

Pak Affairs

Subjective

Part II

Q. 3:

Introduction

Pakistan is currently facing a multitude of interconnected economic challenges. These challenges are not merely a consequences of political instability rather they are deeply rooted in the structural flaws of the economic system. These flaws are low production rate, fiscal deficit, low agricultural productivity, import dependency, low tax to GDP ratio, limited export potential, poor tax collection and informal economy, energy and infrastructure issues. While political factor aggravate the situation. Therefore

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root cause of Pakistan's economic crisis lies in structural weaknesses. To address these challenges various strategies must be taken.

Challenges:

1) Slow Industrial growth

Pakistan's industries are facing a lot of problems. High energy prices and unreliable power supply are major hindrances. Low investment in technology and worker upskillings limits productivity growth. A lack of investment in capital goods industries makes it hardly to compete globally. These issues decline large scale manufacturing. Furthermore industrial growth is hindered by poor infrastructure and energy issue.

2) Fiscal deficit

Fiscal deficit is the difference between government spending and revenue generation. This deficit is often financed through borrowing, further contributing to country's debt burden. Fiscal deficit is 5.38% in fiscal year 2024-2025.

3) Agricultural decline

Pakistan is an agrarian country. Despite this, Pakistan agriculture faces water shortage outdated method and low productivity. Pakistan's agriculture contribute 22% in country GDP which would decrease further due to floods and crop losses.

4) Import dependency

Pakistan mostly rely on imports particularly for energy. In FY 2024-2025 Pakistan imported approximately 58 - 63 billion dollars and exports around 32 - 39 billion dollars result in a trade deficit of 26 billion dollar. This dependence also contributes to balance of payment problem and currency instability.

5) Limited export potential

Pakistan's exports are not diversified and country has not fully tapped its export potential. This limits its ability to generate foreign exchange and reduce its competitiveness in the global market.

6) Poor tax collection and Informal economy

Pakistan has a

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narrow tax base. Most people and business do not pay taxes and a large part of economy operate informally. This limit the government ability to development and social services. 4.5 million out of 250 million people are tax filer. while informal sectors are 65% of GDP. But they are untaxed and unregulated.

1) Currency devaluation

The Pakistani rupees has lost significant value in recent years. This results in increased the cost of imports and creating uncertainty for investors. Price of one dollar was 228 in 2023. Now the price is around 285 rupees. This shows 25% of more currency devaluation.

8) Low tax to GDP ratio

A low tax to GDP ratio indicates a country collects a small amount of tax revenue relative to the size of economy. According to authentic sources if tax to GDP is 15% country goes to development while Pakistan tax to GDP is 9.2% which is lowest in the world.

9) Energy and infrastructure issues

Frequent power shortage, circular debt in the power sector and overreliance on imported fuel have hampered the industrial productivity and energy sector. Power sector due to subsidies 2.7 trillion circular debt which keep on increasing.

Day: _____
Pakistan ranked 105th globally in infrastructure. Due to this business sector effect and cost of doing business increased.

Policy measures

1) Diversify the economy and exports

Export diversification are vital to correct the persistent trade balance. Pakistan must move beyond low value textile exports and promote value added sectors like information technology, energy, engineering goods, agro-based industries, research and innovation. Establishing export oriented industrial cluster through special economic zone and maintaining competition would improve country economy.

2) Energy sector reforms

As the high cost and inefficiency of energy remain a hurdle for industrial growth. The government must restructure the power sector to reduce circular debt, rationalize ~~tariff~~ tariffs and encourage investment in renewable energy. Ensuring a reliable and affordable energy supply will enhance productivity and attract foreign investment.

3) Institutional reforms

Institutional reforms are essential to sustain economic stability. Strengthen merit based appointment, transparency in governance improving infrastructure can help restore economy and investor trust.

4) Agricultural sector reforms

Agricultural sector also required modernization through irrigation, mechanization and crop diversification. Developing agro based industries and efficient market linkage can enhance productivity and rural income. Meanwhile improve access to small and medium enterprises.

5) Financial sector deepening and digital inclusion

Pakistan banking system remained under developed with limited access to credit for small businesses and rural population. To stimulate investment and entrepreneurship the government should promote digital banking

mobile payment system and
microfinance institutions.

Conclusion:

In conclusion,
Pakistan's current economic
issues are outcome of
Structure flaws Political
factor may intensified
the issue but real
cause is Structure flaws.
Therefore, reforms should
be needed in all sectors
to stable country economy.
Only by restructuring
Pakistan can achieve stable
and self reliant growth.

Q. 1:

Introduction

Pakistan's inclusion among the vulnerable Twenty country's reflect the country's growing exposure to climate induced disasters such as floods, droughts, heatwaves and glacier melting.

Such disasters largely from its own environmentally hazardous development model.

There is no doubt that Global climate is also responsible because Pakistan is less carbon emission country. But the actual cause is its own environmental model.

Pakistan Flawed Model

A Source of Vulnerability

1) Deforestation

Forests are the lungs of the Earth that

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required in large quantities for the over populated world. The timber mafia operating with little accountability cuts trees illegally on a large scale particularly in northern areas. Agricultural expansion further decrease forest land as land is cleared to accomodate housing scheme. Moreover 5% area of forest contributes to GDP. This deforestation is causing damage to climate by unexpected floods and rains.

2) water mismanagement

water mismanagement has exacerbate environmental risk. Pakistan's agriculture which contributes 90% of fresh water operate

with outdated floods that waste water and degrade soil fertility. Over extraction of ground water and pollution from industrial effluents have further worsened water insecurity. Rather than adapting to climate resilience Pakistan continue to depend on unsustainable agriculture base.

3) Rapid urbanization

Pakistan's cities have expanded without proper urban planning green zones or drainage system. Uncontrolled construction replace vegetation with concrete creating urban heat islands and worsening flood vulnerability through poor water absorption.

4) Outdated culture practices

Excess use of water through flood irrigation chemical fertilizers and burning of crop residues emit methane and nitrous oxide which are greenhouse gases. It depletes soil and reduces productivity.

5) Poor waste management

Cities like Lahore and Karachi suffer from open dumping and burning of waste releasing toxic gases and particulate matter. This contributes to air pollution and degrades the environment.

6) Overexploitation of natural resources

Excessive groundwater extraction and sand mining and unsustainable fishing

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practices reduce ecological balance, disrupt carbon cycles and degrade ecosystem that climate shocks.

7) Transportation emission

Pakistan's old, fuel inefficient vehicles and weak public transport system increases carbon emission. Traffic congestion in major cities leads to high level of CO_2 and particulate pollution.

8) weak environmental governance

Although Pakistan has multiple environmental laws, their enforcement is weak. Political interference, corruption and institutional fragmentation allow eco destructive projects to proceed unchecked.

worsening climate exposure. Moreover, Pakistan contribute less than 1% of GDP in climate resilient infrastructure.

Conclusion:

Pakistan inclusion at the top of 20 vulnerable countries is not merely the outcome of global climate change but environment model. Unplanned urbanization, deforestation, water mismanagement have magnified the impact of climate threat. Sustainable growth require not just adaptation to climate change but transformation of domestic policies and practices.

Q. 8:

Introduction

The period between 1930 and 1947 marked the ideological crystallization of Pakistan movement. During this time, Muslim political consciousness evolved from demands for minority safeguards to call for independent home land. Landmark events such as Allah Abad, the Congress Ministeries and the Lahore Resolution transformed Muslim political thought into a mass movement for Pakistan.

Political and Social ideologies shaping the movement

Two nation theory

The ideological

backbone of Pakistan Movement was two nation theory, which states that Hindus and Muslims were two separate nations with divergent religious, social and cultural identities.

2) Separate electorates and constitutionalization

Muslims have advocated for separate electorates to ensure fair political representation. The failure of Constitutional Act 1935 which is Government of India Act 1935 to protect Muslims political rights reinforced the belief that Muslims needed sovereign political structure.

Social Ideologies

1) Islamic identity

Muslims need their own separate identity. Sir Syed Ahmad Khan, Iqbal and others emphasized the Muslim identity in the subcontinent.

2) Education

Institutions like Muslim Aligarh university became centres for ideological training and political mobilization. Educated Muslims viewed politics through reforms.

Allahabad Address (1930)

This address was delivered by Allama Muhammad Iqbal during 1930 annual session of All India Muslim League. Iqbal envisioned the consolidation of

Muslim majority provinces into self governing unity. It was the first clear articulation of a separate homeland and Muslims as a distinct nation not minority.

Congress Ministries

Congress rule in seven provinces after 1937 elections exposed the Hindu majoritarian mind set. Policies such as Vande Mataram, Hindi as national language, Wardha scheme of education, discrimination against Muslims alienated Muslim masses. The period proved a turning point. It validated the Muslims argument that Hindu rule means Muslim subjugation.

Lahore Resolution

This resolution was passed on 23 March 1940 under Jinnah leadership at All India Muslim League session Lahore. It formally demanded Muslims independent state in Muslims majority areas of India. The resolution was ideological and political foundation of Pakistan.

Conclusion

Between 1930 and 1947 the Pakistan movement evolved from a quest for minority safeguards into a full fledged struggle for independence. The Allahabad address show the seed of separation, Congress ministry show Hindu dominance and Lahore Resolution formalize the Muslim League demand for

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Pakistan. Thus, ideology was not merely a backdrop but they engine the creation of a separate homeland for Muslims of south Asia.