

Part-II

Q.8

1- Introduction

Economic Governance refers to set of principles, rules and regulation by which an economic activity happens in a country. In Pakistan the situation of economic governance is riddled with systemic and structural weaknesses. This has resulted into high government footprint, high taxation, elusive corruption and adoption of contradictory government policies. Hence, making the economic outlook of Pakistan fragile and vulnerable to internal and external shocks. Unless, the state set its economic objectives, goals and method explicitly, the country will continue to run back in arrears of confusion and bad economic governance.

2- Systemic weaknesses in the economic structure of Pakistan

2.1- Problem of chronic fiscal imbalance

As per the ministry of finance data, Pakistan runs a chronic fiscal imbalance due to

high budgetary expenditure. Due to this Pakistan has gone to the International Monetary Fund (IMF) 24 times since its inception.

2.2 - Adoption of Inconsistent Policies

Similarly, Pakistan through out its history has followed many inconsistent policies. For instance, Privatization of state owned enterprises is in the manifesto of every party but no party has ever made an effort to privatize loss making Pakistan Steel Mill and PIA.

2.3 - High Regulatory Environment

The government high foot print in the economy is a continuous strain on businesses. PIDE report 69% government foot print in economy in the form of regulations. This high regulatory environment impedes business practices.

2.4 - Elusive Practices of high corruption

In Pakistan corruption is an every state institution. As per the recent IMF Diagnostic Corruption report on Pakistan found corruption taking over 5% of GDP. This shows the extent to which corruption is riddled in society.

2.5- High Public sector Inefficiency

Pakistan State-owned-Enterprises (SOEs) are incurring heavy losses to the economy. As per the SOE loss making report on 2023-24, SOEs in Pakistan are incurring close to Rs 800 Billion. This massive loss is draining public money.

2.6- Narrow tax base

In Pakistan only 39 million people are active tax payer out of the total 241.8 million population. This narrow tax base reflect that 90% of the population is not paying taxes.

3- Structural Weaknesses Leading to lack of Policy Clarity and misuse of Public Resources

3.1- Elite capture of governance

In Pakistan, elite capture is draining economic efficiency and resources. As per the UNDP report, elite capture leads to \$17.4 Billion loss to economy. This shows the extent of elite capture endemic in Pakistan.

3.2 - Adoption of Multiple Development Plans

In Pakistan, multiple growth plans are being formulated and implemented, which leads to policy paralysis. For instance, current government is adopting Vision Pakistan, National Economic Transformation Plan, Stefan Daron Plan, SIFC and BAI. This contradiction of policies leads to policy paralysis.

3.3 - High Energy Tariff in South Asia

Pakistan has one of the highest energy tariff as per various trade association. All Pakistan Textile Mill Association call Pakistan tariff one of the highest in the region. This makes Pakistani exports products expensive and less competitive in the market.

3.4 - Adoption of high tax rate policies

Pakistan adoption of high tax rates has resulted into poor business friendly environment. Pakistan has tax rates close to 80% by the Pakistan Textile Council. This leads to poor textile growth.

3.5- Misplaced subsidy to non-productive sector

The Pakistani government policy to subsidize non-productive sectors like sugar, wheat and automobile has led to severe crisis. The sugar crisis led to severe sugar shortage, that led to price hike. Later, government, by subsidizing sugar sector led to sugar imports at the cost of \$200 million.

3.6- weak rule of Law

In Pakistan weak rule of law has resulted into weak contract enforcement. For instance, Broad sheet scandal of 2021 led to \$800 million loss to Pakistan globally. Moreover, it added to national embarrassment and exposed Pakistan weak governance apparatus.

add a few more arguments.....

also add the critical analysis part as well.....

4- Conclusion

Pakistan economy is under heavy strain of economic misgovernance. This is because of high regulatory capture, high tax rates, energy tariffs.

and weak rule of law. That has led to adoption of different development models that is leading to policy paralysis and policy unpredictability.

10

Q-4

1- Introduction

The 27th Constitutional Amendment has changed the triarchy of power between the 3 state organs. The amendment has curtailed the power of Supreme Court by establishing a Superior Federal Constitutional Court (SFC). Moreover, it has changed the composition of Supreme Judicial Council. Likewise, the amendment has made the Parliament and Executive superior to that of judiciary, as it can select judges to courts. Similarly, the amendment has proposed the establishment of a Chief of Defence Staff position, who will chair all 3 ^{armed} forces command. Hence, the amendment has changed the triarchy of power in Pakistan.

2- 27th Constitutional Impact on Judiciary

2.1- Establishment of a new higher court

Under the 27th constitutional amendment, Federal Constitutional Court (FCC) has been established. The FCC ~~supersede~~ ^{supersede} Supreme Court of Pakistan, whose decision will be binding on all courts including Supreme Court.

2.2- Establishment of Executive compliant Judiciary

The 27th constitutional court has led to executive compliant Judiciary, whereby executive can remove judges, if they fail to comply with transfer order. Moreover, Executive can choose judges ~~for~~ ^{for} the elevation to FCC and Supreme court.

2.3- Ending Supreme court prerogative to interpret Constitution

Earlier Supreme court had the implicit and explicit right to interpret Constitution but FCC establishment

has ended that procedure. As supreme court will now only deal with criminal and other cases like high courts.

2.4 - Judiciary weakened by the 27th Amendment

The passage of 27th constitutional Amendment has severely weakened the judiciary. As by the passage of 27th Amendment Senior Puisines Justices Syed Mansoor Ali Shah and Athar Minallah resigned citing that 27th Amendment has fractured judiciary.

3 - 27th Constitutional Amendment and Emergence of Strong Executive

3.1 - Emergence of Strong Executive

Under the 27th Amendment, executive has emerged as a strong power center. As executive can choose FCC and Supreme court justices. This has enhanced executive domain and power.

3.2 - Executive strong influence over Parliament and judiciary

Pakistan's executive primarily consists of the President and the Prime Minister. Under the new amendment executive can strongly influence law making. As head of executive is Prime Minister, who is also leader of the House in lower assembly. This makes executive powers very strong in comparison to other state pillars.

3.3 - Executive can appoint like minded judges in judiciary

Under the new 27th amendment, executive has the power to appoint judges to higher courts. This will lead to the appointment of like minded judges to higher courts. That will compromise the essence of transparency, accountability and rule of law.

3.4 - Establishment of Chief of defence Staff (CDS) position under the Amendment

Under the new amendment, a new CDS position has been announced.

that will put all 3 forces under the command of chief of Army staff.

4-Emergence of strong legislature under 27th Amendment

4.1-Creater Parliament oversight over executive.

Under the 27th Amendment, Parliament has been given extensive power to oversight operation of executive. As parliamentary committees will deliberate upon the work of heads of institutions, and appointment

4.2-High Parliament input in Judicial appointments

Under the 27th Amendment, The number of Parliamentarians have been increased in the Judicial Commission of Pakistan (JCP) this will lead to higher Parliament input in judicial work.

4.3-Reasserting power of Parliament

In Pakistan history, the Parliament power has been assaulted by military

coups and by Judicial decision. For instance, the Judiciary has played a key role in removing elected Prime Ministers. Hence, this amendment reinforces that power of Parliament again.

5- Conclusion

The 27th Constitutional Amendment has changed the hierarchy of power. As it has brought the judiciary under the oversight of Parliament and Executive. Moreover, the establishment of FCC court has overshadowed the power of Supreme court. Hence, leading to an establishment of complacent executive judiciary that will lead to imbalance of power.

Q.6

1- Introduction

In Pakistan, the discourse of establishing new provinces is gaining contraction. As proponents argue that establishment of new provinces will ~~lead to~~ better service delivery, devolution of power and representation to people. However, that is not the case as new provinces establishment will exacerbate the existing socio-economic, cultural, linguistic faultlines that can pose a significant threat to Pakistan's national security. In this backdrop, the only viable solution lies in empowering local government. As local governments establishment will not compound ethno-linguistic faultlines and will empower the concerned communities. Hence, leading to better, efficient and informed participatory governance for all.

2- Need of New Provinces in Pakistan

New provinces will lead to devolution of power and resources to concerned people

① → New provinces establishment will address ^{existing} linguistic, ethnonationalistic faultlines

② → New provinces will lead to better, efficient governance and service delivery

New provinces will solve insecurity problems in the peripheries

→ New provinces will provide regional parties a say in state apparatus.

3- Local governance is the only viable solution to solve Pakistan Problem

3.1- Ensuring power devolution to Common people

Local governance is the only mechanism that can ensure power devolution

to common people. Article 140(A) calls for the establishment of a local government in all provinces that can solve local problems.

3.2 - Empowering common people

Local government establishment can only empower the common people, as people representatives are from the public and live between them this will empower people democratically.

3.3 - Ensure ^{Swift} Accountability

Unlike, provinces local government will ensure Swift accountability measures. As elected representative resides among people not in Lahore and Islamabad This will lead to Swift accountability.

add and highlight references/examples against these arguments.....

3.4 - No need to Establish Governor House and CM House

If new provinces are established this will lead to establishment of assembly CM and Governor House that will cause heavy money. Local government will ensure

no such thing.

3.5- Local government will not exacerbate existing linguistic and ethnocentric faultlines.

Similarly, local government establishment will not exacerbate linguistic and ethnocentric faultlines. ~~Because~~ provincial establishment will exacerbate ~~new~~ demand of provinces that will be a threat to security.

3.6- No bureaucracy control over public affairs.

The establishment of center means new opportunities for bureaucracy to increase their foot print in administration. However, under local government no bureaucratic control happens neither new appointment.

3.7- Local government is efficient and public friendly.

Local governance ensure efficiency and speedy service delivery. For instance, under President Musharraf health outcomes improved substantially due

to effective, empowered local government

3.8- Local government will increase tax collection

Local government's globally run on system of taxation. As local governments work at local level, this can ensure that tax collection targets are achieved. Moreover, under local government tax collection is easier, as all people know who can pay high tax and who can pay less.

3.9- Local government leads to participatory governance

China has achieved high growth and development due to functioning local town governance. As town local government has led to participatory governance. However, in Pakistan existing provinces don't require public referendum and dialogue on policy issues. Hence, only effective local participatory governance can ensure that

3.10- No Fiscal drain on public resources

Local government establishment should require new appointments, no new homes for mayors, councillors etc. This will ensure that no fiscal drain of resources happen. However, under Article 51 and 59 if new provinces are formed then a high court, governor house and cm house will be made that will lead to extra fiscal drain of resources.

4- Conclusion

The establishment of new provinces in Pakistan is a recurring debate. Though new provinces will lead to better resource mobilisation but will also compound existing faultlines. Hence, empowering local bodies is the only viable option as it will lead to better governance and participation from the public that will address all socio-economic, linguistic and cultural problems of Pakistan.