

# Economic Instability

## Introduction

### (1) Economic instability hindering the path to progress

(a) Rise of inflation diverts focus from other problems and shifts it only to economy.

(b) Unstable economy leads to lack of foreign investment, further exacerbating the issue of instability.

(c) Economic instability compels to ~~ask~~ further ask for loans from IMF; thus increasing the financial burden on the economy. fragile economic condition.

→ (Case study - <sup>Af - Jazeera</sup> IMF Loans; a temporary relief)

### (2) Reasons of Economic Instability

(a) Contesting elections and expenses

leads to burdening the economy.

→ (Data from 2024 election)

(b) Protectionism leading to loss reduction; leading to economic instability

(c) Federal lawmakers and their expenses leading to rise in economic instability.

(d) Brain drain and loss of talent; skilled individuals migrating. Leading to loss of productivity

→ case study - PIDE

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(e) Government intervention in agriculture markets is leading to a reduction in competition.

~~(f)~~ argument: Who is the one to suffer?

### (3) Solutions to the economic instability

- (a) policy reforms for stability
- (b) gradual reduction of tariffs
- (c) Invest<sup>most</sup> in local market to increase competitiveness.
- (d) Attracting the foreign investors
- (e) Attracting the skilled individuals and providing job opportunities.

Conclusion: