

Zirwah Yousaf  
Current Affairs

LMS ID :  
32198

### Question no. 7

#### Socio-Economic Future of Pakistan: Reforms in Power Sector

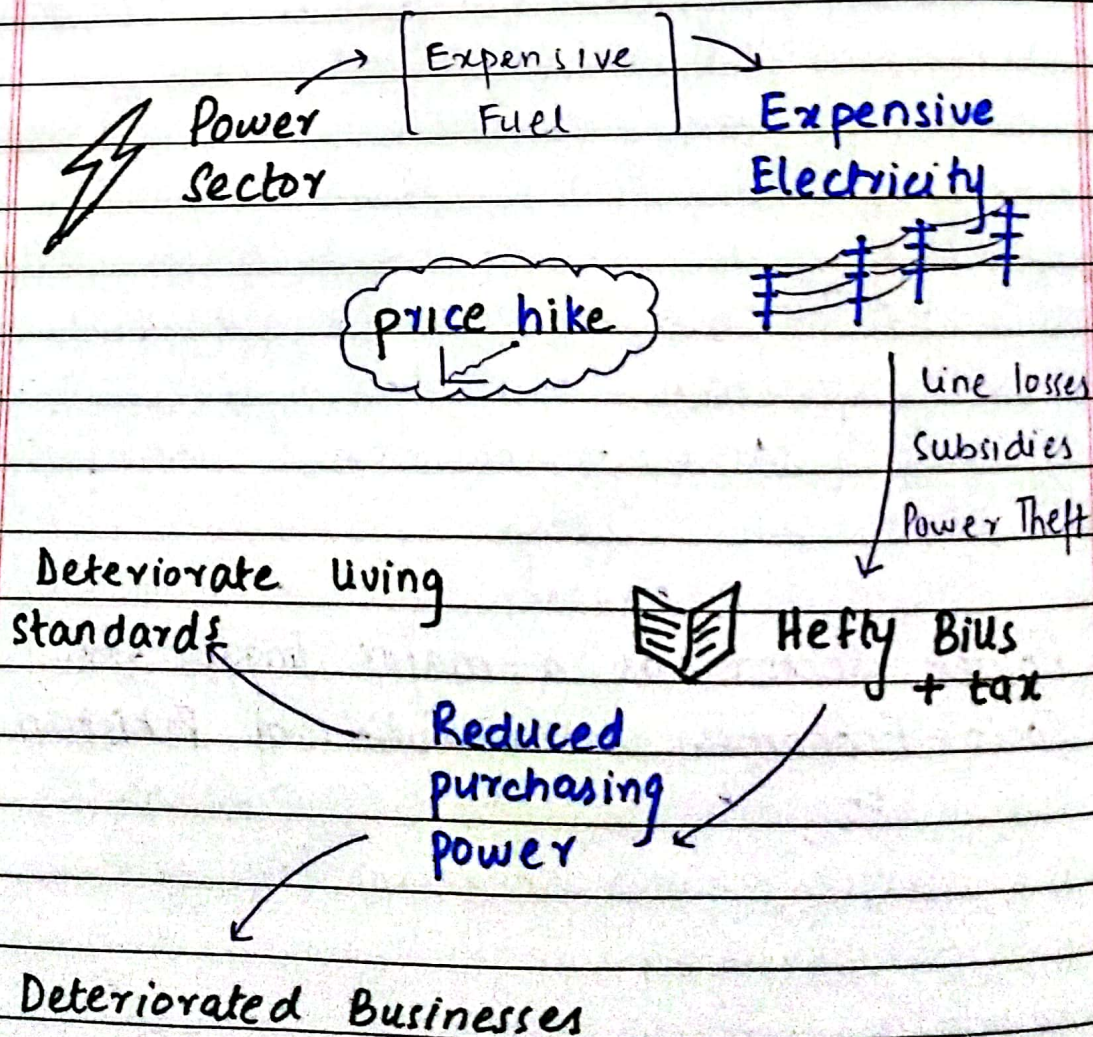
Socio-economic progress of any country promises the overall progress of that state. However, a halted growth results in an overall downfall of that country. This is because the socio-economic future of a country decides the overall conditions that state would be in. Currently, Pakistan is struggling to grow socio-economically because ~~because~~ of various global and domestic reasons, however the major hit was caused by the power sector. As a result, there is an ultimate need of bringing reforms in the power sector of the country for ensuring a better socio-economic future of Pakistan.

#### Power Sector as a major trigger for Socio-Economic deterioration of Pakistan

Pakistan, since inception has seen a topsy-turvy economic progress, which directly impacted the social fabric of

the country. This means that every global or domestic event triggered its socio-economic journey either as a blessing or a curse. Currently, the huge socio-economic troubles that Pakistan is in, is directly linked with 'Power sector' on so many levels.

This is because the power sector has a direct impact on economic conditions of the state as well as citizens, which trickles down to the overall social fabric.



DATE: \_\_\_/\_\_\_/\_\_\_

## Problems in the power sector that impact the socio-economic future of Pakistan : Remedies & Reforms

There are multiple issues in the power sector that require reforms else they will keep halting the socio-economic progress of the country.

### 1) Fuel based electricity : Little production from cheaper sources

The power sector of Pakistan is mainly relied on the electricity generation from hydrocarbons. This resulted in an expensively produced energy because Pakistan imports hydrocarbons and as a result, the hydrocarbon based energy becomes expensive. Power sector of Pakistan under CPEC is producing hydal and solar energy as well, however the overall ratio is negligible.

Pakistan needs to reform its production base and rely on cheaper alternatives so that the power sector instead of halting the socio-economic growth of the country, helps it flourish.

## 2) Expensive Electricity impacts the socio-economic growth : Subsidized instead of overtaxed

Electricity is one of the basic needs of any human being, and the electricity in Pakistan is expensive due to overall higher production cost of power. However, the added taxes to it have impacted the social and economic fabric the most.

This is because electricity has become significant and people and businesses cannot survive without it. This results in them paying for it which impacts their pockets directly.

### a) Hefty bills : Reduced Purchasing Power

The hefty bills that are mandatory to be paid leave the people with no other option but to reduce their other expenses to make their both ends meet. This results in an overall deterioration of living standards of these people.

### b) Increased production cost : Impact on business

Electricity being expensive, increases

the production cost of products which leads to overall increase in the price of that product or service. This indirectly with the customer's purchasing power and as a result lower sales lead to losses in businesses.

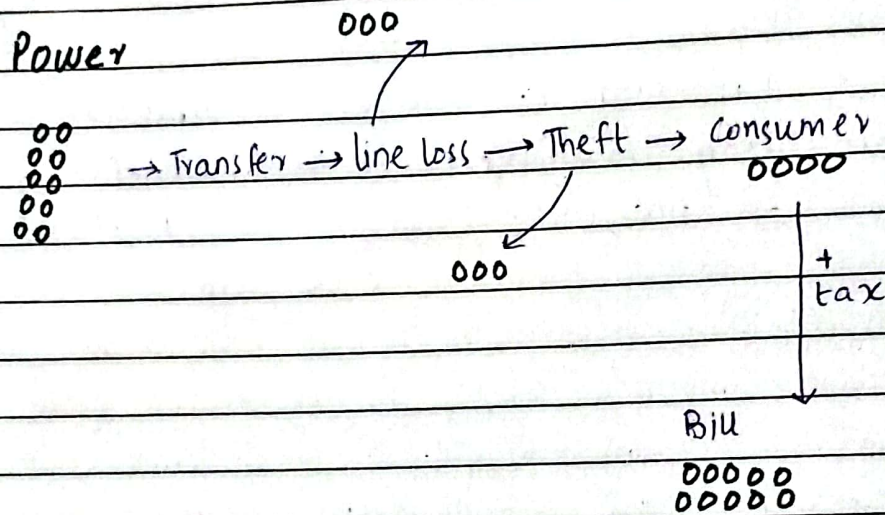
Not only the current businesses are being downsized or ~~wild~~ closed but also the new investors are hesitant to invest in the conditions where production cost is high. Case in point: China has managed to open every manufacturing company because it promises the cheapest production rates. As a result, reforms in electricity pricing are required in order to reduce the price of electricity which only then will promise a better socio-economic future of Pakistan.

### 3) Indirect Problems linked with power sector: line losses and theft to be taken seriously

The power sector of Pakistan works on a simple mechanism of input = output. In general terms, whatever it costs in the production of electricity,

DATE: \_\_\_/\_\_\_/\_\_\_

it recovers it through electricity bills. However, the story in between is either neglected or not given the due attention which impacts the bill payer at the end.



Simply, the consumers both domestic and industrial are charged for the overall electricity which makes it hefty.

### a) Proper attention to electricity theft required

Electricity theft impacts both the state and citizens. The power sector and local development authorities like FESCO, LFESCO, IFESCO, WAPDA, K-Electric etc need to improve its surveillance over the electricity theft. No doubt, a lot of it has many political backings and elite capture,

yet it needs to be addressed.

### b) Line losses to be addressed

Secondly, various line losses are the major reason of economic deterioration. Not only economy but also it is hazardous for the safety of people, and the overall situation demands immediate attention.

### Conclusion:

To conclude, power sector is definitely not 'the only' reason behind socio-economic deterioration of the country, yet it is the significant player in it. It has had various impacts on both social and economic fabric hence, the reforms in power sector can be game changing for the socio-economic. Not only inflation would be controlled, but also it would reduce the production cost of the products and invite more investment providing a stable conducive environment for businesses. Hence, the socio-economic future of Pakistan is directly linked with the reforms in power sector.

## Question 6

### Pak - Afghan Relations : Repeated attacks in Pakistan and Afghan Refugee Crisis

Afghanistan's irredentist claim on Pakistan has been one of the major faultlines between Pakistan and Afghanistan.

However, there were many more issues that deteriorated the relationship between the two countries. The war on

Terror where Afghanistan started getting antagonized thinking that Pakistan was against Afghanistan led to a series of terrorist attacks in the country.

However, this was reduced after 2015. Recently, the attacks from terrorist organizations like TTP and ISKP and Afghanistan not willing to help led to problems. A result of it was the pulling out of refugees from the country. However, the overall situation seemingly signals that the relationship between both the countries is going to be bitter.

### Reasons why the relations between Pakistan and Afghanistan might deteriorate



DATE: \_\_\_/\_\_\_/\_\_\_

Although there are multiplex reasons that lead to the conclusion that Afghanistan and Pakistan might not have very friendly relations in future, however, a few incidents are important to be discussed before leading to such conclusion.

### 1) Increased attacks of TTP and ISKP

The number of attacks by TTP and ISKP had increased after a peaceful time. This harmed Pakistan on probably both domestic and international level. Simply, the attacks were more intense in Malakand, DIK, DGL and Mianwali. However, the overall country was affected. It not only posed threat to the internal security of the country but also was a leading reason of why the international image of Pakistan got tarnished. The portrayal of Pakistan as the state that did not protect foreigners in light of TTP's attacks on Chinese nationals. This resulted in a friction between Afghanistan and Pakistan as it proved that Afghanistan's land was being used.

DATE: \_\_\_/\_\_\_/\_\_\_

## 2) Afghanistan denying that it is the launching pad of terrorist attacks.

Despite multiple intelligence reports, and taped calls as evidences, Afghanistan denied the presence of TTP in Afghanistan. This increased the friction because it was evident through intelligence reports that TTP had hideouts and connections in Afghanistan. This also led to a trust deficit between both countries as Pakistan after Afghanistani denial cannot rely upon any help even if on the face value it agrees for it.

## 3) Afghanistan's unwillingness to fight terrorism

Even if, hypothetically, Afghanistani claims on not being the launching pad of terrorism in Pakistan are correct as per its knowledge, it still does not have the courage to say 'yes' to fighting terrorism together. Afghanistan is where all these plans are made before getting executed in Pakistan and the unwillingness of Afghanistan makes it hard because Pakistan on its own cannot enter a foreign land

DATE \_\_\_\_\_

and fight them

## Afghanistan

launching  
pad

Pakistan

attacks  
(USRP, TTP)

- Security threat
- Socio-Economic degen
- Poor relations

### 4) Pakistan's announcement

to pull out illegal Afghan refugees

Despite knowing that Afghanistan was hit by a massive earthquake, Pakistan knew that the illegal immigrants in Pakistan are one of the biggest socio-economic and security threats. Despite a massive backlash from philanthropist liberals,

Pakistan stayed firm with its decision to pull out the illegal immigrants. This had a great impact on Afghanistan as it will have to accommodate more people with the same resources. As a result,

DATE: \_\_\_/\_\_\_/\_\_\_

the pulling out of refugees resulted in a massive hatred from Afghanistan as well the refugees. Although this was needed, yet this move led to antagonizing Afghanistan which any time soon cannot be reversed.

s) Refugees Know Pakistan inside-out: More attacks, worsened relations

The refugees that have been pulled out on whatsoever basis are extremely antagonized because they had settled here. This sudden step by the government of Pakistan has led to make them retaliate or silently revenge. The people who had been settled here, have information and acquaintances in the country. This can be threatening for Pakistan as they might assist TTP and other terrorist organizations after being treated like this by the state.

In case they do, the security threats to Pakistan will increase and so will the relations between the two states worsen. Although, worsened relations do not benefit either yet it is probably not going to ease down anytime soon.

## Role of neighbouring countries can be game changingly

Although the extent to which the relations between Afghanistan and Pakistan are strained, it seems difficult for them to get back to normal without compromises. However, this compromise or mediation can be promoted by the neighbouring countries like Iran and China because in the long run regional instability will impact all the surrounding countries.

### Conclusion:

To conclude, after the increased number of attacks by TTP and ISKP and when Pakistan pulling out the illegal immigrants of Afghanistan can have a huge impact on worsening relations of Pakistan and Afghanistan. This can lead to internal security threat and overall socio-economic deterioration due to terrorism. Hence, the relations seemingly are going to worsen however, regional powers can play a prominent role in offering mediations so that both states get back to normal and prosper.