

Economic Challenges In Pakistan

Thesis Statement

The challenges to economy of Pakistan are multi faceted.

Write proper subject plz

Pakistan's economy confronts with multiple challenges ranging from fiscal imbalance, industrial and agricultural stagnation to increasing unemployment and political instability. However, Imperial and comprehensive fiscal and monetary policies can overcome these persistent economic challenges.

Outline

- 1) Introduction
- 2) Economic challenges in Pakistan

a) Fiscal Imbalance

- i) Narrow tax base
- ii) High fiscal deficit
- iii) Elite capture

b) Inflation and currency Depreciation

- i) Persistent inflation
- ii) Currency instability
- iii) Cost of Living Crisis

c) Debt Dependence

- i) External Debt Burden
- ii) Debt Servicing
- iii) Borrowing culture

d) Energy Crisis

- i) Circular Debt
- ii) Import Dependence
- iii) Inefficiency And Theft

Rising circular debt

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c) Industrial And Agricultural Stagnation

- i) Low Industrial Growth
- ii) Agricultural Crisis
- iii) Import Reliance

Well organised and quite relevant

f) Unemployment and Human Capital Deficit

- i) High Youth unemployment
- ii) ~~Low literacy~~
- iii) Brain Drain

g) Governance And Political Instability

- i) Policy Discontinuity
- ii) Corruption
- iii) Inefficient Bureaucracy

Deep rooted corruption

h) External Sector Weaknesses

- i) Trade Deficit
- ii) Export Base Narrow
- iii) Weak FDI Inflow

3) Way Forward of Economic Challenges In Pakistan

a) Fiscal Reforms

- i) Broaden Tax Base
- ii) Curb Tax Evasion
- iii) Rationalize Expenditure

b) Monetary and Inflation Control

- i) Price Stabilization
- ii) Reduce Circular Debt
- iii) Currency Stability

c) Industrial And Agricultural Growth

- i) Industrialization Drive
- ii) Agro-Modernization
- iii) Export Diversification

d) Energy Reform

- i) Shift to Renewable Energy
- ii) Reduce Line Losses and Theft
- iii) Local Resource Utilization

e) Human Capital Development

- i) Education And Skill Training
- ii) Female Workforce Participation
- iii) ~~Research And Innovation~~

g) Governance And Institutional Reforms

- i) Strengthen Institutions
- ii) Curb Corruption
- iii) Policy Continuity

h) Foreign Investment And Trade

- i) Ease of Doing Business
- ii) ~~Regional Integration~~
- iii) ~~Disaster Investment~~

i) Social Protection And Inclusivity

- i) Strengthen Safety Nets
- ii) Reduce Income Inequality
- iii) Support Vulnerable Groups

4) Conclusion

National progress and development is directly

DATE: linked with economic stability

The economy plays a significant role in any nation's progress and its deterioration. Just as a stable economy is responsible for a country's progress, an unstable economy also contributes to its failures. Despite depicting some growth, Pakistan's economy remains confronted with multiple challenges. However, these challenges are not insurmountable. They have persisted since the country's inception, primarily due to repeated and inconsistent policy reforms. According to the International Monetary Fund (IMF), Pakistan's economy is ranked as the 42nd largest by nominal GDP and the 25th largest by purchasing power parity (PPP), indicating its potential despite persistent structural hurdles. At present, the economy of Pakistan is shelmed by various challenges ranging from fiscal imbalance, industrial and agricultural stagnation to increasing unemployment and political instability. Nevertheless, comprehensive, empirical and persistent implementation of monetary and fiscal policies can help overcome these recurring economic threats.