Rani bakhtawar
40224

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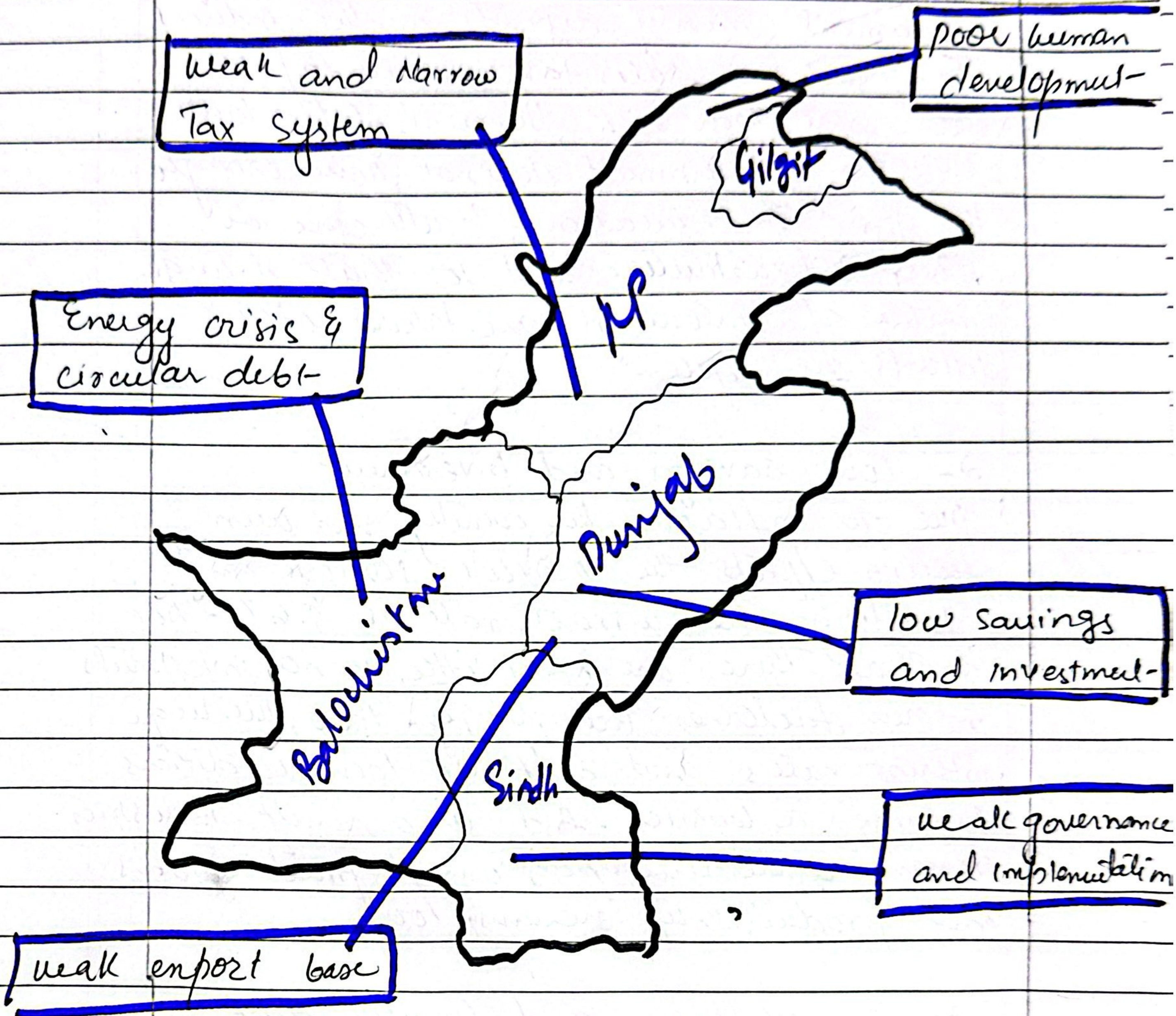
Pakistan Affairs

Question # 2

INTRODUCTION

Pakistan's economy has been struggling for years with slow growth, high inflation and heavy borrowings. Although Political instability and poor governance have contributed to this situation, the roots of Pakistan's economic difficulties lie much deeper in structural flaws. These include a weak tax base, inefficient energy system, underdeveloped industries and limited export diversification. Such weaknesses have created a fragile economic base that cannot sustain growth or stability without constant external borrowing. Therefore, Pakistan's current challenges are primarily structural in nature though they ~~are~~ worsened by politicial economy factors such as corruption, rent seeking and short-term populist policies. So, policy measures must be updated for country's betterment.

Challenges of Pakistan



1. Weak and Narrow Tax System
Pakistan's tax system collects too little money compared to the size, year 2024-2025 (fiscal) collection was approximately 11.9 trillion PKR. A huge number of business be it large or small do not pay taxes especially in

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agriculture and retail ~~business~~ sector. The government mainly depends on the indirect tax such as sales tax, which impacts poor more than rich. Because of the low collection, government does not have enough to spend on education, healthcare or other infrastructure and for that a huge number of borrowings are taken which disturbs the cycle.

2. Low Savings and Investment
Due to inflation, the country has been facing effects the people's savings and spending. The current rate is 5.67. Due to that there are very little to no investments in new factories, technology. Also, the high interest rates and difficult loan conditions become a barrier. And as a result industries remain underdeveloped, unemployment grows and productivity remains low.

3. Energy Crisis and Circular debt
Energy shortages are one of country's biggest economic problem. Due to outdated system, poor management and electricity theft the industry incur large sum losses. The unpaid bills that pile up through the system keeps increasing. Also, the fuel imports make it costly while shortage effects the output.

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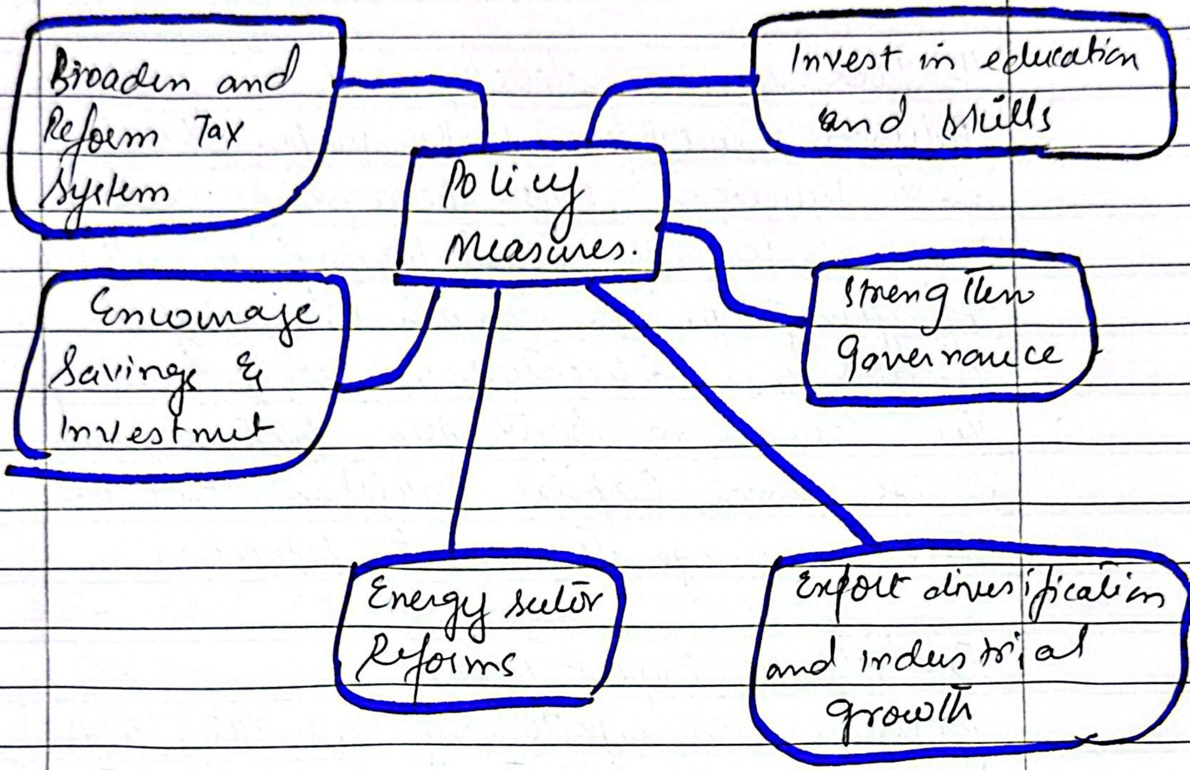
4- Poor Human development
Pakistan's workforce lacks proper education and technical skills. Because of lack of proper education and training a millions of young people remain unemployed. Health and education indicators are among the lowest in South Asia. Without working on its human Capital, Pakistan won't be able to change its current situation.

5 - Weak Export Base
Pakistan also exports very few items like textile, rice and leather. These products have huge competition and very low profit. The country mainly focuses on raw material or semi finished goods, so the earnings remain low while import bills keep rising, create a trade gap that puts pressure on the currency.

6. Weak governance and Implementation
Even good policies, weak implementation effects the outcomes and that is the case with Pakistan and they often fail ~~to~~ due to poor governance, corruption and weak institution. Public sector is inefficient and makes losses, it worsens due to the political involvement.



Policy Measure for development

1- Broaden and Reform Tax System

The government should expand the tax net by including all income groups, especially large landowners and the retail sector. Tax collection must be digital, transparent and fair. Reducing dependency on indirect taxes and increasing direct tax will make system more equitable.

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2- Encourage Savings and Investment
Saving schemes should offer attractive returns to motivate people to save. The business environment must be simplified by reducing unnecessary regulations and ensuring policy stability. Public - Private partnership can fund big projects in energy, infrastructure and industry.

3- Energy Sector Reforms
The energy system should be ~~monitesied~~ modernised through better distribution, renewable energy investment and efficiency measure. loss making power companies must be restructured and reducing circular debt will lower electricity costs

4- Export diversification & Industrial Growth
The government must promote new export sector such as IT, engineering goods ~~and~~ etc. Providing technology support, access to finance and improved logistics can help local industries compete internationally.

5- Invest in Education & Skills Development

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Improving education quality and vocational training and linking skills programs to industry needs are essential. A healthy skilled population will increase productivity and attract investment.

6. Strengthen Governance
State owned enterprise should be reformed or privatized. Transparency, accountability and digital governance should be promoted to reduce corruption.

Conclusion

Pakistan's challenges are deeply rooted in structural flaws rather than just political issues. The weak tax system, low investment, poor energy management and weak governance have trapped the country in repeated economic crises. Political instability only worsens these problems. Sustainable progress will require strong political will, institutional reforms and consistent long term policies that focus on strengthening the foundations of the economy rather than short term fixes. Only through these reforms can Pakistan move towards lasting stability and self-reliant growth.

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Question # 7

INTRODUCTION

Pakistan is among the world's most climate-affected countries, ranking within the V20 nations most exposed to global waring and environmental hazards. Every year, it faces devasting floods, droughts and heat waves. However, while global climate chnge is a major factor, Pakistan's environmental suffering largely stems from its own ~~b~~ unsustainable development model which prioritizes short-term economic growth over ecological balance. Decades of deforestation, unplanned urbanization, ~~insuffi~~ inefficient water use, weak governance have magnified the country's vulnerability to climate disasters. Pakistan's weak environmental vision and poor policy implementation have reduced its ability to recover from climate impacts. It is therefore not only a victim of global emissions but also of its own policy ~~features~~ failures. To ensure a secure future Pakistan must align econic growth with

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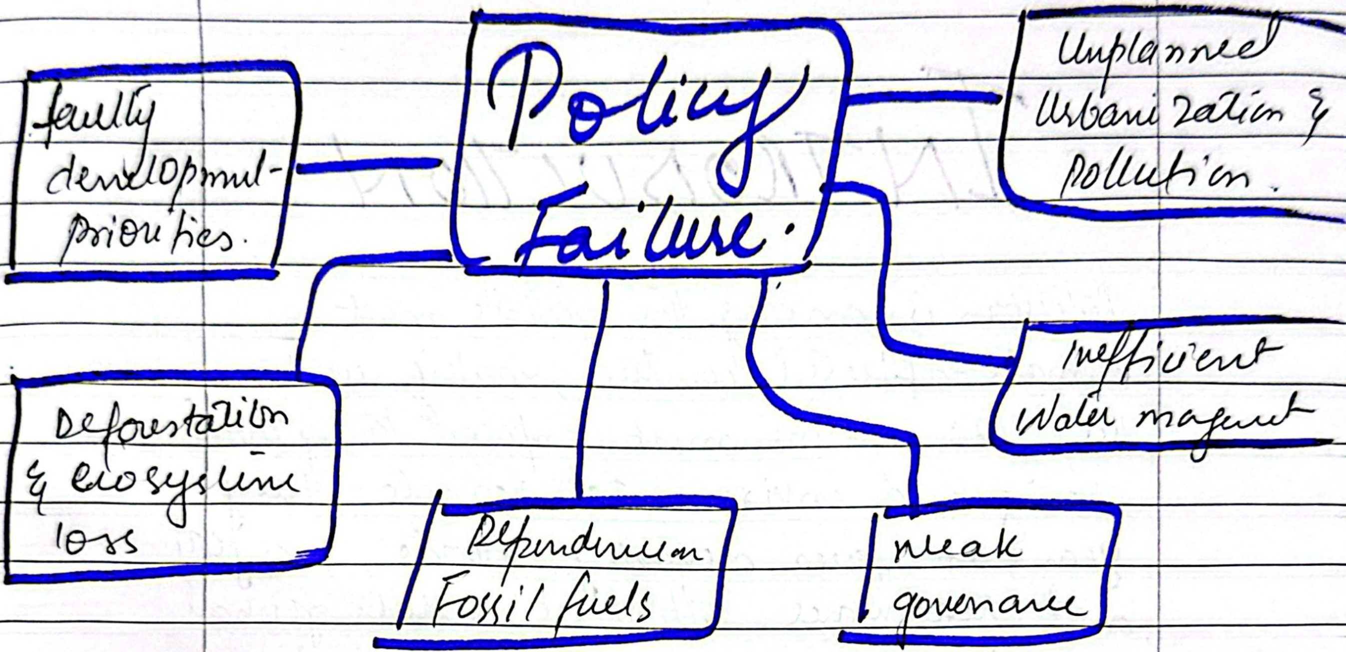
environmental protection through renewable energy, sustainable farming and climate-resilient development.



1 - Faulty development Priorities
Pakistan's economic model focuses on short-term growth, industrial expansion, infrastructure and real estate while ignoring environmental sustainability. Such priorities have degraded ecosystems and increased disaster risks.

2. Deforestation & Ecosystem loss

With one of the lowest forest covers in South Asia, Pakistan has lost its

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natural protection against floods, erosion and temperature rise. Rampant deforestation for urbanization and fuel has worsened climate vulnerability.

3. Unplanned Urbanization and Pollution
Rapid, unregulated city growth has created air and water pollution crises. Poor waste management, traffic emissions and concrete expansion over green land increase urban flooding and heat intensity.

4. Inefficient Water Management
Agriculture consumes most of Pakistan's water but remains wasteful and outdated. Poor irrigation and groundwater misuse have led to scarcity and soil degradation, reducing resilience against droughts.

5. Dependence on fossil fuels.

Pakistan still relies heavily on coal, oil and gas for energy. This dependence worsens pollution and exposes the economy to global fuel price shocks while renewable energy remains underdeveloped.

6- Weak governance and Policy neglect
Environmental law exists but are poorly enforced. Political instability, short term planning and lack of coordination between institutions prevent effective climate action and long term sustainability.

Why Policymakers Neglect the Environment

In Pakistan, environmental concerns are often treated as secondary issues compared to economic growth and political survival. Successive governments have focused on visible, vote-winning projects like roads, housing schemes and subsidies rather than long-term ecological reforms. Environmental planning lacks political ownership because the results are not immediate, while political cycles are short. Moreover, weak institutions, limited technical expertise and low public awareness further reduce pressure on leaders to prioritize sustainability. This policy neglect has made environmental degradation a silent but accelerating crisis.

Policy Recommendations

- Shift to Green and Renewable energy
- Sustainable Urban planning
- Massive reforestation
- Water conservation
- Strong environmental institutional
- climate Education & public awareness.

1- Shift to Green & Renewable energy-
Pakistan must invest in solar, wind and hydropower projects to reduce dependence on fossil fuels and ensure long-term energy security.

2. Sustainable Urban Planning
Introduce green city models with proper drainage, waste management and public transport to cut pollution and prevent urban flooding

3. Massive Reforestation and Ecosystem Restoration
Programs like "Billion tree tsunami" should be expanded nationwide. community-based forest protection can help restore natural climate barriers.

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4. Water conservation and Smart Agriculture.

Adopt water-efficient irrigation methods (drip and sprinkler system), promote drought-resistant crops, and regulate groundwater extraction.

5. Strong Environmental Institutional Laws

Strengthen the Environmental Protection Agency (EPA) and ensure strict penalties for industries violating pollution standards.

6. Climate ~~change~~ education and Public Awareness

Integrate environmental education at all levels and involve media campaigns to promote eco-friendly practices among citizens.

Conclusion

Pakistan's place among the world's most vulnerable nations is not only due to global climate change but also its own flawed and unsustainable development path. Environment neglect, poor governance and resources ~~managem~~ mismanagement have deepened the crisis. To secure its future, Pakistan must adopt a green growth model that balances development with sustainability, focusing on clean energy, efficient resource use and strong institutions. Only combining policy visions, institutional strength and public awareness can Pakistan transform from a vulnerable state into a climate-resilient nation.