

Date: 10<sup>th</sup> Oct '2024

Name: Muqaddas

Topic:

Economic Crisis and Governance  
Challenges in Pakistan: Solutions  
for Sustainable Development

Outline:

1) Introduction:

Thesis Statement: Pakistan is mired in complex economic and governance challenges, hindering its development. To bring sustainability and stability, economic and governance reforms are essential for sustainable development.

2) What are Economic and Governance challenges in Pakistan?

A) Economic crisis in Pakistan:

a) Declining production sector of Pakistan

a) 80 percent cottage industry closed in the years (2000-2022). World Bank

b) Undocumented economy

60 percent of businesses conducted in cash (State Bank of Pakistan).

c) Tax evasion

According to Pakistan Bureau of Statistics, 2.2 million tax payers in Pakistan (2023).

## B) Governance Challenges in Pakistan:

- a) Political instability hinders policy continuity.
- b) Lack of accountability and Transparency.

Pakistan's Corruption Perception Index (2023) 29<sup>th</sup> / 100

- c) Weak institutions, challenges of effective reforms.

## 3) Solutions for Sustainable Development by bringing reforms in economic and government sectors:

- a) Structural reforms to economic system:

- (i) Digitalize economy and tax collection system.

(ii) "Pakistan can be 6<sup>th</sup> largest economy (2075), if long-term structural reforms are carried out."

(The path to 2075 Report).

- b) Reducing the non-developmental Expenditure:

- (i) Unbalance budget allocation

- (ii) Case Study of France.

(Tightening the belt Policy)

- c) Investment in Education for sustainable development.

- (i) Pakistan spends 2% of GDP on

education while United Kingdom invests 6pc of GDP.

(ii) Case Study of South Korea  
1997 - South Korea Economic crisis

d) Utilizing youth for sustainable development

(i) 64 percent youth in Pakistan.

(ii) Germany utilize its youth for its progress and sustainability.

(iii) Vocational training for youth.

e) Ensuring political stability and effective policy measures.

(i) Strengthening institutions and investing in social services

(ii) "Why Nations fails" by Daron and James.

f) Ensuring Accountability and Transparency.

(i) Building trust in public

(ii) Free and fair elections.

g) Decentralisation of power.

(i) Empowering local government for human welfare services

(ii) Exploitation of natural resources and management.

Case Study New Zealand.

4) Conclusion