

Journal of Emerging Trends in Social Sciences and Humanities

A Double-Blind, Peer-Reviewed, HEC recognized [Y-category](#) Research Journal

E-ISSN: [3006-7898](#) P-ISSN: [3006-788X](#)

Volume 3 Issue 3, 2026, 312-324



Nation Building in Pakistan: Governance Failure, Economic Deprivation, and the Crisis of Substantive Citizenship

Shakila Aslam¹ Dr. Rehana Saeed Hashmi² Abid Akbar³

¹ Student, Department of Political Science, University of the Punjab, Lahore, Punjab, Pakistan.

² Professor of Political Science, University of the Punjab, Lahore, Punjab, Pakistan.

³ Student, Department of Political Science, University of the Punjab, Lahore, Punjab, Pakistan.

Corresponding Author: Shakila Aslam, Email: shakilaofficial256@gmail.com

Article Information

ABSTRACT

Received:

2026-06-26

Revised:

2026-08-01

Accepted:

2026-08-17

Pakistan is continuously struggling to foster a cohesive national identity since its inception. This paper argues that the reasons lie more in governance and economic failure. While existing scholarship treats nation-building as an identity project shaped by religion, ethnicity, and history, this study treats it as fundamentally a governance project. It argues that structural inequality, elite capture, and state irresponsiveness erode public trust and hamper the citizen-state bond in ways that ideology alone cannot repair. The paper is focused on four research questions including what patterns of economic inequality and governance failure currently exist in Pakistan, how governance deficits such as corruption, patronage, and weak institutions perpetuate underdevelopment, how these conditions in turn shape citizens' attitudes and civic behavior and how governance and economic failures undermine nation-building. Methodologically, the study adopts a qualitative, interpretive design, grounded in academic literature, policy reports, and institutional assessments, which are thematically analyzed and synthesized within a framework. The purposed Theoretical framework combine institutionalism, principal-agent theory, the inclusive-extractive institutions distinction of Acemoglu and Robinson, and the good governance framework. The analysis found a causal chain from elite-dominated, extractive institutions to regional economic deprivation, from deprivation and corruption to sustained underdevelopment, and from unmet material needs to eroding trust, civic disengagement, and sectional loyalties. The paper finds that this fractured state-citizen relationship is the core obstacle to Pakistani nation-building. The solution purposed "substantive citizenship" built on inclusive governance, equitable economic participation, and responsive public service delivery for effective nation-building in Pakistan.

Keywords

Governance and
Economic; National
Identity; Corruption;
Principal-agent; Pakistan.



© 2026 by the authors. Licensee Aslam, Hashmi & Akbar. This article is an open-access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license <https://creativecommons.org/licenses/by/4.0/>

Publisher: Institute for Educating Environmental Resilience and Governance

1. Introduction

Pakistan has been confronting the unresolved challenge of constructing a cohesive national identity since its inception. The persistent challenge exists of a unified national identity among a multi-ethnic, multi-linguistic, and multi-religious population. The founding fathers established Pakistan as an independent state from colonial India, labeling Islam as the unifying force for the new nation. However, even after seven decades, the nation-building goal remains unachieved. The state is continuously struggling with ethnic fragmentation, political instability, economic grievances, and a deeply ruptured relationship between the citizens and institutions of the state, which often remains overlooked and off the agenda.

The beginning of 21st century marked the changing socioeconomic and political challenges. Citizens do not feel associated with the state based on their religious identities and nationalist rhetoric. They evaluate the state with the lived experiences, analyzing the economic opportunities, the justice system, and the state's responsiveness towards their demands. Resultantly, the old techniques of national building through religious rhetoric and centralized authority have become ineffective and futile. This study proceeds with the argument that nation-building crises in Pakistan are inherently based on governance and economic crises. Public grievance intensified with the persistent structural inequalities, elite control, excessive corruption, and the inaccessibility of basic public services. This eroded institutional trust and generated civic disengagement, which ruptured the citizen-state relationship. The paper argues that good governance, equitable economic development, and substantive citizenship are not merely policy goals but prerequisites for nation-building.

1.2 Statement of the Problem

Pakistan's state-led nation-building efforts continue to face fragmentation along ethnic, sectarian, linguistic, and socioeconomic lines since its inception in 1947. These fragmentations are more of structural origin than cultural. The consistent governance failure has resulted in inequitable resource distribution and irresponsiveness to the public needs of a sufficient portion of its population. This material exclusion

of the population from the benefits of the state made them emotionally disconnected from the state, as they feel less association and connection with the state.

Existing literature strongly emphasizes the challenges of Pakistan's nation-building on ethnic, religious, and historical grounds. While these factors are relevant, a more fundamental dynamic remains veiled that governance failure and economic deprivation generate distrust and alienation among citizens that prevent national cohesion from taking root. Previous studies establish a link between good governance and economic development and nation-building; however, the citizen trust and public behavior factor remains ignored. This study addresses the gap in the analytical link between bad governance, economic exclusion, public trust collapse, and nation-building failure in Pakistan. The novelty of the study is that it establishes the link between public behavior and citizen trust with nation-building through an economic exclusion perspective.

1.3 Significance of the Study

This study contributes to the growing body of scholarship that analyzes nation-building as more of a governance project rather than as an identity project. Existing studies emphasize either political, cultural, or economic factors as key to national cohesion. This study integrates literature on governance failure, economic deprivations, public behavior and trust, and nation-building into a single analytical framework that offers a more comprehensive explanation of Pakistan's nation-building crisis. Its findings are meaningful for policymakers, scholars, and civil society actors who are deeply concerned with the future stability and unity of the Pakistani state.

1.4 Research Questions

RQ1: What are the prevailing patterns of economic inequality, poverty, and governance failure in contemporary Pakistan?

RQ2a: How do governance failures (corruption, patronage networks, and weak institutional capacity) and state irresponsiveness perpetuate economic underdevelopment and deepen

socioeconomic inequality in Pakistan?

RQ2b: How do poor economic conditions and state irresponsiveness towards public demands shape public attitudes, civic behavior, and citizen-state relations in Pakistan?

RQ3: How do governance deficits and economic deprivation collectively undermine the nation-building process in Pakistan?

2. Theoretical Overview

This study illustrates four theoretical perspectives through which governance failure, economic deprivation, public trust, and nation-building are examined through analytic lenses. Each theory establishes a link with the specific concerns of this study.

2.1 Institutionalism Theory

Institutionalism theory argues that rules, norms, and structures of institutions that run sociopolitical and economic life influence the behavior of individuals and organizations. (Bell, 2002). They are not only formal entities such as rules, laws, and regulations but also include informal practices, norms and expectations that determine the actors' engagement with governance systems. Institutions are the 'rules of the game' that shape interactions across all domains of society. (North, 1990) Furthermore, institutions are central to good governance. (Helmke and Levitsky, 2004). Institutions construct an environment of power, law implementation, and accountability mechanisms. However, weak institutional environments cause high levels of corruption that undermine the capacity of the state to serve public interests. (Ishtiaq, 2024)

Institutionalism theory provides the framework for this study to understand how Pakistan's weak and elite-centered institutions caused governance failures, economic disruptions, and public trust deficits that obstruct nation-building.

2.2 Principal-Agent Theory

Principal-agent theory establishes the relationship between principals who are citizens in this context and agents who are government officials. It particularly focused on information asymmetry and incentive misalignment. (Eisenhardt, 1989). In governance mechanisms, agents often have

more information than citizens. In governance, officials often possess significantly more information than principals that can be exploited to undetected corrupt practices. This theory emphasizes the structure of the rule of law, transparency, and accountability that align the interests of government officials with the public interests. Otherwise, officials will prioritize self-interest at the expense of public services. As in the case of Pakistan, the persistent fissures between the interests of governing elites and citizens' needs are central to governance crises in the absence of any structural arrangement to align them. (Ishtiaq, 2024)

Principal-agent theory also highlights the factors behind inaccessibility and state irresponsiveness towards citizens because state officials are not structurally incentivized to serve citizen interests. This is further reinforced by the lack of information and the absence of institutional mechanisms that can enforce accountability relationships.

2.3 Inclusive vs. Extractive Institutions (Acemoglu & Robinson)

Acemoglu and Robinson (2012) in 'Why Nations Fail' provide a theoretical analysis of this study through an institutional lens. They distinguish between inclusive and exclusive institutions on the basis of provisions, participation, and accessibility. Inclusive institutions provide mass-level economic opportunities and accessibility to a level playing field. However, extractive institutions are designed to extract resources from the majority for the benefit of a narrow elite. A self-reinforcing cycle of inequality is reimposed by extractive institutions as they benefit the same elite who established them. For Acemoglu and Robinson, long-term growth and poverty reduction mechanisms can only be ensured by inclusive political and economic institutions. On the other hand, extractive institutions provide short-term gains of elite interests at the expense of long-term economic stagnation and political fragility. Pakistan's historical landscape since its inception has witnessed a dominance of civil-military-feudal elite over the state apparatus, economic policies, and institutional practices.

This theoretical framework establishes a strong link between governance failure and economic underdevelopment in Pakistan. It underlines the

study's central argument that structural reform of institutions is a prerequisite for substantial nation-building.

2.4 Good Governance Framework

The good governance framework, as developed by the World Bank and UNDP, identifies the key dimensions of effective governance: accountability, transparency, rule of law, responsiveness, participation, and equity. Several studies found a positive connection between good governance and economic development. (Hassan & Zeb, 2021). Hope argues that good governance is a prerequisite for economic transformation in developing countries, and Rodrik goes further with the argument that 'good governance is development itself.' (Rodrik, 2007) & (Hope, 2009). Jameel established an empirical connection between establishing that good governance components, i.e., accountability, rule of law, responsiveness, and transparency, have a direct effect on public trust in Pakistan. (Jameel et al., 2019)

The framework of good governance serves as both a diagnostic tool and a normative standard. It identifies where Pakistan's governance fails and what the state must achieve to foster the public trust and national cohesion that is required for nation-building.

All of these frameworks collectively support the study's core argument that nation-building in Pakistan is not only challenged at cultural or religious lines but by structural governance failures that exclude the majority of citizens from economic participation and the sphere of state responsiveness. This fractured the citizen-state reaction that nation-building requires.

3. Literature Review

3.1 Nation-Building: Conceptual Overview

Nation-building is broadly understood as the process of constructing a cohesive national identity among a diverse population through state-led mechanisms. It is the process of framing national identity in a way that ensures political stability. The role of loyalty of citizens for effective nation-building is significant. When citizens prioritize their national obligation over ethnic, tribal, or regional loyalties. Nation-building has two objectives, as underlined by

Talentino. These are identity-building and state-building. Alesina and Reich provide a synthesis of arguments that nation-building leads to the formation of countries in which citizens feel sufficient commonality of interests and goals that they do not wish to separate. (Alesina & Reich, 2015)

Fukuyama argues that the actual essence of nation-building is grounded in state-building and economic development. He further says that governance capacity and economic progress are inseparable and are prerequisites for national cohesion. (Fukuyama, 2004). Hashmi and Muhammad extend this argument into the contemporary context, that the dimensions of nation-building in the 21st century have changed from religious and linguistic lines toward economic development, inclusive institutions, and participatory governance, which are fundamental to national solidarity. (Hashmi & Muhammad, 2021)

3.2 Governance Failure, Corruption, and Economic Underdevelopment

The relationship between governance and economic performance is well-grounded in the literature. Collier's core argument lies in the asymmetric effect of governance and economic policies. Good governance can accelerate economic growth, while poor governance can damage an economy (Collier, 2007). Pakistan has been struggling with this asymmetry since its existence. Political instability, institutional failure, and widespread corruption resulted in declining foreign exchange reserves, low exports, inflation, fiscal deficits, and external dependency in Pakistan. (Hassan & Zeb, 2021)

Hussain describes an 'elitist growth model' concentrated the benefits of growth on the elite rather than distributed to the disempowered population (Hussain, 1999). Olken and Pande confirm that corruption represents a main hurdle in socioeconomic development that constitutes severe consequences for the poorest countries. (Olken & Pande, 2012)

3.3 Public Trust, Citizen Behavior, and State Legitimacy

There is a theoretical and empirical relationship found between governance quality and public trust. Jameel analyze a causal relationship

between public trust and good governance components, i.e., accountability, rule of law, responsiveness, and transparency in Pakistan (Jameel et al., 2019). This positively influences citizens' confidence in state institutions. Bouckaert identifies three levels of trust, which are macro (political institutions), meso (policy delivery), and micro (daily service access). (Bouckaert, 2012). He consolidates that erosion at one level affects the others, which creates a collapse of trust.

The behavioral consequences of trust erosion show as citizens withdraw voluntary compliance, resist government policies, and disengage from civic participation. The vitality of citizens for democratic governance is detrimental. Better governance depends on voluntary cooperation rather than costly coercion. Ishtiaq provides Pakistan-specific evidence that bad governance produces social fragmentation, institutional delegitimization, and the excessiveness of parallel loyalties that compete with national identity (Ishtiaq, 2024)

3.4 Nation-Building in Pakistan: Historical and Contemporary Challenges

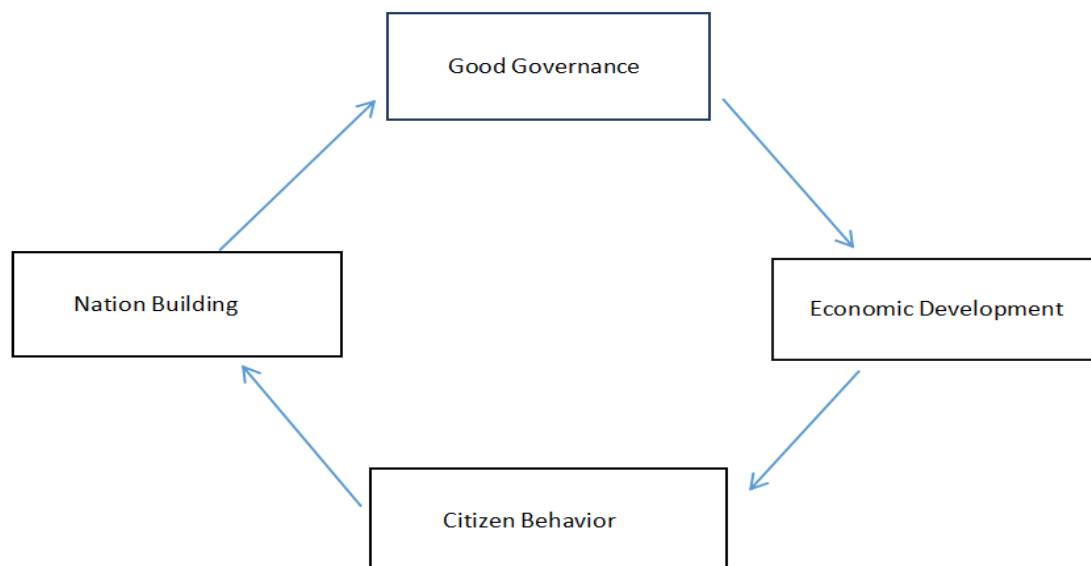
Nation-building in Pakistan has been shaped by a series of strategic failures rooted in elite-driven governance. Ahmad emphasizes that nation-building is more of an accommodating process than the imposition of a one-nation-state model

consisting of centralization, linguistic uniformity, and the suppression of regional grievances (Ahmed, 1971). The separation of East Pakistan was the grim consequence of this centralization approach. The empty rhetoric of Islamic identity, socialist rhetoric, and secular modernization all failed at nation-building. The material conditions remained unaddressed, and economic demands remained largely ignored, which constructs citizens' loyalty.

Hashmi and Muhammad successfully highlighted the shift in the contemporary nation-building process of Pakistan. The rise of civil society, infrastructure development, and the 18th Amendment's devolution of power shows an emerging need for nation-building that is grounded in participation and economic development rather than ideological imposition (Hashmi & Muhammad, 2021)

Existing literature on Pakistan addresses governance failures, economic underdevelopment, public behavior, and nation-building mainly as separate affairs. None of the studies establishes the governance and economic grounds of nation-building through a public behavior and perceptions perspective. This paper fills that gap by creating an analytical link in the chain from governance failure to economic exclusion to public distrust to fractured national identity.

Conceptual Framework:



4. Research Methodology

This study uses a qualitative research design. Qualitative methodology is appropriate for this study because the central questions concern processes, relationships, and mechanisms of how governance failure produces economic deprivation, how deprivation shapes public attitudes, and how these dynamics undermine nation-building. The study is interpretive and analytical in nature. It draws on existing literature, theoretical frameworks, and documented evidence from Pakistan's political, economic, and social history to construct and support its central argument.

The secondary data used for this study includes academic articles, books, policy reports, and institutional assessments. Sources were selected on the basis of their direct relevance to the study's theoretical framework and research questions. The study focused on thematic analysis and organizing evidence from the existing literature around the key arguments. Inquiries are addressed through a synthesis of relevant theoretical and empirical literature and its application to the Pakistani context to generate an integrated analytical argument that ensures the credibility of the study.

5. Analysis and Discussion

5.1 Prevailing Patterns of Economic Inequality and Governance Failure in Pakistan

Pakistan's socioeconomic crisis is the product of elite choices that have dominated the political and economic structure of the state since its inception, and that have caused the long prevailing patterns of inequality and governance failure.

5.1.2 The Elitist Growth Model: Structural Roots of Inequality

Pakistan's sociopolitical fabric is dominated by the 'elitist growth model' where political parties operate without accountability, an obedient bureaucracy follows them, along with a disempowered population. The ruling elite purposely perpetuates low literacy rates to eradicate the challenges of resistance. It underscores that the governance model is designed to serve the elite interests instead of the masses. (Hussain, 1999)

The theoretical foundations of extractive institutions account for the self-reinforcing mechanism of the small elite. These institutions extract wealth and resources from the majority to benefit a small elite without responding to the demands of the public, and this reinforces the political dominance and economic clout of the elite. Pakistan best suits this example, where power is concentrated in the hands of a few elites, while the institutions that are meant to perform the checks and balances function lack autonomy for independent functioning (Acemoglu and Robinson, 2012)

5.1.3 Regional Economic Deprivation and Resource Misallocation

This elite made structural design have severe economic consequences for structural design, which are visible across every region of Pakistan. In FATA, 50 percent of the population lived below the poverty line. The literacy rate is 17 percent against the national average of 56 percent, with unemployment exceeding 60-80 percent seasonally. In southern Punjab, 43 percent of the population lived below the poverty line compared to 27 percent of the overall population of Punjab. In Gilgit Baltistan, per capita income was \$350 against a national average income of \$1046. In rural Sindh, lands were allocated to military and civil bureaucrats with no transparency or accountability mechanism. Locals faced severe water scarcity due to inequitable canal distribution and mismanagement of water at the national level. In Balochistan, the Gawadar port project seemed as elite benefited project rather than for the indigenous population. These are a few cases among the long list of such regional underdevelopment, inequality, and disharmonies. (Amin et al., 2018).

5.1.4 Governance Failure as a Systemic Pattern

Governance failure is the root cause of this misallocation. Pakistan's governance crisis is characterized by political instability, inconsistent fiscal policies, institutional incoherence, widespread corruption, and the absence of transparent democratic processes. Pakistan has negotiated for loans 22 times for loan arrangements since its independence, yet every time it has failed to address the structural causes of economic instability witnessed in the failure of governance. (Hassan & Zeb, 2021)

This failure of governance is most visible in the widespread corruption that is practiced at all levels in Pakistan. Grand level corruption involves high misuse of public funds, while political corruption manipulates institutions for the interests of the narrow elite. Bureaucratic corruption adds further fuel to the fire as it exploits people for personal gains at the hands of authority. (Chene, 2008). The World Bank estimates that corruption costs 2 to 3 percent of GDP to Pakistan annually (World Bank, 2020). In addition to the fiscal cost, corruption causes institutional weakness, deters investment, undermines competitiveness, and diverts economic decision-making from the masses' sphere. (Javaid, 2010)

Pakistan's inequality and governance failure are structurally embedded, politically sustained, and historically deepened. They can't be handled through technical reforms alone. The structural exclusion of peripheral regions demonstrates how they have been left outside the circle of development, justice, and representation.

5.2 How Governance Failures Perpetuate Economic Underdevelopment in Pakistan

The relationship between governance and economic development is causal, directional, and well-evidenced. In Pakistan, governance failure not only caused economic underdevelopment but also consistently generated and sustained it.

5.2.1 Corruption as an Economic Depressant

Corruption is the major factor through which bad governance damages the economy. Corruption is a global concern with proportionately decisive effects on developing countries. According to the World Bank report, corruption consumes 2-3 percent of GDP, which is detrimental for an already fragile economy burdened with low exports, fiscal deficits, and declining reserves. This cost could better be utilized to lift people out of poverty. (Olken et al., 2012)

In Pakistan specifically, corruption exists at every level of the economic system. At the grand level, corruption undermines meritocracy as contracts for projects have been awarded on the basis of political and economic connections. It results in massive financial losses and persistently contributes to energy shortages that impact industrial activity in a negative way. At the political level, the Rental Power Project scandal

under the PPP government exemplifies how elite-driven misuse of public resources directly damages the economy. At the same time, the accountability mechanisms fail to respond. At the bureaucratic level, excessive red tape, bribery, and nepotism all raise transaction costs for businesses and ordinary citizens alike. Furthermore, corruption causes institutional weakness, deters both domestic and foreign investment, and disturbs decision-making in the economic sphere. (Javaid, 2010)

5.2.2 Political Instability and the Absence of Long-Term Economic Vision

Political instability causes significant economic damage. The political instability in Pakistan has been marked by repeated military interventions and the dismissal of civilian governments. It results in policy discontinuity and short-term political survival prioritized at the expense of long-term economic planning. The ruling military and political elite obstruct structural reforms as it posed threat to their existential power sphere. Consistently, macroeconomic reforms of tax base expansion and formalization of the economy were neglected in favor of the empty rhetoric of development reforms. (Hassan & Zeb, 2021)

The consistent external dependency and repeated reliance on IMF bailouts promote the debt cycle. Poor governance and economic policies are consistently damaging the economy. The government focuses on temporary relief and performs minor adjustments without addressing the structural issues that actually cause the crises. Pakistan is caught up in this asymmetry where the elite obstruct genuine reforms, as it would threaten their interests that they are getting from the current arrangements. (Collier, 2007)

5.2.3 Human Capital Neglect

Human capital is fundamental to the state; its neglect is the most consequential for the economy. In 2018, Pakistan ranked 152 out of 189 countries in the UNDP Human Development Index report. Its Human Development Index value is increasing at 38.6% only over the past 38 years, which shows the neglect and underinvestment in human capital rather than meaningful progress. Hussain analyzes that ruling elites purposely promote low literacy rates to curb any type of future resistance from the educated sector of society. This

underdevelopment reflects a policy failure. As a result of this, the workforce emerges that is unproductive, vulnerable to exploitation, and incompetent in global positioning. (Hussain, 1999).

The economy is held hostage by governance, and resultantly, ordinary citizens remain deprived of basic necessities of education, health, justice, and employment, and collectively this causes a heavy price to the citizen-state relationship.

5.3 How Economic Deprivation and Irresponsiveness Shape Public Attitudes Toward the State

The economic and governance failures do not remain within the institutional sphere; instead, they travel through the lived experience of inaccessible services and unresponsive officials. This accumulated weight of unfulfilled needs translates into the attitudes, behaviors, and orientations of ordinary citizens toward the state.

5.3.1 Public Trust and Good Governance: The Theoretical Link

The literature found a strong relationship between governance quality and public trust. A causal relationship exists between public trust and good governance components, i.e., accountability, rule of law, responsiveness, and transparency. (Hussain, 2018) Bouckaert explains the operation of trust at three levels. At the macro level, it concerns trust in political institutions and democratic functioning. At the meso level, it is concerned with the government capacity and performance of socioeconomic issues. At the micro level, it is concerned with the daily impact of the government on the lives of people through service delivery. All these levels interact with each other, and disturbance at one level affects the other. (Bouckaert, 2012)

The behavioral consequences of this trust collapse are severe. When citizens do not trust the state, they resist government policies, disobey laws, and become reluctant to participate in civic affairs (Levi & Stoker, 2000). This directly impacts the governance as democratic governments depend on citizens' obedience and cooperation rather than coercion and control. When trust disappears, coercion takes the place of cooperation, making governance complicated, expensive, and less effective.

5.3.2 How Deprivation Becomes Grievance in Pakistan

The path of deprivation created by the government converts into gradual grievances. The existing economic disparities in Balochistan, FATA, Rural Sindh, and Southern Punjab translate into feelings of discrimination and alienation among the population. The deep resentment was generated by the locals' perceptions that current projects serve the elite interests rather than the locals. In FATA, extreme poverty and unemployment made communities vulnerable to non-state actors who offer economic alternatives that are missed in the state mechanism. (Amin et al., 2018) The pattern is consistent and persistent, which reflects that where states fail to deliver economic participation, other loyalties fill the space. This public led grievance has a rational foundation, as if people have no material reason to identify with the state, which is a growing need of the time, their identities and loyalties will shift elsewhere.

5.3.3 From Grievance to Distrust: The Erosion of Institutional Legitimacy

The social and institutional consequences of bad governance are detrimental in Pakistan. Corruption and favoritism cause the inaccessibility of opportunities to the poor and already vulnerable. Land grabbing by the elite ousts vulnerable communities, worsening poverty, and causing social unrest. The Panama Papers exposed elite money laundering cases. These are not isolated incidents that communicate a consistent message to ordinary citizens that the system is not for you. (Ishtiaq, 2024)

This widely perceived corruption and reduced trust in institutions deepens the socio-political and economic crisis. A feedback loop is created where distrust makes governance harder and more difficult, and harder governance generates more distrust. The judiciary has historically been under political influence, and civil society has remained constrained (Hassan and Zeb, 2021). The formal mechanisms of accountability have been systematically weakened because accountability threatens the elite structure and interests.

5.3.4 Disengagement, Non-Cooperation, and Parallel Loyalties

The distrust existing between ordinary citizens manifests in their behaviors. Citizens withdraw

from taxes not because of economic concern but as a refusal to invest in a system that is extractive rather than distributive. Civic participation means the interest in policies declines as they believe this would not make any substantive difference. As formal state process gets away from daily lives, the parallel loyalties based on ethnic, regional, and sectarian lines become strengthened. Their adaptations based on rationality as a state failed to make themselves relevant to the majority of lives.

Youth unemployment is an alarming concern. Pakistan has one of the largest youth spans, and a growing segment feels excluded from the system in the absence of employment access and meaningful state services. This rising youth unemployment made the country's future pessimistic, as disengagement at this level is not only a temporary political problem, but it is also a structural threat to national identity and cohesion across generations. (Hassan & Zeb, 2021)

To sum up, Economic deprivation and state inaccessibility shape the citizen-state relationship, threatening the nation-building process.

5.4 Governance, Public Trust, and the Nation-Building Crisis in Pakistan

5.4.1 Why Ideology and Religion Failed as the Basis of Nation-Building

Nation-building attempts in Pakistan surrounded by religious identity and centralized uniformity have failed historically. The foundational error was traced in the one-nation-state model adopted by the founding leaders as a precondition of state-making, and they attempted to impose national unity through a centralized, authoritarian political system that suppressed regional grievances instead of accommodating them. This is evidenced by the 1971 episode of East Pakistan's separation. The economically marginalized and politically suppressed wing chose separation over continued subjugation. (Ahmad, 1971)

Similarly, the religious identity strategy failed as Islam could unite Muslims in the struggle for an independent state, but once the state was achieved, it could not substitute for the changing needs of equitable governance, economic participation, and political representation. Successive governments adopted different policies as evidenced in Bhutto's socialist rhetoric, Zia's Islamization, and Musharraf's secular

modernization. All these attempts at ideological framings of national identity failed as none proved decisive in addressing the material conditions of the majority population. (Hilal, 2022)

5.4.2 The Fractured State-Citizen Bond

The fragmented state-citizen bond is not merely a governance problem; it is a grim nation-building crisis. Good governance practices promote citizens' trust. As a result, this trust increases social cohesion and government effectiveness. A virtuous cycle is created where trust enables better governance and better governance generates more trust. Critical situations expose the vulnerability of the government, as trust in the emergency response from citizens will be reduced. Collective mobilization is the essence of the nation-building process. A nation whose citizens do not trust its institutions cannot mobilize collectively around either crises or for development purposes.

This trust vacuum left by the state is filled by the ethnic, sectarian, and regional loyalties. The multiple framing of national identity put threat to national security. Economic disparities intensify ethnic identities. When minority groups feel economically excluded, ethnic identity prevails as a survival strategy rather than merely a cultural preference. This ethnic fragmentation actively produced by the governance failure, which caused instability. The state most often uses authoritarian tendencies to tackle this fragmentation, ignoring its own role in generating it. (Amin et al., 2018)

5.4.3 Substantive Citizenship as the New Basis of National Cohesion

Substantive citizenship is the actual demand of 21st-century nation-building. Substantive citizenship is the experience of provisions of equality, opportunity, justice, and access by the state. Nation-building is the process of building loyalty to the state over parochial identities. This loyalty can't be created through empty rhetoric and symbols, but instead is built through lived experiences. Citizens evaluate the material performance of the state in terms of education, employment opportunities, justice, and public resources on the basis of needs and fairness rather than on a political or economic basis. The perceptions of citizens about the state are the actual foundation of national cohesion.

Rehana Hashmi highlights the already emerging

shift in Pakistan in the context of changing nation building approach that is more focused on participation and economic development rather than ideological basis. The scenario has changed from ideological needs to material and participatory dimensions of citizenship. (Hashmi & Muhammad, 2021).

5.4.4 What 21st Century Nation-Building Demands from the Pakistani State

Structural adjustments are central to addressing Pakistan's nation-building crisis rather than technical reforms. Nation-building requires both political legitimacy and economic accomplishment. Economic achievements devoid of political legitimacy prove futile and vice versa. (Hussain, 2018). Accountability must be universal in practice, and transparency must be grounded in structure. Institutions must be free from political domination of one sector, and policies must serve the majority of the citizens.

Pakistan has significant potential in the context of demography, geographic resources, and cultural diversity. It has also demonstrated remarkable resilience through repeated crises. There is a growing need for a good governance framework that can translate these assets to the majority's prosperity and ultimately to shared identity. As Lieven notes, Pakistan is not a failed state but a mismanaged state (Lieven, 2012)

Nation-building in Pakistan is ultimately a governance project. Its success or failure will not be determined by the empty nationalistic rhetoric or by ideological provisions alone. Its success depends on molding the loyalty of citizens through providing substantive citizenship, and without this, the consequences of ignoring these changing needs would be decisive for Pakistan's nation-building and survival.

6.1 Findings and Conclusion

This study has examined the relationship between governance failure, economic deprivation, public trust, and nation-building in contemporary Pakistan through four interconnected research questions. The analysis has established a coherent causal chain: Pakistan's extractive institutions and elite capture have produced structural inequality and regional deprivation, these governance failures actively generate and sustain economic underdevelopment through corruption, political

instability, and human capital neglect, the resulting material deprivation and state inaccessibility eroded public trust, produced civic disengagement, and strengthened parallel loyalties at the expense of national identification and this cumulative fracture of the state-citizen bond constitutes the fundamental obstruction to nation-building in 21st century Pakistan which can only be overcome through substantive citizenship grounded in inclusive governance and equitable economic participation.

6.2 Theoretical Contribution

This study makes a theoretical contribution by integrating four bodies of literature, i.e., governance failure, economic underdevelopment, public trust, and nation-building, into a single analytical framework applied to the Pakistani context. It advances the argument that nation-building is fundamentally a governance project rather than an identity project. This reframing has implications beyond Pakistan for all post-colonial states confronting the challenge of national identity surrounded by structural inequality and governance deficits.

6.3 Policy Implications

The findings of this study have direct policy implications, which are following.

First, governance reform must be recognized as the prerequisite for all other development. Without accountability, transparency, and the rule of law, economic policies will continue to serve elite interests rather than the masses.

Second, economic development must be explicitly inclusive, targeting the regions and marginalized populations that have been persistently excluded from the benefits of growth.

Third, public service delivery must be treated as a nation-building instrument. Every citizen who accesses the services of quality healthcare, education, or justice is being materially incentivised to invest in the national project.

Fourth, political legitimacy must be built through democratic accountability rather than managed through patronage. Citizens who trust institutions have the most durable foundation for national cohesion.

6.4 Limitations and Future Research

Directions

This study is limited by its focus on the national level of analysis. Future research could examine specific provincial or local governance contexts to identify variation in the governance-trust-nation-building relationship across Pakistan's diverse

regions. Comparative studies examining how other post-colonial states have navigated similar governance and nation-building challenges would also contribute valuable insights. Additionally, research that centers the voices and experiences of marginalized communities would deepen the analytical picture this paper has drawn.

Conflict of Interest

The authors showed no conflict of interest.

Funding

The authors did not mention any funding for this research.

References

- Acemoglu, D., & Robinson, J. A. (2012). *Why nations fail: The origins of power, prosperity, and poverty*. Crown Publishers.
- Ahmad, M. (1971). Failure of nation-building in Pakistan? *Pakistan Forum*, 2(3), 7–14. <https://doi.org/10.2307/2569082>
- Alesina, A. & Reich, B. (2015), Nation Building. Retrieved from: http://scholar.harvard.edu/files/alesina/files/nation_building_feb_2015_0.pdf.
- Amin, H., Siddiq, M., & Batool, L. (2018). Nation-building in the developing states: A case study of Pakistan. *Global Social Sciences Review*, III, 1–16. [https://doi.org/10.31703/gssr.2018\(III-IV\).01](https://doi.org/10.31703/gssr.2018(III-IV).01)
- Bell, S. (2002). *Institutionalism*.
- Blind, P. K. (2007). Building trust in government in the twenty-first century. *United Nations Department of Economic and Social Affairs*.
- Bouckaert, G. (2012). *Trust and public administration; Administration*, 60(1), pp. 91-115.
- Chene, M. (2008). Overview of Corruption in Pakistan. Available at: <https://cdn.sanity.io/files/1f1lcoov/production/6897f945972fa5da93709d50ea49a9b9b90560aa.pdf>
- Collier, P. (2007). *The Bottom Billion. Why the Poorest Countries Are Failing and What Can Be Done About It*. Oxford University Press, Inc.
- Eisenhardt, K. M. (1989). Agency theory: An assessment and review. *Academy of Management Review*, 14(1), 57–74. <https://doi.org/10.2307/258191>
- Fukuyama, Francis (2004). *State-Building: Governance and World Order in the 21st Century*. New York: Cornell University Press.
- Hassan, M., & Zeb, R. (2021). Analysing the impact of good governance on socio-economic development: A case study of Pakistan. *NUST Journal of Social Science and Humanities*, 7(1). <https://doi.org/10.51732/njssh.v7i1.73>
- Hashmi, R. S., & Muhammad, N. (2021). Changing dimensions of nation-building in 21st-century Pakistan: A critical analysis. *Journal of the Research Society of Pakistan*, 58(2).
- Helmke, G., & Levitsky, S. (2004). Informal institutions and comparative politics: A research agenda. *Perspectives on Politics*, 2(4), 725–740.
- Hilal, A. Z. (2022). Nation-building in Pakistan: Traditional and non-traditional challenges. *A Research Journal of South Asian Studies*, 37(1), 19–212.
- Hope, K. R. Sr (2009) Capacity Development for Good Governance in Developing Societies: Lessons from the Field, *Development in Practice*. 19 (1). 79-86. <https://www.jstor.org/stable/27752012>
- Husain, I. (1999) *Pakistan: The Economy of an Elitist State*, Oxford University Press, New York.
- Hussain, I. (2018) *Governing the Ungovernable: Institutional Reforms for Democratic Governance*. Oxford University Press.
- Ishtiaq, A. (2024). Bad governance in Pakistan: Evidence from Pakistan Citizen Portal. *Pakistan Institute of Development Economics*. PIDE2022FMPHILPP15.
- Jameel, A., Asif, M., & Hussain, A. (2019). Good governance and public trust: Assessing the mediating effect of e-government in Pakistan. *Lex Localis*, 17, 299–320. [https://doi.org/10.4335/17.2.299-320\(2019\)](https://doi.org/10.4335/17.2.299-320(2019))

- Javaid, U. (2010). Corruption and its deep impact on good governance in Pakistan. *Pakistan Economic and Social Review*, 123-134.
- Levi, M. & Stoker, L. (2000) Political trust and trustworthiness, *Annual review of political science*, 3(1), pp. 475-507. <https://doi.org/10.1146/annurev.polisci.3.1.475>
- Lieven, Anatol (2012). Pakistan: A Hard Country. *London: Penguin Random House*.
- North, D. (1990) "Institutions, Institutional Change, and Economic Performance". *Cambridge University Press*, UK.
- OECD. (2013). Trust in government, policy effectiveness and the governance agenda. Government at a Glance 2013. *OECD Publishing*.
- Olken, B. A. and R. Pande (2012) Corruption in developing countries. *Annual Review of Economics*, 4:1, 479-509.
- Rodrik, D. (2007) Harvard University "One Economics, Many Recipes: Globalization, Institutions and Economic Growth". *Princeton University Press*, USA.
- Talentino, A. K. (2004). The Two Faces of Nation-Building: Developing Function and Identity. *Cambridge Review of International Affairs*, 17(3), 559.
- World Bank. (2020). Worldwide governance indicators. *The World Bank Group*.
- World Economic Forum. (2019). *The global competitiveness report 2019*. World Economic Forum.