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Day: Sunday

English Essay
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(001)

Topic:

Political instability leads to economic instability.

Outline:

- 1- Introduction
 - 1.1- Overview how political instability leads toward economic instability
 - 1.2- Thesis statement: Political instability has a direct impact on economic stability.
- 2- Causes of Political instability
 - 2.1- Lack of effective governance
 - 2.2- corruption and mismanagement
 - 2.3- Social conflicts and unrest
 - 2.4- Rising waves of inflation and poverty
- 3- Effects of Political instability on economic stability.
 - 3.1- Decreased foreign investments
 - 3.2- Reduced government revenue
 - 3.3- Decline in business confidence
 - 3.4- Unemployment and poverty
 - 3.5- Disrupt overall economic growth
- 4- Case studies
 - 4.1- Pakistan's political instability and economic downturn
 - 4.2- Comparison with stable political environment and economic growth of other countries.

5- Solutions to Mitigate Political and Economic instability

- 5.1- Strengthening democratic institutions
- 5.2- Promoting accountability and transparency
- 5.3- Investing in education and social development
- 5.4- Free and fair elections
- 5.5- Creating effective policies for welfare of state.
- 5.6- Strong judiciary can lead to stability.

6- Conclusion

- 6.1- Recap of main points
- 6.2- Emphasize the importance of political stability for sustainable economic growth.

Starting Essay :

1- Introduction

Political instability and economic instability are closely intertwined, and have significant impact on each other. When a country experiences the political turmoil, it can have far-reaching consequences on its economic stability.

Sustainable economic growth needs effective policies, increased foreign investment, job opportunities creation, and overall stability of country and these all can be achieved through stable government.

, without having Political Stability, country can never sustainable economic. The economic growth is in control of government and if the government will be unstable then economic stability will never be achieved. Political instability and economic instability are directly proportional to each other, for stable and sustainable economic growth we need to assure the political stability.

2. Causes of Political instability

2.1 - Political instability starts from lack of effective governance, when ever the government fails to provide the basic needs to their people, the political instability begins from that point. The good governance ~~like~~ ensures the political stability of the state. The government must need to ~~fulfill their promises~~ facilitate its people, to gain their confidence and to run a government with the support of the people. lack of effective government leads to political instability.

2.2- Political instability have many causes including corruption and mismanagement. Whenever the government fails in accountability, the officials with power takes it as an opportunity for corruption. Corruption itself leads state toward down fall, corruption in any state will reduce the confidence in the of the people in the government which causes instability. Also the mismanagement is a cause of political instability, when the government fails to implement policies and fails to assure the providance of basic necessities to its people. Corruption and mismanagement is the biggest cause of political instability.

⁶⁶ Political stability is essential for a nation's development.²⁹

Nelson Mandela

2.3- Social conflicts like sectarianism, unfair access to resources, contradictions between society and government structure, causes the social unrest in the country, which also initiate the political instability of the state. The government must need to ensure

the equality among every social conflict, for avoiding political instability. When the the Social unrest begins in any state, the government fails to implement its policies which cause the political instability. The government must need to avoid the social conflicts and unrest to ensure political stability. As Sri Lanka is an example of political instability due to the social unrest caused by its own public. Political stability can never be ensure with social conflicts.

2.4- The inflation and poverty also lead toward political instability. Increase in poverty and inflation cause people to get the ~~ress~~ necessities with difficulties and when ever ~~to~~ government fails to provide basic necessities to its people, the social unrest begins which further ~~caus~~ become cause of political instability. Poverty. The poverty need to be controlled for political stability. According to Kofi Annan
“ Poverty devastates families, communities and nations. It causes instability and political unrest and other conflicts.”

3 - Effects of Political instability on economic Stability

3.1 - Political instability has direct effect on foreign investment. The foreign investment helps in \$ & sustainable economic growth and the foreign investors are attracted to toward the states with political stability. The decline of foreign investment is only due to the political disputes and instability. To ensure the investors that their money ; physical security are governments responsibility, the government need to be stable. Any investor will never invest in such state where there will be social and political instability, and this cause the economic growth unstable.

3.3

3.2 - Political disputes has reaching implications on the revenue of the government. The revenue generation is only possible with the political stability. When the people do not trust their government they can not ~~pe~~ will not pay taxes and this will lead toward poverty and bankruptcy. The government will

3.4

fail to provide the basic necessities to their people.

As we know ~~the~~ The GDP growth in year 2021 was 5.97%.

Source Economic Survey of Pakistan and The GDP growth of year 2023 ~~-2024~~ was 0.29% due to the political instability.

We can see how the political instability effects on the economic growth.

3.3

When the ~~the~~ people of any state have confidence in their government, they invest in their businesses and when there is lack of confidence in the government and their policies this results in decline of business in that country. Political stability assure the public for doing business.

3.4

The Political instability also effects the employment opportunities and poverty alleviation. The government creates opportunities for their public. The political conflicts ~~are~~ become the reason of political lack of job opportunities and poverty.

Poverty ratio in year 2021 was 28% in Pakistan while in 2023 it was 37% recorded.

Source: Govt official report from finance ministry.

The clear rise can be seen due to the political instability of Pakistan.

3.5- The overall economic growth of country slow down due to political instability as the economic growth is due to the effective growth policies of government. The GDP growth depends on government and it decides the future of country. The GDP growth ~~was~~ of Pakistan in year 2021 was 5.97% while in 2023 it was 0.29%.

Source: Economic Survey of Pakistan

The political instability in Pakistan causes the deep effect on the GDP of the country.

The political stability is necessary for better GDP growth.

4- The effect of Political instability
 4.1- can be seen in Pakistan.

Pakistan have seen multiple crises in from its inception.

Similarly the the political instability of year 2023 caused Pakistan toward economic downturn.

The GDP growth falls from 5.97% to 0.29% which was a huge setback for the country. Also

the Poverty ratio increased from 22% to 37% according

finance ministry. Similarly the ease of doing business index Pakistan was at 108th out of

190 countries. Furthermore, the corruption index was 120th out of 180 countries and now it has

reached to 133rd out of 180 countries according to transparency international Report. This all was due to the political instability of the Pakistan.

4.2- The Afghanistan is a neighboring country of Pakistan. ~~we~~ The Afghans was busy in wars against terror which causes huge pressure on their economy. Their economy shrank by 25% in recent years. due to political instability but when the Afghan