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Core issues Of Pakistan Economy

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Pakistan economy a mixture of failure and success

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Imagine a country that was ^{Boastful and growing} known for its agrarian agrarian economy from its time of independence. And then suddenly that country shifted to an import oriented economy. Was this action would be actually a sudden shift made by the country? ^{Double negative means positive} No, it was not. It resulted from the unprecedented challenges and reforms. ^{It is due to} The country faced them during its early years of independence. ^{Is known as} And because of this, a state became a state of crisis. Now let's name this country. It is Pakistan. A nation that has been struggling with economic issues for last few decades. There are several issues that ^{That have} shattered Pakistan's economy. But the core issues are an import oriented economy, ~~significant~~ debt crisis, improper tax collections, lack of industrial and agriculture reform and ~~other~~ issues that have ^{ruined} Pakistan's economy.

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Due to these issues, unemployment rates, poverty ratio, crime rates **Have surged** and have all ~~increased~~ Pakistan.

While some ~~peo~~ condemn ~~the~~ ^{Pakistan's} economic other factors are responsible for Pakistan unstable position policies and changes, the main issues in its economy ^{are} ~~are~~ ^{issues} such as: agriculture reforms, improper tax collection, law and order problems, debt issues and several others. **Caused serious challenges** These have affected its ~~stable~~ economic growth.

Pakistan economy has witnessed several challenges in past few decades. At its ~~independ~~ independence time it was reliant on agriculture **It was totally reliant on** one of the major sector of Pakistan economy. The GDP of ~~the~~ Pakistan **Has been derived from** derived from contribution of agriculture, industry and services sectors. In early ~~two~~ two to three decades Pakistan economy was progressing. But ~~since~~ since after 1980s Pakistan economic stability started

has been continuously decreasing.
 Pakistan is rich in natural resources
 and blessed with a agrarian land.
 However the inappropriate managem-
 ents has turned its assets into liabilities.
 And today Pakistan is suffering
 to meet its basic needs.

There are various issues.

due to which Pakistani economy is
 strattered. One of the main reason is
 its import oriented economy. Pakistan's
 almost every sector is overly dependant upon
 imported goods. Even goods
 that can be manufactured domestically,
 Pakistan imports them from other countries.
 According
 to Economic Survey 2024-25
 75 bn invested in imports and
 35 bn allocated to exports.

~~This ratio~~ that indicates that a country whose
 export imports are double than its
 export is surely facing economic
 crisis. Hence, the over reliance on
 import is one of the core reasons of

Pakistan economy issues.

Ever rising debt has been posing serious challenges of

~~Secondly, another~~ Secondly, another ~~core~~ core issue of Pakistan economy is its ~~unstable debt crisis~~ debt crisis. The trajec

tory of Pakistan economy cannot be described without its 75 years debt history. Pakistan is world's

fifth largest borrower from IMF. **But real issue is utilizing these loans for long term benefits**
The problem is not in taking ~~debt~~ debt but it is not using it

effectively. ~~due to which~~ due to which internal and external issues occur. The unstable debt crisis has negatively impacted Pakistan's GDP.

It has reduced foreign reserves and caused inflation. Thus, debt crisis is also core issue of Pakistan's economy.

Thirdly, **is also destabilising Pakistani economy**
~~collection is a~~ collection is a ~~core~~ core issue of Pakistan's economy.

The inadequate tax collection has is

caused ~~seasonal~~ tax evasion and ~~to~~ ~~caused~~ ~~problems~~ in economy. ~~Due~~ ~~to~~ ~~improper~~ ~~taxation~~ Pakistan's ~~middle~~ ~~class~~ ~~urban~~ classes bear the burden of disproportionately large ~~share~~ part of direct and indirect taxes. Since 1994 government has increased additional taxes on utilities like petroleum, gas, electricity gradually. ~~Due~~ ~~to~~ these policies economic stability was badly influenced at macro level since 1990s. Hence, such improper tax reforms have disrupted Pakistan's economy.

Moving ahead, lack of industrial development is also the issue in Pakistan's ~~economic~~ ~~growth~~. As Pakistan is a developing country and there is shortage of capital, industrial development is impossible without ~~capital~~. The ~~rise~~ ~~in~~ ~~inflation~~ and shortage of infrastructure such as gas, electricity, transport and communication are not ~~spread~~.

Without stable flow of capital

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fulfilling the requirements of industrial growth. In 2022 more than 200 industries were either shifted to abroad or converted into real state. This is because of high prices of imported machineries and chemicals. These factors play major part in industrial backwardness. ~~In resource~~ ^{As a result} ~~development~~ failed to ~~grow~~ ^{develop} and stir up economic issues.

Similarly, despite agriculture being a cornerstone of Pakistan's economy, its inefficient reforms ~~have~~ ^{Have been} been a ~~major~~ ^{major} ~~source~~ ^{source} of economic issues. This sector has ^{either} ~~major~~ direct or indirect link with almost every sector of economy. But very small amount of financial resources is given on its research and development. The inefficiency in adopting innovations and ^{not} introducing new reforms has led to poor agriculture performance. This eventually ~~affected~~ ^{affected} the Pakistan's economic

Plz work on your word choice

~~Core economic issues~~ as a result

ic issues. In result Pakistan net food importing country since 2013 and put additional debt burden. These inefficiencies contribute in poverty, food security and export competitiveness.

Thus, inefficient agriculture reforms fails to provide stable economic growth.

Adding more to issues, from past to present looming crisis of default in Pakistan is also core economic

issue. An economy could have two big problems i.e., balance of payment crisis

and ~~budget deficit~~. ~~The economy of Pakistan has been grappling with both of these~~

~~is suffering from both~~ It is because

as its revenue collection is less than

its expenditure. The government's inability to manage finance has led to

repeated cycle of ~~the~~ bailout from

International financial institutions. These

bailouts require some conditions

that eventually reduce public spending on essential and stifle economic

growths. The continuous reliance of bailouts and default crisis have frightened the investors to invest in Pakistan. Resulting, capital flight, a devaluation of currency and reduce in foreign investment.

However, Pakistan can overcome ~~some~~ above mentioned core issues by ~~taking~~ ^{introducing and implementing} effective measures. One of the most ^{important} way forward to boost Pakistan's economy is increasing exports. A robust export sector can bring significant change in Pakistan's economy. It can ~~improve~~ neutralize trade deficit. It also helps ^{in reduction of} ~~in~~ the ^{crisis} debts and ~~import~~. ~~It is~~ If Pakistan starts working of its natural resource, industrial developments and agriculture land, it can ~~export~~ more and change its ~~title~~ from import oriented economy to export oriented economy.

Last but ~~not~~ the least, one of the best way to overcome economic crisis is to promote tourism. ~~to attract FDI~~. Promoting tourism will attract the Foreign Investment FDI. It is very effective to ^{Direct way} improve economy. As Pakistan is blessed with picturesque nature, it can earn very good amount of ~~other~~ foreign currency. The positive experience of tourist not only waters the banks but also creates a positive global image. ~~tourist spend~~ Hence, promoting tourism to attract FDI can become a cornerstone for sustainable economic stability.

In conclusion, Pakistan's economic crisis is a decades old issues. This is caused by serious several core issues such as debt crisis, looming defaults, devaluation of PKR, and so many.

others. These issues have created negative impact in Pakistan's overall growth. However by taking strategic measures such as increasing exports, promoting tourism, upgrading technology, creating proper tax collection and various other effective reforms Pakistan economic crisis can be neutralized.

"In the midst of every crisis, lies great opportunity"

Albert Einstein