

Political Instability hampers Economic Growth

Political instability is a kind of poison for any country, which evade prosperity from any country. This political instability erodes the trust of investors, which ultimately hampers economic growth. This phenomena give rise to unrest within the country and creates chaos, which illustrate the wider picture of government's weaknesses to carry out economic policies. For instance, rapid changes of governments in couple of years in Pakistan created mistrust of investors. CPEC is the flagship project of BRI was signed between Pakistan and China. The vision was to prosper Pakistan and to give support to dwindling economy of Pakistan and also to connect China with Middle East and African Region to broaden exports of China through CPEC. China has almost completed phase I, but phase-II is taking time to initiate due to political instability within a country. This scenario is taking away the trust of Chinese companies over government. Investors are not sure whether this government stand long or is for short-term. Ultimately this situation of political instability is creating challenges and hampering to the economic growth of a country.