Give a resume of the mineral resources of Pakistan and comment as to why have we not been able to capitalise upon this resource base?

## Introduction

Pakistan is one of the most naturally blessed countries in the world. Besides its significant geography, it enjoys an outcrop, mineral-rich area of about 600,000 square kilometers. It is blessed with 92 natural minerals estimatedly out of which 52 are commercially exploited. ~~Despite such~~ These natural resources include both metallic and non-metallic minerals, energy resources such as coal, oil, gas, and precious stones such as ruby, topaz etc. But unfortunately, despite such abundance Pakistan remains import dependent, not utilizing its natural resources' potential fully. With reserves estimated at above 200 billion dollars, these resources contribute only 2.8% to the GDP of the country. A variety of factors is responsible for such undermining of our natural resources including political instability, lack of infrastructure and human resources, and economic weakeness.

## 2. A Snapshot of Pakistan's Resources and Their Worth.

| Resource. | Location | Estimated Worth |
|---|---|---|
| Coal | Sindh and Balochistan. | 175 billion ~~dollars~~ tons |
| Rock Salt. | Punjab. | 10 billion ~~dollars~~ tons worth' annual production from Khewra mines alone |
| Gold. | Balochistan. | Globally Substantial. |
| Iron | Balochistan, Sindh, Punjab | 3 ~~m~~billion tons |
| Chromite | " | ~~8~~ 50 million tons |
| ~~A~~ Oil | Balochistan | 13 ~~m~~illion metric tons |
| Natural Gas | " | 28 million metric tons |

In addition to these minerals, other resources such as gypsum, limestone, ruby, topaz etc. also make up substantial part of the natural reserves of Pakistan.

## 3. Reasons for Inability to Capitalise Over These Resource.

### (i) Excessive ~~Exp~~ Imports Dependency:

Pakistan's current economic structure being trade deficit overly relies on imports. The imports include energy resources despite having them domestically available. For example, in 2019 Pakistan's exports accounted for 1.3 billion dollars while imports were of 5.6 billion dollars worth. Such trade deficit widens economic shortcomings which need to be overcome to make ~~t~~ our resources accessible and commercially viable.

## (ii) Political Instability:

Pakistan is a politically instable country with no civil government completing its tenure as of now. Whenever a new government comes, it halts the developmental projects of the previous government. This acts as another barrier to the resources being beneficial to the country.

## (iii) Bureaucratic and Policy Hurdles:

Pakistan's policies have been observed to be short-sighted missing out on the long-term effects of the governmental approaches. Similarly, corruption remains a constant practice among governmental institutions. This further limits the productive consumption of these resources.

## (iv) Lack of Infrastructure and Human Resources:

The remote locations of the reserves

make their accessibility greatly difficult. In addition to these remote locations lacking necessary infrastructure to carry out the extraction of minerals, these sites also require advanced accessibility technologies which act as another obstacle.

Also, such operations need to ~~Local~~ be carried out by experts such as geologists which are produced very less in numbers by the education system of Pakistan. With Pakistan's education budget less than 1%, this seems a likely outcome. Whereas brain drain due to lack of ~~emp~~ lucrative and sustainable ~~issues doub~~ employment opportunities doubles the issue.

## (V). Local Resistance:

Local insurgency and violent acts of terrorism provide another hinderance to making these resources useful. For example, ~~on~~ the assassination of Chinese workers and diplomats at Gwadar port provides one such example. This furthers the trust deficit between the government and the public making resources-related operations more difficult.

(vi) **Lack of Foreign Direct Investment:**

Due to the reasons stated above, Pakistan faces a shortfall of foreign direct investment particularly in the mining and extraction sector. This exacerbates the economic constrains of the country to make the most of its resources.

(vii) **Outsourcing and Its Aftermaths:**

Due to the above stated ~~ec~~ political, geographic, economic, and infrastructure constrains, Pakistan outsources its mining operations. For example, recently it outsourced the Reko Diq project to an European Company along with Saudi Arabia buying the most of the shares for the project. ~~This~~ Such approaches reduce the country's own profitability with the foreign actors making more profits than the country itself.

3 ~~(viii)~~ **Way Forward:**

For Pakistan to overcome its shortcomings, it ~~but~~ needs to build both its human and industrial capacities to indigenize its mining industry. Such an approach would not only enhance the employement ratio but will also contribute in containing insurgency and terrorism, ultimately attracting FDI. It will also make the processing of raw materials into finished goods, enhancing the profitability of these resources via international market exposure, and overcoming the trade deficit.

4. **Conclusion:**

Pakistan being a resources rich country can add to its existant geographical significance. It can become a regional economy by capitalizing over its resources which can be made possible by investing in human and industrial capital and effective accountability frameworks.