

## Question no: 5

# INTRODUCTION

Pakistan has not witnessed significant development in its agriculture despite having fertile land, ample resources and diverse land resources. This has contributed to many socio-economic problems and has also halted the industrialization process mainly due to the low productivity, low exports and traditional way of agriculture practices. The agriculture has not been able to progress due to many reasons including the flawed taxation system, non-cultivation of cultivable lands, traditional farming system, government subsidies on low yielding crops, limited post-harvest operations, low investment on livestock sector, political interest favouring only high class farmers and to name a few. However by taking

Certain measures like investment on high crop yields, research and sustainable land and water management system along with addressing structural challenges of smallholder producers. If these are not addressed it will further add to the misery of industrialization process.

## II. Why Agriculture sector is lacking behind

(i) Non-cultivation of cultivable lands

Pakistan under utilizes her cultivable lands. Although there are fertile lands with ample resources, Pakistan cultivates small portion of her cultivable lands. According to **Asian Development Bank** there are about **80** million hectares of cultivable lands available for cultivation but only about **23** million hectares are



Under Cultivation.

-ii Government Subsidies on low yielding crops

Although sugar and rice consume about **50%** of total water resources yet they are heavily subsidized by government. Not only these wheat and cotton are also heavily subsidized. According to the **World Bank**, wheat and rice received **75%** of fertilizers and water subsidies.

-iii These subsidies encourage farmers to cultivate these crops only. Due to these high subsidies, farmers only cultivate these crops mainly wheat, rice, cotton and sugar. Cultivating a single crop again and again decreases the productivity and quality of the product. According to

1202  
World Bank's initiative "Reforms for a Brighter Future", four

crops are cultivated on the 85% of total cultivable lands

This include wheat 48%,  
rice 15%, cotton 15%,  
and sugarcane 7%.

-iv Limited post-harvest operation

The post-harvest operation is limited. Basically the post-harvest operation includes (storage, logistics, processing, packaging etc). This operation is done to add value and enhance quality standards.

But in Pakistan, it is hardly done, because these techniques remain out of the reach for farmers due to various reasons including lack of knowledge, awareness, and flawed government policies.



v Flawed Taxation System - undocumented and old method.

The flawed taxation system is also not contributing to the productivity of agriculture.

According to International Monetary Fund (IMF), agriculture generated 23% of the total GDP in 2021-22, but tax given by agriculture was only 0.6%.

Flawed taxation includes the undocumented record of agriculture and old method of collecting tax.

vi. Lack of investment and diversification in the domestic food production.

The domestic food is not diversified and there is lack of investment in sectors like livestock. Livestock sector received less than 1% of public sector investment although

it contributes to 60% of agriculture GDP. (World Bank)

Moreover, the lack of diversification also not add value to the quality standards of various foods and crops

vii- Water sector governance framework provides no incentive for water conservation

The policies adopted by government for ~~conservation~~ water management provides no incentives for water conservation. According to World

Bank's initiative "reform for a better future", water productivity

stands at 130 grams of output per cubic meter as compared to

China's 200 grams and India's 390 grams. This is due to lack

of ground water regulation and over exploitation of ground water;

mainly because of poor water management



III - This lack of progress is connected to the challenges faced by Industrialization

(-i) Not being able to produce enough products. No industry is self-efficient to produce product on its own. This lack of progress in agriculture has lead to industry not being able to make food and other products. Pakistan was ranked 93<sup>rd</sup> in Economic Complexity Index according to Complexity Index report.

-ii Increase in food products import and other entities

As industry hasn't been able to produce food products most of the foods are being imported now. According to Pakistan Bureau of Statistics total cost of imported food amounted to

1/202

nearly 84 billion in first half  
of fiscal year 2023. Moreover  
country also agreed to import 1  
million metric tons of milling wheat  
for year 2023-24.

iii Decline in exports of country  
in agriculture directly or indirectly  
accounts for more share than any  
other sector in Industrialization

The slow progress of agriculture  
has accounted for the decline  
in exports as well. According  
to Food and Agriculture  
Organization (FAO), agriculture  
accounts for total of 70% of  
Pakistan's exports directly or  
indirectly. Due to this lack  
of contribution from agriculture,  
Pakistan trade deficit touched  
827.5bn in the FY 2023.



## IV. Potential Solution is the agriculture sector will also ~~with~~ challenges faced by Industrialization

i- Improving the taxation system through satellite imaging and machine learning

<sup>now</sup> Agriculture sector remained untax due to lack of documentation of economy and vast geographic spread. Pakistan can use satellite imaging and machine learning technology to detect the geographic measurement of land. According to **World Bank** Agriculture sector is taxed properly it can give Pakistan **Rs 9415 bn**

-ii Investment in high yield crops - edible oil, palm oil  
Livestock

Instead of spending too much on low yield crops, Pakistan need to spend more on the high yield crops like palm oil, edible oil and also livestock which can give boost to our exports.

-iii Improving irrigation and devising effective management of canal water.

These improvements will reduce water-logging and salinity and will also increase the productivity of crops. According to **World Bank**, ~~Pakistan~~ <sup>Pakistan</sup> if <sup>improves</sup> their irrigation system it can add **3%** of more revenues to their total revenues.

-iv Subsidies should only be given to smallholder producers.

In Pakistan, the small land owners do not get the subsidies instead the large farm owners



almost 2/3<sup>who</sup> own 45% of total agriculture benefit most from the subsidies (World Bank).

The policymakers have their vested interests in these centers and they provide benefit to these 2% people only. So government should regulate and monitor these subsidies and it should be given directly to them.

V. Modernize wheat value chain - reduce its fiscal burden

Pakistan consumes 125 kilograms of wheat per head per year (USAID) and for that Pakistan imports a lot of wheat. This can be improved by agronomic performance with better seed quality, establishing efficient storage and marketing system. It will not only improve small farmer income but overall country's production.

## Question ob

# INTRODUCTION

National Integration is crucial for the foundation of nation-hood.

It is a quest for unanimity within the state regardless of religion, race, creed or ethnic and language traits.

However, Pakistan is facing challenges in acquiring national integration because of various reasons; these

include: wrong interpretation of ideology, lack of great leadership, bad governance, social-economic integration, ethno-cultural diversity, belligerent neighbours, gender disparity, chronic elite capture, growing radicalization, sectarianism and extremism

and to name a few. However

by adopting measures and strengthening our policy framework would be able to curb these issues and National Integration would be achieved.



## II. Concept of National Integration

National Integration is a quest for unanimity within the state regardless of the colour, creed, religion or ethnic traits. It basically ties up whole society for a combined purpose and that is to serve and provide the interests of the country.

Fred Hayward defines National Integration as

"Integration as a system, cohesion, adaption, bridging of class-mass gap, establishment of common norms."

In short, it is where community of any state assumes peaceful living with one another.

### III. Challenges to National Integration and Cohesion in Pakistan

#### -i Political Polarization and Bad Governance

Good governance enforces and strengthens the national integration process. Unfortunately, it posed more threats to the national integration in Pakistan. Political polarization along with bad governance has made space for the unwanted groups and ethnicities who have exploited the common people. Moreover, the bad governance has generated economic backwardness, poverty, crime and high inflation.

According to United Nation, Pakistan is ranked <sup>at</sup> 150<sup>th</sup> place in terms of efficient governance.

#### -ii Lack of visionary Leadership



Leaders play a crucial role in uniting the society. Unfortunately, after death of Quaid-e-Azam, Pakistan didn't find any visionary leader. Leadership of Pakistan has always remained reluctant to devolve their powers to the smaller units. This has created conflicts between various sects of the society. The ill perceived policies of the leaders have caused dissatisfaction among the public.

### iii Sectarianism and Extremism

Over the past few decades Pakistan has seen increase in the sectarian violence. Numerous sectarian groups have emerged due to the misinterpretation of Islamic ideology. TTP, Jash-e-Muhammed, Thergwi group, Sipri Sahaba, have emerged to spread disintegration among the society.

-iv Proxies and fifth generation warfare

Proxies backed by the belligerent neighbours and fifth generation warfare have hindered the process of national integration process in Pakistan. These proxies have spread violence and hatred towards each other. These proxies are somehow backed by India and **Capture of Kalbushan Yadav** is a proof of that. According to National Counter Terrorism Agency (NACTA), RAW was instrumental in spreading violence in Balochistan along with other violent groups.

-v Ethno-Cultural Diversity  
 ~ unwillingness of interest groups to accept cultural and linguistic diversity  
 In Pakistan, there exists various ethnics and cultures.



They play a central role in making Common Community. However, some groups are unwilling to accept it. This has resulted in tug of power among various groups especially the political parties. They have used either provocation or regional identity cards for their vested interests, movements like Pashtun Tahafuz and Balochistan Liberation Army have raised the slogans of separatism. All these have de-stabilize the country.

vi. Dysfunctional education system

This dysfunctional education system have not given equal opportunities for all the children. This has resulted in deterioration of the integration process. Public, Private and Madrasah system have produced students with different thinking and abilities and there is a huge gap between

functioning of these institutions.

vii - Centre-province mistrust and grievances of small provinces

The 18<sup>th</sup> Amendment gave provincial autonomy to the provinces. Since then there is an environment of confusion and <sup>mistrust</sup> among centre and provinces. Both are claiming that resources are not properly distributed. Moreover, the smaller provinces are often seen criticising the federal government for overlooking their issues.

#### IV - Measures to achieve National Integration and Cohesion

i Vibrant role of Media

As it is the age of technology and best way to achieve National Integration is to



ask Media to play its role in national integration and cohesion. Media must portray or show stories of the founding fathers of Pakistan that how they got independence and how they used to live peacefully.

### -ii National Social Action Plan

A well thought National Social Action plan is must considering the socio-economic and political grievances of all the provinces; it will also foster the ethno-cultural and socio-political unification.

### -iii Integrate the Baloch Communities by providing basic facilities

Most of the sectarianism and proxies are emerging in Balochistan

And to curb these, Balochistan province must be provided with improve basic facilities like the investment on various sectors e.g. technology, energy, rail-road, highways, shelter, food and provision of internet services. These people should be given more and more opportunity in the federal government.

iv Improve efficiency and capacity building of all provinces

Central government should launch a national policy guideline for optimal departmental performance for the improvement of capacity building of all provinces. This will include accountability, decentralization and removal of bureaucratic hurdles.



-v Government must give priority to those projects which promote national integration.

CPEC has emerged as a game changer for Pakistan and in order to have more of these projects government must provide equitable distribution of development projects which can ensure united economy.

-vi Empowered Local Body System  
This is crucial to keep people of all provinces satisfied. Provinces must devolve their powers to local bodies to ensure unhindered growth of political process.

vii - Selection on merit

Pakistan should promote a culture of merit rather than favouritism. This will surely

enhances National integration.



# Question: 02

## INTRODUCTION

Ideology is a set of ideas that in some way guides or inspires people. The ideology of Pakistan emerged from the instincts of Muslim community in South Asia to maintain their individuality. Allama Iqbal gave it a philosophical explanation while Quaid-e-Azam translated it into a ~~practical~~ practicality. Both gave Muslims a ~~separate~~ impetus force which resulted in the formation of Pakistan. The Pakistan's ideology in view of the two was basically a state where Muslims of India can live separately and where they can live according to their will and according to the Islamic principles.

## II. Ideology of Pakistan and its Concept

### a. Ideology

Ideology is a form of social or political philosophy in which practical elements are prominent as well as the virtual ones. Basically, it is a system of ideas that inspires people to stand on a point and through it can change the world.

### According to Heywood

"Ideology is a set of ideas that in some way guides or inspires people."

### b. Ideology of Pakistan

The ideology of Pakistan took its shape from its influential leaders.

It took an evolutionary process and historical experiences provided its base.



### III. Ideology of Pakistan in the light of saying of Allama Iqbal

Allama Iqbal gave philosophical explanation of ideology of Pakistan. Iqbal gave his philosophical explanations that Muslims of sub-continent were different from Hindus and they should be given a separate land. He pursued the ideology of Pakistan in these ways

#### 1- Reawakening of Muslims through poetry

Allama Iqbal had the view that there should be one India but his visits to Europe changed his political beliefs, he realized that two nations cannot live in a single state. Therefore through his poetry, he started

to reawaken the Muslim of  
sub-continent. After his ideological  
conversion he wrote "Taran-e-Milli"  
whose opening is ;

"China and Arab are our, India  
is our. We are Muslim, the  
whole world is our."

Then after  
this Muslim Nationalism was  
the sole objective of Qadiri's  
struggle.

In Jawab-e-Shikwa he writes

"Unto a nation faith is life,  
when lost your faith you fell,  
when granteron fail, must  
cease concourse".

-ii Condemnation of Western Democratic  
Concepts

Allama Qadiri said that western  
Democracy cannot provide solution  
of the problem of Islamic world



He was of the view that all social and political problems can be solved with help of Islamic system.

-iii Concept of separate Muslim State ~ Allahabad Address 1930

As discussed earlier he was strongly in favour of separate Muslim State for the Muslims of sub-continent. He said this at Allahabad,

"I want to see the Punjab, NWFP, Sindh and Balochistan in form of one homogenous state".

-iv Rejected the concept of idea of single Nation

He strongly rejected the idea of single nation presented by the Hindu-leaders.

He said,  
"Preservation of  
separate nationhood is useful  
for Hindus and Muslim both."

(K.K. Aziz - Making of Pakistan)

-v Concept of Two Nation Theory

Iqbal was a strong supporter of  
Two Nation theory. He said

"Despite living together  
for 1000 years, Hindus and Muslims  
have their own individual  
ideologies, so the only solution  
is to have separate state."

vi. Rejected Racial and  
Regional unifications

Allama Iqbal rejected the  
racial and regional unifications.  
He said

"Concept of nation and  
homeland is confusing Muslims.  
All Muslims are one"



vii. No other ideology of life than Islam.

In a letter to All-e-Ahmed Sarwar, he said

"Islam is the only reality which is the reason of salvation. To have a contract with any other 'ism' is just like to be out of Islam."

viii. Foundation of Pakistan

He explicitly pointed out the foundations on which this state was to be established although he just called the names of provinces, but a foundation was set that how the state would be.

He said

"Religion is a power of utmost importance in the life of

individual as well as states."

## IV. Quaid-e-Azam and ideology of Pakistan

### i- Foundation of Muslim Nation

Quaid-e-Azam was a strong supporter of "separate state" for Muslims. He struggled for the separate state on basis of Islamic Ideology. He said

"Pakistan came into being the day when first Hindu became a Muslim."

-ii Need of division of India while addressing the need of division of India. He said at Aligarh

"What was the motive of demand for Pakistan and separate electorate for Muslims?"



It is due to the basic demands of Islam!

-iii Supporter of Two Nation Theory

He said

"Muslims are a nation according to any definition of a nation. They have distinct outlook and culture.

-iv Islam as a code of life

He strongly emphasized that in order to pursue the demands for a separate state, Islam would be the core guiding principle because it is a complete code of life.

"Our guide is Islam and this is complete code of life!"

## V- Protection of Muslim culture

Quaid-e-Azam Mohammed Ali Jinnah was a strong proponent of Muslim culture. He said in 1947 at a meeting,

"Our object was to create a State where we can live freely under Islamic concept of social justice flourish."

## vi- Preservation of Muslim ideology

He said addressing the Muslim Student Federation

"Pakistan not only means freedom and independence but Muslim ideology, which has to be preserved."



## Question no: 04

Pakistan is facing persistent problem of economic crises.

The challenges include the inability of government to pay taxes, debt servicing, closure of industries, tax evasion, a complex system for business and to name a few. In order to solve those problems we need to devise plans for innovation, trade development and changing our fiscal policy. These include reforming tax system, reducing the rate of tax on industries, generating electricity from indigenous sources and to name a few.

## II Challenges to Pakistan's economy

### i BOP - Balance of Payment Crisis

The economic crisis in Pakistan takes its roots from the inability of government to meet its external debt. It means all the earnings and payments are paid through an account which is current account. Due to the current account deficit Pakistan is facing balance of payment crisis i.e. government's inability to pay the external debts. According to State bank of Pakistan the current account was at \$17.4 bn in FY 2022-23.



## ii - Vicious Circle of Loan-Debt

### Servicing

Pakistan spends most of her money on paying debt. According to State Bank of Pakistan, Pakistan's external debt surged to \$124.3 bn and over half of the budget is allocated to servicing this debt — equivalent to 10.5% of total tax revenue.

## iii - Closure of Industries due to the inefficiency of energy sector

More than 28% of the industries have been either closed or downsized since the starting of FY 2022-23 (Woodrow Wilson Center). Due to this Pakistan's export has been decreasing mainly due to the inefficiency of energy sector. Industries are being provided with high price

of electricity and this result  
in closure of industries and this  
further leads to unemployment  
and low exports.

iv- A complex environment or a  
way for business

In Pakistan there are too many  
difficulties for investors.

He need to first take  
approvals from different institutions  
like FBR, WAP and so on.

v- Tax to GDP ratio - flawed.

fiscal ~~red~~ policy

Pakistan's General Sales  
tax stands at 22% (SBP)  
while in other countries  
like Bangladesh it is  
just 13%.

vi Tax evasion - e

Most of the sectors do not  
give proper tax.



According to GDP of Pak  
Services sector generated  
70% of total GDP but paid  
23% of tax, similarly agriculture  
generated 20% of total GDP  
and paid 0.6% tax in  
fiscal year 2021-22.

### III. Reforms needed in Economy

i- Reforms in taxation system  
We need to reform our  
taxation system.

a) track and trace system  
in mega and medium size  
industries.

We need to implement  
track and trace system  
in industries.

b) Taxing agriculture  
Agriculture needed to be  
taxed and subsidies should  
be reduced.

ii. Ease of doing business

Government must provide a one window operation for business. It should be at one place.

- iii Generate electricity from indigenous sources

We must generate electricity from indigenous sources like wind, water, and geothermal.

- iv Infrastructure development

Policies which promote industry should be adopted. A feasible industry which can be expanded easily.

v - ~~Provide~~ lesson to tax ratio on industrial products.

Government must give subsidies to the industries.



to charge exports are more than imports. Government must lessen the 17.1% tax on the industry.