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From Corruption to Code: The Blockchain Solution for Pakistan

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Pakistan's state institutions face an array of chronic challenges that directly affect citizens' quality of life and hinder national progress. From unreliable identity records and outdated paper-based systems to inefficient legal and healthcare services, these problems are not just minor setbacks; they're systemic failures. Elections, too, are frequently marred by fraud allegations, lack of transparency, and minimal support for overseas Pakistanis, further eroding trust in the country's democratic process.

Widespread corruption has only deepened public frustration. The lack of financial transparency and accountability enables public funds to be misused with little consequence. A clear example surfaced in 2018 when key officials at the federal Ministry of Finance quietly removed a critical dissent note from documentation involving Rs1.253 trillion (Pakistani Rupees) in contingent liabilities. Such incidents are not one-offs; they point to a pattern of administrative dysfunction. Whether it's mismanaged development funds, flawed property records, or misallocated subsidies, the problem is not just incompetence but the absence of mechanisms that ensure oversight and integrity.

Against this backdrop, the idea of reform through digital innovation becomes increasingly compelling. One technology that has gained traction globally is blockchain. Originally built to support cryptocurrencies, blockchain has since evolved into a versatile tool with wide-ranging applications in governance. At its core, blockchain is a digital ledger system that records transactions across multiple computers, making it highly secure and nearly impossible to alter after the fact.

Key features make blockchain particularly well-suited for government use:

- **Decentralization:** Unlike traditional systems that rely on central authorities, often the very institutions where inefficiencies lie, blockchain works through user consensus. This reduces bureaucratic bottlenecks and opens the door to faster, more reliable operations.
- **Immutability:** Once data is recorded on a blockchain, it cannot be tampered with. This feature can help prevent document fraud and data manipulation, common problems in Pakistan's legal and financial systems.
- **Transparency:** Most blockchain networks are public and easily auditable. Every transaction is visible, which can enhance accountability in public spending, contract management, and election integrity.

Governments worldwide are recognizing blockchain's potential. Countries such as the United Arab Emirates (UAE), Estonia, Sweden, and the United Kingdom (UK) have already incorporated blockchain in areas like health records, voting systems, and identity verification. Developing nations are also beginning to follow suit, seeing blockchain as a tool to leapfrog outdated infrastructure and counter corruption.

So the question stands: Should Pakistan adopt blockchain in its public sector? The answer is not simple, but it is increasingly hard to ignore. Implementing blockchain will not be a cure-all, nor will it happen overnight. However, it represents a meaningful step toward

restoring accountability, enhancing service delivery, and reconnecting citizens with institutions that have long failed them.

What's required is not more promises from the political class, particularly one that has struggled to maintain legitimacy, but bold action backed by competence. Rather than continuing to patch up broken systems or rely on external loans to bail out inefficiencies, Pakistan should explore tech-driven reforms that provide long-term structural benefits. Blockchain isn't just a buzzword; it's a potential foundation for a more transparent and responsive state.