(Q:3)

Introduction:

Pakistan's economy has been trapped in recurring Cries of fiscal and external imbalance. The ~~pers~~ persistent budget deficit, balance of payments crisis, mounting public debt, and low investment-to GDP ratio indicate that the roots of Pakistan's economic ~~des~~ distress lies not in temporary shocks but in deep structural flaws embedded within the political economy. The economic system has been shaped by political compromise, elite capture, and weak institutions. These have created a cycle of inefficiency, low productivity, and dependence on external borrowing. Hence Pakistan's economic challenges are fundamentally political-economy problem demanding structural reforms rather than short-term fixes.

Structural Flaws in Pakistan's Economy

1. Flawed Taxation System

Pakistan tax to-GDP ratio is dangerously low- less than 9%, compared to over 13% in ~~india~~ india and Bangladesh. The taxation System is narrow, regressive, and riddled with loopholes. The elite classes - real estate tycoons, industrialists, and traders evade billions through ~~underreport~~ underreporting and weak documentation.

- In FY 2024-25 tax collection is estimated at 13 trillion against total expenditure of Rs 18.9 trillion, leaving a budget deficit of Rs. 6 trillion.

- According to FBR, 5% elite class alone causes tax evasion of over Rs trillion annally.

Those trend reveal that Pakistan's fiscal imbalance is a politically - created structural problem, not merely a revenue shortfall.

2. Burden of State-Owned Enterpise (SOEs)

Over 100 state-owned enterpises — such as PIA Pakistan Railways, and Pakistan Steel Mills — Consume huge subsides ~~anna~~ annually.

- ~~If~~ In FY 2023-24 bailout exceeded Rs 1 trillion.
- PIA alone has accumulated losses above Rs 400 billion.

These institutions remain operational because of political interference, over-employment, and absence of accountability, making them symbols of structural inefficiency within the political economy.

3. Debt Servicing and Fiscal Mismanagmnt

Pakistan Spends nearly 40% of it annual expenditure on debt servicing.

- In FY 2024-25, debt repayment exceed Rs 9 trillion.

The constant borrowing to ~~brige~~ bridge deficits Creates a Vicious Cycle of debt dependency leaving limited resources of development, education, and healthcare.

The budgetary crisis is not only economic but political, reflecting decades of populist policies, elite privilege, and lack of fiscal discipline.

4. Subsidy Burden and Misallocation

Every fiscal year, trillions of rupees are spent on subsides — many of which benefit the wealthy rather than the poor.

- For instance, subsidies on electricity, fuel and loss-making enterprise collectively exceed Rs 1.6 trillion.

This misallocation result from political incentives aimed at maintaining short-term popularity rather than long-term economic sustainability.

5. Low investment and Weak Documentation

Pakistan's investment-to GDP ratio remain below 14% compared to 23% in india and 28% in Bangladesh. The informal economy — nearly 35% of total GDP — escapes ~~tat~~ ~~taxt~~ taxation and regulation. Weak governance, corruption and lack of automation ~~pere~~ prevent formalization

The result is slow industrial growth, low productivity, and unemployment, all of which are ~~symto~~ ~~sympt~~ symptoms of a structurally weak economy.

Implications of Structural Flaws

1. **Rising Public Debt:**
Public debt has increased from Rs. 6 trillion in 2008 to over Rs. 62 trillion in FY 2023 24. Persistent budget deficits push Pakistan ~~dep~~ deeper into domestic and foregn borrowing

2. **Low Development Spending:**
Heavy debt servicing and bialouts crowd out funds for infrasturcture, education and health.

3. **Slow Economic Growth and inflation:**
Fiscal imbalance fuel inflation, depreciation the currency and discourage investment, leading to ~~strang~~ stagnant growth.

4. **Dependence on External Aid.**
Structural weakness compel Pakistan to repeatedly seek IMF programs. Undermining economic sovereignty.

Policy Measure to Address Structural Challenges.

1. Tax Reforms and Documentation

Broaden tax base through digital system and integration of NADRA, property, and vehicle data.
Bring agriculture and real estate into the tax net.

2. Privatization and Goverance of SOEs

Privatization loss-making entities and make the government a regulator, not an operator.
Pass a charter of Privatization for policy ~~comm~~ continuity.

3. Rationalization of Subsidies and Expenditure

Replace blanket subsidies with targeted cash transfers via Ehsaas / BISP.
Reform pension systems and adopt zero-based budgeting.

4. Debt Management

Formulate a medium-term strategy to reduce domestic borrowing
Ensure transparency and ~~maintence~~ maintain a sustainable debt to GDP ratio.

5. Investment and Business Climate

- Simplify regulations and improve ease of doing business.
- Ecourage PPPs and energy sector reforms to attract FDI.

Political and institutional Stability:
Adopt a Charter of Economy among political parties.
Strengthen FBR, SECP, and NAB through depoliticization and merit-based appointments.

Conclusion

Pakistan's economic crisis Primarily structural demanding consistent reforms, institutional strengths and political consensus. only through long-term Structural adjustment - short-term political ~~tar~~ fixes - Can Pakistan achieve Sustainable growth and economic stability.

(Q:7)

Introduction:

Pakistan is amoung the Vulnerable 20 (V20) countries most affected by Climate Change While global warming plays a major role. the real reason Pakistan faces repeated environmental disasters lies in its environmentally hazardous development model. Climate Change is an external factor, but Pakistan's weak governance poor planning, and neglect of environmental Sustainability have multipled its impacts.

1. Climate Change as an External Challenge

Pakistan contributes less than 1% of global Carbon emission, yet it faces servere consequences.

Melting glaciers in the north due to ~~due~~ global warming.

Unpredictable monsoon patterns and frequent floods.

Extreme heatwaves and droughts affecting agriculture and water availability.

The 2022 Floods caused by abnormal monsoon rains, displaced millions and caused over 30 billions in losses— a clear example of climate change's global nature affecting Pakistan. Global Warming has made Pakistan's weather unpredictable, causing heavy rains, glacier melting and floods. The 2025 floods, triggered by intense monsoon rain and glacier melt, caused ~~sexvere~~ severe damage across KP, Punjab, Sindh, Balochistan and GB. Thousands were displaced and NDMA and the army led rescue and relief efforts.

2. Pakistan's Hazardous Development Model The internal Weakness.

Deforestation and Urbanization:- Rapid Urban expansion and illegal logging have reduced forest cover to below 5% increasing soil erosion and flood risk.

Poor Urban Planning: Construction on riverbeds and wetlands blocks natural drainage, worsening Urban flooding.

c. Unsustainable Agriculture: Overuse of water and Chemical fertilizers damages soil and depletes groundwater.

d. Fossil fuel Dependence: Energy production relies mainly on oil and gas instead of renewable Sources.

e. Weak Governance: Institution like NDMA and EPA lack funding, coordination, and enforcement power.

These structural flaws have made Pakistan's economy and population more exposed to Climate shocks.

1. Policy Recommendations for ~~Mig~~ Mitigation and Resilience:

Climate-Resilient Development:

Adopt eco-friendly infrastructure planning with flood resistant housing, green belts, and improved drainage Systems.

b) **Strengthen Disaster Management:**
Upgrade the NDMA and PDMA with modern early warning Systems and better coordination for flood and drought response.

c) **Forest Restoration and Plantation:**
Expand initiatives like Billion Tree Tsunami and focus on tree survival rates rather than plantation numbers.

d) **Shift to Renewable Energy:**
Promote Solar, wind, and hydel energy. Implement electric vehicle policy with incentives for consumers.

e) **Sustainable Agriculture:**
Introduce water-efficient irrigation methods, Crop diversification, and organic farming.

f) **Urban Planning Reforms:**
~~Et~~ Ensure proper zoning, solid waste management and revival of natural water channels in urban areas.

g. International Climate Finance:

Push for fair access to loss and Damage Fund and concessional green loans under Cop 29 and CoP 30 commitments.

h. Public Awareness and Education:

Include Climate education at all levels and engage Communities in local conservation initiatives.

Conclusion:

Pakistan's Climate Crisis is both a result of global climate change and its own unsustainable development choices. while the world must act to cut emission, Pakistan must transform it ~~polies~~ policies toward green growth, institutional reforms, and environmental responsbility. only through a sustainable model can Pakistan move from climate ~~Vetlenarab~~ vulnerability to climate resilience.

(Q6)

Introduction

Ideology serves as the foundation of any nation's identity and direction. In Pakistan's case, ideology played a vital role in uniting Muslims of Subcontinent under single political and cultural banner. The ideology of Pakistan, rooted in Islamic principles and Two nation theory provided a strong ~~base~~ basis for its creation and has continued to shap its nation-building process, political through, social discourse.

Ideology as the Foundation of Nation-Building.

The ideology of Pakistan is based on the belief that Muslims of the Indian Subcontienent are a distinct nation with their own religion, culture, and value. This ideological foundation ~~becau~~ become the guiding force behind the Pakistan Movement under the leader of Quaid-e-Azam Muhammad Ali Jinnah and Allama Iqbal. After independence the same ideology severed as a unifying creed for a diverse society comprising various ethnic, linguistic and regional groups.

3. Ideological Interpretation under Different Regimes

Ayub Khan Era (1958-1969) Modernist Approach:
Ayub Khan promoted a modernist and secular interpretation of ideology, focusing on economic growth and modernization rather than religious symbolism. Islam was seen more as a ~~model~~ moral force than a political framwork.

Zulfikar Ali Bhutto Era (1971-1977) Islamic Socialism.
After the seperation of East Pakistan in 1971 Bhutto introduce Islamic Socialism combining ~~region~~ religion with social justice. His slogan, Roti Kapra aur Makan" aimed to merge Islamic values with welfare economic to rebuild unity.

Zia-ul-Haq (1977-1988) (Islamization Drive)
Zia-ul-Haq regime marked a truning point in Pakistan's Ideological evolution. He introduced strict Islamic laws. Hudood ordinance, and Islamic banking. This phase institutionalized Islam into ~~policies~~ politics, education, and judiciary, reshaping Pakistan's socio-political landscape.