

● Question:

Effective use of natural resources can make Pakistan a prosperous nation

Discuss.

→ Answer:

→ Natural Resources:

Natural resources are the elements that are present in environment naturally and are used for different purposes. They are not made by people. E.g coal, wind, Air, Solar energy.

These resources are very important because they provide us with things that we need in our lives. If we invest money and efforts in extracting and processing them, these will provide us with great economic benefits.

→ Pakistan - Rich in resources but poor in management:

Pakistan is a country with a lot of valuable natural resources but unfortunately unable to utilize these resources ~~effectient~~ efficiently. The country has a plenty of agricultural resources, solar energy resources, minerals, a large population and favourable geography. However,

due to the poor management these resources have not been properly utilized. Various factors like political instability, law and order situation, corruption have added to the situation. As a result, Pakistan relies on foreign aids and budget, faces trade deficit, struggling struggles energy shortages for industry and experiences water scarcity for agriculture. Despite these challenges, Pakistan has the potential to improve and grow. The country has many resources, young and talented population, middle class growing in cities and resources needed for their development. With better governance and utilization of resources, Pakistan can overcome its obstacles and succeed better.

→ Abundance of Natural resources:

Among the 200 plus countries, it has

- 2nd largest coal reserves
- 2nd largest salt reserves
- 5th largest gold reserves
- 7th largest silver reserves
- 436.2 million barrels of proven oil reserves
- 6th largest gas producing capacity in Asia Pacific
- 31.3 trillion cubic feet of gas reserves

→ Pakistan's Natural Resources:

Natural resources can be divided into two types; renewable energy sources that can be recycled after use again and again such as wind, solar energy and non-renewable energy that cannot be recycled once it has been used such as coal reserves.

→ Non-renewable resources:

Coal reserves: Pakistan has large reserves of coal in Thar, Chamalang and Quetta. Thar reserves are estimated to produce 850 billion cubic feet of coal reserves. Pakistan can produce over 400,000 MW of electricity for coming 200 years from Thar-coal project. If we convert that coal into oil by gasification process it can earn 2.5 trillion dollars.

Oil and gas reserves: Pakistan has the potential of 282 billion cubic feet of gas reserves and 27 billion barrels of oil reserves. However, current oil production is 61,660 bbl/day and gas production is 39.15 billion cubic meters.

→ Renewable Energy resources:

Wind and Solar Power: Pakistan's long coastline (1046 km long) has the potential to

produce 40,000MW of electricity from wind power. Jhimpir power project currently producing 50MW electricity. Jhimpir Power Project is in Ghoraketi. Bandar Wind corridor is Southeast Pakistan that is a high quality wind resource capable of generating 50,000MW of electricity. On the other hand, plains of Plateau Balochistan can be efficiently used for solar energy production.

Hydropower: Pakistan is currently producing 33% of its electricity from hydro resources, whereas the potential of hydropower in Pakistan is 40,000MW, almost the double of the country's current demand.

Agriculture Resources: 45% of Pakistan's labor force is involved in agriculture sector (36.2% males and 75.4% females). The sector contributes 20% to the country's GDP. Among the 79.6 million hectares of land, only 21.2 million hectares are cultivated. Cropped area constitutes 23.8 million hectares and 4.21 million hectares of forests. Almost 80% of the cultivated land is irrigated. The country has the World's largest contiguous irrigation system. The country is among top 10 producers of

Wheat, cotton, sugarcane, dates and kinnow oranges, and holds 13th position in rice production in the world. 35 million people of Pakistan are involved in agriculture which contributed 11% to the country's GDP.

Mineral ore resource: Reko Diu has more than 5 billion tons of reserves, which includes 0.54% copper content and 0.24 grams per metric tons of gold. At Reko Diu Pakistan has 12.3 million tons of copper and 20.9 million ounces of gold reserves. Reko Diu project of coal and gold reserve can earn 260 billion dollars to 3 trillion dollars. Pakistan has a variety of precious gemstones like Ruby, Topaz and Emerald in Gilgit, Swat Dir and Kallat. Pakistan has the 2nd largest salt reserves in the country. Finally, Pakistan produced 45 tons of Uranium in 2005.

Nuclear resource: Pakistan is the world's seventh nuclear state.

→ Impediments in Utilization of Natural resources:

(i) Political Instability:

Traditionally, Pakistan has

been unstable politically within and without. They therefore, they are more interested in their survival rather than the resource management. Moreover, the country has war-torn Afghanistan in its neighbour which has fall out effects on Pakistan and also adversary with India in East. This regional stress impedes the growth of region and economic integration is virtually absent. In conclusion, it can be said that political instability has untapped the natural resource utilization.

(ii) Lack of vision and planning:

The underdeveloped political culture in Pakistan has fashioned adhocism and politically motivated planning. Resultantly, lack of vision and authority of institutions can not carry out planning for resource management. Public representative have also proved to be indifferent towards resource management.

(iii) Flawed policies:

The disruption in the political process has also results in flawed policies.

For example, Pakistan has the world's largest salt mines and second largest salt reserves. Salt is a simple commodity, requiring just simple extracting and conveying to the market. However, Pakistan holds 20th position in salt producing countries' list with only 0.88% of world's salt production.

(iv) Red Tapism:

Bureaucracy is still in the ^{clutches of} colonial mindset. There is a strong centralization of power at the top of departments. Moreover, hierarchical structures also result in slow modus operandi. Hence, red tapism restricts timely decision making and often invites corruption as a remedy to this illness. Furthermore, red tapism also affects the foreign direct investment (FDI) which is the reason behind the lack of development and management of natural resources in Pakistan.

(v) Law and order situations:

Mineral rich resources areas like Balochistan and FATA, are still politically unstable and the writ of government over these areas is still limited. Northern

areas are also overlooked in this context Law and order is a restraint to resource development and management

(ii) Weak Technological bases

Mineral resource management requires research and development which requires allocation of capital. Lack of release of operational funds to the public sector organizations, the new projects could not be started. Long delays in the release of funds also effects the implementation of resource management projects. Mineral sector also suffers from lack of machinery and skill and processes which resulted in poor production of substandard products.

Way Forward:

(i) Attracting Foreign Direct Investment:

First step is to evaluate and quantify the Pakistan's existing natural mineral resources on some globally recognised criteria. For example, for categorization of mineral resources several internationally accepted definitions are in practice such

as JORC code (Australia) and CIM (Canada). Such initiatives would play a cutting-edge role in attracting foreign investment as reports on mineral resources valuated according to internationally accepted data are widely accepted and well treated by foreign investors. Mineral development department and geological survey of Pakistan would play an important role in translating mineral resources to tonnage and eventually dollars.

(ii) Disseminating Scientific data:

To attract huge foreign investment, mapping each and every inch of country is necessary for the exploration of mineral rich resources. Mining and mapping related ~~research~~ research would lay the foundation for future discoveries. Such data banks would be the first rate source of information for identifying the nitty-gritty of mining business challenges and quantifying financial risks. Escalating research capabilities for long term future of the mineral industry in Pakistan is a crucial step.

(iii) Engaging the private sector:

Increasing the contribution of mineral industry to Pakistan's economy through more private investment is fundamental in drawing the strong relationship between the resource utilization and economy. The policies must be in line with the mineral sector development strategy by encouraging small-scale mining and public-private participation.

(iv) Development of Infrastructure:

Development of infrastructure is necessary for better resource utilization. Construction of roads in far-flung areas especially in mineral rich areas would boost the performance of this area.

(v) Engagement of relevant communities:

In Pakistan, politicization of resources and provincialism after the 18th amendment, is a stumbling block in translating the mineral resources into dollars. Therefore, engagement of related and relevant communities into mining business is very important.

(vi) Establishment of Export Processing Zones:

China-Pakistan Economic Corridor (CPEC) envisages the development of special economic zones (SEZs).

SEZs are the economic policy instrument for rapid industrialization and fast track economic growth and development. It is defined as a separate demarcated territory with its own fiscal regime different from the one prevailing in the country, backed by quality infrastructure, regional connectivity, uninterrupted energy or power supply to fuel the economy.

Economic Zones are broadly classified according to set objectives. Thus, government should ensure the development of special economic for better resource management especially in Balochistan and FATA.

Question No 2:

Changing Regional Apparatus AND Pakistan

The South Asian region has been experiencing uncertain conditions in areas like Afghanistan and Kashmir.

The relationships between the major powers like China, United States and Russia has also been shifting. With China increasing its

presence and influence in Pakistan like smaller countries. The relationships between Pakistan and

US also has been very uncertain since the US withdrawal from Afghanistan. Recently, this has

shifted ~~in a~~ towards a serious situation

when the Trump Administration announced the cut of military ~~cut~~ aids. Pakistan wants to

improve the ties with US, but the ongoing tensions ~~of~~ between China and US affect

this relationship. China has invested in Pakistan as part of One Belt one Road initiative.

While Russian and Pakistan also made contributions in ~~the~~ Defence system. On the

other hand, US is also developing strong ties with India to counterweight

1. Pakistan-India military Standoff:

On 14th February 2019, a car bomb attack in Pulwama Indian occupied Kashmir claimed 46 lives, with a majority of Indian Army personnel. New Delhi held ~~respons~~ Pakistan responsible for this alleged attack and on 29th February 2019, attacked on "terrorist Training camp" at Balakot which claimed 300 lives of terrorist. New Delhi failed to provide evidence of this aforementioned claim. Pakistan not only rejected this claim, but ~~attacked~~ shot down two warplanes of India, the next day in retaliation. The escalating tensions between two countries give a warning of looming war in this region. In August 2019, India scrapped the status of occupied Jammu and Kashmir. On the other hand, India failed to suppress the Kashmiris' intifada, while this suppression is going to be more violent, but in

2. The Afghan Conundrum:

The longest war of the US history went to its end with the withdrawal of foreign forces from Afghanistan and Taliban have returned to the power. Despite the friendly relations between the countries, the Taliban's take over of Afghanistan has been far from the unmixed blessing for neighbouring Pakistan. Afghanistan ranks the world's largest humanitarian crisis and there is a serious risk of widespread famine and in turn poverty Pakistan ~~can~~ alone cannot handle the situation in Afghanistan to avoid a major spill over, thus relying on other countries of the region to provide aid to Afghanistan.

3. An Insecure Iran:

Iran and Saudi Arabia are Middle East's incompatible rival and often adopt an opposing situation position on Afghanistan. The Saudis were one of three countries alongwith UAE and Pakistan, to recognize the Taliban administration in 1996. Recently, Iran is among the few countries

who still operate its embassies in Kabul. However, Saudi Arabia is now seems uninclined towards Taliban's take over, as the geopolitics in the situ region has been changed significantly in the last two decades. However, the Saudi situation could change at a moment's notice should Washington push them to adopt a certain situation that might support western interests. The two countries have already locked the horn in Saudi's backyard, Yemen Iran is under severe international sanction and India has gone out of the Chabbar. So the rapidly changing regional apparatus might poses serious threats for Islamabad, wherein, the emerging geo-politics is leading to an intricate situation where Islamabad must take calculated steps.

4. Changing regional apparatus and Russia:

A visible shift has occurred in Kremlin's policy towards India. Russian sale of military hardware to Pakistan and

joint ^{military} exercises took well for Pakistan

5. Indo-US strategic partnership:

The relationship between India and US has been on upward trajectory since 2000 when Bill Clinton visited India. President Obama further strengthened the trade and business ties in 2009 during Prime Minister Manmohan Singh's visit in 2009 and under PM Modi's government. The Indo-US partnership is driven by national interests and encompasses various areas such as defence, space, technology and civil nuclear cooperation. India aims to safeguard the US interest in the region, especially in countering the rise of China.

6. Pak-China geo-economic collaboration:

The US aimed to build a strategic partnership with India to limit the China's role in the region and supported the ^{India's} bid for a permanent seat in the United Nation Security Council. China is providing military assistance to Pakistan, to promote regional peace and security,

President Xi Jinping's announced CPEC (China-Pakistan economic corridor) has transformed the bilateral relationships, with large-scale Chinese investment in infrastructure and energy projects. By 2025, it is envisaged that manufacturing and processing industries will be developed, while the further expansion of economic zones tend to be completed by 2030.
