

Momina Arshid

Batch - 37

Pakistan Affairs

— (Question : 02) —

Economic Crisis of Pakistan is failure of economic managing of Pakistan or it is consequences of Economic Recession.

Thesis Statement:

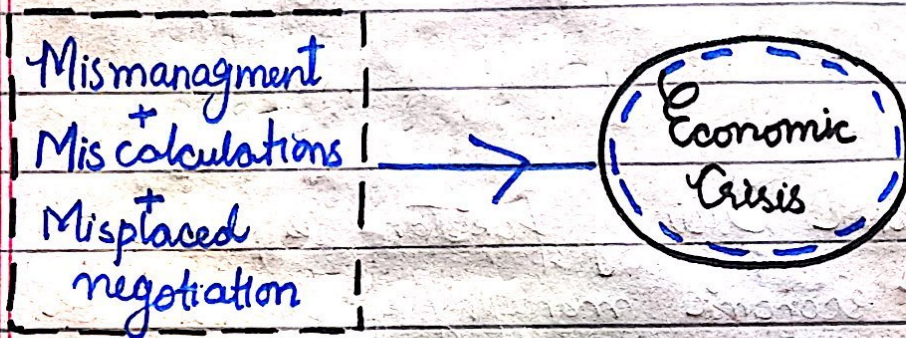
“Economic Crisis of Pakistan is failure of economic managing of Pakistan.”

Explanation:

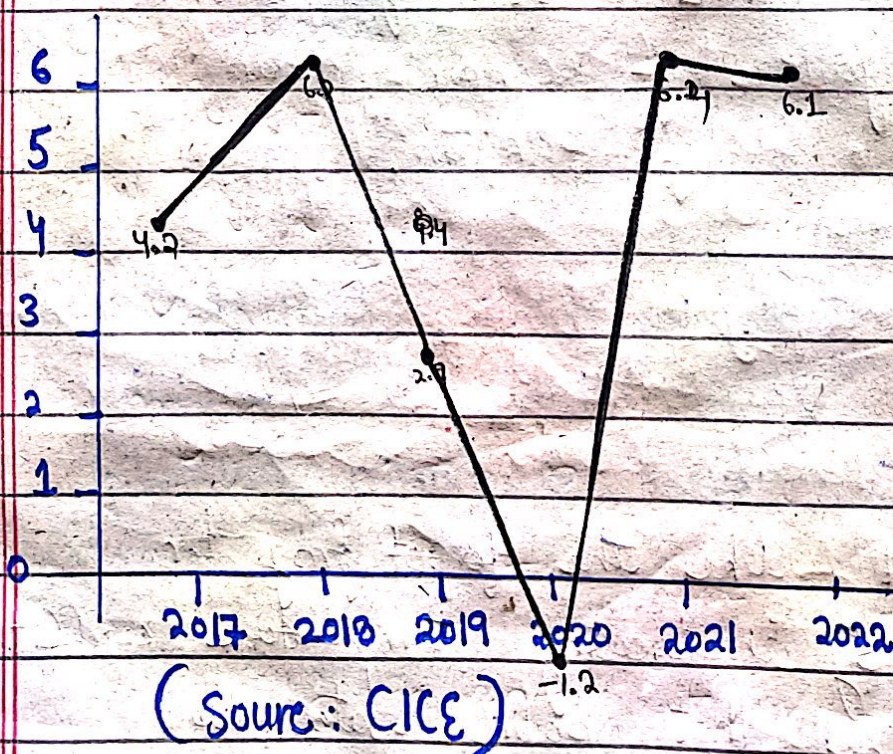
The metaphoric boiling frog has never been so relatable to Pakistan for its abject economic austerity. Just like the forget frog for gradually increasing temperatures couldn't realize that boiling water will kill him and he forgot to jump. Similarly

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Pakistan will gradual consequences of poor management forgot to jump out of the debt trap. Consequently, lead to worst crisis since its birth.

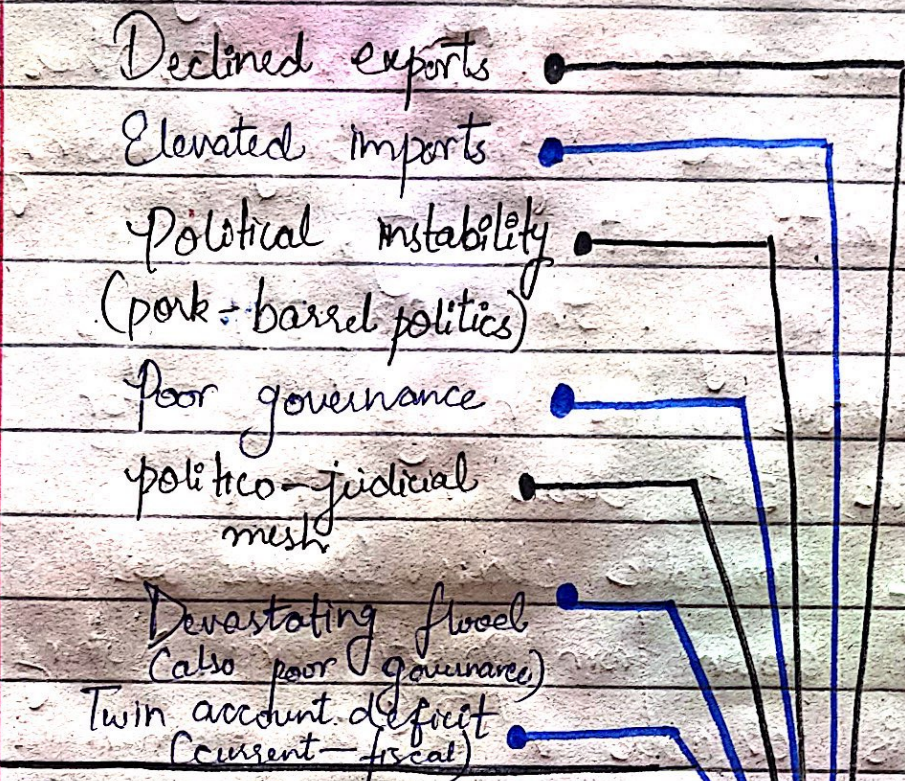


Poor management is indicated by the following graph of Pakistan's GDP in recent years.



Between 2017-22, Pakistan has been experimented with 3 government with their own policies and system regulative measures. The one after other changed regime brought nothing to Pakistan but poverty, inflation and misery. In 2023, 34% rise in inflation has no good news for public but clear indicator that many middle class families will slip down from poverty line. Nothing is cheaper in Pakistan. Human security is at biggest threat and the most hit element in Pakistan today. People are forced to compromise on food, security and employment. Politicians are shifting blames by pointing finger over 'Who is more responsible?' But what everyone says and knows clear is that this austerity is product of poor management.

Real causes behind economic crisis of Pakistan



Research held by

Robinson

John Ciaccari,
Michigan
University

also highlight
poor governance

and import dependency

as major factors behind
economic crisis of Pakistan and

revealed that Pakistan needs \$9 Billion
to come out of this crisis

predicting a soon-default for it

Hence, failure of economic management
has led to economic crisis

Analysis of Pakistan economic management

Objectives of National economy

Economic management measures of Pakistan and results

1) Reduce Inflation (low and stable inflation)	Couldnt control inflation high and unstable inflation
2) Balanced Balance of Payment	unbalanced balance of payment Twin account deficit Both current and fiscal accounts are in deficit resulting in balance of payment crisis
3) low unemployment	Unemployment has increase. No policy formulated to provide employment effectively to 60% youth of country. Resulted in Brain Drain.
4) Economic growth	GDP and foreign reserve and export figures indicate country declined in economic growth graph.

Deductive Analysis

Poor management of economy resulted in declined exports even though cotton production has declined and therefore cotton export too. More than 8 lakh ^{lacs} well educated youngsters left country due to unemployment. Circular debts has increased due to ~~st~~ expensive hydrocarbon imports for energy along with fiscal and current account deficit that is of \$4 billion dollar figures. \$3 billion pka on average of every year deficit. Poverty and inflation has also sky rocketted. Therefore, nothing can be more responsible than poor management.

Way forward

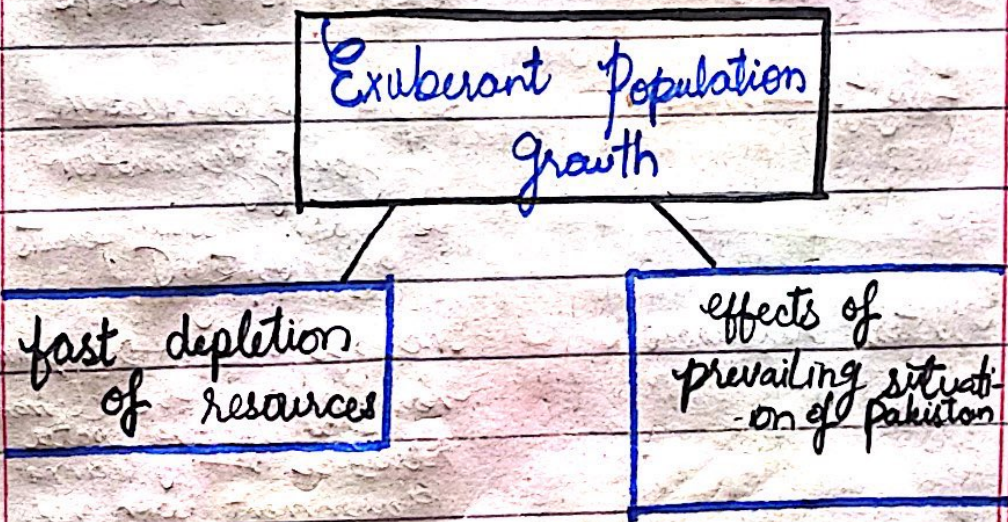
- Increase exports • decrease imports
- long term structural planing to reduce flood risks in monsoon.
- Introduce technology to agricultural work
- Devolve power to local body and strength federation
- Ensure constitutional supremacy and

transparency to end politico-judicial chaos in country.

• Switch to renewable energy resources.

• Effectively combat terrorism wave in country, to ensure economic growth.

(Question : 03)



Analysis of depleted resources

more than 60% of Pakistan's population is youth. The young country is going through political and economic crisis with least predictable future. The only predictable thing is that country will soon run out of resources

Resources Pakistan has

Their depletion by exuberant youth

1) Agricultural land

Owners of agricultural land have become elite enough to live good life and creating more money by converting agricultural land into real estate property. This agricultural and agricultural product export is in decline

2) Forests — Wood

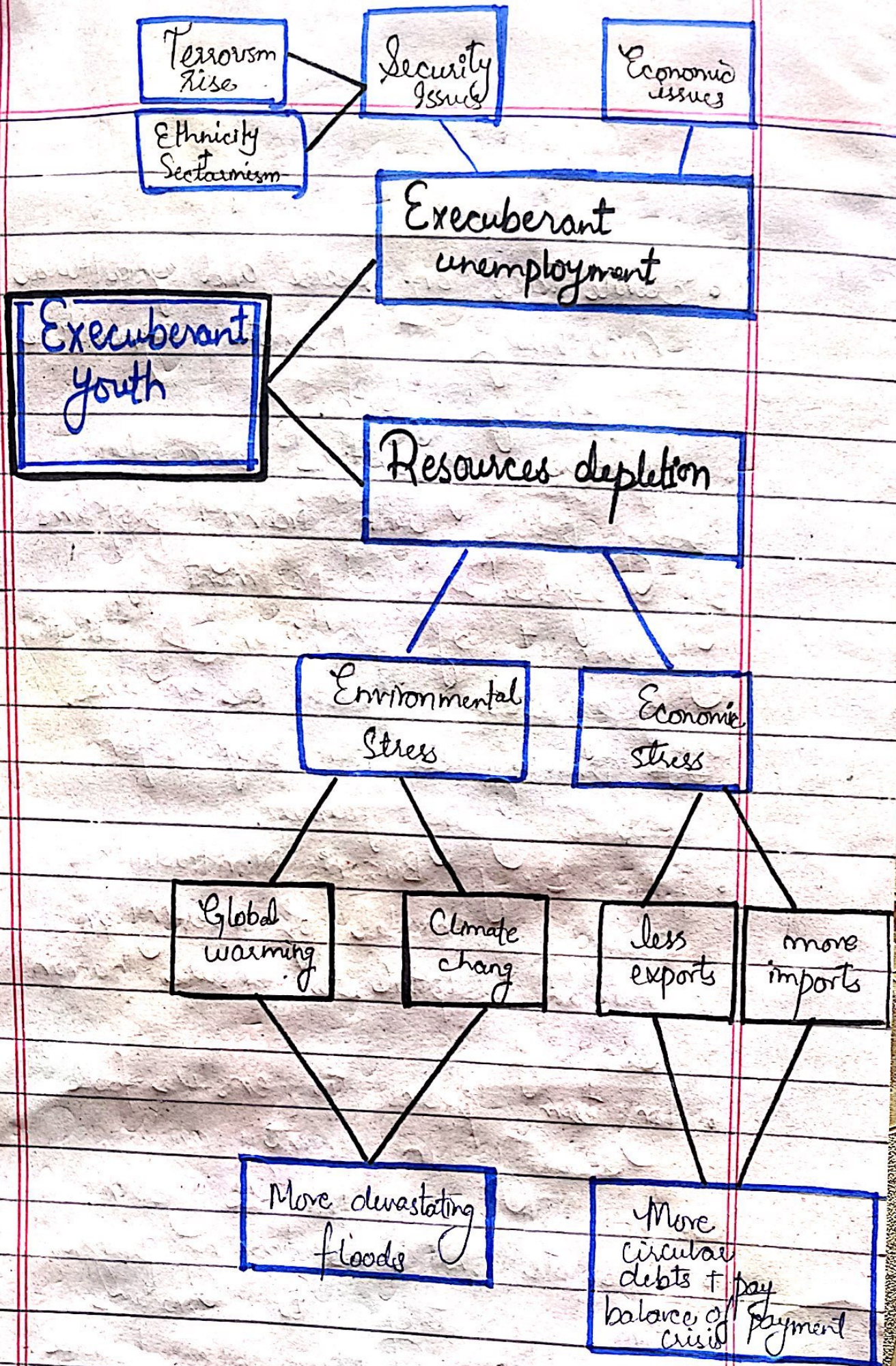
Rapid urbanization of young generation is eating away forests of country.

3) Water resources

Increase urban population has elevated the demand for utilizing water resource with leaving government with no long term compensation projects

Deductive Analysis

Youth buldge is depleting away most needed resources of Pakistan which if not addressed and worked upon today will result in regrets of tomorrow.



Remedies

- Elevate taxes on seeds and agricultural machinery to promote agriculture among youth.
- Effective agriculture promotion policy policies with training programs by agricultural department of Government of Pakistan. Digitalization of agriculture should be ensured ^{also} ~~and~~ primary education programs for illiterate young farmer.
- Follow Barry Buzan's Nontraditional security model of investing on human capital to ensure human security.
- long term plans to ensure food security in country and cover 45% malnourished youth.
- Promote skill based training program in country to produce skilled labour. More skilled labour country will have, cheaper labour ^{it} will produce like China.

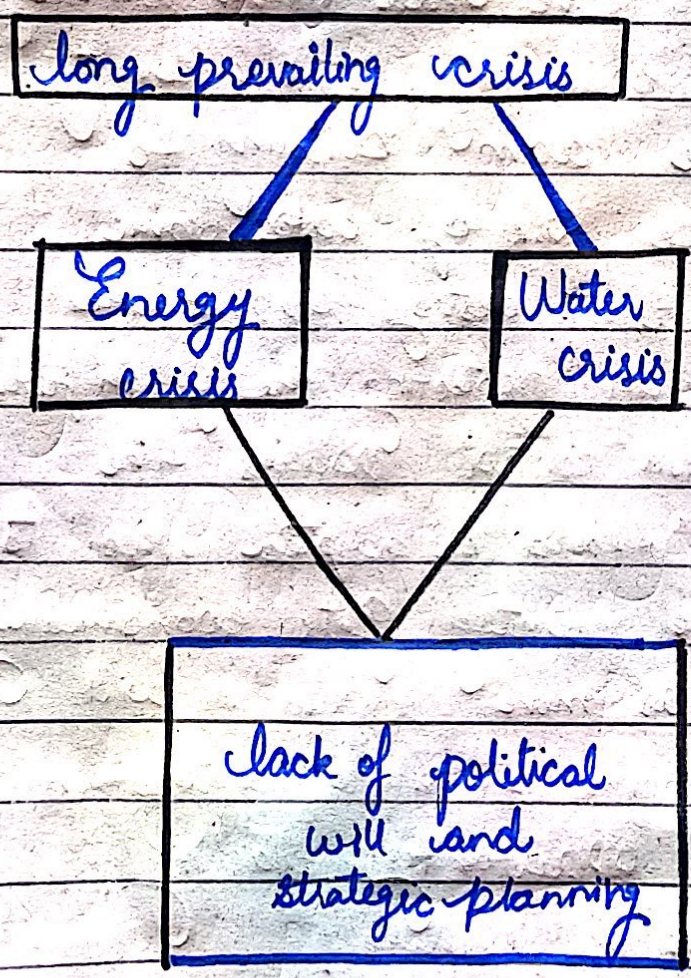
- Promote entrepreneurship from university level to generate revenue from buldge of youth.
- Strength federation and devolve power to local government with task of effective resource management along with employment opportunity creation for youth in their districts.
- Switch to renewable energy resources to shed burden of circular debts on youth and allow them to be more productive under stable politically and economically stable country.
- Ensure dam building to reduce risk of catastrophic floods that destroys opportunities for youth protecting the youth future.
- Population control policies like China should be adopted atleast to the time country gets economically stable as more population will give economic stress to country in these opportunity lacking scenarios of country.

Conclusion

"If India and China can become strong economies with youth bulge, Pakistan too can"

What it needs is developing skilled labour, good governance and effective resource management.

(Question : 07)



Thesis Statement:-

Energy sector of Pakistan and water resources are going through crisis due to poor planning and policy implementation paired up with lack of political will.

Explanation:-

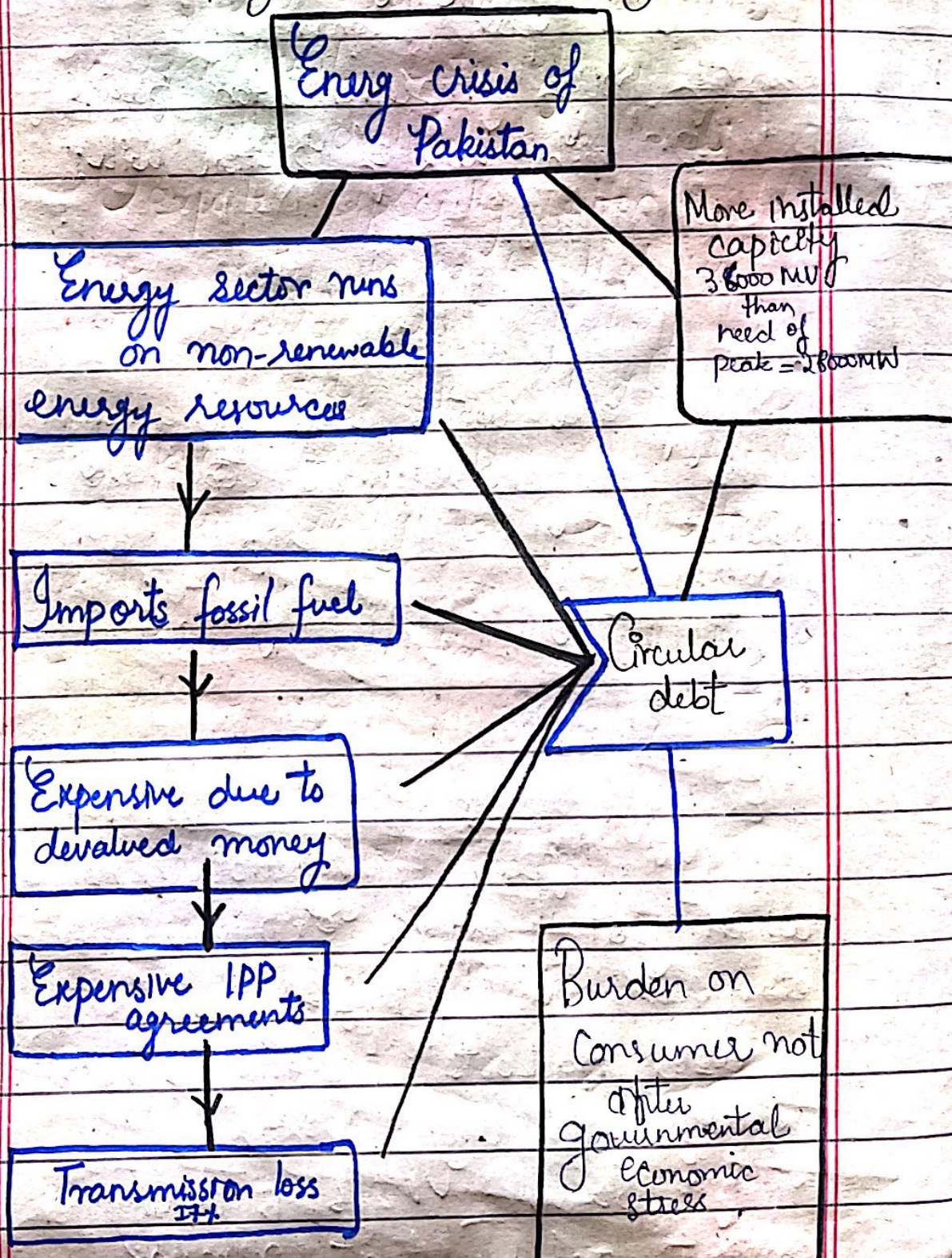
"look inward before you look outward"

Energy and water crisis are among the major elements that lead Pakistan to economic crisis and balance of payment deficit.

(Energy Sector)

Energy sectors of Pakistan runs on imported hydrocarbon, which got more expensive due to devalued Pakistani Rupee. Country wide blackouts are evidence how hardly the energy sector is surviving and is calling for instant reforms that remain

Invisible in Pakistan's government dictionary. Expensive electricity for instance Rs 38/unit that is predicted soon to be at Rs 50/unit after IMF program is burdening customers.



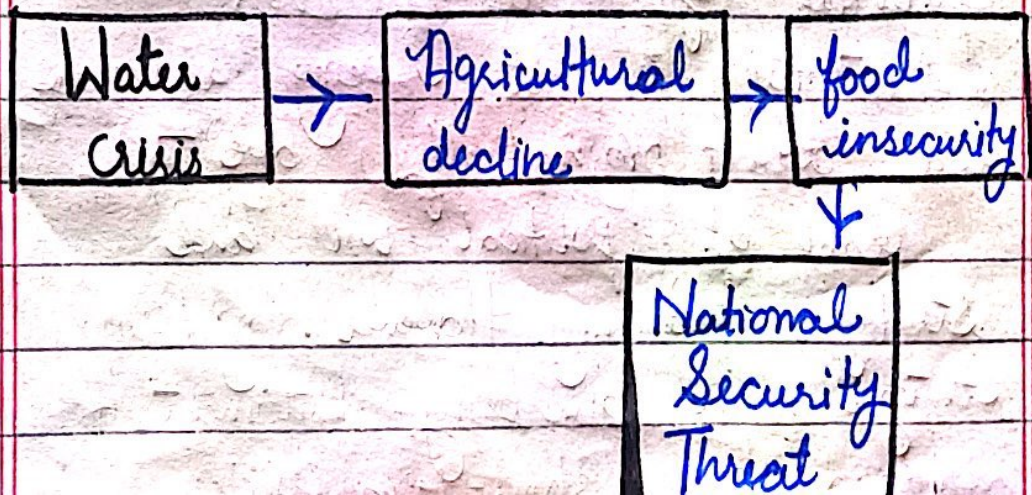
What political will can do	What is it doing
1) Switch to renewable energy	Importing expensive hydrocarbons (oil/gas)
2) Renegotiate with IPPs	Lack of will for renegotiations
3) Reduce transmission loss by revamping transmission lines	No work is being done on revamping transmission lines
4) Settle wind projects at Gwadar	No projects for wind energy and non-function solar energy projects of CPEC due to economic and political instability
5) Structure long-term strategies to overcome crisis	Working on short term reforms only.

Deductive Analysis

Energy sector beside being potential of producing cheap electricity is not being addressed and dealt pragmatically due to lack of political will and strategic planning. However, long term strategic plans can bring betterment if replaced by short-term policies.

Water resources

Pakistan has plethora of water resources but poor strategic planning leads to dumping of 5 rivers to Arabian sea without any effective utilization. The decline in agricultural sector of Pakistan along with declined agricultural exports especially cotton has left the country in thought that why water resources aren't effectively utilized. It didn't stop here but poor strategic planning had led to water scarcity too. Due to wasting time earlier and continuous delay in dam construction, consequently the agricultural decline of agrarian country, and ultimately economic crisis.



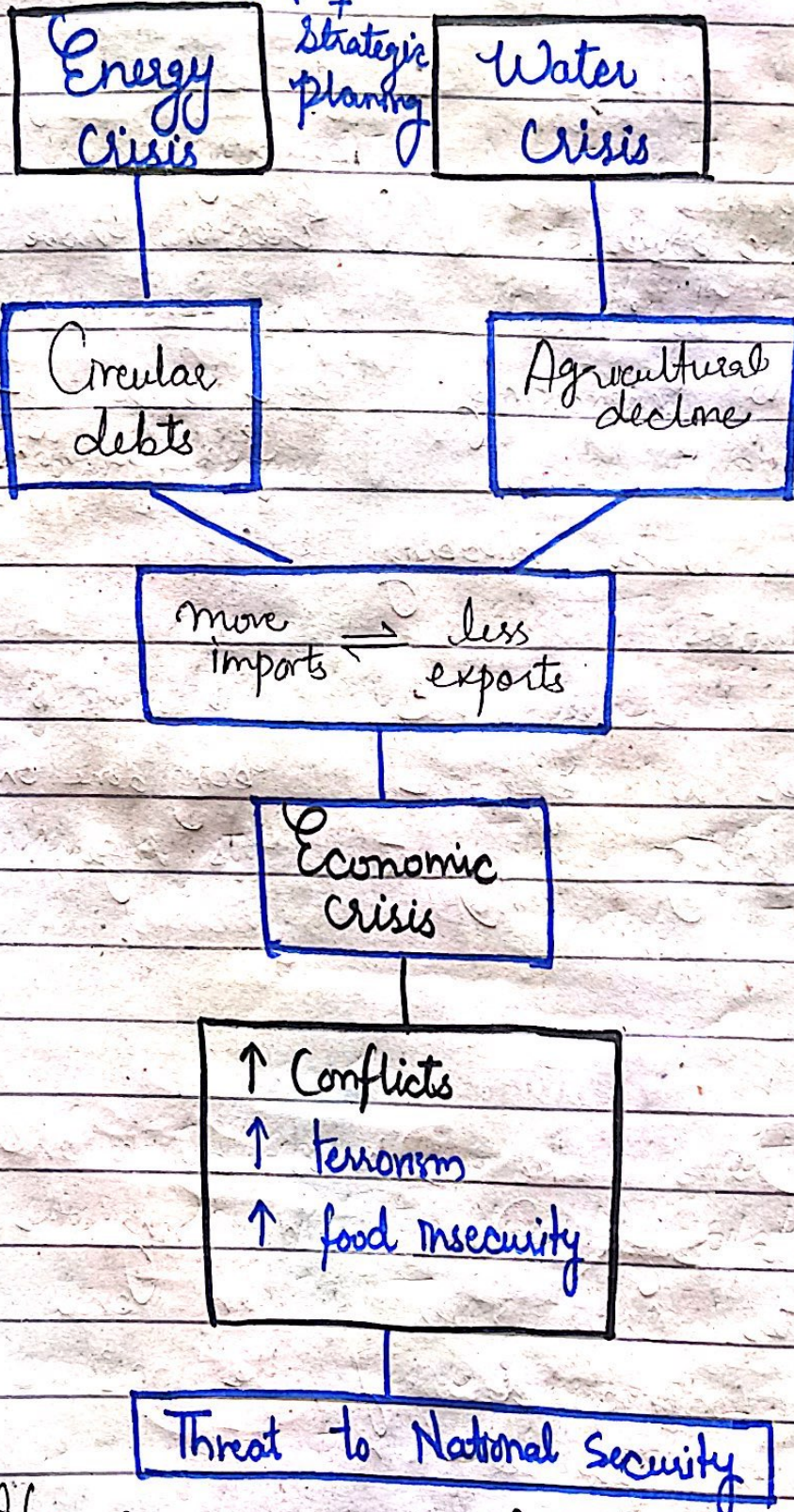
What political will can do	What is it doing
Build dams	continuous delay in building dam
Devolve power to local bodies with task of generation of water resources to ensure water availability in districts	Elections have been thrown away due to political- judicial chaos.
Protect underground water with effective and strategic management	No work is being done on this regard.

Deductive Analysis

Dams like Diamer, Basha and Kala Bagh Dam could bring the water crisis issues to an end but continuous delay of the political will resulted in water crisis in country. Short term solutions to ensure water availability have been failed project of previous governments.

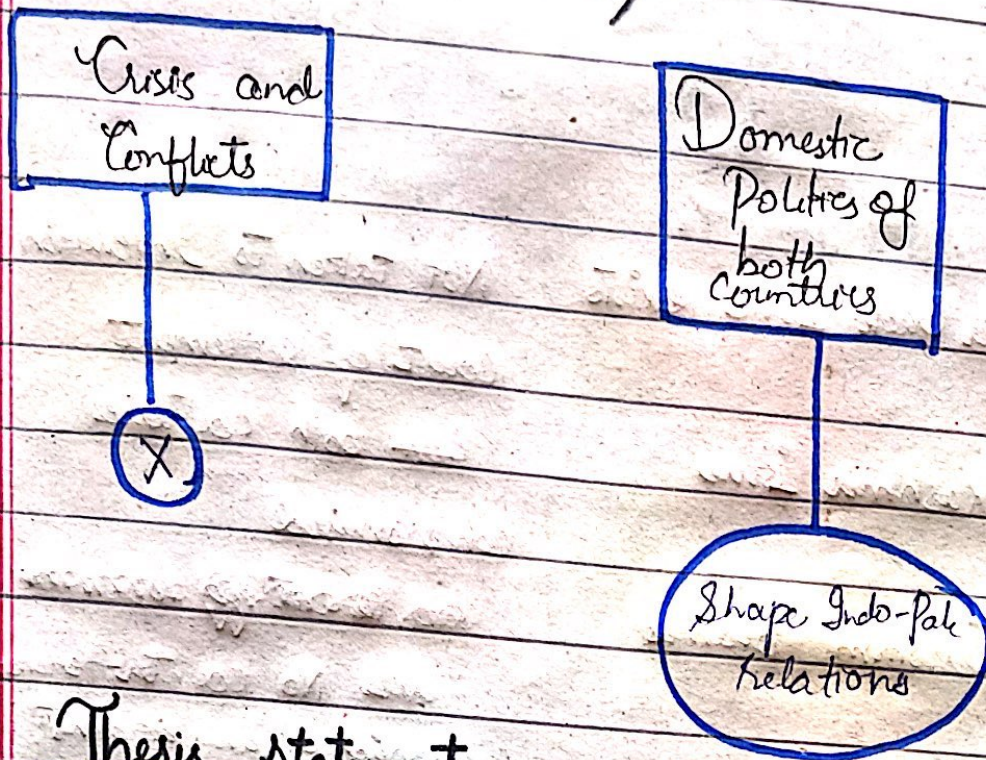
Conclusion

lack of political will
+
Strategic
Planning



"If Germany can rise from ashes of world war I and II and Japan can rise from nuclear holocaust, Pakistan too can come out of its economic woes"

(Question : 08)



Thesis statement:

Domestic politics of India and Pakistan shapes the relation between doorstep neighbours.

Crisis and Conflicts between the two countries

- a) Kashmir Issue
- b) Sir Creek Issue
- c) Terrorism blames
- d) Digital propagandas
- e) History of 3 wars fought
- f) Blames of challenging integrity
- g) Proxy wars

How crisis and conflicts are shaping relations and how they aren't

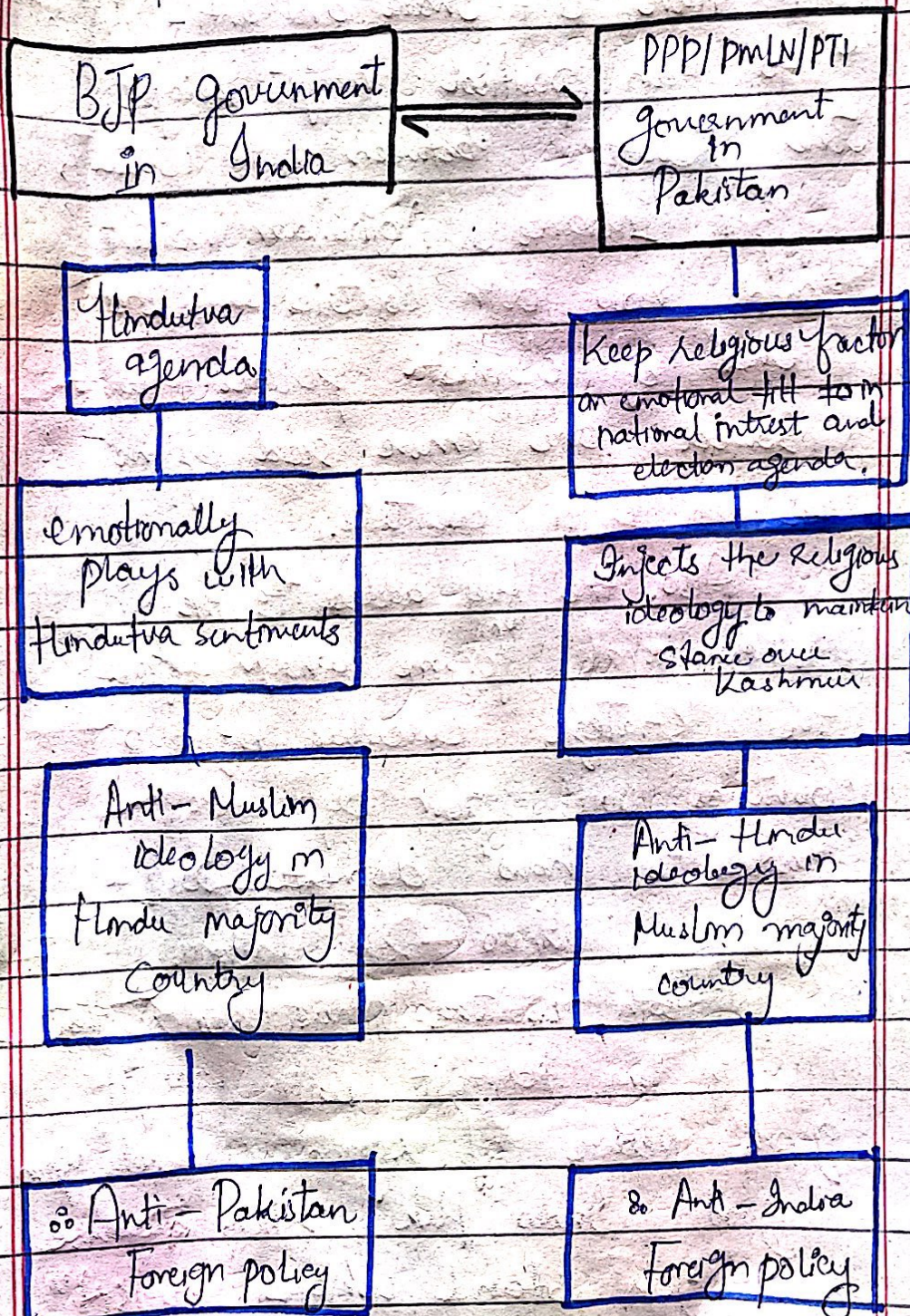
How they can	How they don't
a) Sir Creek Issue exists	Not taken to International Court of settlement
b) Kashmir Issue	Can both countries compromised
c) Terrorism blames	Not to start off diplomatically No counter-terrorism approach of any against other one.
d) Bangladesh - Dhaka fall	Issue didn't lasted long
e) Wars fought	Talks were offered and hosted later

Deduction / Synthesis

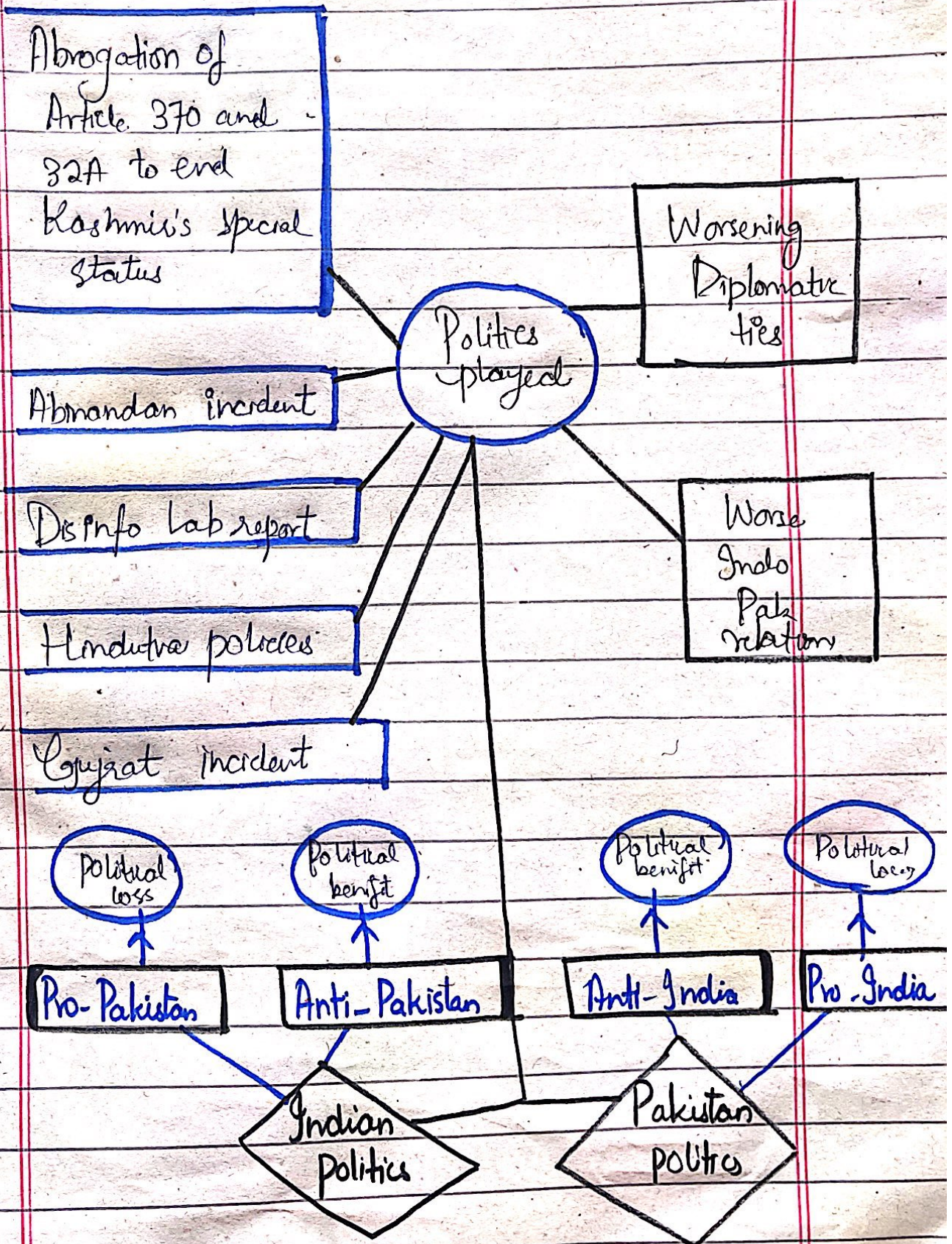
Conflicts and Crisis include water crisis in Pakistan due to violation of Indus water treaty remained to bilateral territory and lines only. Clearly showing that these don't shape relations. Also, the Indian and Pakistani public with increasing bonding shows that these issues has nothing to do with

Indo - Pak relations,

Domestic politics of both countries



Example for "How it does"



Synthesis

Political agendas and therefore Domestic politics are "who will get more anti-India and anti-Pakistan" to gain political benefits shape the relations between both countries

For instance, Abhinandan incident and how both countries saw the chess of domestic politics added sowed one more seed of hatred between both countries.

Also, the fuel added to fire on international forums which defines the strategic calculus of two countries with poor diplomatic ties adds to how domestic politics shape Indo-Pak relations.

Conclusion

Both countries must realize that in long term it will benefit good peace of region depends upon good Indo Pak relations because "you stand where you sit"