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

Thesis Statement: Pakistan is facing several economic problems ranging from balance of payment crisis to trade deficit and illegal trade, which is directly linked with poor governance: weak accountability and transparency. However, implementation of thorough and meticulous policies hold the potential to ensure sustainable development.

Outline

I- Introduction

II- Underlying Causes of Economic Crisis and Governance Challenges in Pakistan: An overview

III- Solutions for Sustainable development to Counter the Plight of Economic Crisis

and governance challenges:

A - Promoting Social Inclusivity Enhances citizen participation and leads to economic equity.
(**Women Desk in Barah Police Station: Source**: Tribune Express)

B- Ensuring Financial accountability fosters trust between state and citizens and results in rise in domestic investment
(Pakistan Rank - 135/180 in corruption **Source**: Corruption Perception Index Report, 2024)

C- Strengthening political institutions ensures rule of law and curtails illegal trade
(**Criminology perspective:** containment theory by Walter Reckless)

D- Encouraging skill-based learning strengthens institutions and eradicates fragile entrepreneurial culture.

(Shark Tanks Pakistan)

E- Initiating demand-driven policies promotes social equality and stimulates economic growth

(Punjab and Balochistan Rivalary)

F- Enhancing Institutional transparency declines trust deficit and attracts Foreign Direct Investment (FDI)

(World Bank Report on governance and FDI, 2022)

G- Expanding Public-Private Partnership enhances national Integration and promotes economic inclusivity

(IR Lense: Theory of Liberalism)

H. Aligning Climate-Resilient Policies facilitates renewable energy transition and reduces dependency on foreign energy supplies

(Pakistan has potential to shift 100% on Renewable Energy - Ayub

Hameedi - Policy Analyst)

I- Inculcating Ethical values at the individual level promotes an ethical culture and strengthens moral economy.

(Political Science Lense: Ethical Capital by Michael Fukuyama)

J- Improving health system ensures basic human rights and reduces long-term public health expenditure

(case study: Sweden has reduced its spending in health sector due to early Initiatives)

K- Revamping the tax system paves they way for local business growth and strengthens fiscal sustainibility

(Pakistan Tax-to-GDP ratio = 10%

Source: World Bank Report 2024)

L- Fostering privatization enhances public services and encourge competition

(SDG 8, Decent Work and Economic Growth)

IV- Conclusion