help the country for atleast the stable economy. The administration count the cost of high inflation in country.

Inflation cause the shortages of goods in country due to high imports and low exports, which causes the deficit of goods. Inflation also decrease the value of currency. Pakistan currency falls from 216 dollar to 280 in January to december 2023. The huge devaluation of currency is due to high inflation, and low reserves just (B) three billion dollar in State Bank of Pakistan. And the deficit of imports and exports. Hence, government should take precaution for the stable currency value. Inflation also cause to low/less foreign investment in country from other countries.

For control of inflation, there should be a checks and balance on prices of commodities. The prices of commodities will be fixed by proactive administration. There should be rules and regulations for the prices control and markets control. Foreign agents cannot control the prices and markets. There should ^{be need} dollar and cents in inflation. Capitalists should not free hand in prices and markets. Because capitalists start the monopoly on the markets and prices of goods. Capitalists operating with profits during high inflation time. Therefore, the government of Pakistan need a proactive administration for products and markets control. There should be strict punishments and ^{huge} fines for those who are handling the prices and markets. Government should take foreign investment in country which provide a good environment for foreign investment. As a recent initiative by Pakistan Government and Pakistan Army of special investment facilitation council for foreign investment in country. Pakistan government should low the interest rate and increase money supply which will help people to start own business and be capable for earn bread. which will increase investment in country. All things considered, there is need of proper checks and balance on prices and markets. Provide facilitation of investment in country. Strict rules and regulations for markets and prices.

A proactive administration for inflation control at local, national and international level.

A proactive system for punishments and fines for those who are controlling the price of markets and goods. Then, the inflation will decrease, and investment will increase.

The crime rate, poverty and unemployment will decrease. Then a country will be on the way of progress with low inflation.

“Inflation is the time when those who have saved for a rainy day get soaked.”

Global Warming: Its causes and cures

D Introduction:

Definition

Thesis Statement

2) Conch Paragraph

3) Causes of Global Warming

- A) Use of fossil fuels as oil, coal and gas release gases and chemicals which release in the atmosphere
- B) Release of gases due to use of transports
- C) Cutting down the forests
- d) Production of food items through ^{which} agriculture which release the methane gas
- e) Industry sectors releases the ^{dangerous} gases
- f) Manufacturing the goods in industry
- g) Power building and consuming too much items.
- h)

4) Effects of global warming:

- a) Global warming increases the temperature of the earth
- b) Global warming damages the climate earth
- c) Diminish the sea water and melting of glaciers.
- e) Increasing the rate of floods in world
- f) Hot waves, drought every year and shortage of food items
- g) Damaging the (buildings) historical buildings and trees

5) way forward for Global warming:

a) Alternative use of fossil fuels for energy production

b) Control on the cutting down of forests

c) Electric Transports uses for decrease the emitting (release) of carbon monoxide gases and nitrogen oxide gases

f) Industries Filter gases should release into environment

b) Conclusion: