

Q:01: How has the IMF program for Pakistan impacted the commoner's education, health, and living standards? Write down a plan to bring economic revivalism without the IMF package.

Q:02: Discuss the pros and cons of institutional privatization in Pakistan.

Q:03: Inclusive state institutions are hallmarks of democratic sustainability. Discuss concerning Pakistan.

Q:04: What urgent reforms are needed for educational revival in Pakistan?

Q:05: Critically analyze National Security Policy (2022-2026).

Q:06: What are non-kinetic security threats to Pakistan? Devise a pronged strategy to deal with non-kinetic security issues in Pakistan.

Q:07: Discuss Pakistan's geo-political and geo-economic relevance in the changing regional and international dynamics.

Question 02:

Answer:

Pros and Cons of Institutional

Privatization in Pakistan

1. Introduction:

Privatization in Pakistan can be a significant economic policy tool for promoting economic growth today. It can help generate growth and eliminate structural inefficiencies by opening up the economy to competition. The privatization program is also part of Budget 2024-2025 of the Government of Pakistan. It seeks to enhance the growth and productivity of Pakistan's economy by using the private sector as a tool for development. The State-Owned Enterprises (SOEs) lose billions every year, whereas privatizing these SOEs will help Pakistan to get taxes from these SOEs. With the advantages it poses, there are also disadvantages, for instance private sectors have capitalist mindset which is

is concentrated on wealth. In short, the government should run courts, police stations, and air traffic control not the petrol pumps, oil wells, ports, and airlines.

2. Merits of Privatizing Institutions

in Pakistan:

a. Competition from Private Institutions brings Economic Growth:

Institution privatization brings competition. Privatization can stimulate economic growth through competition between private institutions. Furthermore, this competition also brings efficiency in private institutions performance. Which fosters economic growth in the country.

b. Privatization fosters government efficiency:

Privatization of institutions reduce the financial burden on the government. It allows government to work efficiently. In

1992, Brazil privatized eight steel sectors which improved government efficiency and economic competition. By privatizing, Brazil turned substantial losses into profits and created thousands of jobs. Pakistan should take a lesson from Brazil for strategic privatization to foster government's efficiency.

c. Privatization Attracts Investments:

Privatization attracts foreign and domestic investments. The investments bring modern technologies and managerial process. China's economic transformation is a testament to this. Instead of privatizing all SOEs, China privatized some, to halt fresh investments. The investments dropped from 90% to 30% in three decades. Private sectors attracted foreign and domestic investments which contributed in China's economic growth. It is a strategy Pakistan could benefit from.

d. Reduces Political Interference:

Pakistan is one of those countries which is suffering from corruption. According to Transparency International, Pakistan ranks 133 out of 180 countries in 2023. Political interference in SOEs cause corruption. Because of that institutions can not have transparency. However, privatization reduces political interference in SOEs. That helps institution to work efficiently.

e. Minimizes Fiscal Burden:

Every year state owned Enterprises (SOEs) are allocated billions in Budget. In result, government losses billion, instead of benefitting from the allocated investments. Pakistan's 2024 budget policy of selling or privatizing SOEs, can help in minimizing fiscal burden.

3. Demerits of Institutional Privatization in Pakistan:

a. Risk of Monopolies :

Privatization can lead to monopolies, if not regulated properly. If privatization does not have companies for competition, it will lead to monopoly. The success of privatization depends on policies to avoid the risk of private monopolies.

b. Increase in Tax Evasion:

In Pakistan, tax generation from private sectors is a big issue. In this environment, privatization may lead to tax evasion. Because private sectors generally try to avoid tax payment. Resultantly, privatization of enterprises may lead to a decrease in tax income.

c. Privatization may lead to Exploitation:

Privatization may lead to exploitation by rich people. The private sectors are motivated by capitalist ideology. They may charge

more prices for their goods or services. In 2005, when Karachi Electric (KE) was privatized, people hoped for better services and less bills. However, the privatization failed and KE failed to improve

d. Unemployment may surge:

In privatization more workers are declared surplus. Thus, they are fired by the company. The people of Pakistan are already facing unemployment issue, in this context, if SOEs are privatized and people are fired from companies will result in protests and disruption. Unemployment also lead to increase crime. According to Strain theory of criminology, when people are unable to achieve their goals they experience strain which leads to deviant behaviour.

e. Political and Social Unrest:

The process of privatization may lead to protests

and opposition, if not managed transparently. When privatization of PIA is discussed, the management and employees of PIA and aviation authority get together and block the sale. Protests and opposition arise from the people who are adversely affected by the changes.

4. Recommendations for Institutional Privatization in Pakistan:

i. In budget 2024, Pakistan has planned to sell PIA, Roosevelt Hotel, and Hotel Scrips. Pakistan should follow China's model: In which China did not sell all its SOEs but some. Government should not sell hotels because these will not generate taxes. PIA privatization must be considered.

ii. Privatization should not be done hastily. When Soviet Union collapsed, Russia rapidly privatized SOEs. Which resulted in businesses in the hands of Soviet-era ill-equipped managers. Moreover, when KE was first sold in 2005 to Siemens AG. It had no experience.

Because of that, they failed to manage KE and later they sold KESC to Abrarji Capital. The government should find good buyers for the success of institution.

iii. To avoid private monopolies, the government should ensure independent regulators by appointing top professionals on merit. Additionally, private entities should adhere to competition to promote long-term economic prosperity.

iv. Government should introduce tax reform to avoid tax evasion.

5. Conclusion:

Privatization can be a powerful tool for economic growth. Many developed countries are gone through SOEs privatization process, which resulted in economic growth. Pakistan should follow their foot steps to avoid potential issues. Privatization brings competition, fosters government efficiency, attracts investments, reduces political interference, and minimizes fiscal burden. However, if it is not done strategically and it being many disadvantages.

Question 05:

Answer:

National Security Policy (2022-2026) of Pakistan

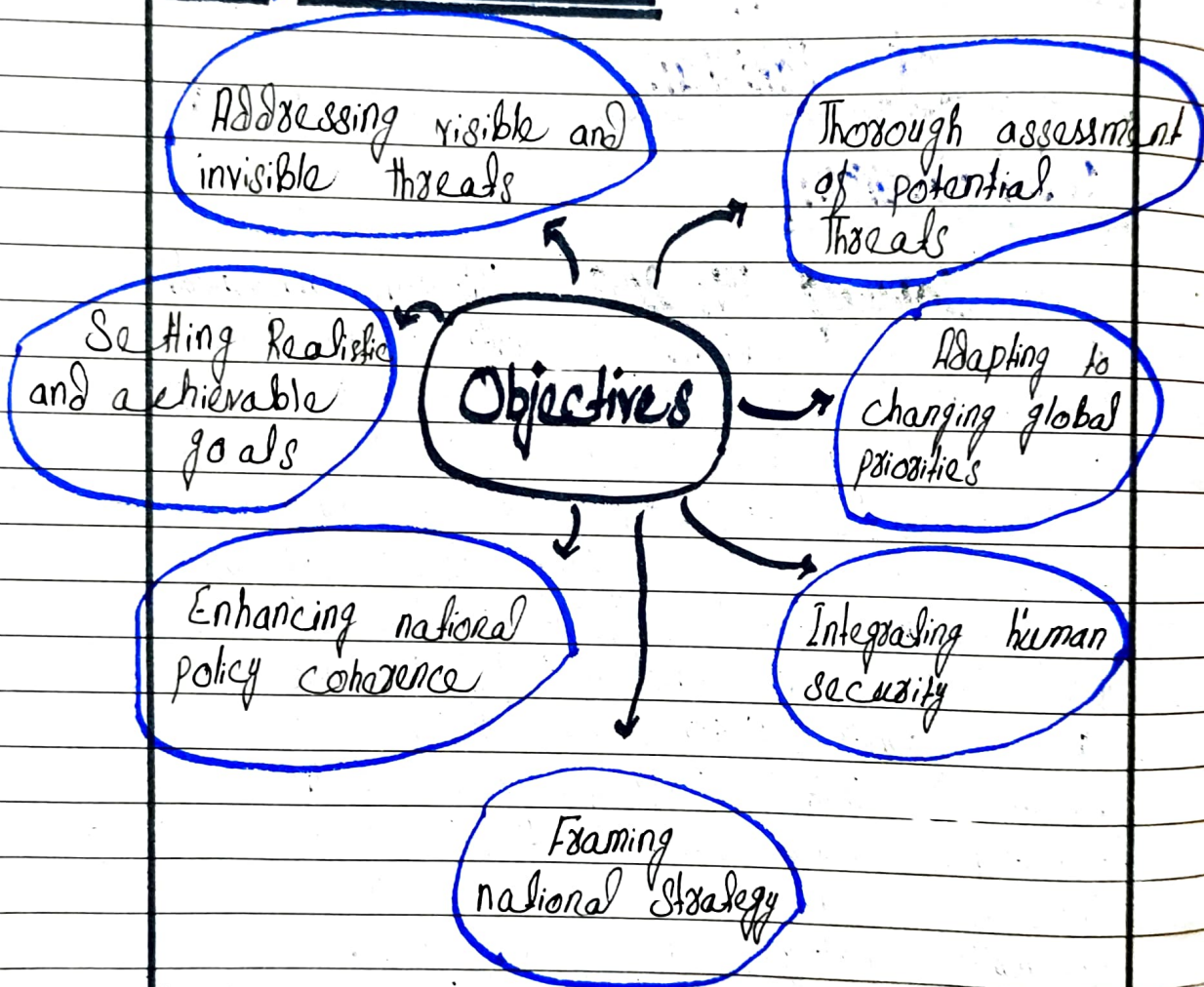
1. Introduction:

On **January 14, 2022** Pakistan announced its new national security policy (2022-2026). Unlike previous security policies that only focused on traditional security threats, this new policy is claimed to be citizen centric, focus on human and ^{economic} security. For the first time in history of Pakistan, the security policy is focused on human security. Furthermore, both traditional and non-traditional security threats are included in this security policy. The NSP 2022-2026 is designed to align Pakistan with emerging trends. It addresses various policy objectives with contemporary global and regional environment. It identifies five domains of warfare where Pakistan need to be prepared to engage. These include, land, air, cyber, sea, and

space.

2. Objectives of National Security

Policy (2022-2026):



3. Main Features of NSP (2022-2026):

a. Human Development on focus:

The new security

policy has taken comprehensive approach towards human security. It focuses on development of a framework that ensure security and prosperity of Pakistan's citizens. The human development can be achieved through safeguarding citizen's rights, providing job opportunities, and combating crime and terrorism.

b. Economic Growth is at the Core of NSP:

The economy of Pakistan is melting. Devaluation of PKR has made middle class people's lives miserable. The NSP aims to address economic issues. It focuses on making Pakistan a export-based country instead of import-based economy. Under this policy new investors will be attracted to invest in Pakistan. The SIFC holds significant importance in it. Through this institution, foreign investment will be attracted. |

c. Civil Military Consensus:

Throughout the history of

Pakistan, civil-military relations have not been good. The military of Pakistan has taken over democracy for three times. Because of this, the relationship of citizens with military is deteriorating. To tackle this issue NSP has highlighted consensus between civil and military institutions. This cooperation is seen as a positive development. It indicates the shift towards a more inclusive approach to national security that involves input from various stakeholders.

D. Change in Security Dimensions:

The policy focuses on both traditional and non-traditional threats. It emphasizes economic security as central approach towards prosperity. It do not replace geopolitics with geoeconomic rather highlights the needs of people. It suggests a robust economy can enhance national security by providing additional resources for defense and other security needs.

4.

e. National Cohesion Unity in Diversity:

The NSP aims to promote patriotism and social cohesion by embracing national values and embracing diversity of social, ethnic, religious, cultural, and linguistic backgrounds. It emphasizes the role of education and cultural institutions in fostering national unity.

f. De-emphasizing India

Unlike previous security policies which were emphasized on India, this NSP has surprising element which lacks an India-centric focus. The NSP has briefly mentioned Kashmir and India, highlighting strategic competition in technology and maritime access. This approach has changed its perspective of India which was only focus on traditional threat. New approach focuses on economic competition.

4. Kinetic and Non-Kinetic

Measures taken by NSP:

a. Kinetic Measures:

Defense and territorial integrity

Military Preparedness

Nuclear Deterrence

Border Security

Counter-Terrorism

b. Non-kinetic Measures:

Focus on gender inequality in workforce and gender based violence

Recognizes security encompasses economy, environment, and human development

Citizen-centric Approach

Identifies vulnerabilities beyond military threats

Digitization of Pakistan

Recognizes the potential of technology to contribute in economic growth

It identifies need of regional cooperation to address climate change

Advocates for citizens' constitutional privileges

5. The Shortcomings of NSP:

- i. The NSP outlines broad objectives but falls short in providing detailed actions.
- ii. Although the NSP emphasizes importance of economic security, however it does not sufficiently address how economic stability will be achieved.
- iii. The NSP attempts to foster civil-military consensus but does not adequately address the longstanding challenges in civil-military relations.
- iv. While the NSP recognizes the importance of cybersecurity and emerging threats, it

Does not provide detailed strategies to focus on these areas.

v. Environment security has not given enough attention needed to focus on these areas.

vi. The NSP lacks discussion of Afghanistan. The humanitarian crisis it is suffering and the violence of Taliban regime poses threat to Pakistan.

6. Conclusion:

The NSP 2022-2026 is a comprehensive document that identifies overall security threats to Pakistan. However, the success of the policy depends on the effective implementation of the policy. It's been two years since NSP establishment. But the major focus on economic stability lacks the effectiveness of the policy. The NSP focuses on modernization and comprehensive defence strategies to maintain strategic stability in South Asia.

Question 04:

Answer:

Reforms Needed for Revival of Education

System of Pakistan:

1. Introduction:

Education plays pivotal role in shaping the future of a nation by equipping its individuals with the necessary skills and knowledge to contribute effectively at international level. According to **Article 25-A** of constitution of Pakistan, children of the age group of 5 to 16 years in the country has the right to free and compulsory education. However, it seems that every government of Pakistan has turned their backs on education sector. After 18th Amendment, the responsibility of school education was given to the provinces, but they have failed to introduce effective reform in education sector. In Pakistan education reforms are essential for ensuring quality education and addressing

the challenges that hinders the process of the education sectors.

2. Overview of Education System of Pakistan:

According to The Annual Status of Education Report (ASER) 2023, out of school children in Pakistan are 26 million between the age of 5 to 16 years. On the other hand, the literacy rate was recorded at 62.8 pc, as per the Economic Survey of Pakistan 2023, highlighting the urgent need of educational reforms in Pakistan.

3. Issues in Education Sector of Pakistan:

Lack of proper planning in education sector has led to inability to achieve MDGs.

Societal and Cultural constraints hinder educational provision.

Gender gap in education enrollment due to societal and economic factors

High cost of private education and low quality of government schools

In sufficient funding for education

Misspending and corruption in education sector

Lack of innovative use of technology

Lack of access and infrastructure

Different curriculum in public, private, and Madrasah schools

Neglect of vocational education is leading to unskilled population

4. Urgent Reforms to Revitalize

Pakistan's Education Sector:

a. Introduction of a Uniform Curriculum:

The current education system of Pakistan is divided with various types of schools following different curriculum. There is a urgent need of uniform curriculum across all educational institutes. This could level the playing field for students belong to different schools and areas. It will ensure same quality of education for all students regardless of their background.

b. Addressing Rural Education Challenges:

The significant of Pakistan's population lives in rural areas. Most of this population is deprived of quality education. Collaborative efforts between federal government and provincial government are essential to promote education in such areas. Educational divide between rural and urban areas can be narrowed

by improving infrastructure, increasing number of girl schools, and offering adult literacy programs.

c. Reclaiming School Buildings:

Many schools in Sindh, Balochistan, and Punjab are occupied by feudal lords. They prevent their use for educational purposes. The government should take action against these people and ensure schools are used for their intended purpose.

d. Enhancing Vocational and Technical Training:

There is a need of technical training to enhance efficiency of education. Building institutions for vocational training by providing better infrastructure, updated equipments, and skilled trainers can help produce a workforce that meets the demands of modern industries.

e. Implementation of Article 25-A:

Nearly half of the

Children in Pakistan are deprived of schooling due to government's inability to provide necessary resources. The state has failed to... implement Article 25-A of constitution of Pakistan. The government should implement the article to ensure free and compulsory education for children under 16 years.

1. Encouragement of Critical Thinking :

Education should be viewed as a platform of... dialogue and debate. Unfortunately, in Pakistan education is mostly based on existing material without critical thinking. There is a need of critical thinking in children to compete in international level. Reform is needed for encouraging critical thinking. It is essential for fostering beneficial environment to critical thinking and intellectual growth. Administrative inertia is common in Pakistan, where institutions are not... ready for a change. However, such reforms in education can change this and modernize the sector.

g. Quality Education for all Citizen:

There is a need of reform that ensures, education serves all citizens without discrimination. Currently, the gender-gap in educational institutions is very high. For instance, girls in poor families are 22% less likely to attend school than boys. Pakistan has failed to uphold Article 25-A. The government should introduce reforms that ensure quality and free education for all children of Pakistan.

h. Teachers Training Programs should be Introduced:

Teachers in educational institutes for modernize skills. Pre-service and in-service programs of training are fundamental. Teachers must have strong subject knowledge, diverse teaching methods, and the ability to address the need of diverse learning. Government should introduce training programs for teachers to equip them with skills for future.

5. Conclusion:

The education system of Pakistan is at abysmal level. It has failed to produce effective human resource for national building. The education sector has many issues which need urgent reforms to revitalize educational institutions in Pakistan. Pakistan must implement Article 25-A first before any reforms. Because almost 2/3 children are out of school. Quality and free education must be first priority of government to ensure the nation have better opportunity in future. The necessary skills and knowledge is mandatory for children to compete in globalize world.

Question 01:

Answer:

IMF Programs' Impact on Pakistan's Education, Health, and Living Standards of People and Plan for Economic Revival without IMF

1. Introduction:

Pakistan's economy is at the edge of destruction due to repeatedly pursuing IMF loan programs. Pakistan has availed 24 loans from IMF, since joining IMF in July 1950. The goal of fund programs have always been economic sustainability and balanced growth. However, both of these goals have not been achieved because of incompetence of Pakistan's ruling elites. In result, the non-compliance of suggested IMF policies have affected country's education, healthcare and living standards of citizens. Pakistan needs to devise a plan for revival of economy without IMF help.

2. Impact of Bailout Agreement of IMF on Pakistan:

a. IMF emphasize on Fiscal Discipline which limits Spending on Education:

Pakistan's education system lags decades behind that of developed countries, due to economic meltdown of the country. The enrollment is very low mostly in rural areas. The literacy rate stands at 62pc due to educational spending at a mere 1.7pc of its GDP. Additionally, IMF programs typically emphasize fiscal discipline, which limits public spending on education. Because of limited spendings, educational institutions lacks better infrastructure, better quality education, vocational training, technological advancements, and well trained teachers.

b. Limited Spending on Healthcare have decreased Life Expectancy:

Pakistan is facing

unprecedented health crisis. The World Health Organization recent ranking places Pakistan at 124th out of 169 countries. It calls for an immediate revision of country's health system. However, due to IMF emphasize on fiscal discipline, Pakistan is unable to spend more resources on its healthcare system. The country is facing high infant mortality rates and low life expectancy.

c. The rising Poverty Rate has Deteriorated the Living Standards of Citizens:

As a consequence of repeatedly pursuing IMF bailout programs, the living standards of citizens have been affected. During July-May FY24, Pakistan's CPI Inflation averaged at 24.52%, according to Economic Survey of Pakistan. The large proportion of population is living below the poverty line. Due to IMF harsh policies, daily life commodities are gone out of the range for the middle class person. Following IMF's harsh policies, Pakistan's 2024 budget has increased unit prices of gas and electricity.

People of Pakistan are unable to pay the bills. In a nutshell, country's middle class population is surrounded by poverty, discrimination, and injustice, caused by IMF aggressive policies.

3. Revival of Pakistan's Economy

without IMF:

a. Minimization of Imports:

Pakistan should learn from its neighbour India in minimizing imports. India has minimized several imported products with locally manufactured ones. This policy succeeded because India promoted domestic production and import substitution. Pakistan should adopt an aggressive policy to minimize imports. Non-essential goods should be banned to reduce current account deficit.

b. Boosting Exports and Remittances:

China's economic model offers valuable lessons for boosting exports and remittances. China created Special Economic Zones that offered her favourable

tax rates, and excellent infrastructure that attracted foreign investment. These hubs significantly increased export of China. Additionally, China created favorable conditions for overseas Chinese to spend on China. Pakistan should consider establishing hubs like China to increase export. Policies should be introduced to encourage overseas Pakistanis to spend back home.

c. Issuing Government Bonds:

During the post-war recovery, Japan issued government bonds to finance infrastructure projects. The bonds played very important role in rapid economic growth. However, these bonds were attracted because of stable political environment and effective fiscal policies. Pakistan should consider issuing bonds. But their success depends on political environment and sound fiscal policies. Pakistan must create such environment for success on her bonds.

d. Balance in Stabilization and Development:

To balance stabilization and development, Pakistan must prioritize economic stability through export-oriented policies. Simultaneously, investing in education, healthcare, and infrastructure. Country's education and healthcare is already suffering from IMF aggressive policies. Devising a policy which balance stabilization and development, Pakistan can promote long-term sustainable economic growth. Additionally, Pakistan is stuck on reduction of budget deficit which has led to slow economic growth.

c. Enhancing Public Investment :

Pakistan should focus on public investment in human capital, such as education, healthcare and rural development. India prioritized the same strategy. Because of that India's information technology (IT) sector is growing rapidly, creating job opportunities, attracting investments, and boosting remittances. While it may seem to increase budget deficit in short-term, however in long-term it will sustain economy of Pakistan.

f. Reforming Tax Policies:

Reforming tax system of Pakistan will broaden tax base. India implemented GST reforms which fragmented her tax system, improved tax compliance, and increased government's revenue generation. Pakistan can follow similar reform to enhance revenue collection, and create more efficient tax system.

g. Promoting Tourism:

Tailand, Malaysia, and Maldives economy is solely dependent on tourism. Their economies have grown because of tourism. Pakistan should promote tourism to support its economy. To promote tourism, Pakistan must eradicate terrorism, stabilize politics, and create easy and visa policies. Furthermore, India hosted G20 tourism meet in Kashmir to promote tourism. Pakistan should follow this approach by hosting summits of organization in such beautiful places.

h. Maximizing CPEC's Potentials

The China-Pakistan Economic

Corridor (CPEC) is the mega-infrastructure project of China, which has ability to grow Pakistan's economy exponentially. The special zones of CPEC can promote industrialization and export growth. The process on building the hubs has been slow. Pakistan can leverage CPEC to attract investments, boost trade, and restore economic growth.

4. Conclusion:

The IMF programs have negatively affected Pakistan. Leaving people undernourished with low life expectancy and miserable life. Pakistan need to come up with local solutions. Pakistan must follow other countries economic models to address economic challenges effectively. So that the future of Pakistan is not dependent on IMF bailout agreement and its policies to make country's budget.