

Q No. 2

(1) Introduction

Pakistan, since its inception, faces challenges of poor governance and political turbulence. This political chaos give rise to inconsistency in policy implementation. The critical issues in Pakistan are inflation and unemployment. The root causes include energy crisis, expensive electricity, frequent disasters and debt-driven economy. Additionally, outdated curriculum, teacher-centric pedagogy and lack of skillful training produce inefficient workforce. The unskilled youth remain isolated from practical work, hence rising unemployment. In addition to this, corruption, lack of comprehensive reforms and minimal opportunities for youth further contribute to these economic challenges.

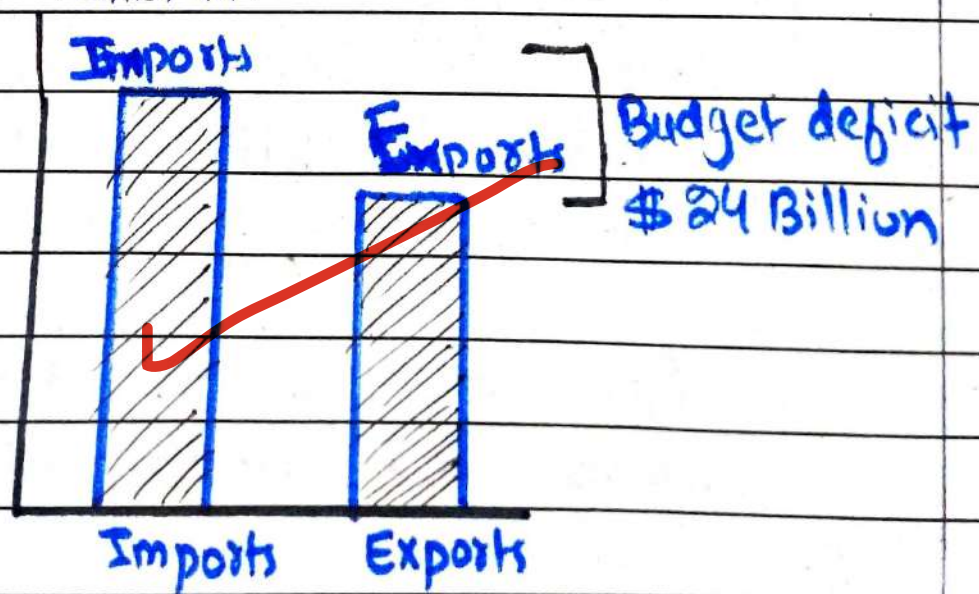
(2) Root Causes of Inflation and unemployment

(a) Expensive energy generation in Pakistan rises prices of all commodities

More than 60% of electricity in Pakistan is generated from imported hydrocarbons i.e. coal, gas and petroleum. The costly energy units increase prices of all commodities related to industries, agricultural, domestic and commercial markets. Hence, it is one of the major causes of inflation in Pakistan.

(b) Dependence on low-valued and narrow export base

Pakistan's export base is low, it mainly consists of textiles, garments, sports goods, and domestic goods. Contrarily, the country imports high-valued imports creating huge trade deficit. Due to import-driven economy, inflation remains high in Pakistan.



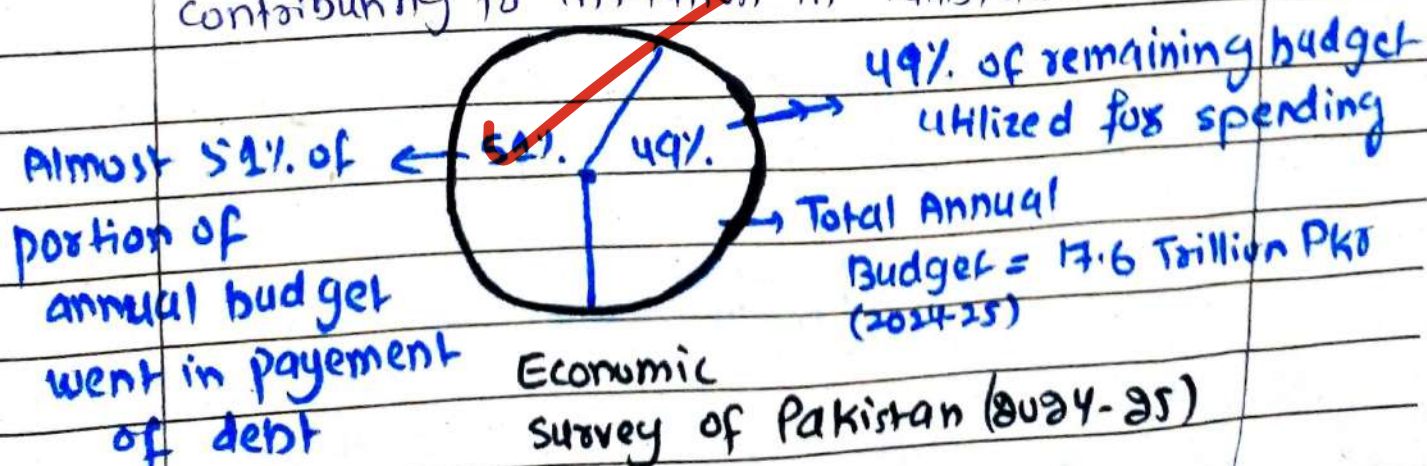
(c) Frequent disasters in Pakistan negatively impact sustainable growth

As the country is one of the most affected countries in the world.

Pakistan faced devastating floods in 2010, 2022 and 2025. Additionally, heavy rainfall, famine and erratic weather patterns impact sustainable growth. Being an agrarian economy, disasters have become another cause of inflation in Pakistan.

(d) Huge Debt creates vicious cycle, perpetuating inflation and unemployment

Pakistan frequently acquire loans from international lenders, China, Saudi Arabia and UAE. The huge debt take major portion of annual budget, also contributing to inflation in Pakistan.

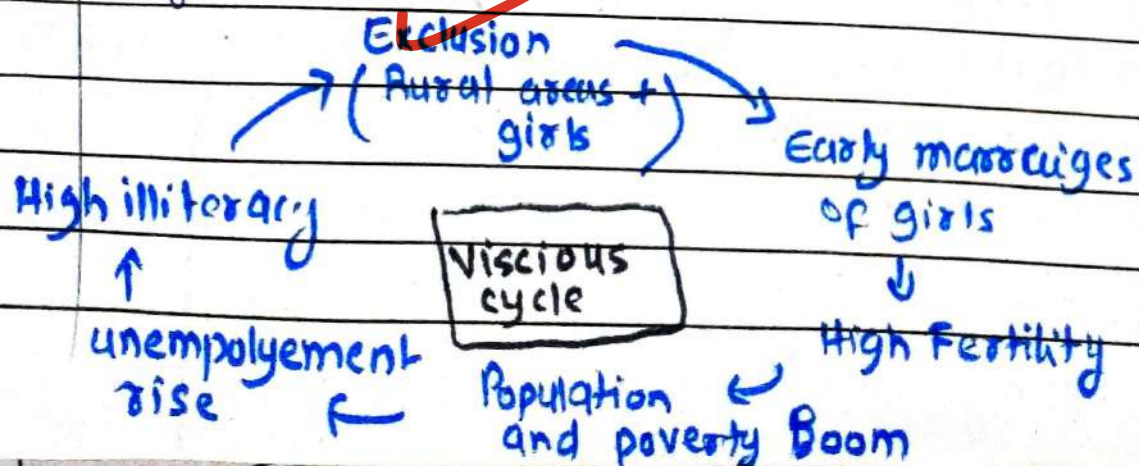


(e) Outdated Curriculum and teacher-centric pedagogy produce unskilled workforce ; Rising unemployment

Pakistani institutions teach outdated curriculum and focus on rote learning with minimal focus on innovation. Additionally, teacher-centric learning produce inefficient students that lack analytical skills. This cognitive burden turns into unemployment in the future. According to economic survey of Pakistan, unemployment rate remained 6.3% in year 2020-21.

(f) Rural-urban divide and Exclusion of girls exacerbate the challenge of unemployment

The huge gap between urban and rural areas in education, health and employment facilities further widens graph of unemployment and inflation.



(3) How poor governance and policy inconsistency contribute to inflation and unemployment

(a) Policy inconsistency impedes development programs:

Pakistan has a long history of political chaos and turbulent government. Policies formed in one government are changed in next governments. Due to this, ~~implementation~~ remains weak. For instance, ~~critical~~ steps of policy reforms, evaluation, and implementation are fragile. Hence, economy remains stagnant in Pakistan.

(b) Corruption and policy manipulation benefit Elite class rather than poor public

Weak accountability and high political influence flourish elite class at the cost of public growth. Additionally, ~~rampant~~ corruption further weakens institutions. Hence, ~~that~~ it leads to weak economic growth in Pakistan.

(c) Weak collaboration between educational institutions and industrial sector:

There is weak coordination

between institutes and industries. Hence, teachers ~~are~~ focus on theoretical learning instead of practical skills. This produces less competitive citizens, contributing to unemployment in Pakistan.

(d) Low opportunities for youth due to lack of political will

The Government has minimal focus on creation of opportunities for youth. As Pakistan's more than 60% of population is young, according to UNICEF Report. This large sector of youth needs to be empowered to revive country's growth. Hence, youth remains unemployed and untapped.

(4) Suggestions : Reviving the pathway to counter inflation and unemployment in Pakistan

Reforms in curriculum to foster innovation



Collaborate courses with international standards to produce competitive citizens

↓
Bridge digital gap between urban and rural areas

↓
Empower women to include their potential in fiscal economy of Pakistan

↓
Create job opportunities for youth

↓
Strengthen Accountability to control corruption

↓
Shift to renewable energy resources

↓
Ensure certainty in business environment to attract investment FDI

(5) Conclusion

To sum up the above discussion, root causes of inflation and unemployment are: expensive energy, low competitive goods, lower exports, debt crisis, and poor education quality. Additionally, corruption, and lack of political will further constraints economy of Pakistan. To counter these challenges, there must be curriculum reforms, inclusion of women and rural population, and export-driven economy to prosper Pakistan's economy.

Question No.3

(1) Introduction

Energy security is important for economic growth because every commodity produced today requires machinery. For machinery and industries, electricity is a necessity. Hence, energy cost impacts prices of every goods.

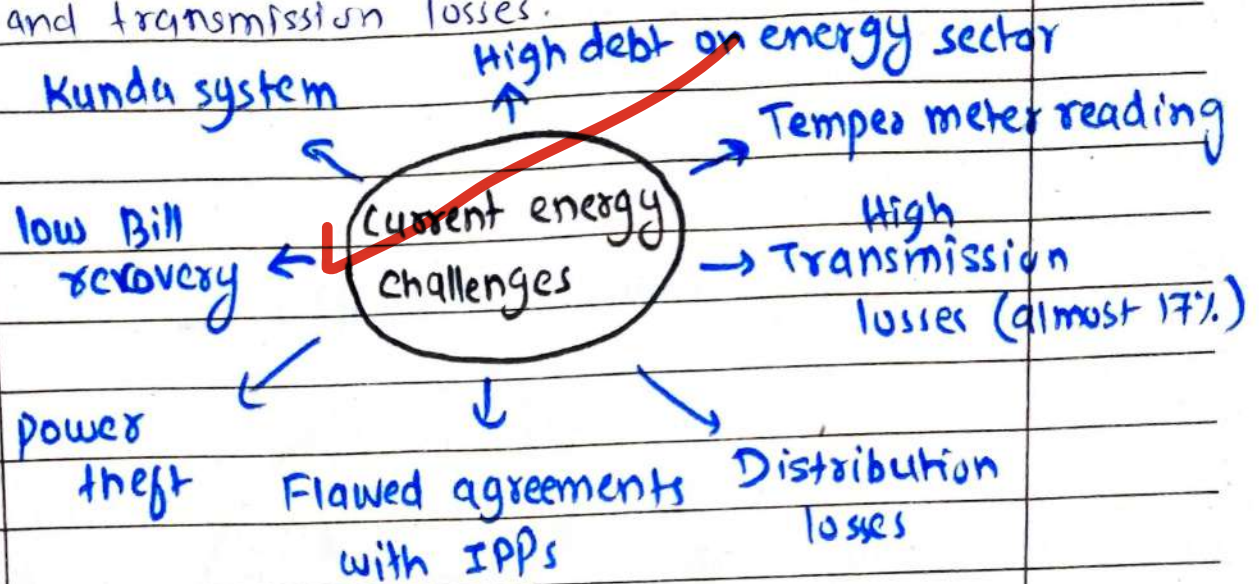
Pakistan produces the most expensive electricity in South Asia. So, to flourish growth, it must shift to renewable sources. The alternative sources like hydel energy, solar, wind power and civil nuclear reactors play huge role in addressing these challenges. Yet, the country still depends upon expensive hydrocarbons and shift from these costly sources to sustainable energy is a need of hour for Pakistan.

(2) Pakistan's energy challenges that impede sustainable growth

Pakistan's current energy infrastructure heavily depends upon fossil fuels. Currently, Pakistan's circular debt on power sector is almost Rs 1275 Billion. The major issues include flawed

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agreements with IPPs (Independent power producers), governance issues, theft of electricity, low recovery and ^{high} distribution and transmission losses.



(3) Role of Alternative and Renewable energy sources in addressing Pakistan's energy challenges and achieving sustainable Growth

(a) Hydel Projects contribute at large

Pakistan generate almost 15000 MW from hydel projects. It contribute almost 33% in Pakistan's energy generation. Major dams like Diamer Basha dam (4500MW) and Mangla Dam (800MW) are under construction. Additionally, Suki Kinar in Sindh and Korot

Hydel projects are recently completed. They combinely reduce energy burden from Pakistan's dependence on hydrocarbons. Hydel projects have a significant role in addressing energy challenges in Pakistan.

relate your headings and arguments to the qs statement.....

(b) Role of civil Nuclear projects

Currently, there are 4 ^{major} civil nuclear projects working in Pakistan. They generate almost 10000 MW of electricity, constituting almost 7% of energy generation in Pakistan.

(c) Solar power grids; rapidly rising in Pakistan

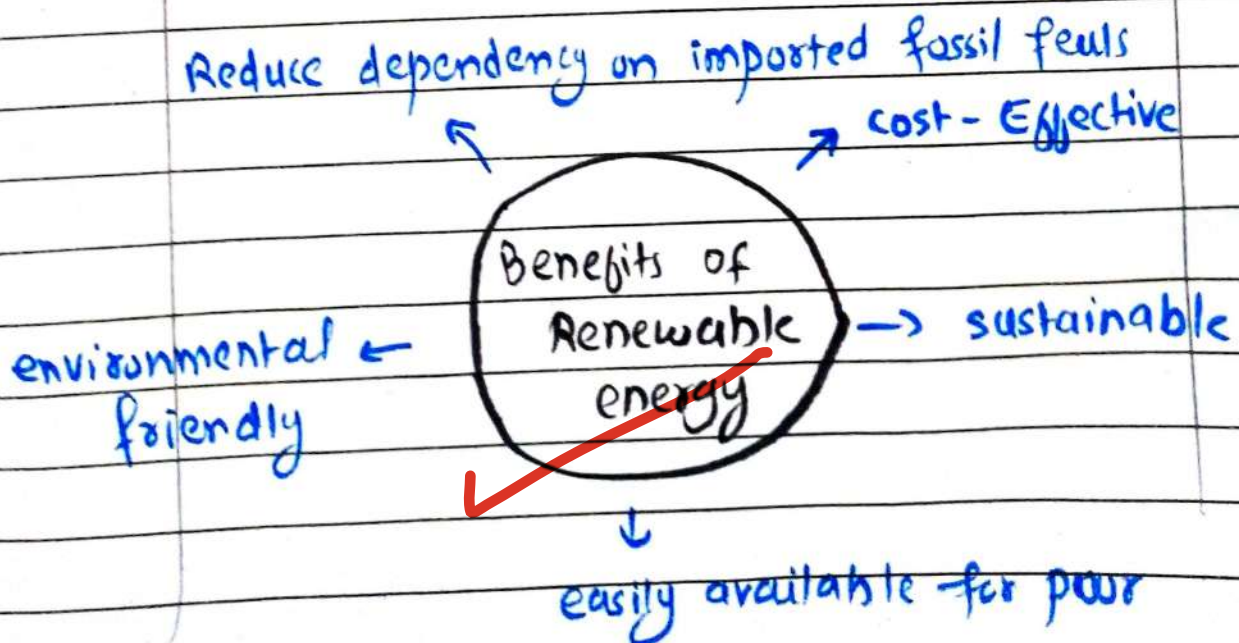
Due to sustainable energy generation, solar grids are increasing in Pakistan. Public get relief from costly bills of electricity but simultaneously it increases burden on those who depend upon grid station. Hence, solar power has risen as an alleviating ~~an~~ source for power in domestic purpose.

(d) Wind Energy: zero fuel electricity

Wind energy can be very cost-effective source in suitable areas. For example Gharo Jhimpir wind project has capacity to produce 50,000 MW. Current energy production from wind power is low. However, it can serve as a sustainable alternative to costly hydrocarbon sources.

(e) Biogas and Biofuel for rural areas

Being an agrarian economy, Pakistan produce huge ^{large} amount of waste. From this waste, rural areas can produce cost-effective energy to meet economic challenges in Pakistan.



add more arguments.

a 20 marks answer should have around 15 arguments and be on 7-9 pages.

(3) Conclusion

To conclude, renewable energy is a sustainable solution to meet current energy challenges in Pakistan. These include solar projects, hydro-power projects, wind energy and biomass sources. These are cost-effective, environmental friendly, and sustainable sources. Though currently their contribution is low, however, still they contribute as a sustainable solution.

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