QUESTION NO # 01

Discuss the economic cost of Political instability in Pakistan. Give Practical solutions for the Pakistan to overcome its economic woes.

=> INTRODUCTION:

Political instability in Pakietan has been a persistent hallenge that has profound economic repercussions on the country. Political strability and economic grouth go hand in hand. In a delicate scheme of things, their relationship is such that in the absence of former, the latter dies away. The relationship between Political stability and economic growth has always remained a core of Policy - making in almost every country. The frequent changes changes in governments, institutional weak ening, bad governance, law and Order deterioration and other manifestations of Political instability creates an environment of uncertainty and hindered economic growth. The economic cost of political instability in paleistan are multifaceted, impacting investment, trade, government policies, and orecall economic development. In order to address these challenges and pure way for sustainable economic growth. Pakistan must implement Practical measures overcome its keep-yourintroduction prieting on



strengthening political institutions, promoting good governance, investing in infrastructure, directlying the economy, enhancing investors confidence, addressing

=> ECONOMIC COST OF POLITICAL INSTABILITY IN PAKISTAN :

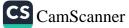
consuption

South Asia's Economic outlook showed that Pakistan's economy is expected to grow by 2.3%. in FY 24/25. Right after inception Pakistan faced several issues, with the worst being Political instability. The stability under the leadership of Quaid-et zam and hiaquat Ali Khen did nt last long and from 1951-58, the incosistent period of prime minister began with Chawaya Nazimudalin and ended with Malik Feroz khom Noon. These were the days when Pakisten was also & oing through constitutional cuisis. With the beginning of the stable military Sovermet of Ayub Khen, Pakistan's economy grevs at the mighest rate. However, in 1970,

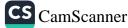
Pauston experienced a period of highest political instability which resulted in high economic



loss for the country because of the separation of East-Pakistan. The lost period of 90's is a sad metaphor for Paliistan 's economic condition be cause of Political instability. Following au some key points highlighting the economic costs of Political instability in Pakistan. * Reduced Investment: Political instability weater an environment of uncertainsty and risk, determine both domestic and foreign investors from committing capital to long-ten projects. This lead to a lack of investment in key sectors of the economy, hindering growth and job creation. impact on Trade and Revenue: Political instability can disrupt trade relation export and import. This can result in decreased revenue for the government affecting budgetary planning and the ability to find essential souvices and infrastructure projects. Link with cost and add + Inconsistent Policies: references Eachern t changes in government and leadership com lead to inconsistent policy decision, especially



in areas such as taxation, regulation and Investment incentives. This lack of Policy continuity can create confersion among businesses and investors, hempering long-tem planning and growth strategies. * Incuased Borrowing and Debt: Cuisis that government intervention, often in The form of borrowing or seeking financial assistance from intenational organizations. This can result. in a higher debt burden for The country, leading to long term financial challinges and constrains on future economic growth. * Economic Crisis due to security Aidden Foreign Policy: Pakistan's Foreign policy always revolved around defence and security due to its strategic location and neighbouring auch rival country. Paleistan in comparision to Bangledesh, is economically wear because Bangledesh, a nascent country focused on technological developments. However, Pakestan has now rethought and developed it's correign policy to foster economic growth



* Brain Drain and Talent flight. Political instability contributes to brain drain as shilled professionals seek opportunities abscord in search of better prospects and security. Thes exodus and talent deprives Pabistern of critical human capital, impeding innovation, kehnetlogical advancement, and kustainable clavelopment efforts.

* lack of Investor Confidence and Remittances: Tolifical instability creates an environment of uncetainty where investors are hesitant to commit capital to long term projects. As investors are risk-averse by name and prefer stable and predictable environments for their investments.

Remittances from overseas Pakistenis plays a cusual role in supporting the country's economy by providig a stable source of foreign exchange and supporting house hold incomes. Pakistern is heavily dependent on tremittances, and any disruptions in remittances inflows can have adverse effects on country's balance of payments, exchange rade. and overall economic stability



PRACTICAL MEASURES TO OVERCOME ECONOMIC

WOES:

Addressing the economic woes stemming from political instability in Pakistan requires a combination of Political and economic measures. Here are some political measures that can help alleviate economic challenges.

Streng thening Political Stability: Ensuring political stability through effective governance, rule of law, and institutional reporms can create a conducive environment for economic growth. Political leader should avoid forequent polical leaders should prioritize stability and work towards consensusbuilding to reduce uncertainity and attract investments & Policy consistency:

Implementing consistent and transparent economic policies is uncial for fostering investor confidence and promoting long - term economic growth. Political leaders should avoid frequent policy changes and provide a predictable regulatory environment for pusinesses.

* Fight corruption :

corruption undernines conomic development and erocle public thust institutions. Political omeasures to combat corruption, inhomce transperency, and stoengthen account ability can improve the business environment, attract investments, and promote



economic efficiency. Investments in Infrastructure: Molifical leaders should préduitize investments is infrastructure development to enform ce connectivity, facilitate toade and boost eponomic productivity. Infrastructure projects on cuabes jobs, stimulate economic activity, and attract private sector investmet * Engage stake holders Political Stability and economic prosperity requires the engagement of various stakeholdes including business, civil society and international partners. Polifical begalers should foster dialongue and collaboration among stakeholdes to address economic challenges collectively. * Investment in Education and Human Capital: Investing in Aducation and skills development is impetitive to mitigate brain drain and enhance human capital. Reforming the education system, promoting vocational training and incentuizing research and development con cultivate à skilled workforce essential for economic diversification and innovation. * Charter of Economy: A "Charter of Economy" can serve as a comptehensive Frame Nork to address economic challinges resulty from political instability in Palustan. This charter would outline a set of agreed-upon



principle, policies, and strategies aimed at promoting economic stability, growth, and development. By bringing together political parties, policy markers, and stakeholders, a charter of Economy can provide a roadmap for addressing economic waes and fostering a conducive environment for sustainable

Add numbering than arrows

In conclusion, addressing the economic costs of political instability in Pakistan requires a multifaceted approach that imprines political stability, policy insistency, good governance Infrastructure development, and anti corruption measure. By implementing a Charter of Economy that outlines agreed - upon principles and strategies. Pakistan an pave-the way for sustainable economic growth, attracts investment, create jobs and improve the overall well-being of its lititery. Collaboration among political leaders, policymakers and stakeholders is essential to newigate challinges, mitigate the impact of political instability, and build a resilient economy for future.

> Your paper is substantially low as it lack references Solution part is fine but you need to improve the cost part