

Pakistan Debt trap: Dependence on loans and its Consequences

Outline

1, Introduction:

2, Current status of Pakistan debt

- Public Debt = 76 Trillion PKR
- Domestic debt = 51.5 Trillion PKR
- External debt = 134.9 billion dollar.

3, Pakistan's reason for dependence on loans:

3.1, Enormous fiscal deficit ✓

3.2, High imports and low exports ✓

3.3, Failure of FBR in tax collection ✓

• In FY 2024-25 FBR tax shortfall = 178B

3.4, High interest payments ✓

• In FY 2025-26 interest payment is 8.2T ✓

3.5, Enormous defence budget of the country.

• In FY 2025-26 D.B rise by 20% = \$9B. ✓

3.6, Mountaining expenditures of elite class and civil servants ✓

• Politicians, Judges, civil servants etc.

3.7, Recurrent government change

leads to frequent policy changes.
4, Consequences of loan taking
on the country:

4.1, Influence of the donor terms
and conditions restricting

Policy space

4.2, Inflation and price hike

4.3, Stagnant development of the
country.

4.4, Devaluation of currency.

4.5, Trap in deathloop of loans.

5, Way forward to counter these
traps of loan:

5.1, FBR reforms for transparent
tax collection.

5.2, Rationalize the expenditure
of elite class and civil servants.

5.3, Strengthen the local business
structure

5.4, Promote favourable conditions
for foreign investments.

5.5, Bring transparency in loan
taking and repaying system.

5.6, Upgrade and promote the

agriculture sector.

5.6, Interest on favourable condition.

6, Conclusion:

Your points are okay but avoid evidences in some points otherwise mention them in all points

Second refine your arguments of 2nd header

Work on articulations.