

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

a 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 2.5% 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 weakness.

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 Khehra mines alone
Gold.	Balochistan.	Globally Substantial.
Iron	Balochistan, Sindh, Punjab	3 billion tons
Chromite	"	850 million tons
Oil	Balochistan	13 million ^{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 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.

add and highlight references/examples against these arguments.

(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 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~~ ~~double~~ 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.

use marker for references.

(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 constraints of the country to make the most of its resources.

(vii) Outsourcing and Its Aftermaths:

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

add more arguments.

3. ~~Exit~~ Way Forward:

For Pakistan to overcome its shortcomings, it ~~has~~ needs to build both its human and industrial capacities to indigenize its mining industry. Such an approach would not only enhance the employment ratio but will also contribute in

a 20 marks answer should have around 15 arguments and be on 7-9 pages.

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 exisitant 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.

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