

## Q NO # 05

# Socio-Economic Effects of Increasing Population of Pakistan

## Introduction

Population of Pakistan is rising in unprecedented way. Country's population has increased 34 million from census result of 2017 as per census of 2023. It points far-reaching implications on the socio-economic life of Pakistan.

## Major Statistics of Census 2023 :

The population of Pakistan stands 241.49 million with growth rate 2.55% which is highest in the South Asia and one of the highest in the world. With current growth rate, population of Pakistan will be 390 million by 2050, and at the end of this decade, population will be 290 million. This unprecedented growth in population will leave

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unbearable effects on socio-economic life of the masses.

## Socio-Economic Effects of Exponential Rise in Population

### i- Scarcity of Resources:

Pakistan is a country of abundant resources. However, unprecedented rise in population is a greater threat to resources of Pakistan. For example, according to World Bank, Pakistan has become water scarce country as per capita of water has reached record low of mere  $835\text{m}^3$  in 2020. Thus, rising population poses a serious threat to depleting resources of Pakistan.

### ii- Financial Constraints:

The economy of Pakistan is on ventilator which is oxygenated by the bailout packages of IMF. In so-called financial constraints, rising population has become a

liabilities rather than an assets.  
Thus, exponential growth in population has badly effected the economy of Pakistan.

### iii- Rising Inflation :

Inflation has touched record high in Pakistan since last year as it reached almost 40pc in second-half of Fiscal Year 2021-22. According to report of WB, the inflation remain 29.5pc in 2023. Besides various other structural issues in economy, rising population hits badly and is caused skyrocketing inflation in Pakistan.

### iv- Poverty :

Rising population has push the people to the wall of poverty. The number of people below poverty line has risen as per report of WB in 2022, the ratio of poverty stood at 39.5pc. Still, many statistics show that poverty will rise in Pakistan. Rising population is the major cause of growing poverty in Pakistan.

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### iii- Rise in Unemployment :

Rising population has brought the myriad problems of unemployment. As ~~the~~ <sup>the</sup> population of Pakistan is below 30 years. Unfortunately, this young population has become a liabilities on the resources of the beloved country. Country is unable to engage this large chunk of population into economic engagements. Thus, growing population has brought the issue of unemployment.

### vi- High probability of Crimes :

When a large chunk of population does not engage in proper employment facility, the chances of involving in criminal activities will rise. For example, hundred people lost their lives in first 8 months of 2020 in street crimes in Karachi, ~~as~~ per recent data shared by dawn group.

## Measures to Control Exponential Rise in Population :

### i- Implementing Population Control Policies

Population planning policies must be implemented in letter and spirit so that people can focus on population control tactics.

### ii- Creating awareness among masses:

Inculcating benefits and harm of rising population among masses will be helpful in population control. In this regard mass awareness campaign should be launched at every corner of the society, especially in rural areas of the country, where people are unaware of perils of rising population.

### iii- Devising Family Planning Strategies

Family planning is key in controlling family planning the rising population. Our family planning

has been failed. As it is shown in recent census that despite various strategies, our population growth rate has risen from 2.4% to 2.55%. Thus pragmatic measures are needed to devising friendly family planning policies.

## Conclusion

All in all, rising population is a monster for Pakistan. It is badly affecting socio-economic life of the people. Therefore, some roadmap must be devised so that rising population can be controlled in proper way.

## Causes of Economic Meltdown in Pakistan; Measures to address the core issues of economy

### Introduction

Pakistan economy faces myriad of economic issues which has devastated the socio-economic life of people. Reasons behind economic failures are many. They include: balance of payment crisis, trade deficit, budget deficit, debt servicing, importing goods, and many others. Therefore, pragmatic measures like structural reforms, taxation reforms, increase in tax bases should be taken so that country moves towards economic stability.

### Causes of Economic Meltdown in Pakistan:

#### i- Lack of Industrial Base

Industrial base in Pakistan is not upto mark as it does not

compete with regional and world industry.

## ii- Loss making SOEs :

Almost all public SOEs are loss making entities which operates on losses. For example, PIA, Pakistan Railway, steel mill, etc.

## iii- Energy Crisis

Pakistan faces deep energy crisis either they are in form of fuel or in electricity.

## iv- Lack of FDI :

Pakistan market does not attract sufficient FDI so foreign earnings of Pakistan are less.

## v- Debt Servicing

Almost 70% of budget of Pakistan is utilised in debt servicing which is a matter of grave concerns.

## vi- Corruption :

Pakistan stands 140 out of 180 in CPI of 2023. Thus, it



cause billions of economic losses in every year.

### vii- Political Instability:

Pakistan is a country of multiethnic and multicultural society where political instability is order of the day.

### viii- Narrow Tax base:

Tax base of Pakistan is narrow and small. Many major economic contributors are not under taxation. Thus, collections of taxes are less.

### ix- Less Security and Safety

Security and safety of foreigners and locals are at a greater risk.

### x- Balance of Payment Crisis:

It is a major cause of economic meltdown as Pakistan indulges in massive balance of payment crisis.

## Measures to address the Core Issues of Economy:

### i- Acquire More Loans:

To resolve the economic issues for a shorter term, loans must be acquired no matter how tough the conditions are. As Former Financial Minister Hafiz Shaikh said, "If Pakistan does not acquire the loan packages from the IMF, Inflation hit by 50%. But if we take loans, Inflation hits 30 to 35%."

### ii- Reducing Imports especially HCs:

Pakistan should reduce the import bill as country imports of the HCs to meet its energy demands. There is dire need to move on renewable resources as they are cheaper sources of energy so that import bill will be reduced.

### iii- Privatising Loss making SOEs: Policy makers should focus

privatising loss making SOEs such as energy distribution companies in electricity and gas companies to avoiding trillions of rupees in circular debt.

#### iv - Improve the Governance:

Governance should be improved through enhancing by strengthening institutions, devolving powers to local bodies, and building the trust of citizens in the government.

#### v - Taxation System Reforms:

Informal sector must be brought under taxation. According to WB Pakistan's informal economy is one third of its GDP. Thus, taxation system reforms is the need of the hour to stabilise economy and boost up economic growth.

#### vi - Increase Production Base

No country can grow without promoting production sector  
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through infrastructure and structural changes. Industrial base should be expanded so that export will rise. Installation of textile, automobile, production, electronic industry etc. The need of hour for promoting economy.

### vii - Promote Private Sector:

Private sector can be promoted by determining prices on the basis of market forces and not be controlled by the government. It can also be promoted by providing various services and ease of doing business platforms.

### Conclusions:

All in all various causes of economic meltdown have been thoroughly elaborated which demands a greater attention. The so-called measures can address these problems if these measures should be implemented in letter and spirit.