

NATURAL RESOURCES : BLESSING OR CURSE?

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OUTLINE

1. Introduction
2. Reasons that demonstrates natural resources is a blessing
 - A. Provides hundreds and thousands of job opportunities
→ 82% of Nepal's population employed in tourism industry as of 2024; United Nations Tourism
 - B. Brings foreign investment all around the world
→ \$500 million deal in Pakistan with U.S. Strategic metals in critical minerals
 - C. Presents opportunities to other ancillary firms
→ 90% of small-medium sized companies operate directly in primary sector

D. Assist in creating better infrastructure network

→ Pakistan's strategic location is most suitable for CPEC under BRI flagship project

E. Major contributor in country's budget

→ 38% of Bahrain budget relies on hydrocarbon earnings; Financial Times

F. Serves platform to establish monopoly in the world's market

→ 71% of semi-conductors market share capture by TSMC

G. Natural resources earnings can be invested into other sectors

→ Dubai fossil fuel earnings utilize in advanced architectural buildings

H. Brings paradigm shift in the country's fate

→ China's population from economic burden to economic asset

I. Enhancing bargaining power in diplomacy

→ Afghanistan suffered \$4.5 billion loss after Torkham border closing

3. Grounds that illustrates natural resources is a curse

A. Overexploitation of natural resources leads to health problems

→ Exacerbating malnutrition in Congo Dc

B. Excessive environment degradation damaging aesthetic beauty

→ Overdevelopment in Kagan valley

C. Unequal distribution of profits among provinces, states and companies leading of chaos and civil war

→ Sudan civil war over gold natural resource

4. Rebuttal: Ways in which natural resources prove to be a blessing

A. Helps to eliminate poverty

→ 0.5% of poverty in the Switzerland

B. Reduction in criminal activities

→ 2% criminal activities recorded in South Africa in 2024

C. fundamental source of dollar influx

→ 98% of Venezuela's exports depends

5. Conclusion

According to recent Statista estimates, Russia tops the world with around \$75 trillion worth of natural resources. This figure highlights that a nation's worth is truly determined by the natural resources it possesses. Each country is bestowed with various natural resources. Those who utilize these valuable resources are ruling the world. Natural resources are the God-gifted goods that can change nations' destiny when harnessed effectively. These resources include; minerals, fossil fuels, timber, water resources, animals. With the passage of time, states' reliance on these resources aggravated. That later on, became a sole resource of earnings for some countries. Utilizing these resources, it provides various job opportunities, contributes significantly in the countries' Gross Domestic Product (GDP). There on, it perpetuates the economic cycle of the country. With the use of these resources, many small-sized companies are inaugurated, better infrastructure is created, and even sometimes, a country can use these critical resources as a bargaining

power in diplomacy. Henceforth, this essay would discuss the multiple-angled reasons that demonstrates natural resources is a blessing for a nation as it changes the makeup of whole country. After that, this essay would highlight grounds that illustrates natural resources is a curse as exploration of valuable resources opens up countless lethal problems that leads to raising death toll. ^{That} ~~and~~ provide counter arguments to the natural resource as a blessing. Lastly, it would provide rebuttal that ^{mentions} ~~what~~ are some ways in which ~~natural~~ natural resources prove to be a game changer for some states.

To ovst with, natural resources provide hundreds and thousands of job opportunities is the first reason detre that proves ~~#~~ natural resource is a blessing. As per United Nations Tourism, more than eighty two ~~%~~ percent (82%) of Nepal's population is employed in tourism-based industry as of December 2024. This percentage reflects how a landlock country has effectively use its land for the tourism purpose. When tourist pays visit in the ~~the~~ any tourist spots they spend on hoteling, food and purchasing symbolic souvenirs. Through this way, the economic cycle operates of ^aany country. and Hence,

natural resource ^{such as tourist place} gives platform to open up multiple job opportunities.

Natural resources help to bring foreign direct investment in a country is the second blessing for a nation. Countries have various ~~unearth~~ and unexplored critical minerals, but these minerals are ~~left~~ remained unexplored due to inabilities and insufficient resources that can be used to explore these resources. Such as, Pakistan has multiple mineral reservoirs, but owing to inadequate investment in research and development. Country face hindrances to utilise those resources for which states give those ~~resources~~ ^{reserves} sites to the foreign investment corporations. These corporations share return with provinces and states. Recently, ^{United States} US has signed memorandum of association with Pakistan to invest \$ 500 million in the critical ~~mineral~~ ^{mineral} sector of Pakistan. Such foreign investment helps countries to use the resource by paying fixed percentage of profits. Thus, natural resource & bring foreign investment in an economy and it is truly a blessing.

Thirdly, natural resources help ⁱⁿ establishing ancillary firms. These are small-medium sized companies that provide assistance to their major client. For example, Toyota is a car manufacturing

company. It is practically impossible that Toyota has all its raw material or input that are essential to completely build the car. Then, to Toyota would ~~also~~ purchase car tyres from Hilltop Company, indicators from other Company, it provides at reasonable price like this way, ~~the~~ major Toyota giant would provide assistance for the development of other helping or ~~also~~ ancillary firms. As per stats issued by Pakistan Business Council (PBC) approximately ninety percent (90%) of companies functioning in Pakistan are small-medium size (SMS) corporations that provide assistance to the major companies. Ergo, ancillary firms highly rely on ~~these~~ big corporations based on extension of natural resources is a true blessing.

What is the fourth blessing of natural resources? The fourth blessing of natural resources is that it helps in building infrastructure networks such as roads, highways, bridges, dams, flyovers. Pakistan's strategic location is a ~~true~~ natural resource. It is because of this, China-Pakistan Economic Corridor (CPEC) is the most scintilla in Pakistan under One Belt and One Road ~~Initiative~~ ^(BRI) Initiative by China. Under CPEC phase 1 project. Infrastructure work is almost finished. Some of examples are like Motor-line 1, Orange line in Lahore and dam in northern areas. Owing to Pakistan's ~~strong~~ strategic location, natural resources, Pakistan is able to

encash its resources and it is able to attract project like CPEC. Therefore, natural resources also help in creating infrastructure network in a country.

Fifthly, natural resource is the major contributor in the country's budget. Various nations have ~~can~~ few natural resources such as Bahrain that has only oil ~~reserve~~ reserves. Financial Times mentions that around thirty eight percent (38%) of Bahrain budget depends on hydrocarbon earnings. This data by Financial Times ~~highlights~~ highlights the how just fossil fuel ~~revenue~~ revenue are the major contributor of a country's budget. This fact also illustrates the over-reliance of a nation on a single resource. In case of depletion of crude oil, then, ~~there are~~ ^{countries} may encounter dark clouds of uncertainty in the economy. However, currently it is ~~a~~ sole playing its pivotal role in Bahrain's economy. So, natural resource is ~~the~~ ^a blessing when a state's budget significantly depends on natural reserves.

Natural resources can serve platform to establish monopoly in the world's market is also to some extent proved to be a blessing for a government. Taiwan is a country that possesses vast semiconductors. There has been

~~Completed~~ an increasing demand by Chinese and United States (U.S) companies. As these semiconductors can be used almost every electronic gadgets. Currently, Taiwan has established monopoly. ~~More~~ More than seventy one percent (71%) of Semiconductors ^{share} market share is dominated by Taiwan Semiconductor Manufacturing Corporation ~~TSMC~~ (TSMC) only. Hence, it is proved that natural resources can be used to establish monopoly and catch more share in the global market. ~~Share~~

Natural resource earnings can be invested into other sectors is the seventh ground that proves that natural resource is a blessing. In the early 2000s, Dubai's major contributor was profit earned from fossil fuel trading. With the passage of time, Arab leaders decided to utilize those profits in the modern and architectural building. Currently, Dubai is not only earning from from hydrocarbons but also from the attractive skyscrapers and artificial beaches. Burj Khalifa, Burj al-Arab, ~~B~~ and Palm Islands are the some of those ^{example} ~~invested~~ of architectural buildings, and beaches. Truly, proving that ~~the~~ returns earned from natural resources can be utilized in other sector of a ~~eco~~ economy.

Country's fate can be change after utilising the natural resources effectively. It is the eight sector that reflects ~~the~~ ^{one of} natural resources is a blessing. China's natural resources was its growing and uncontrollable population. In this, China developed innumerable manufacturing industry and employees all there ~~to~~ young people in the factories. By this way, employees and industrialist had vast pool of competitive employees at low wages. ~~that~~ ^{This} overall reduces the cost of production of the industrialist. This morphed into bulk production and China ~~is~~ ^{is} able to compete ~~at the~~ ^{with} international ~~firms~~ firms. By this way, not only population explosion was used effectively but also reduces poverty levels drastically. Ergo, natural resources, like that of China, can change the country's destiny after employing it in an effective manner.

Lastly, natural resource enhances bargaining power in diplomacy. Afghanistan, being a landlocked region, it has to pass its trade from Pakistani soil. Only to rise in militant attacks after Taliban takeover in 2021. Afghanistan's economy is adversely impacted. With that being, there has been increase in terrorist attacks in Pakistan

also, and Pakistan blame this on Afghanistan for providing
 launching pad to terrorist outfits. Due to which Pakistan
 closed trade-in-treatment with Afghanistan
 for 10 days. And Afghanistan suffered for around
 \$4.5 billion loss in just 10 days after Torkham
 border closing. And currently, Pakistan is using
 harsh diplomacy against Afghan Government
 to ensure there is no decrease in terrorist
 affects. Henceforth, Pakistan strategic land,
 natural resource, is being used ~~for~~ as a strategic
^{as a bargaining power} tool ~~for~~ in diplomacy and proves how land
 can be a blessing for a one country.

Previous paragraphs shed light on
 the natural resource as a blessing. Succeeding
 paragraphs would underscore would discuss
 about natural resource as a curse and provide
 counter arguments to a blessings of natural
 resources.

Firstly, overexploitation of natural resources
 leads to health problems. Heavy and specialized
 machineries are employed to extract natural
 minerals or other resources from the earth.
 Those machineries generate perilous and
 life-taking pollutants that causes lung cancer,
 breathing problem, and fever and headache.
 Cobalt, that is used in construction of
 electric vehicle's battery, is extracted
 from Congo DC. The extraction process

lead to illness. According to World Health Organisation ^(WHO) Report in 2020. It mentioned that around 2500+ deaths were reported in two weeks due to excessive explosion and workers working without precautionary and healthy and safety measures. This dark figure show that ~~one~~ ^{on} ~~one~~ ^{one} hand, world is shifting towards renewable energy, very electric batteries. While ~~on the~~ on the other hand, how painfully local are dying in the Congo. Therefore, exploration of natural is proved as a curse in ~~a~~ least developing countries like a Congo.

Secondly, ~~ex~~ ^{using} natural resources at a high level leads to damaging environment and ~~totally~~ ending aesthetic beauty of places. Kagan valley that once used to a green and aesthetic spot for ~~tourist~~ tourism, in 2010. But, now, due to over development in the valley has destroyed the natural serene of a valley itself. This is only one of example that is damaged. Naran, Shogran and other valleys have also lost their charm thus reducing tourist flow in the valley. Over developed has adversely impacted the valleys. Hence forth, over-development ^{especially} ~~to~~ ^{proved} in ~~tour~~ green places, natural resources, is really proved to be a curse for one country.

Date:

Thirdly, unequal distribution of profits among provinces, states and corporations providing a opportunity of conflict and clashes. Provinces want higher royalties as their land is being used for natural resources purposes, government want higher share for bringing multinational companies in the country and corporates want large share due to their technical expertises. The disagreement may lead to the conflicts. Such as Sudan Civil war, where around 15000 people have been killed due was on gold minerals according to Al-Jazeera. Moreover, there has also been concern from the Baloch people ops having only 16.7% share in Sindhark and 18.9% contribution of royalties in Reko diq. Unfairness and eagerness to have more profits makes parties towards clashes. ~~The~~ ~~the~~ Ergo, unequal share in the natural resources exploration, provides ground for conflict, like that of Sudan - civil war, that truly proves that natural resource is a curse.

Preceding paragraphs mentioned about the counter arguments that illustrates natural resources is a curse. However, upcoming paragraphs would ~~highlight~~ provide the rebuttal to natural resources as a curse.

Network resource is a true blessing as it is used in eliminating poverty. These

resources provide employment alternatives, ~~from~~ ^{to} every as it gives jobs in every sector ranging from watchmen to a Chief Executive Officers (CEO). Countries like Norway, Sweden and Switzerland, poverty is ~~very~~ extremely low. Because these country has employed its ~~man~~ labor force in protecting and promoting natural resources like mountains and villages. And ~~give~~ ^{in return,} government pays them significant monthly salary. That is ~~more~~ ^{three times (3x) more} than the per capita income benchmark set by United Nations Organisation (UNO). Only zero-point five (0.5%) percentage ~~of~~ of poverty was recorded in Switzerland for protecting their natural resources. Thus, natural resources with government willingness can help to end poverty in the country and proved to be a blessing.

Criminal activities can be reduced after utilizing natural resources effectively and in correct manner. Natural resources provide kick ~~start~~ ^{off} to ~~any~~ ~~economy~~ economic engine. As ~~from~~ natural resources provides raw materials such as metal, copper and gold. After extracting, semi-finished and finished goods can be produced. ~~large number of~~ ^{countries can export} ~~can~~ those goods to other countries and earn handsome amount. Those revenues can be utilized

to curb the criminal activities within an economy. This way, natural resources help to combat social evil. Hence, ~~natural resources~~ ^{as it reduces criminal} and Two percent (2%) of criminal activities were reported in South Africa in 2024. Once South Africa used to be in top list of criminal activities in 2000s as per International Security Council 2024 reports. Henceforth, natural resources ^{is a blessing,} ~~helps to combat~~ ^{as it reduces criminal} social evil and ~~eliminates~~ and social evil within a society.

Lastly, natural resources provide a fundamental source of dollar influx. Recent reports published by Venezuela's government depicts ~~it~~ how their ninety eight percent (98%) of Venezuela's exports depends on hydrocarbons. Hydrocarbons, which are basically natural resources, can be ^{bring} a major influx of dollars in the economy. Moreover, Maldives that is ~~not~~ known for is beaches. That is quint-essential example. That ^{earns} only one natural resource [↑] that is beach can be used to run the country of 10 million people. Maldives all dollars comes from its beaches. Therefore, because of natural resource ^{on} ~~whole~~ which whole country's economy is based proves that natural is ~~the~~ blessing in a real terms.

To cap it all, natural resources is

a genuinely blessing for a country when it is used effectively and when human and environment cost is taken into considerations. When natural resources produce more positive externalities than negative externalities, then surely natural resources would be a blessing unlike Congo DC where people are dying of life-taking atmosphere and diseases. It is a need of time for a country like Congo DC to promptly take precautionary measure else situation may go address. Countries presence itself is a natural resource in the world. Their demographic location plays instrument role in shaping the fabric of the world. Just like strategic location of Pakistan. However, the ground that states natural resources is "curse" can not be sidelined as well. The preventive measures must be taken to overcome those curses like avoiding over-exploitation, discouraging environment degradation and having equal fair distribution of profit. When these steps are taken, and the natural resources are utilized effectively, then natural resources will prove that it is a true blessing.