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PAKISTAN AFFAIRS

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: Question 1:

How should Pakistan manage the equitable distribution of resources among different ethnic regions to address historical grievances and promote developments across the country?

I: Introduction:

"Injustice anywhere is a threat to justice everywhere"

- Martin Luther King Jr

Pakistan's development narrative has long been marred by uneven resource distribution among its diverse ethnic regions. From perceptions of Punjabi dominance to persistent provincial grievances, fiscal imbalances have deepened mistrust and hindered collective growth. Yet - the nation's strength lies in its diversity - a mosaic of cultures bound by shared aspirations. Equitable distribution is not just an economic goal, but a moral and social national imperative to heal historical wounds and strengthen the federation.

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Transparent governance, decentralization, and inclusivity can turn discord into unity and pave a path towards sustainable harmony and prosperity.

II: A Historic Glimpse into the Resource Distribution Strategy of Pakistan among Provinces after Independence

Since 1947, Pakistan has been struggling with equitably distributing resources among provinces. The Federal Government controlled major resources, with Punjab and Sindh historically benefiting more. The discovery of natural resources in Balochistan and Khyber Pakhtunkhwa led to grievance over resource sharing. The 7th NFC award 2009 marked a significant shift, allocating more resources to the provinces based on population. The 18th Amendment devolved power, but disparities persisted. CPEC has raised concerns about benefit sharing and regional development. Provinces like Khyber Pakhtunkhwa and Balochistan feel marginalized, with Punjab and Sindh have benefited disproportionately. Equitable resource

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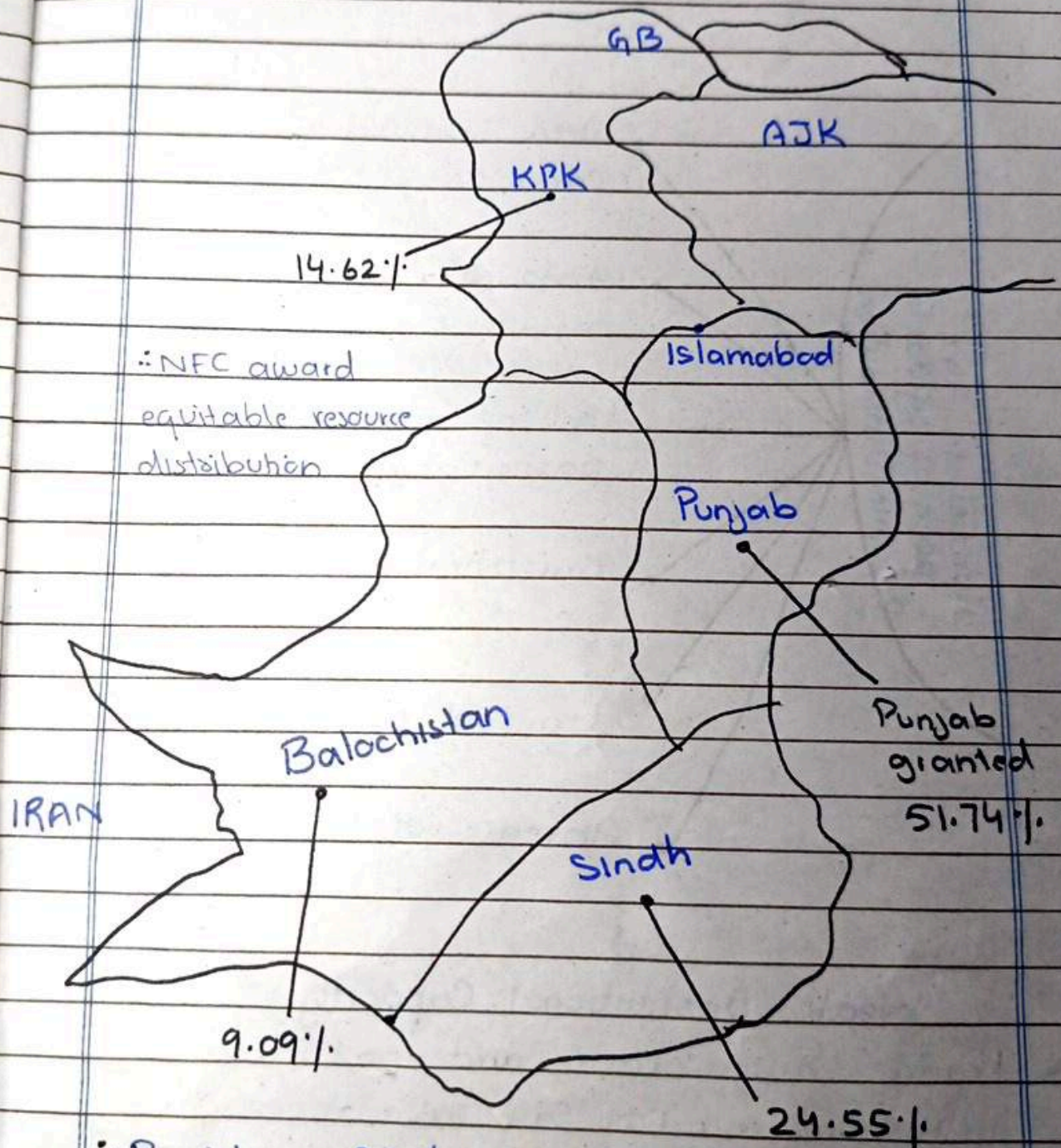
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distribution remain a continuous issue with ongoing debate on NFC Awards and resource allocation formulas.



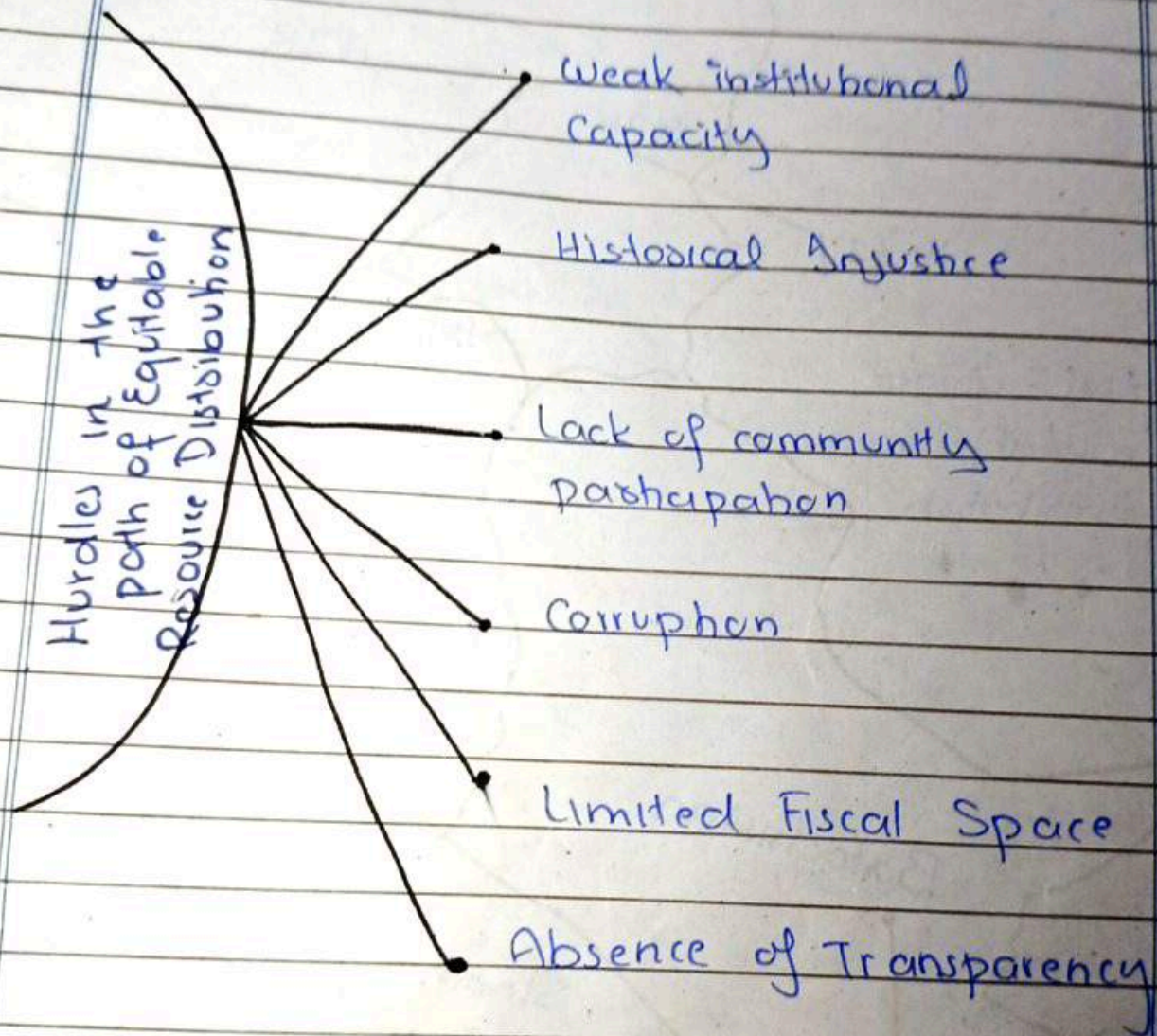
∴ Population: 82%

Poverty/Backwardness: 10.3%

Revenue collection and Generation: 5%

Inverse Population Density: 2.7%

III: Hurdles in the Path of Equitable Resource Distribution



(1)

Weak Institutional Capacity

Fragile bureaucracy and politicized institutions hinder fair allocations. In Pakistan, institutional weaknesses lead to

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inefficient resource distribution. According to World Bank, Pakistan ranks 119th out of 190 countries in ease of doing business (2020)

(ii)

Historic Injustice

Colonial era centralization perpetuated inequalities. Post 1947, elite capture continued disparities. The 18th Amendment 2010 aimed to dissolve and devolve powers, but challenges persisted in balancing provincial autonomy with federal oversight

(iii)

Lack of Community participation

Top-down planning ignores local needs. In Pakistan's NFC Awards 2009, provinces like Balochistan felt marginalized despite 9.09% share. Community involvement is crucial for effective fund utilization

(iv)

Corruption - A root cause

Rent-seeking diverts resources from marginalized regions. Transparency

International 2024 highlights the impacts of corruption on growth, development and stability. Pakistan unfortunately remains 140th out of 180 countries in the corruption Perception Index (2023)

(v)

Limited Fiscal Space

Heavy debt servicing restrict spending. Pakistan's Debt-Servicing was 40% of Federal Revenue FYS 2022 - FYS 2023. This worsens inter-provincial imbalance and limits development funds.

(vi)

Absence of Transparency

Inadequate accountability enables mismanagement. Without transparency, resource allocation lacks fairness.

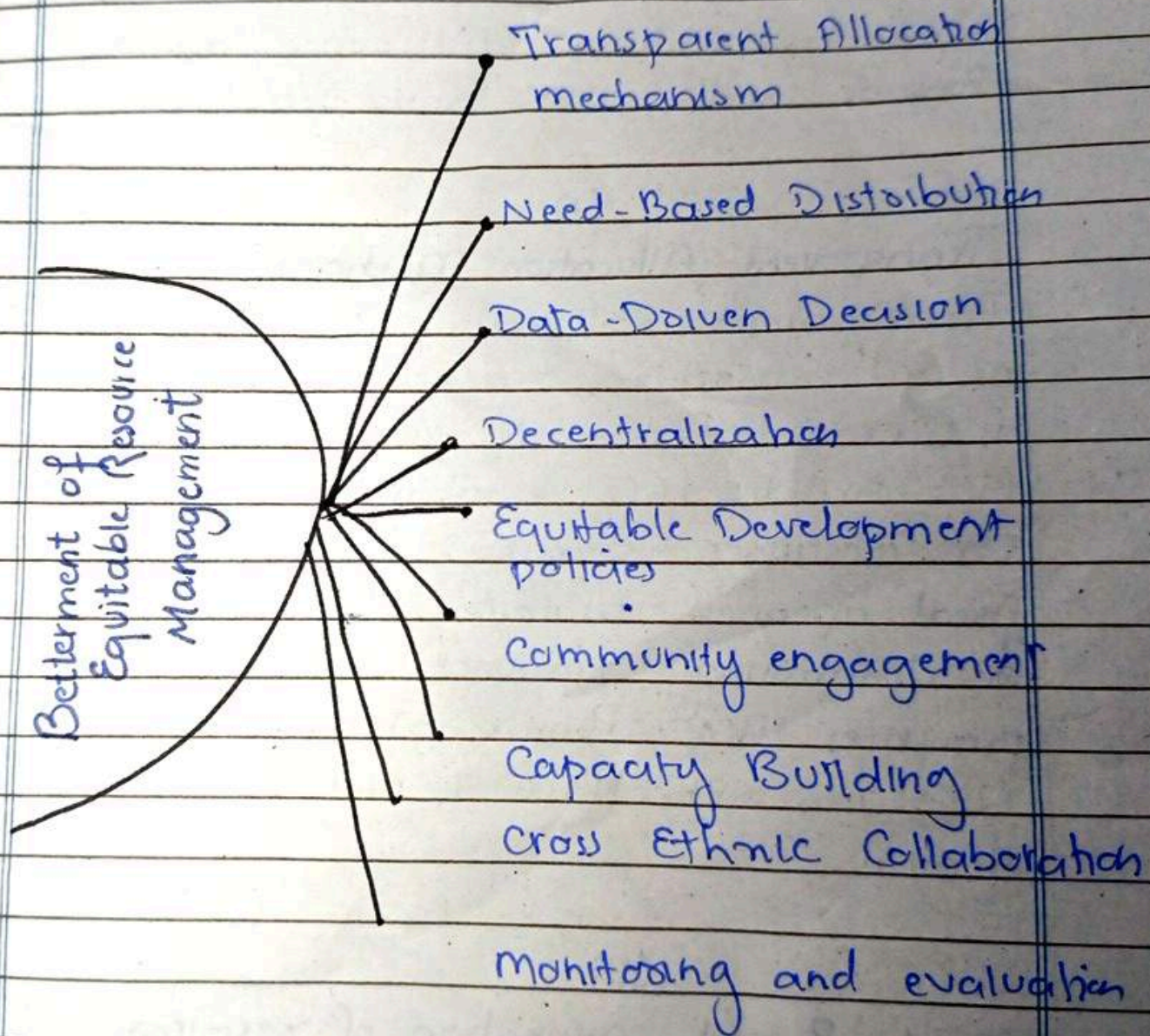
The constitution emphasizes accountability in Article 19-A but implementation gaps persist in Pakistan governance.

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IV Strategies for equitable Resource Management.



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Pakistan's resource management strategies aim for fairness. Under NFC Awards, transparency and need-based distribution are key. The 7th NFC Award 2009 allocated 57.5% of divisible pool funds to provinces, using indicators for equitable resource distribution among Punjab, Sindh, KPK and Balochistan.

(I)

Transparent Allocation Mechanism

Transparent allocation under NFC award ensured traceability as well as fairness. Pakistan's constitution of 1973 Article 160 established NFC for resource sharing. Enforcing fiscal openness promotes fiscal accountability in distributing resources among provinces like Punjab 51.74%, Sindh 24.55%, KPK 14.62% and Balochistan 9.09%.

(II)

Need-Based Allocation of resources

Need-based distribution uses socio-economic indicators for resource allocation. This approach contrasts with population or political leverage methods. In Pakistan,

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provinces like Balochistan with lower development indicators could benefit from such distribution.

(III)

Data-Driven decision Making Process

Employ provincial development indexes and poverty map for equitable budgeting in Pakistan.

According to Pakistan's National Poverty Report 2016, poverty rank varied across provinces with Balochistan being the most affected due to less allocation of resources. The government must implement data driven strategies to overcome biased poverty among provinces through programs such as Pakistan's SDG's framework by 2050.

(IV)

Decentralization

Strengthen provincial autonomy per the 18th Amendment (2010) of the 1973 constitution of Pakistan, enhancing ownership and accountability. Post 18th Amendment, provinces like Punjab and Sindh have increased autonomy in budgeting and development projects while other.

later developed provinces have had to face a setback and a major blow

(v)

Equitable Development Policies

Prioritize lagging sectors like education, energy, healthcare, law and order and others in the deprived provinces of Pakistan. Pakistan's HDI 2020 shows that disparities across provinces has made a negatively impactful affect ultimately badly affecting the literacy rate in provinces.

(vi)

Community Engagement

Institutionalize local participation via district councils and feedback loops in Pakistan. Local Government in Pakistan, established under the Local Government Ordinance 2001 facilitates community involvement and engagement. By doing so, people-to-people inter-exchange will be possible. and many would be granted a change to grow and excel.

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V: Conclusion

"No federation can survive on the perception of injustice. Equality of opportunity and fairness in fair distribution of resources are true foundation of national unity"

~ Dr Ishrat Hussain

% Governing the Ungovernable
(2018)