

Impacts of Economic Policies on National Integration in Pakistan



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Abstract: *This paper examines the impacts of economic policies on national integration in Pakistan with special reference since 1947. The analysis reveals how the policies of early government affect the national integration of East and West Pakistan. The work investigates the problem of economic development between the developed and underdeveloped provinces of Pakistan with a special emphasis on the Balochistan and Khyber Pakhtunkhwa provinces, which have experienced neglect, fuelling the feeling of marginalization. Although it involves some important developments like the National Finance Commission (NFC) Awards and the China-Pakistan Economic Corridor (CPEC) have tried to minimize this divergence, their benefits are also not the same, which means there is an essential need for Inclusive growth. The study demonstrates the effects of constitutional breaks, especially articles 158 and 161 in aggravating regional inequality and undermining the unity of the nation. While offering an overview of historical and modern policies, this study stresses the necessity of developing communicative and fair national economic policies that would contribute to effective national' integration.*

Keywords: National Finance Commission (NFC), National integration, Economic policies, Green Revolution, CPEC

Introduction

National integration is the means of amalgamating a society's manifold parts or sub-societies into one whole, which gives everyone the feeling of oneness that, despite the differences in ethnic origin, language, or colour, they are one nation (Esman, 1972). National integration may be defined as the process by which the community becomes more and more linked to the nation-state rather than its own ethnic or regional subculture. This definition focuses on the role of promoting unity within a particular country, especially within a nation that has the tradition of divide and contain. National integration has remained a daunting issue in Pakistan after it gained its independence in 1947. Pakistani ethnic character with people like Punjabis, Sindhis, Baloch, Pashtuns, and

Mohajirs has always been a way of countering one another on regional and ethnic lines. They help to either narrow or widen these cleavages through impact on resource allocation, development priorities, and equity. The purpose of this research article is to analyze the effects of the developmental economic policy of Pakistan concerning national integration from 1947 to the present. These policies were analyzed in the current research, covering their constitutional guarantees and realization, as well as the benefits and shortcomings of these measures. In this analysis, emphasis was made on how policies have in one way or the other helped to amplify unity due to inclusiveness, a case that is different from imbalanced or regionally biased policies that have also contributed to exacerbating existing divisions. Furthermore,

the study evaluated the constitution articles concerning economic policies such as distribution of resources and socio-economic justice, and their effects on national integration. This research aims to fill the above gaps by discussing the following aspects; thus, it offers an exhaustive understanding of how economic policies can be used to achieve integration in the Pakistani context.

Economic policies

Policies refer to government strategies and actions relevant to the operation of a country's economy. These policies include fiscal policies (taxation, government expenditure), monetary policies (control of money stock and interest rates), foreign exchange controls, and policies on exports and imports, labour market controls. In the central context of economic policies it is imperative to mention that, besides serving to control regional imbalances and promote the overall idea of unity amidst profound diversities, they are also critical for national integration. For example, equitable fiscal policies can make provision for equal development across areas so that, regions that feel ignored especially those less developed, are integrated with the nation. The former government in 2017 introduced the Goods and Service Tax (GST) to replace numerous taxes in the country to advance economic integration (Purohit, 2018). Likewise in the European Union the mutual acceptance of the 'Euro' currency as the single currency was another move towards economic migration that allowed the sale of products between that region's member countries without much hindrance (Mongelli, 2002). Nevertheless, the crisis in the Eurozone showed that a similar integration is not without its difficulties and requires coordinated fiscal policies to keep a fixed balance (Lane, 2012). This paper reveals that in Pakistan economic policies have been at the forefront in matters concerning national integration. The NFC Awards exist to provide resources for provinces with equal chances of development focused on enhancing unity rather than separation across the regions (Ahmed, 2013). Nonetheless, its implementation has sometimes been associated with some degree of perceived inequity that calls for effective policy

implementation and participation. Therefore, well-articulated economic policies remain critical to the process of fostering national integration, since they provide structures that encourage balancing, easing out of, and containing regional disparities in the country's development, as well as promote and maintain national cohesion.

Literature Review

Akram and Khan (2020) look into the economic diversification of Pakistan and the effects on the unity of the regions. Sharp pointed out that their study shows that provinces such as Punjab have been favoured in development allocations as Balochistan fumes for a smaller slice of the development cake. They claim that equality of those areas in socio-economic policies is essential for the stability of the states within a nation.

Ahmad (2019) described how a fair taxation system and resource allocation policies pave the way to integration. They argue that there are incidences in which fiscal policies are partial to provinces like the urban areas but disregard the rural tracts. Where there are such imbalances citizens, especially from the so-called minority groups feel that they are neglected and this causes division within the already-formed nation.

Abb, Boni, and Karrar (2024) explore CPEC as a flagship project, emphasizing its substantial investments and transformative potential. The corridor is presented as a collaborative effort between China and Pakistan, with both developmental benefits and controversies, particularly in areas such as agriculture, infrastructure, and sustainability. This interaction between China and Pakistan challenges the view of CPEC as a purely China-driven project. The literature suggests that CPEC should be understood as an integrated process, reflecting broader regional cooperation and socio-economic complexities in South Asia. By examining local outcomes, scholars provide a nuanced understanding of the corridor's role in the evolving relationship between the two countries and its impact on the region's development.

Rashid (2018) examines lower-income groups in the smaller provinces where the impact of the monetary policies is related to inflation and employment. The paper shows that these communities are likely to consider such economic difficulties as discrimination and experience social isolation as well as fail to integrate within the society of the country.

Choe (2021) dissects targeted development endeavours like the China-Pakistan Economic Corridor (CPEC) in relation to the reduction of regional inequality. This research shows that there is a likelihood of this project enhancing the unity of this nation but due to poor or no sensitization and involvement of the locals, these projects have not been effective in enhancing integration.

Hashmi (2014) explains some of the blows that ethnic politics has given to the Pakistani state on the issue of national integration. The paper shows that political and economic preferences for some ethnic groups in opposition to others result in feelings of exclusion and negative ethnic differentiation and calls for more policies inclusive of the ethnic diversity of the country.

Khan (2021) on the impediments to national integration in Pakistan and policy measures to tackle them. The study explores the fact that for failure of an economy to provide for the course of all the people, then will create division among the people and therefore the need to ensure that the right economic policies are in place in order to maintain unity amongst the people.

Binder (1963) looks at the growth of nationalism and political development in Pakistan. By doing so they posit that economic policies that prioritize attempts to balance the regions and reduce social inequity are central to installing stable political arrangements and building a united nationality.

Todaro (1994) explores the intricate connection between economic policies, regional development, and national integration. He emphasizes the necessity of balanced regional growth for promoting national cohesion. Neglecting marginalized regions, according to author, can lead to socio-economic disparities, fostering discontent and undermining unity.

This perspective is particularly relevant to Pakistan, where economic policies have historically favored certain regions, exacerbating disparities and posing challenges to national integration. Todaro further discusses how uneven economic development can create significant social and political problems, which hinder the overall progress of a nation. He argues that effective policies should aim at equitable development across all regions to ensure sustainable national growth. This insight is critical for understanding Pakistan's ongoing struggles with regional inequality and its implications for national integration, providing a theoretical framework for analyzing the impact of such disparities.

Barro and Sala-i-Martin's (1992) study on "Convergence" examines the phenomenon where poorer regions or countries grow faster than richer ones, eventually leading to a convergence in income levels. Their research offers a quantitative analysis of this trend, suggesting that under certain conditions, economic policies can facilitate this convergence, reducing regional disparities. In the context of Pakistan, this study is essential for evaluating whether the country's economic policies have fostered regional convergence or if disparities have persisted, influencing national integration efforts. The concept of convergence, as presented by Barro and Sala-i-Martin, provides a framework to assess the effectiveness of economic strategies in achieving regional equity. Their findings indicate that targeted policies can accelerate growth in lagging regions, thereby promoting a more unified national economy. This approach is vital for policymakers in Pakistan to consider when addressing the economic imbalances that threaten the country's cohesion.

Williamson's (1965) study, "Regional Inequality and the Process of National Development: A Description of the Patterns," provides a significant theoretical framework for understanding the evolution of regional disparities during economic development. He posits that economic growth initially exacerbates regional inequalities, as wealthier regions tend to grow faster due to better

infrastructure, access to resources, and investment opportunities. Over time, however, this gap diminishes as less developed regions begin to catch up, benefiting from the diffusion of technology, capital, and skills. This pattern, often referred to as the “inverted U-curve,” suggests that disparities are a natural part of the development process but can be mitigated with targeted policies.

Research Objective

1. To investigate the effects of economic policies on national integration in Pakistan.
2. To devise solid policies and recommendations for the national integration of Pakistan from an economic perspective.

Economic Policies of Pakistan from 1947 to 1960 and its Impacts on National Integration

Following its independence in 1947, Pakistan faced the formidable task of uniting its geographically and culturally distinct regions. West Pakistan, which today is Pakistan and East Pakistan, which is now Bangladesh. The economic policies that were adopted between the years 1947 and 1960 bore the dividend of national integration with beneficial as well as detrimental consequences. Before independence, Bengal (later East Pakistan) was a prosperous region with a robust economy centred on agriculture and trade. It was renowned for its jute production, which was a significant export commodity. The region's economic vitality was evident in its bustling ports and active participation in international trade (Sisson & Rose, 1990). In 1948, the establishment of the State Bank of Pakistan marked a significant step toward economic sovereignty. The bank was tasked with formulating monetary policy and regulating the financial sector. However, its policies often favoured industrial development in West Pakistan, leading to perceptions of neglect in the eastern wing (Zaidi, 2005). The creation of the East Pakistan Stock Exchange in 1954 (later renamed the Dhaka Stock Exchange) was a positive development aimed at fostering economic growth in the eastern region. It provided a platform for local businesses to raise

capital and contributed to the financial integration of East Pakistan (Khan, 2015). The introduction of the Five-Year Plans during Ayyub Khan's regime (1958-1969) aimed at systematic economic development. The first plan (1955-1960) focused on industrialization and infrastructure development. However, the allocation of resources was skewed toward West Pakistan, exacerbating regional disparities (Amjad, 1982). Ayyub Khan's industrialization policies often referred to as the “Green Revolution,” led to significant agricultural advancements and industrial growth in West Pakistan. While these policies boosted the national economy, East Pakistan did not benefit proportionately, leading to economic grievances (Islam, 1972). Budget expenditures during this period reflected a disproportionate allocation of resources. West Pakistan received a larger share of development funds, resulting in better infrastructure and industrial facilities. In contrast, East Pakistan lagged in development indicators, fuelling feelings of marginalization (Jahan, 1972). The economic grievances of East Pakistan were multifaceted. The region generated a significant portion of Pakistan's foreign exchange earnings through jute exports but received a smaller share of government spending. This imbalance led to perceptions of exploitation and neglect (Sisson & Rose, 1990). The Green Revolution, while beneficial for agricultural productivity in West Pakistan, did not have the same impact in the eastern wing. The focus on crops like wheat and rice, which were more suited to the western region's climate, meant that East Pakistan did not reap similar benefits (Islam, 1972). Industrialization under Ayyub Khan's regime led to the establishment of industries primarily in West Pakistan. The concentration of industrial development in cities like Karachi and Lahore resulted in economic disparities, with East Pakistan remaining predominantly agrarian (Amjad, 1982). The Five-Year Plans, despite their national scope, often failed to address the specific needs of East Pakistan. The lack of tailored development projects for the eastern region contributed to its economic stagnation relative to the western wing (Jahan, 1972). Budget expenditures during this era were

indicative of the central government's priorities. The disproportionate investment in West Pakistan's infrastructure and industry led to economic imbalances, fostering resentment in the eastern region (Zaidi, 2005). The State Bank's monetary policies, including credit allocation and interest rates, were often designed to support industrial growth in West Pakistan. This approach limited financial support for East Pakistan's economic activities, hindering its development (Khan, 2015). The establishment of the East Pakistan Stock Exchange was a step toward financial inclusion. However, the limited number of listed companies and low trading volumes reflected the region's underdeveloped industrial sector, highlighting the need for broader economic reforms (Sisson & Rose, 1990). The economic policies implemented in Pakistan from 1947 to 1960 had mixed effects on national integration. While initiatives like the establishment of financial institutions aimed to promote development, the uneven distribution of resources and focus on West Pakistan's growth led to economic disparities. These imbalances contributed to the grievances of East Pakistan, ultimately influencing the nation's cohesion.

Economic policies from 1960 and 1980

Between 1960 and 1980, Pakistan underwent significant economic transformations under the leadership of Presidents Ayyub Khan and Zulfikar Ali Bhutto. These transformations had profound implications for national integration, yielding both positive and negative outcomes. During Ayyub Khan's tenure (1958–1969), Pakistan experienced substantial economic growth, often referred to as the "Decade of Development." The Gross National Product (GNP) grew at an average annual rate of 6.8%, with the manufacturing sector expanding by 9% annually (Amjad, 1982). This rapid industrialization was concentrated in West Pakistan, particularly in urban centres like Karachi and Lahore, leading to regional economic disparities. The introduction of the Green Revolution in the 1960s aimed to enhance agricultural productivity through a high-yield variety of seeds, fertilizers, and irrigation. While this initiative increased wheat and rice

production in West Pakistan, East Pakistan did not benefit proportionately due to differences in crop patterns and inadequate infrastructure (Islam, 1972). This imbalance exacerbated feelings of neglect in the eastern wing. Ayyub Khan's economic policies favoured the private sector, leading to the concentration of wealth among a few industrial families, commonly referred to as the "22 families." This concentration of economic power contributed to social unrest and perceptions of inequality, particularly in East Pakistan (Zaidi, 2005). The Second Five-Year Plan (1960–1965) focused on industrial growth and infrastructure development. However, the allocation of resources was skewed toward West Pakistan, with 70% of industrial investments directed there, leaving East Pakistan underdeveloped (Jahan, 1972). This disparity fuelled regional tensions and demands for greater autonomy. In response to growing discontent, the government implemented the Third Five-Year Plan (1965–1970), which aimed to address regional disparities. Despite these efforts, the plan failed to achieve its objectives due to political instability and the aftermath of the 1965 war with India, further straining national integration (Amjad, 1982). The economic grievances of East Pakistan culminated in the secession of 1971, leading to the creation of Bangladesh. The perceived economic exploitation and neglect by the central government were significant factors contributing to the secessionist movement (Sisson & Rose, 1990). Following the secession, Zulfikar Ali Bhutto assumed power in West Pakistan and introduced socialist-oriented economic policies, including the nationalization of key industries, banks, and educational institutions. While these policies aimed to reduce income inequalities, they led to inefficiencies and a decline in industrial productivity (Islam, 1972). Bhutto's land reforms sought to redistribute land to landless peasants to address rural poverty. However, the implementation was flawed, and the reforms failed to bring about significant change, leading to disillusionment among the rural populace (Jahan, 1972). The Fourth Five-Year Plan (1970–1975) was disrupted by the political upheaval of the early 1970s. Subsequent annual

plans under Bhutto's regime focused on public sector development, but the lack of private investment and bureaucratic inefficiencies hindered economic progress (Zaidi, 2005). Bhutto's emphasis on heavy industries led to the establishment of large-scale projects like the Pakistan Steel Mills. While these projects aimed to reduce dependence on imports, they required substantial foreign loans, increasing the country's debt burden (Khan, 2015). The nationalization policies led to the expansion of the public sector, which became a significant employer. However, political patronage and lack of meritocracy in public sector appointments led to inefficiencies and corruption, undermining public trust in state institutions (Sisson & Rose, 1990). The economic policies of the 1960s and 1970s had mixed impacts on national integration. While Ayyub Khan's era witnessed economic growth, the benefits were unevenly distributed, leading to regional disparities. Bhutto's socialist policies aimed at reducing inequalities but resulted in economic inefficiencies and political unrest. These experiences underscore the importance of inclusive and balanced economic policies for fostering national cohesion.

Economic Policies from 1980 to 2000

The change in policies that Pakistan witnessed between 1980 and 2000 had its effects on the balance wheel of national integration both positive and negative. There were changes from using state instruments to open door economic policymaking, the impacts of which differed in regions and ethnic identities. Before the liberalisation form came into power in 1997 Pakistan enjoyed quite a remarkable period of Economic Growth in the 1980s the average annual GDP per capita growth stood at 6.5% (Anjum & Sgro, 2017). This was due to the export-oriented Industrial growth helped by foreign aid and Middle East remittance that spurred infrastructural and industrial investment. However, they remained skewed and gave little return on investments to remote backward zones such as Balochistan and the NWFP while more turf urban areas such as Karachi and Lahore benefitted. The reforms of the 1990s were the post-apartheid economic

reforms and liberalization was intended to diminish the state's stake in the economy via privatization and deregulation. Foreign investment and business activity increased and growth in specific industries. These policies were followed by the shutdown of many unprofitable state enterprise employment and social unrest in areas where people were thrown out of work (Husain, 2009). Balochistan, despite being rich in natural resources, remained the least developed province during this period. The central government's control over resource extraction, particularly natural gas, led to grievances among the Baloch people, who felt deprived of their rightful share of revenues. This economic marginalization fuelled insurgencies and demands for greater autonomy (Baloch, 2007). Similarly, the NWFP faced economic challenges due to inadequate infrastructure and limited industrial development. The influx of Afghan refugees during the 1980s strained the province's resources, exacerbating unemployment and poverty. The federal government's focus on other regions led to perceptions of neglect, contributing to ethnic tensions and calls for greater provincial autonomy (Khan, 2013). Ethnic minorities, including Sindhis and Mohajirs, also expressed grievances over economic disparities. In Sindh, the concentration of industrial development in Karachi led to rural-urban divides, with rural Sindhis feeling marginalized. The Mohajir community, primarily based in urban centres, faced challenges related to political representation and economic opportunities, leading to the rise of ethnic-based political movements (Hashmi, 2014). The National Finance Commission (NFC) Awards, intended to ensure equitable distribution of resources among provinces, were criticized for favouring Punjab, the most populous province. This perceived bias intensified inter-provincial tensions, with smaller provinces demanding a more just allocation formula (Khan, 2021). Despite these challenges, certain policies aimed at promoting national integration were implemented. The Social Action Program (SAP) launched in the 1990s focused on improving education, health, and sanitation across all provinces. While the program had mixed results,

it represented an effort to address regional disparities and promote social cohesion (World Bank, 2002). Political leaders acknowledged the need for balanced development. Former Prime Minister Benazir Bhutto emphasized, “Without addressing the economic grievances of our provinces, we cannot hope to achieve true national integration” (Bhutto, 1994). Similarly, economist Ishrat Husain noted, “The neglect of peripheral regions has sown seeds of discord that threaten our national fabric” (Husain, 2009). Pakistan’s economic policies from 1980 to 2000 had a complex impact on national integration. While certain reforms spurred economic growth, the uneven distribution of benefits led to regional disparities and ethnic grievances. Addressing these challenges requires a commitment to equitable development and inclusive policy-making.

Economic Policies of Pakistan from 2000 to 2024

Between 2000 and 2024, Pakistan’s economic policies significantly influenced national integration, yielding both positive and negative outcomes. These policies influenced various regions and ethnic groups, notably Balochistan, Khyber Pakhtunkhwa (KP), and the Pashtun and Baloch communities. The early 2000s saw economic liberalization and privatization efforts aimed at stimulating growth. While these measures led to increased GDP and foreign investment, the benefits were unevenly distributed, often favouring urban centres like Karachi and Lahore. This disparity exacerbated feelings of marginalization in less developed regions such as Balochistan and KP (Ahmed, 2013). Balochistan, rich in natural resources, has long harboured grievances over perceived exploitation and neglect. The province contributes significantly to Pakistan’s gas production but receives a smaller share of revenue, leading to economic disparities. The Balochistan Liberation Army (BLA) has cited these economic grievances as a basis for its insurgency, demanding greater autonomy and control over local resources (Siddiqi, 2012). In KP, the Pashtun community has faced challenges related to underdevelopment and the aftermath of military operations against

terrorism. The Pashtun Tahafuz Movement (PTM) emerged in response, advocating for the rights and development of Pashtun areas. The PTM has highlighted issues such as enforced disappearances and lack of economic opportunities, calling for policy reforms to address these concerns (Yousef, 2019). CPEC was designed as one of the largest projects to devise and improve China and Pakistan’s overall infrastructure experience since 2015. Nonetheless, opponents can claim that despite the investments flowing to Pakistan through CPEC, the generation of requisite is unbalanced. For instance, Balochistan, home to the Gwadar Port, a vital installation for China’s global Belt and Road vision, displays restricted local economic benefits. Balochistan leaders blame CPEC is only benefiting the elite of Pakistan and Balochistan is ignored in the projects, for instance, the Gwadar University was established in Lahore. The political activism over the years has forced the people to launch the “Haqqooq-e-Balochistan, Balochch Yakjehti committee and Haq-Do- Balochistan” focussing on Balochistan problems of a socio-economic nature. These movements have intended to address the societal and political issues in Balochistan that speak of a lack of development funds and political marginalization. Nonetheless, the efficiency of such actions is still under question, and numerous mayors speak about the necessity for more significant decentralization and power over the funds, (Khan, 2020). NFC Awards were formulated to serve the purpose of providing a proportional share of the resources amongst the provinces. In the 7th NFC Award awarded in 2010, this share was enhanced for the smaller provinces; however, implementation issues remain as such. Lack of political will and time delays have piloted the non-disbursement of funds and frustrated development projects in areas such as KP and Balochistan (Ahmed, 2013). Ethnic dynamics have also been shaped by policies with notable regard to those of an economic nature. The issues that the Mohajir community raised in urban Sindh and specifically Karachi include job opportunities and proportional representation. The Muttahida Qaumi Movement (MQM) has been demanding better economic rights and

provincial self-rule for urban Sindh but it wants representation for all ethnic groups wherever they are (Verkaaik, 2004). Over the past few years, the has vowed to establish and implement social protection programs like the Ehsaas Program that would help lessen poverty level in Society. Such measures have served to alleviate the living conditions of the neediest individuals; however, the consolidation of a society integrated at the level of the nation-state presupposes proper enforcement of these measures and the attainment of equal opportunities for the different regions of a country (Nishtar, 2020). Finally, according to this fact-to-fact analysis of the economic policies of Pakistan from the year 2000 to 2024, the economic policies have worked as a two-edged sword in integrating Pakistan in terms of national and international markets. Whereas some of the undertaken activities have led to economic growth and development, there is still a problem of equity, access, and spatial imbalance that has further amplified feelings of exclusion among diverse groups. To address the former of them it is thus necessary to establish an economically inclusive and equitable polity taking into consideration all regions and ethnic groups of the country.

Constitutional Promise And Its Impacts on National Integration

The 1973 Constitution of Pakistan outlines several articles that directly influence economic policies, aiming to promote equitable resource distribution and national integration. However, deviations from these constitutional provisions have led to regional grievances, particularly in Balochistan and Khyber Pakhtunkhwa (KP). Article 23 grants every citizen the right to acquire, hold, and dispose of property in any part of Pakistan, ensuring economic freedom and mobility. Article 24 protects individuals from deprivation of property except by law, emphasizing the sanctity of private ownership. Violations of these rights, such as unauthorized land acquisitions, have led to discontent among local populations, undermining trust in state institutions. Article 77 stipulates that no tax shall be levied except by or under the authority of an Act of Parliament, ensuring a transparent

taxation system. Article 151 promotes free trade and commerce throughout Pakistan, prohibiting restrictions that hinder economic integration. Imposing arbitrary taxes or trade barriers can disrupt economic cohesion and foster regional disparities. Article 156 establishes the National Economic Council (NEC), responsible for formulating plans to ensure balanced development and regional equity. Article 157 grants provincial governments the authority to construct powerhouses and grids, promoting energy autonomy. Article 158 prioritizes the requirements of natural gas for the province in which it is found, addressing resource allocation. Neglecting these provisions can lead to uneven development and resource distribution, fuelling regional grievances. Article 160 mandates the formation of the National Finance Commission (NFC) to distribute financial resources between the federation and provinces, aiming for fiscal balance. Article 161 specifies that the net proceeds of federal excise duty on natural gas and oil shall be paid to the province where the wellhead is situated, ensuring local benefit from natural resources. Article 162 requires presidential sanction for bills affecting provincial taxation, safeguarding provincial fiscal interests. Article 163 allows provinces to levy taxes on professions, trades, and callings, providing them with revenue-generating powers. Failure to adhere to these articles can result in fiscal imbalances and perceptions of exploitation. Balochistan, rich in natural resources, has often felt marginalized due to inadequate implementation of Articles 158 and 161. Despite contributing significantly to national gas production, the province has received a smaller share of revenue, leading to economic disparities (Siddiqi, 2012). This neglect has fuelled movements like the Balochistan Liberation Army (BLA), demanding greater autonomy and control over local resources. In KP, the Pashtun community has faced challenges related to underdevelopment and the aftermath of military operations against terrorism. NFC Awards were conceptualized with the objective of reforms in the vertical distribution of resources amongst provinces. With the award of the 7th NFC award

in 2010 a setting aside of the share for the smaller provinces, challenges are still being realized in the implementation process. There have been continued political interferences and the slowdown in the release of resources for development also affects states like KP and Balochistan (Ahmed, 2013). The violation of constitutional provisions in Pakistan has led to significant grievances among provinces and their populations. Article 23, which ensures property rights, is often disregarded through unauthorized land acquisitions, particularly in regions like Balochistan and Khyber Pakhtunkhwa (KP). Such actions undermine trust in state institutions and exacerbate perceptions of exploitation. For instance, unauthorized acquisitions have deprived local communities of their rightful ownership, fostering resentment. Similarly, violations of Article 24, which protects private ownership, have been evident in land confiscations without proper legal recourse, creating economic insecurity and alienating affected populations (Siddiqi, 2012). Economic grievances also arise from the inequitable distribution of resources. Articles 158 and 161, which prioritize natural resource allocation and ensure provincial benefits from federal excise duties on resources, are frequently neglected. Balochistan, despite contributing significantly to natural gas production, receives a disproportionately small share of revenues. This disparity has fuelled movements like the Balochistan Liberation Army (BLA), which demands greater control over local resources. In KP, similar grievances persist as underdevelopment and inadequate compensation for the region's contributions to national energy and security sectors have left the Pashtun community feeling marginalized (Siddiqi, 2012). Additionally, the failure to uphold Articles 160 and 162, which mandate equitable financial resource distribution and safeguard provincial fiscal interests, has created fiscal imbalances. Provinces often face arbitrary tax impositions and insufficient National Finance Commission (NFC) awards, hindering regional development. For instance, KP's developmental efforts have been obstructed by delayed NFC allocations, intensifying underdevelopment and fostering resentment. As

Siddiqi (2012) notes, "The uneven implementation of constitutional provisions has fuelled regional grievances, undermining national cohesion".

Recommendations

- ❖ Encourage provincial equality to foster fair distribution of the available resources among provinces.
- ❖ Establish clear and clear-cut guidelines on how such revenues are to be divided and applied.
- ❖ Increase the activity of the National Economic Council for the further development of balanced development concepts.
- ❖ Assure efficiencies in processes that deliver National Finance Commission Awards.
- ❖ Improve education and thereafter employment prospects in the backward areas of Pakistan including Balochistan and Khyber Pakhtunkhwa.
- ❖ Strategies that can be used to enhance infrastructure progress in marginalised areas of the community.
- ❖ The importance of infrastructure development in marginalised areas cannot be overemphasised as the result shows that connectivity is scarce in such parts of the society.
- ❖ Enable provincial governments to take charge of managing provincial resources and sort out their complaints.
- ❖ Promote political participation of all ethnic and regional groups as a rich source of political power.
- ❖ Hear out complaints through talks with movements and activists such as PTM and activists from Balochistan.
- ❖ Increase the existing Ehsaas similar projects for the needy people or tribes in the country.
- ❖ Promote interprovincial business and trade to enhance economic union.

- ❖ Encourage organizers of ethnic and regional interchanges with a view of offering volunteers an opportunity to learn more about the different cultures they represent.
- ❖ Enhance legal instruments to guarantee compliance with the constitutional provisions.
- ❖ Through dramas and advertisements, the PSB should use one theme to create identification with the nation and unity.

Conclusion

The problems of national integration in Pakistan are not easy to understand as the result of ethnic, cultural and regional diversities. In years economic policies have to various extents impacted the nation's cohesiveness, serving at one point either as the glue that holds the Nation together, or others as a wedge driving the Nation asunder. The constitution under the 10th schedule has provisions for resource distribution and provincial self-governance but these provisions are manifestly unfair and have generated many grievances amongst the provinces, especially Balochistan and Khyber Pakhtunkhwa. These disparities have often sparked chaos and delayed the attempts at creating a solid and united territorial feeling of nationality. The central government, for example, through the National Finance Commission (NFC) Awards as well as the creation of forums such as the National Economic Council (NEC) shows a willingness to redress issues of economic marginalization. But for diverse reasons ranging from delays, inefficiencies, and political interferences the successes have been significantly hampered. Poor provinces such as Balochistan which has ample deposits of natural resources have been deprived to gain nearly benefits despite giving much contribution to the economy of the country which indeed increases the feelings of abandonment amongst them. Likewise, the socio-economic problems of Pashtun groups reassert the need for the correct development intervention. However, some mechanisms such as the Economic Corridor in Pakistan and China (CPEC) and Ehsaas, a social safety net are partly

proving fruitful in tackling poverty. However, the disparities intensify what makes it necessary to implement and keep reflecting on procedures for development and resource allocation. National integration of any economy means that economic policy has to make provision for the concept so that all areas and groups in the country feel that they form part of the nation. Creation of a United Pakistan entails addressing the sociological & economic justice issues of the neglected populated in the empowerment of real social & economic transformations. It is important here to emphasize that policies must pay attention to such issues as equity, good governance and the need for the adoption of base principles of decisions. This way, Pakistan can eliminate the divisions that have hitherto hampered integration; for, a feeling of fairness and inclusiveness will have been developed. Finally, national integration depends on political will regarding how the constitution of that particular nation will be implemented and how the questions of equity shall be dealt with in the state. The creation of an environment centred on trust, equity and collaboration is important for Pakistan to realize its sustainable development goal as well as foster a united national identity.

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