

PAK AFFAIRS

QNO1

A Decade to CPEC: Ambitions and Realities

▶ Introduction

China Pakistan Economic Co-ordinator (CPEC) a glaring example of China-Pakistan perennial friendship was started in 2013. Huge expectations were linked with this project from both sides. Now in 2023, its been a decade to this project. In some prospects this project was completed in its true spirit while some sectors and plans are still under construction.

The project faced enormous challenges so there is a difference between its Ambitions and Realities.

▶ AMBITIONS:

a) Investment in project

Initially China invested \$46 billion in this project. And was hoping to increase this amount to \$63 billion. Pakistan expected a record breaking investment in the country.

b) Game Changer Project

This project was termed as a 'Game Changer Project' for both countries. China was expecting to get access to the world market from Gwadar and Pakistan was expecting an economic shift.

c) Regional Stability

It was also expected that fostering such economic projects would contribute towards the regional stability and peace.

d) Gawadar : A competent trade port

This project emphasized on the importance of Gawadar port. This port is strategically important for both China and Pakistan. China wanted access to the European and African markets by building and investing in the port.

e) Energy Shortage Solution

Pakistan is confronting with severe energy crisis. Phase I of CPEC was to complete many energy related projects in Pakistan to meet the energy needs of this country.

f) Employment

CPEC was supposed to create thousands of new jobs for Pakistani people. And this step was considered as a great leverage to unemployed youth of Pakistan.

► REALITIES

a) FDI under CPEC

Due to the slow progress of CPEC, China could not invest its estimated amount of \$62 billion. The total investment Pakistan received under CPEC in whole decade is \$ 30 billion. So it did not provide ^{much} leverage to economy of Pakistan in real.

b) Security Situation in Pakistan

This project caused many security challenges to Pakistan. Attacks on Chinese workers in Pakistan and Baloch separatist and militant groups have got momentum. This project also caused unrest in Baloch population.

Also India and other anti-Pakistan elements also got activated in country.

Energy Projects:

Even after the completion of many energy projects under CPEC like:

1000 MW Quaid-e-Azam Solar Park Bahawalpur

1320 MW Sahiwal Coal Fired Power Plant

660 MW Engro Thar Coal Power Project

and many other energy projects under CPEC, Pakistan is still facing energy shortage. Electricity is expensive and there is still load shedding across the country.

Transportation Projects

Under CPEC Phase I, China wanted to make many road links in Pakistan.

But still Karachi Lahore ML1 has not been completed. Only 809 Km of National Highways and Motorways were constructed.

Special Economic Zones (SEZs)

To promote industrialization in Pakistan, China wanted to make Special Economic Zones in Pakistan.

- (i) Dhabaji SEZ
- (ii) Allama Iqbal Industrial City
- (iii) Boston SEZ

All the SEZs are under construction. And still industrial progress of Pakistan is stagnant.

f) Increase in Pakistan's loans and debts

CPEC was supposed to uplift the economy of Pakistan. But due to completion of many projects Pakistan is taking loans. And total debt of Pakistan has become \$130 bn.

► Conclusion

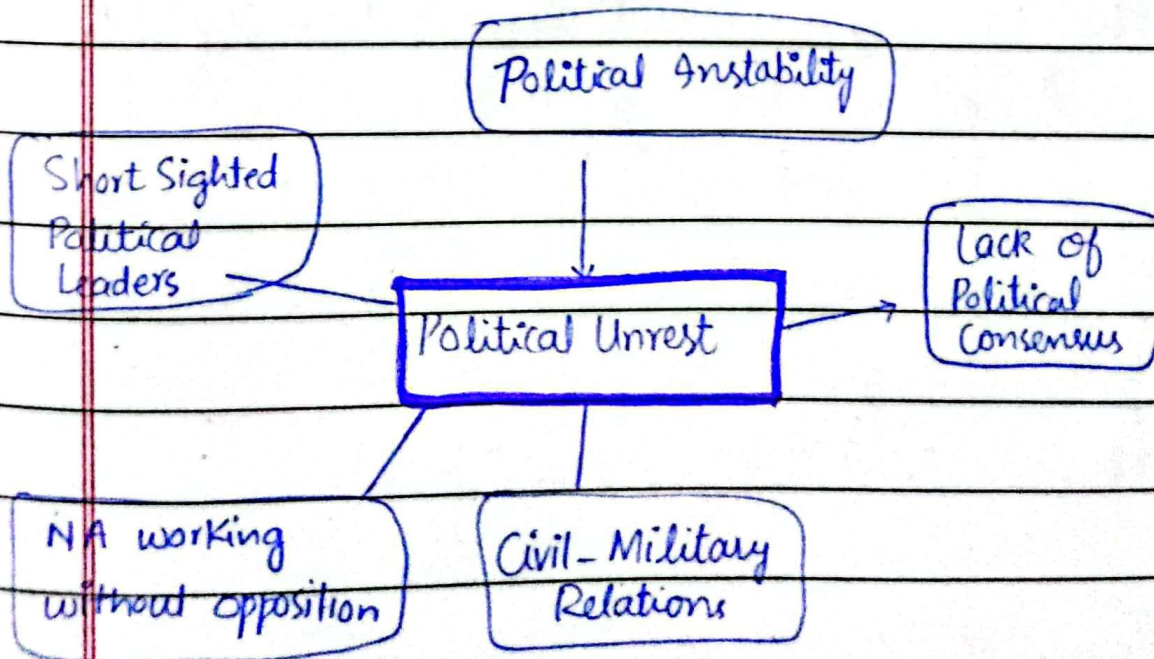
Although there are many challenges in the way of CPEC. But both countries are determined to complete it. The visit of Vice President of China on 1 decade - ceremony of CPEC is its proof.

Trifecta of Challenges

Introduction

Pakistan is experiencing trifecta of Challenges All these challenges are deteriorating the situation of country with the passage of every day. Pakistan is confronting unprecedented political unrest, economic challenges and tough choices of foreign policy.

1- Political unrest



a) Political instability

The problem of political instability is not something new for Pakistan. Pakistan has a long history of 'Musical Chair' of civil governments. In April 2022, when PDM coalition of parties made successful the vote of no confidence and removed elected Govt of PTI. This caused political instability and chaos across the country.

b) Lack of political consensus

The large number of political ~~consensus~~ parties are present in our political arena. All these parties are usually involved in rhetoric against each other. These political parties lack consensus and support different agendas. This behaviour provides room to non-democratic forces to step forward.

c) Civil Military Relations

Pakistan has a long history of poor civil military relations. Nowadays, these relations

were worsened during PTI Govt. This deteriorates country's image at international level.

d) Short sighted political leadership

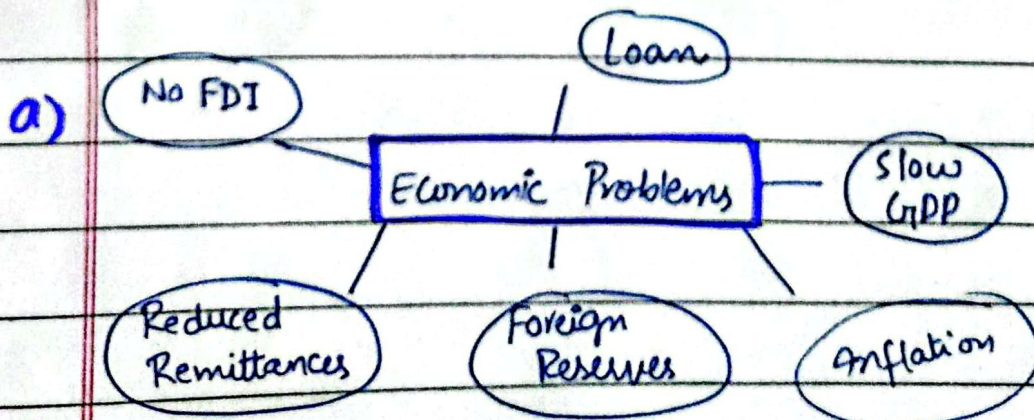
The political leadership is lacking political acumen. Their shortsightedness is weakening democratic process in country.

For example: The bulge of bills passed by PDM Govt really manifests their short sightedness that how this can wear our system.

e) Absence of opposition in NA

After vote of no confidence, PTI Govt resigned from NA. And national Assembly worked with only one house. This weakens democratic system.

Economic Problems



a) Loans

Pakistan is under a pile of debts and loans. Pakistan nearly escaped sovereign default after getting package of \$ 1.3 bn from IMF in 2023.

Total debt of Pakistan = \$ 130 bn

b) Slow GDP Growth

Pakistan's GDP is growing at a very slow rate. During COVID, GDP growth was negative.

Year	GDP
2019	-0.4%
2020	0.1% 0.3%

c) Foreign Reserves

Pakistan has meagre foreign reserves. Due to which Pakistan banned many exports.

Sep 2021	→ \$20 bn	Foreign Reserves
Feb 2023	→ \$3 bn	

d) No FDI

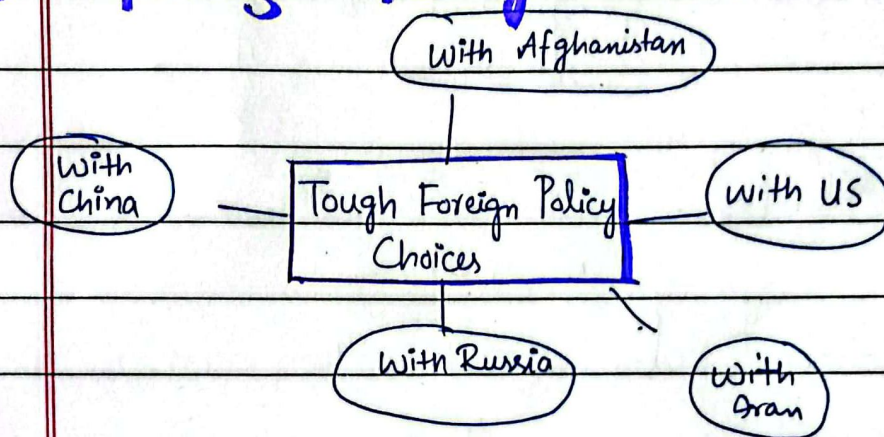
Due to political instability and security situation of Pakistan, Foreign Direct investment has reduced.

A famous petroleum company 'Shell' has left the country.

e) Reduced Remittances

Pakistan's dependence on Remittances is very large. But due to global economic crisis, its remittances have reduced.

3 Foreign Policy Choices



a) Afghanistan

Increased terrorist attacks in Pakistan from TTP present in Afghanistan, Pakistan is facing tough choices in foreign policy towards the Taliban Regime.

b) Aran

Due to US sanctions, Pakistan could not complete Gas pipeline project with Aran and now Aran is warning Pakistan a penalty of huge fine. This problem is toughening Pakistan's Choices towards Aran.

c) **China**

Problems

- Ughyur Muslims
- Slow pace of CPEC
- Security of Chinese workers in Pakistan

These problems are affecting our foreign policy choices towards China.

d) **US**

Current Problems

- Pak is Chinese bloc
- Trade with Iran
- Not supporting Ukraine

e) **Russia**

Problems

- Buying Oil
- US + west Sanctions

So because of various geopolitical reasons, Pakistan has tough foreign policy choices.

→ Conclusion

With the help of political consensus among leaders, there must be 'Charter of Economy' along with 'Charter of Democracy' in country to deal with current problems.

QNO7

Population Growth

► Introduction

Pakistan is facing the problem of Population Explosion. According to the census of 2023 the total population of Pakistan is 241.49 million. And according to UN, Pakistan is making 2.99% of global population. So, Pakistan, being the 5th populous country of the world is facing enormous ~~to the~~ ~~poor~~ economy problems.

► There cannot be more people than we can feed.

Pakistan nearly escaped a sovereign default in the start of 2023. Pakistan is already a mismanaged as misgoverned country. It has meagre resources. And these resources are not adequate to feed

this bulge of population. So if not controlled by proper planning this unbridled increase can cause a catastrophe.

The rapid increase in population has put pressure on every resource of Pakistan. For example.

Water scarcity

Pakistan's Gov. population already has no access to clean drinking water. And due to climate change water scarcity is increasing. So increased population would further put pressure on water issue of Pakistan.

Food Shortage

Despite of the fact that Pakistan is an agrarian country, but it faces food shortage problem. Pakistan already imports wheat and grain from other countries. Increased population has put pressure on this import

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According to Global Hunger Index 2022, Pakistan ranks 99/121 countries. Population increase will further increase hunger issues of the country.

Urbanization and Deforestation

In recent years, the trend of Urbanization is getting momentum in Pakistan. The number of people in cities are increasing. The increased population will further amplify this intricate problem. And to locate people, we will be forced to cut trees for townships.

Unemployment

A large number of educated youth is unemployed in Pakistan. The spell of unemployment has already hampered Pakistan.

According to Trading Economics Global Macro models and analysts expectations Unemployment Rate in Pakistan is expected to reach 6.80% by the end of 2023.

Education

The educational institutes are already flooded with students. Increase in population will further put pressure on academic institutions. Number of teachers per student will not be sufficient. This will further deteriorates the quality of education and literacy rate.

Health

Pakistan's health sector is already very weak. According to a survey in Pakistan only 1 doctor is available for 13 patients. Increased population will put pressure on health sector. More doctors, more beds, more staff, more hospitals will be required for large number of people.

Climate Change

Pakistan is among top 10 countries to be badly affected by climate change. Pakistan offently face floods and displace a large number of people. Increase in population

will further contribute to the climate change activities.

Energy Demands

Pakistan is already an energy deficit country. Load shedding of gas and electricity is common. Increased population will further increase the demands of electricity and other energies.

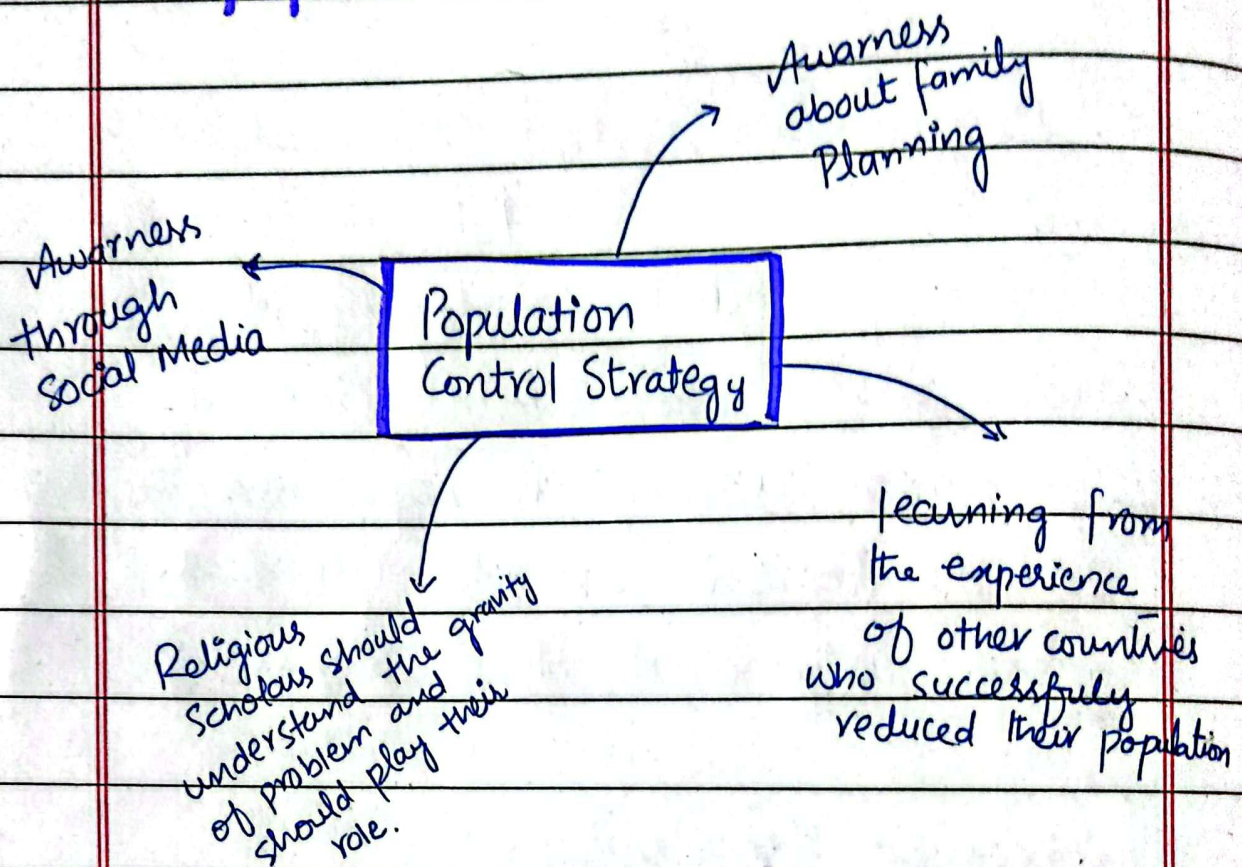
Security Issues

Pakistan is a security conscious state and it allocates a large amount of budget on security related problems. Increased population will put pressure on the budget which can affect security situation of Pakistan.

Militancy and extremism

Increased population can further increase the problem of extremism and radicalization in Pakistan.

Way forward to control population



► Conclusion

Population increase has put pressure on the resources of Pakistan. But adopting an influential policy, Pakistan can also overcome this problem.

Q No 5

Date:

Pakistan's Energy Crisis

Introduction

Pakistan is facing severe energy crisis at the moment. These crisis are affecting the sovereignty and integration of Pakistan. And it our unfortunate that inspite of having immense potential and natural resources we are facing such crisis just because of misgovernance and mismanagement by the Govt.

Weak political will and misgovernance.

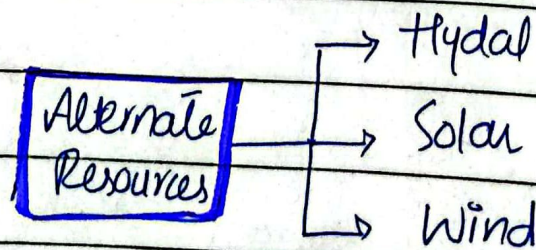
The political elite of Pakistan lack political will and acumen to deal these crisis. Following are the examples in which our Govt has mismanaged the resources

Expensive means of generating electricity.

Pakistan still generates the most expensive electricity in the region. This is because Pakistan imports expensive fuel and then generates electricity. Our Govt lack will to transfer to renewable resources of electricity generation.

Alternate and renewable resources of energy:

Pakistan Govt lack will to use alternate means of energy generation. Pakistan can make energy from following resources.



Tydal: Pakistan can make cheap electricity using tydal resources but Pakistan Govt. lack will to make dams and to store water to overcome energy ~~res~~ issues.

Solar:

Pakistan has immense potential to overcome energy crisis using solar energy. Pakistan is a hot country and sun beazes a lot here. But this source has not been utilized by our Govt.

Wind

Our coastal areas have potential to generate electricity using 'Wind Mills'. But Misgovernance of our political elite is a hinderance in a way to overcome this problem.

Problem of Dam construction in Pakistan:

Pakistan can largely overcome energy crisis if it built dams to store water. But due to the conflicts between the provincial Govts, Pakistan could not built 'Kalabagh' dam. This kind of behaviour clearly manifests the lack of political will of Govt to overcome energy crisis.

Iran Gas Pipeline Project and its failure:

Pakistan faces a problem of Gas shortage especially in winters. But our neighbour Iran has surplus gas and we could purchase it from Iran to benefit our public.

But despite of signing an agreement of Iran-Pakistan Gas pipeline

Our government could not complete this project just because of fear of US sanctions.

This clearly manifests the misgovernance of our Govt to benefit the public.

Discounted Russian Oil:

While Russia is engaged in a war with Ukraine and is under US+West sanctions, it faced huge economic loss and it started giving its oil to countries at discounted price.

Again our Govt could not make any policy to purchase oil at discounted price just because of US pressure. Our gov't lacks political will to deal with such situations.

Use of Garbage:

Nowadays world is making electricity

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by using Plastic and Garbage. Pakistan Govt can also use this to overcome energy crisis but our Govt lacks will to do so.

► Conclusion

God has blessed Pakistan with many natural resources. But Pakistan is facing energy crisis just because of lack of political will and misgovernance of Govt. If Govt shows interest and use the potential of Pakistan, it can relief the poor nation to some extent.