

## ISSUES, CHALLENGES AND ECONOMIC CONDITION OF DEVELOPING COUNTRIES: A CASE OF ISLAMIC REPUBLIC OF PAKISTAN

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### Abstract

*Pakistan is considered one of the developing countries of the world and the socio-economic system of Pakistan is almost based on agriculture which considered the backbone of Pakistani economy from its emergence. The weak socio-political institutions and the political instability rather created serious hurdles in the improvement of Pakistan's economy. Lack of facilities, illiteracy, terrorism, energy crises, foreign debts and internal deficit increased inflation and poverty in the country. The imbalance between export and import also proved a fatal impact for the economy. With this the fear of aggression to the neighbor also forced to consume most of the sources on defense. This paper is an attempt to highlight the socio-economic condition of the Pakistan in the last two decades.*

**Keywords:** Social, Economic, Development, Pakistan, Agriculture, Live-stock etc.

### Introduction

The paper is primarily deal with the economic condition of Pakistan. Economic development is directly related to the social status of the people that how much they improved their lives. Pakistan emerged on 14<sup>th</sup> August 1947 on the map of the world. With the transfer of power from colonial government to a separate state the economic

situation of the country was not well sound. After that the contradictory policies of the different governments could not become fruitful due to the instability in government and political process. Like other step the nationalization policy also discouraged the industrial and economic activities in the country.

### **Research Methodology**

Historic method has been used with qualitative and quantitative approach with the help of primary and secondary sources to complete this research including books, articles essays and agricultural reports, revenue reports etc.

### **Discussion**

*The term “economic development” is a process of change in national income over time. “Economic growth and “economic development” are a little change in both by definition and by compilation. Economic growth means more in output per capita. While, economic development implies both of more output and change in technical and institutional arrangements by which it is produced. Further, growth may simply not only more output but also “more output and more efficiency, i.e., increased unit in input”.<sup>i</sup>*

The economic development means a process of change in which an economy is measured by input and output. The input in which investor invests money and in output he receives profit as a results. So, input and output are a process of change which reflects increase income in per capita, and then, through this process an investor estimated his expenditures, profit, comforts and luxuries of life.

The most of economists equate the concept with the concept of modernity Sometimes development has been defined mainly in terms of industrialization. Development is a continuous Process and the concept of development is contested on theoretical and political base which is inherently complex and ambiguous. The concept and vision of development is also based on the liberty of the people. Development also depends on structural transformation. The term development is directly concerning to the reduction of poverty and other social problems.ii In the post modernists states and societies, development is thought as a set of ideas relating to power associations. Development almost varies on the social change, life style of people especially living condition and economic sources, socio-political system, legal and judicial system, religion and beliefs. In short development means the human efforts which bring socio-political transformation in the society. Development is a complete change in society. It means all economic and non-economic factors based on all types of expenditure for various cluster of public, this expenditure offered for education, health and other facilities for the progress of the society and the common economic and socio-political stratification, which are largely speaking, organization and approaches. In this way development means the changing environment or a process of change in society.iii Basically the concept of “Development is multi-dimensional in its nature and it is not easy process because in a complex system of a society the social change or progress and improvement does not come very quickly but it can occur in gradually through different parts and ways and different forces played a different role in history.iv Max Weber defines development as an ever increasing rationality in the affairs of human life and social relationship. Sociologists and anthropologists look upon development primarily in terms of differentiation of role and function. The thinking and writing of early social thinkers and sociologists like Comte, I. Durkheim, Tonnie's etc, were greatly

dominated by the general theory of social evolution. But the modern scholars who have dealt with the concept of development make no such appeal to any general social theory. Today development is used primarily to refer to two kinds of societies such as developed and underdeveloped.v

Development is a human process in the sense that it is human beings and not materials factors that are the driving force for development. The energy and aspiration of people who seek development forms the motive force that drives the development process. People's awareness may decide the direction in which development will take place. Their efficiency, productivity, creativity and organizational capacities determine the level of people's accomplishment and enjoyment. What is called development is only the outer realization of latent inner potentials. The level of people's education, the intensity of their aspiration and energies, the quality of their attitudes and values, skills and information all decide the extent and pace of development. All these factors come into play whether it is the development of the individual, family community or nation or even the whole world.vi However social scientists regard the achievement of political and economic independence a development. Still other regard enlightenment and science as essential ingredients of development and modernity. Sociologists and anthropologists look upon development primarily in terms of differentiation of role and function. The modernity of a system is a function of the extent to which structural differentiation has taken place. But the modern scholars who have dealt with the concept of development make no such appeal to any general social theory. Today development is used primarily to refer to two kinds of societies such as developed and underdeveloped. Comte looked the development vii and modernization primarily in term of man's application of technology to natural and social environment. viii "Development must not be confused with growth or expansion, whose objectives are purely economic development, is the organized growth of a living organism. In the case of a country it may be defined as the series of stages by which a given people or section of the population passes from a lower to a higher level of human development as quickly and as cheaply as possible having regard to the interdependence of the population groups of a particular country and the one country with another."ix

According to the Professor Arthur Lewis:

The increase in the production of goods and services is called economic development. To spend a better life, fundamental changes are brought about in the economy which results in economic development. In short, the movement of a backward economy towards becoming a developed economy is called economic development. Progress and prosperity of a country depend on the socio-economic climate prevailing within the country. Economic condition determines and influences the social progress and the standard of living of the people. Socio-economic scene does not always stay the same or is stagnant: but it is constantly fluctuating and changing for good or bad. In fact economic development and social progress is concomitant variations.

Socio-economic situation in a country depends on several internal and external factors such as age of the country, political stability; Law and order, freedom from foreign intervention, scientific and technical know, how, geographical condition, quality, and quantity (population) of the people international economic and political phenomena and peace. Developed countries enjoying political stability are more advanced socially and economically than backward countries. Similarly, countries favored with geographical bounties like good climate, fertile soil and rich natural resources are more progressive and more well-to-do materially. Social and

economic progress in the western countries is direct results of their scientific and technical advancement and progress. Japan, South Korea, China in the east, draw their quality and greatness from their manpower and will to progress. The victories of peace are no less than the victories of war. Actually, war shatters social and economic fabric and puts the country into reverse gear.

In modern times both social and economic development are part of national planning both n capitalist and communist. Planning is indispensable for national progress. The policies and the program are prepared by experts and they are executed by the government or the political party in power. They form part of political philosophy or political system the main modern system being capitalism, socialism, and communism. Above all the poignant factors effecting the situation are just distribution of wealth and equality of opportunities-the pillars of Islamic Economy.

The socio-economic situation in Pakistan has witnessed various phases and has different facets. When seen in proper historical perspective, it presents a variegated scene. During last forty years the socio-economic policy has passed through several experiments and has been changing according to the political urgency and situation it can be divided under four distinct periods namely: Each period co-inside with a new beginning in socio-economic situation. After partition Pakistan rose like a new land out of fire. The government was new, and the country had no economy worth the name. the resources were limited and there were no industries, no trade. The socio-economic situation was hazy partition brought many socio-economic problems in its wake, the most challenging being refugee problems. Insite of all these handicaps and hurdles the people had faith, were united, determined spirited and ambitious to progress. Their morale was high. They desired and tried to build the country on its ideological basis, with national zeal.

It is true that people are at their best when they are most free. All the old and the newcomers put their shoulders to the wheel and put the country on sure and sound basis. Industries were started; trade was boosted; educational and commercial institutions were started and strengthened. Despite absence of full-fledged democracy, the country had been on the march on the road to progress and prosperity. Things were cheap and easily available. The society was well knit and clean. Politics had not yet spooled the socio-economic order in the country. Suddenly the situation changed in 1958 with the imposition of the First marshal Law that was totally uncalled for and unjustified. The 1956 Constitution was abrogated, the ship of the country become rudderless. new and novel experiments were made in democracy. The system of Basic Democracy simply cut at the roots of national unity and gave birth to social disintegration, regionalism, sectirism and provincialism. A semblance of constitutionalism was provided through new constitution. Though the tempo of economic development was kept up, social and moral degradation set in. social evils like favoritism, nepotism, bribery, smuggling hoarding, and other malpractices had free passage. Anyhow, law and order situation was contained: but civil freedoms were curbed, and people longed for fresh air. Political leadership failed to rise to the occasion and played the second fiddle. Ultimately the people revolted, and the controlled system of democracy came to end.

The social fabric became weaker due to lack of proper leadership. The old Martial Law was replaced by the second marshal Law. It was a peaceful change, but the despotic rule continued. There was one saving grace and it was the holding of first and free General elections in 1970

for peaceful transfer of power to the elected representatives: but still political and shock of developing regionalism and ethnic ethos led to the dismemberment of Pakistan. The display of pure social contemptibility and sense of political compromise proved a curse for the Muslim brotherhood and the nation is still laboring under it. Alas! It was a great economic and social losses and setback. The ravages of 1971 war were not so much pronounced and felt in the remaining Pakistan except shattering the morals of the people and causing severe dents in national economy. What happened in east Pakistan was most inhuman-shocking and tragic. Historical continuation is essential for national wellbeing unity and for preserving the traditions that serve as life force for nationalism. The loss was setback. The people had some very anxious moments on the national prestige. The third phase of socio-economic scene started in 1972 when the old convention and traditions were kept aside, and a new start was made to re-organize 'New Pakistan'. Rigidity of administration yielded place to latency and party privileges. The most important features of the new socio-economic situation were nationalization of Industries and educational and commercial institution on unprecedented scale under the new political creed-Socialism in grab of Islamic Socialism. Inflation raised its ugly head become rampant. Equally important difference was witnessed in the social life and tone of society.

It was marked with new class-consciousness and the various starts of the society- owner and worker, students' band sub-ordinates, group affiliations and loyalties, party, and Pakistan. Law was made sub-ordinate to personal whims and convince. Political pampering spoiled social and industrial peace. The industrials felt the great brunt of social and economic change. Everything passed muster in the name of democracy. The one common achievement of the political will was framing of new constitution known as 1973 constitution, but it was not safe from frequent amendments, mostly one-sided. The land reforms brought little relief to the majority the agriculturists. The Rightists who were committed to national or Islamic ideology, rallied themselves and struggled for a constitution change. Strong opposition is essential for healthy democracy. But it was weak and disjointed. The attempts to change government and the socio-economic order through ballot were thwarted. The result was the political uprising, and demand for new mandate from the people. The political mistakes and high handedness were the causes of the great opposition campaign that shook the government. The politicians failed to come to a respectable compromise and the country was on the verge of civil war. Again, the army had to step in. It has been an irony of fate that political faces have been changing without real relief to the people and without mitigation of the social and economic problems. Besides, the rampant social evils that have been a curse for thee society, the community life in the country had fallen a victim to moral decay. A country founded on the ideals of Islam-goodness, truth, justice, equality, and fraternity, has never become an Islamic welfare state. Fear for God and respect for laws have been conspicuously absent. The new wave of Islamic resurgence during the rightists Campaign was translated as will of the people to build up the country on Islamic socio-economic order. The cue was taken by the chief Marshal law Administrator to usher in the long-awaited order. But no government efforts or external compulsion can make the Muslims to act and live like real musclemans unless they enforce Islam or Islamic Laws (Hududs) in their daily practical life. All well-thought and well-wished efforts are bound to fall unless the citizens think rightly and act rightly.

Thus, the fourth phase of the socio-economic situation marked with a will to put the country on road to Islamization in socio-economic and political fields, raised greatly appreciated in the Muslims world. Islam is a way of life. It has its own philosophy and taints to be practiced in all the walks of life. Introduction of Interest-free banking, Zakat and Usher Ordinance, establishment Islamic sharia courts, institution of shore, appointment of Qazi and Ombudsman are some of the unique features of the period. All systems are based on and draw their substances from the mundane laws (constitution) plus the moral values without which no society can be good, happy, and prosperous. Man loves not in words but in deeds. If one wants to set the people on right path, he must first change the direction or faces of the people towards the new destination. True Islamization can succeed only when the people change the direction from materialism and modernism to spiritualism and soul-searching.

Islamic socio-economic order offers the best solutions for the problems facing the country both mundane and moral. The social evils like poverty, ignorance, bribery favoritism, nepotism unfair profit, black marketing, tilting of scale, theft, tax-evasion and so on, can be cured through Islamic laws and punishments. God does not change the condition of a people unless they themselves attempt to change their lot. The Pakistan nation has failed to do so. So, the socio-economic situation persists with many fold problems Inflation, unemployment, foreign debts, adverse balance of trade, smuggling, black marketing. The social situation is no less disconcerting and depreciable.

People with secular mentality think that most of the social evils like criminal crimes, terrorism, murders, hold ups, drug trafficking and addiction, deviltry, Kalashnikov culture and ethnic disorders are the results and effects of economic causes; but it is absolutely a mistaken idea. The affluent and advanced societies of the west with their best-knit and trained police force are the worst victims of these crimes. The most shocking, rampant but little repented are sex crimes.

The real cause of all these evils is moral degradation which is natural results of material culture and loosening of religion's hold on human mind. The current situation is far from satisfactory. The politicians blame one another for this sorry state without seriously trying to pull out the society from the socio-economic quagmire. It is not by shifting the responsibility but by shouldering it, the tables can be turned. Unless the whole nation rises to the occasion and makes co-economic evils and problems, the country's future appears bleak and uncertain. Unemployment, inflationary pressure, low agricultural products, ever widening class gap, poverty, falling educational standard, fragile law and order situation, unrefined bribery and general moral bankruptcy are constant dangerous signals. It is the people and not wealth that make a country great and strong, Great people great country! Is the ideal worth pursuing? No country can progress socially and economically without paying serious attention to the human factors. Modern society is indebted to science and technology or the quality of life, god, respectable and comfortable living. The socio-economic situation has undergone a change during last thirty years. Much has been done to develop the country; but still many remains to be achieved to make the country a real Islamic welfare state based on equity, justice, mutual respect and love. Social reformation must be preceded by moral restoration. There lies the future of the Pakistan race.

Year	Small Industry %	Heavy Industry	Increase %
1955-60	2.3	15.4	7.7
1960-70	9.9	13.3	9.9
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## 2. The First Period of the Economic development;1947-1950

After Pakistan's establishment, industrial units began to arrive, but they were unable to meet the demands of the nation. Agriculture was the primary source of income for most people. Prior to the establishment of Pakistan, the majority of trade and industry took place in non-Muslim countries. These individuals moved to India at the time of the partition, which caused a void in the areas of trade and manufacturing. Most Muslim traders who immigrated from India settled in Karachi in order to fill this vacuum. The hub of our commerce and industry was Karachi. An industrial conference was convened in 1947 by the government. In this meeting, recommendations were made for the construction of industrial facilities connected to raw materials like jute, cotton, leather, etc. Industrial Board and Industrial Financial Cooperation were established to support investors' activity. The economic development was thus launched.

## 3. The second period of economic development;1950-60

Pakistan had a liberal and soft trade policy between 1950 and 1952, which brought in a lot of foreign currency. Raw material costs decreased as a result of the conclusion of the conflict. Government limits on the import of goods used on a daily basis are particularly advantageous to the industry. Pakistan Industrial Development Cooperation is a financial institution that was founded by the Pakistani government in 1952. This corporation primarily engaged in shipyards, cement, paper, and sui gas pipes. The industrial sector's percentage of Pakistan's GDP in 1959–60 was 11.9%. Large-scale industries flourished during this time. Additionally, industries were set up. The five-year development plan for Pakistan ran from April 1, 1955, to July 1, 1960. There were 1080 crore rupees in it. This plan was quite effective in terms of goals; however, it fell short of hitting all of its objectives. The national income increased by 11% in line with the rate of development. Premarital income was unable to rise by 3%, and national savings decreased to 21% inactive. Numerous industries, including those for paper, cardboard, fertilizer, and chemical goods, among others, were founded in the industrial sector. The population increased at a pace of roughly 1.6% yearly. Experts could not be hired more people during that time; instead, imports expanded more quickly. The payment balance was seriously off. In the first four years, there was a balance of payment error of 24 crore rupees. Additionally, there was no way to raise the agricultural goods of products. According to the aforementioned data, it may be assumed that most plans during the first five years were unsuccessful. Despite this, it is indisputable that the knowledge gathered in this field gave rise to contemporary ideas. This sped up economic growth and aided in the creation of a plan for future development.<sup>xi</sup>

#### **4. The period of economic development;1960-70**

After assuming control in 1958, Muhammad Ayub Khan harshly punished border crossings, smugglers, and black marketplaces. Heavy machinery industries including the steel and petroleum chemical industries received attention. After 1965, there was a slowdown in the industry's growth, which accelerated the pace of agricultural development. The second five-year plan (1960–1965) is especially significant in terms of Pakistan's economic progress. The second five-year plan has a budget of 1900 crore rupees. It was raised to 23 crore rupees in 1961. This strategy led to an improvement in the nation's economic development. Over 305 percent more was made nationally. Exports increased by 7% yearly, and the industrial sector had a gain of more than 40%. Employment prospects could not be increased to the anticipated levels, despite an increase in the agricultural sector of more than 15%. Thus, the rate of development was inadequate. The second five-year development plan was successful in reaching its objectives and, in some areas, even exceeding them. The third five-year growth plan was created between the years 1965 to 1970.

This plan has a budget of 5200 crore rupees. The third five-year plan saw 9% growth in the industrial sector. The rate of investment decreased by 4%. 4.5% of development was in agriculture. Exports grew at a 1% annual pace.

#### **5. The fourth period of economic development;1970-1980**

The breaking away of East Pakistan was a great strategy. When in 1971 Zulfikar Ali Bhutto took overpower, Pakistan surrounded by problems. In the first 7 years of this decade economic development was disappointing. The decreased and American dollar went up from 4.67 rupees to 11 rupees. The nationalism of factories, trade banks, aero plane companies, flour mills effected the economic development negatively. During the rule of the General Zia the country moved towards the economic development. The ordinance for economic reforms was issued in 1979.

#### **5. The Fifth period of economic development; 1980-1990**

From 1980 to 1990 there were a record increase in the production of cotton, rice, sugar, and wheat. Agricultural development was at the rate of 6.2% per annum. This can be called the best stage of the economic development as steps were taken to reduce the confidence of the private sector. Through 1982 and 1984 industrials policies created a balanced development, job opportunities and strengthened the private sector. Then led to encouraging increase in the rate of production of raw material. From 1978 to 1983 the 5th year plan was commenced. The volume of this plan was 21 and 2 crore rupees. In spite of unfavorable circumstances, the per annum rate of development was 6%. Industrial production increased by 5% per annum. To encourage the siting up of industrial unit's were also given and fell to 5%. During this plan special attention was paid to the development of rural area. At least 20% poverty-stricken people were provided help through the system of zakat. This was a big step towards social and economic justice.

The sixth 5-year plan (1983-1988) commenced on 1st of July 1983. Work was carried out quickly from 1985 to 1988 on Prime Minister Muhammad Khan Junaju's program. There was a more investment from the private sector in industries and energy producing Roads were built in villages and connected to the city markets. The deserving were help through zakat and system of Ushr. Different steps were taken to provide the employment. Special attention paid

to the development of villages, backward, big, and small cities. More attention was paid to education and health. G. D.P increased by 6.6% and agricultural production by 2.3%. there was an increase of 6% in exports and 6% in imports per annum. The rate of inflation 6%. The production of electricity increased by 13.6%. In the election held in 1988, Benazir Bhutto came into power. The government lasted till 1990. During this period, the economic condition of the country was hopeful. From 1989 to 1990 the GDP increased to rate of 5.1%. agriculture development was expected 5.2% but the increase was only 4% per annum. The balance of payment was improved. The foreign trade deficit decreased, and investment was encouraged in the country. In April 1989, the new economic policy was announced. Again, new incentive was announced for private sector. Setting up of new industries was made easier investment in new fields was made easy.

#### 6. The Sixth period of economic development; 1990-2000

From 1990 to 1996, Benazir government was isolated. In 1993 to 1999, the government of Muhammad Nawaz formed and dismissed by General Mushraf and he came to power in 1999. The seventh 5 years plan 1988 to 1993 was put into action. During this time G. D. P increased 5% per annum in this era. The production in agriculture remained 4.7%. Industrials production increased by the rate of 5.9%. The rate of national savings remained 12.7% per annum. 50 medical centres were established in urban area literacy rate remained 36%.

The eighth 5 year plan commenced in 1993-1998. During this plan many national institution were handed over to private sector. Due to atomic blast in 1998, Pakistan had faced many economic sanctions. A census was carried out in 1998. G. D. P and agricultural showed an increase of 6% per annum. Private investment increased by 22.8%, Federal government tax returns were increased by 22.6% Exports decreased by 224.9%, Literacy rate become 37.9%, National savings increased by 12.7% After the 8th years plan there was 5 years plan. New annual development plans also prepared.

#### 7. The Seventh period of economic development; 2000-2010

The pace of economic development in General Pervaiz Musharraf's year government was 7%. Prime Minister Shaokut Azez took many steps of the economic development but problems in common men's increased greatly. Goods became more expensive. In election of 2008 people party emerged as majority party. Their government took many steps to solve the people economic problems, but the country is still in difficult in relation to economic development. If we look at the background of Pakistan's basic economic system, it is clear that Pakistan is a country that has inherited a weak economy and poverty and unemployment since its inception. Pakistan was an economically weak country and weak agriculture was its only source of income while industry was non-existent.

Pakistan is a developing country of the world and trying to improve its economy. The dreams of Pakistani Nation of development in the eyes of the country's economy are struggling with numerous problems. A lot of work is being done to improve the country's economy and many steps are being taken in this regard. And many are being planned. But sorry to say, the spirit of national development has not yet come to the fore. Nor has the spirit of development emerged. The Pakistani people have long longed for a better standard of living. But no government has been able to achieve significant success in this regard. Our country's economy is facing innumerable problems. The biggest problem is inflation.

Poverty is on the rise due to a sharp drop in purchasing power due to inflation and people are having great difficulty in meeting their basic needs such as housing, health, food, education, recreation and clean drinking water. - The current inflation rate is around 12. The biggest reason for this is the international problems, which include oil prices, which have the effect of increasing the prices of daily commodities, and this inflation will continue as long as oil imports are expensive. Therefore, if we continue to depend on oil for our economy, the mind-blowing inflation in the future will further weaken the country's economy. Because Pakistan gets 70% of its energy from oil and gas. If we look at our industry, it should be clear that our industry consumes more oil in agriculture and transport, so the cost of production will increase.<sup>xii</sup>

The energy sector needs to be developed and for this purpose cheap power generation is also necessary. The strategy of not building dams due to political expediency has brought the country's economy to the brink of disaster. Another important aspect is that the policy of generating electricity from coal also harmed the country's economy. It is the need of time to take immediate action for this problem. Despite being a poor country, many private people who own huge properties at home and abroad are not in the habit of paying taxes. Similarly, apart from traders and industrialists, the country's large agricultural class, which has a feudal temperament, refuses to pay taxes. Due to which the annual production rate of revenue is low and the fiscal deficit is weakening the country's economy. According to the State Bank of Pakistan, the debt burden is licking the economy like a termite. The high flight of the dollar in the global market has eroded the rupee, which has led to hundreds of billions of rupees in debt. And now it's not an easy task- The volatile political climate also fueled economic instability and disrupted daily life in KPK and Balochistan during the war on terror, disrupting business and tourism.<sup>xiii</sup>

The energy crisis has hit the industry hard, one of the main wheels of the economy, leaving many business and industrial units, especially factories and power looms, closed, and leaving the people jobless. Under Pervez Musharraf, business activity increased due to the encouragement of the private sector. In 2004, the external volume of investment reached 152 billions US dollar and Terrorism then severely affected foreign investment until 2010. Among the 4,000 units in the industry, 2,000 were connected to Karachi, which had the status of an economic hub, but many of them closed, one of the main reasons being extortion and kidnapping for ransom, which caused traders to migrate. Similarly, one of the weaknesses of the economy is agriculture. It is the backbone of the Pakistani economy, but the agricultural sector is dominated by landlords and feudal lords. One of the causes of problems in the agricultural sector is the feudal system.

The foundations of the feudal system in Pakistan are old, but they have existed in a new form since the British era. Due to the feudal environment, the feudal class spends its produce in non-agricultural and productive activities. The feudal class sends its money abroad or spends it on individual work instead of collective work which does not benefit the state, while the poor peasants are in dire straits and their condition is deplorable. Agricultural production is also low due to lack of modern farming, scientific and research work in agriculture and lack of education is also a major reason. The most unfortunate thing is that Pakistan which is an agricultural country and its economy is dependent on agriculture and only 50% of its total income is possible from agricultural production is not self-sufficient in food.<sup>xiv</sup>

But the poor strategy can be gauged by the fact that we often need other countries to meet our food needs as well. We even import wheat, pulses, ghee, and many other necessities from other countries that bankrupt our economy. Decreased production of cotton, fruits and vegetables due to excessive spraying on agricultural crops-The economists and expert pointed out Pakistan would have to formulate a prudent policy in the matter of agricultural production.

Livestock is another important sector in Pakistan's economy. It accounts for 14% of exports and about 10% of GDP. Therefore, by giving priority to the policy of raising and raising cattle, the exchange rate can be increased.

### Conclusion

Primarily this paper deals with the socio-economic condition of Pakistan. In this paper it is tried to explore the socio-economic condition of Pakistan regarding the current scenario of economy. Due to the international environment especially Oil prices and the pandemic of Covid-19. With this we have to distance ourselves from the arms race, political chaos, local and international conflicts. When we look at this unspoken state of the Pakistani economy, it is clear that we as Pakistanis, in the context of a poor and under-developed nation, need to cut our unnecessary spending as well as take revolutionary steps in the energy sector. At the same time, we have to think that as a poor nation, we have a better plan for the future. We must spend our resources on education, health and human life while reducing unnecessary expenditures so that we can move forward on the path of development and build an Islamic welfare state that Muhammad Ali Jinnah dreamed for this state. The only solution is national spirit and we can move us on the path of development.

### Industrial Development

Year	Small Industry	Heavy Industry	Total
1950-60	2.3	15.4	
1960-70	9.9	13.3	3.7
1970-77	7.3	4.6	5.5
1970-80	7.9	4.7	9.6
1977-86	9.24	9.7	8.0
1950-86	5.2	1.28	8.1
1960-86	6.3	9.10	8.2
1985-86	9.1	8.8	) 7.7
1987-88	8.4	7.5	

### Foreign Trade in Millions Dollars

Year	Export	Import	Balance
1967-68	345.59	699.00	353.41
1968-69	357.13	640.12	282.99
1969-70	335.03	690.13	352.10
1970-71	419.75	756.72	336.97
1971-72	589.76	738.55	59.69
1972-73	826.00	797.30	29.67
1973-74	633.00	985.00	252.00

### Division of Imports

**Share of Imports**

<b>Raw Material</b>			<b>Article &amp; Investment</b>	<b>Year</b>
<b>Consumers</b>	<b>Consumed Articles</b>	<b>Article &amp; Investment</b>		
10	29	11	50	1969-70
11	26	11	52	1970-71
21	28	76	35	1975-76
15	57	8	28	1980-81
18	39	7	26	1986-87

**Total Share of Exports**

<b>Things</b>	<b>Raw Material</b>	<b>Edible Articles</b>	<b>Years</b>
28.2	62.7	8.7	1959-60
32.1	56.8	11.1	1964-65
51.1	39.3	8.8	1968-69
55.1	36.5	7.8	1969-70
62.4	39.0	8.6	1972-73

**National Income**

<b>Increase Ratio</b>		<b>Per capita</b>	<b>National income in Millions</b>	<b>Year</b>
<b>Per capita</b>	<b>National Income</b>			
1.9	4.2	318	31439	1959-60
5.2	5.2	326	33086	1960-61
3.4	5.9	337	35043	1961-62
0.9	3.5	340	36284	1962-63
5.6	8.3	359	39284	1963-64
1.8	4.5	365	41058	1964-65
1.9	4.6	372	42968	1965-66
2.4	5.0	381	45133	1966-67
4.7	7.5	399	48536	1967-68

## Federal Budget in Millions

Year	Income	Expenditure
1947-48	198.9	236.0
1948-49	667.6	647.0
1949-50	885.4	856.0
1950-51	1273.2	1266.2
1951-52	1448.4	1442.3
1952-53	1334.3	3120.1
1953-54	1110.5	1108.7
1954-55	1172.7	1172.6
1955-56	1435.8	1433.4
1956-57	1331.4	1330.7
1957-58	1525.0	1521.8
1958-59	1958.7	1956.5
1959-60	1977.5	1846.5
1960-61	2122.5	1894.2
1961-62	2316.9	1986.8
1962-63	2646.0	1795.3
1963-64	28296	2337.2
1964-65	3301.0	2736.2
1965-66	3797.9	4498.1
1966-67	4475.2	3765.5
1967-68	4704.2	4000.6
1968-69	5800.1	4390.7
1969-70	7754.8	5173.4
1970-71	7873.0	6002.6
1971-72	8773.4	6275.2
1972-73	8510.0	7430.0
1973-74	9420.0	8270.0
1974-75	12601.4	10855.6

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