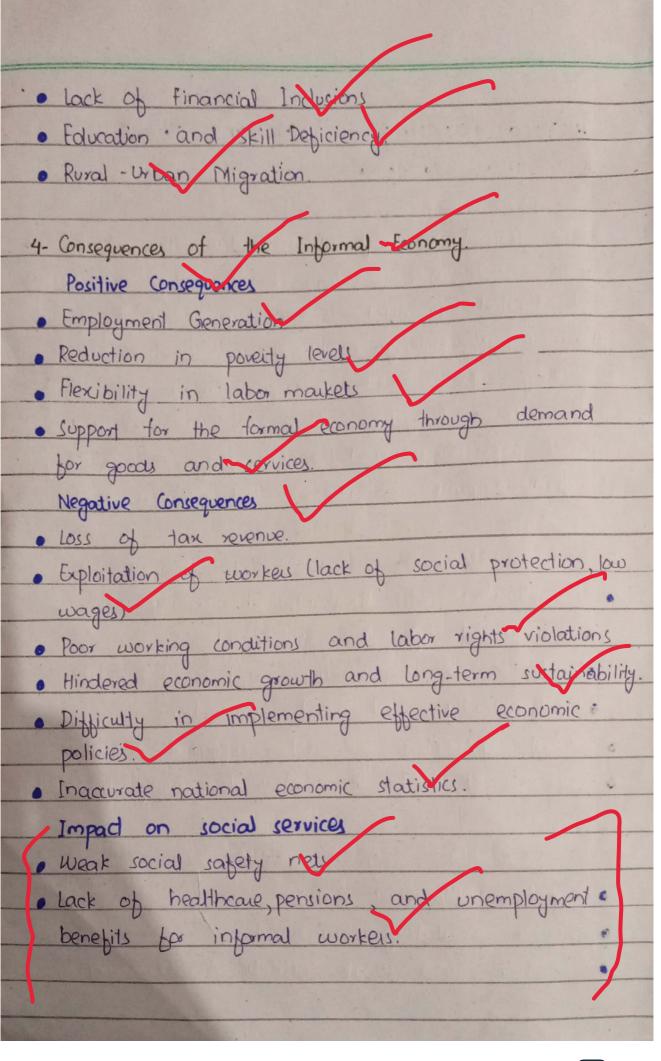
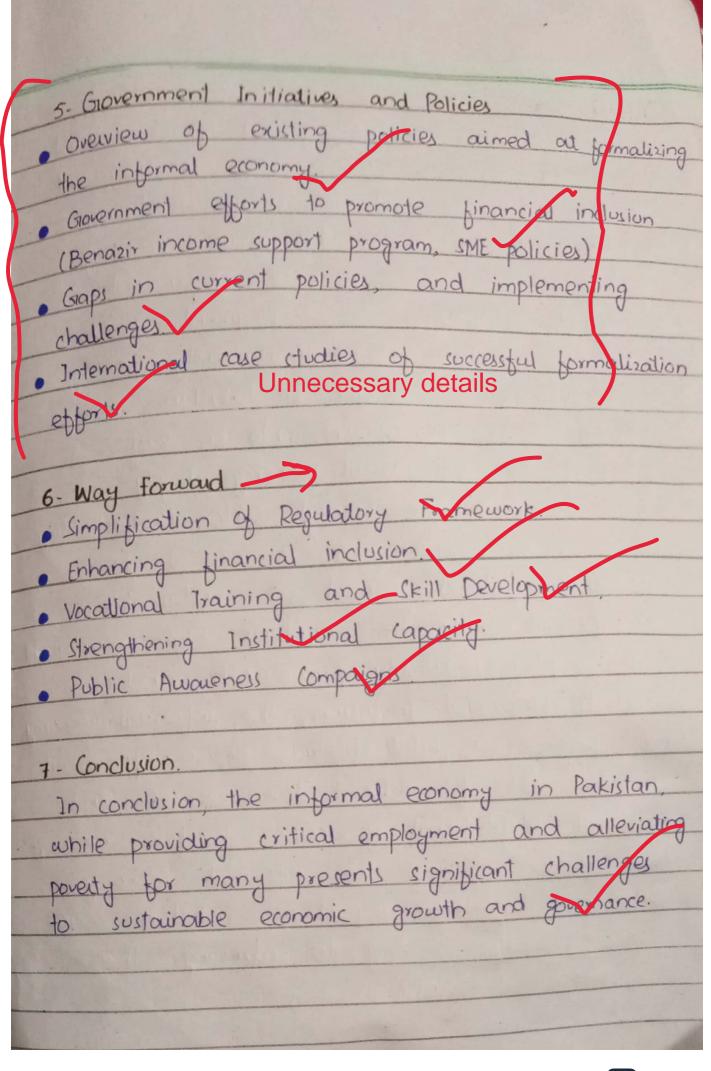
Keep practicing on different themes/topics Informal Economy in Pakistan: causes and Consequences Introduction The informal economy in Pakistan, driven by factors such as unemployment, regulatory complexities, and limited financial inclusion, plays a significant xole in providing livelihood opportunities and supporting the overall economy: however, its pervasive hature poses long-term challenges to economic growth, governance, and social equity, necessitating targeted reforms for its gradual formalization. 2- Understanding the informal Francomy. · Characteristics of the informal economy. · Unregulated by the government · lack of legal protection and social benefit · Predominantly cash-based I transactions · Global perspective on the informal expra Scopennecessary details informal economy in takistar It should not exceed than a single 3- Cauparagraphe Informal Economy in Pakistan. · High unemployment rates · Complex regulatory framework · Corruption and weak Institutional frameyork









Introduction

The informal economy, characterized by unregulated and untaxed economic activities, plays a significant yet often overlooked rate in many developing countries, including Pakistan This shadow economy operates outside the purview of government regulation, contributing to employment and income for millions, while simultaneously evading legal and fiscal oversight. In Pakistan, the informal sector has grown into a vast component of the overall economy deeply intertwined with the formal sector understanding its causes and consequences is crucial box formulating policies aimed at sustainable development. Given the countries high unemployment rates, complex regularity framework, and limited financial inclusion, the informal economy has become a vital lifeline for many, albeit at the cost of reduced tax revenues and weakened institutional governance. Therefore, examining the factors driving the informal economy and its long-term impact on Pakistan's socioeconomic fabric is key to advessing the challenges it poses.