

Name: Aqsa Ali LMS ID = 27476

Batch = 47

Introduction:

Due to changing security dynamics in the region, Pakistan has been facing various challenges to its national security. As a developing state, all these ^{challenges} set back our progress. Pakistan is facing issues of terrorism, ethnic issues, sectarianism, proxy wars, hybrid warfare, food insecurity, energy crisis, climate insecurity etc.

Terrorism; A serious threat to Pakistan's Security:-

Pakistan has been a victim of terrorism particularly post 9/11. Although, it has assisted United States in War on Terror even then its reputation has been damaged in the world as a terrorist state. Pakistan has lost more than 70,000 lives that has cost the country almost US\$ 126 billion. It has faced deadliest attacks.

Before 2014, A.P.s attack it also lacked in integrated response against terrorism. However, after A.P.s attack it designed NAP (National action plan) to counter it. Moreover, various military operations also has been launched. There has been decreased in attacks in the last few years. However, especially after Afghanistan Taliban hold ^{of} government of Kabul. There is tremendous increase of attacks of TIP in Pakistan in 2022. Especially on military installation, police posts etc. Again we are facing terrorism challenge that seriously threaten our national security.

Proxy war within the country:

Adversaries are engaging in inciting proxy war within Pakistan. India is benefitting from it. Not only this, Pakistan is the worst effects of Iran and Saudi Arabia rivalry. Iran and OSA involvement in supporting respective Shia and Sunni population further challenge Pakistan's security. Such proxy war is affecting Pakistan's national integration.

Sectarianism threat to Country:

Pakistan is a state where both Shia and Sunni exists however, it has Sunni population is in majority. As explained above Sectarianism is incited by external powers to gain their interests. Madrassas and religious teachers are receiving funding from them.

Instable Afghanistan a Serious Threat to National Security.

After the hasty withdrawal of US from Afghanistan, Taliban tookover the control of government in Kabul. Few states recognized the Taliban government. Because of this Afghanistan is facing instability in various sectors whether, it is economic, education etc. Instability in Afghanistan seriously hinder Pakistan's national security. We face long border with Afghanistan and due it we face refugee and illegal migration in Pakistan. Such issues impacts our economy, internal security.

Ethnic issues in Pakistan:-

themselves

Rather than thinking as a Pakistani most of the ethnic groups love to retain or called themselves as ~~their~~ through their ethnic names. External powers are also contributing to such issues. For example, India is involved in Balochistan ~~that~~ in order to provoke them against Pakistan.

Relations with USA: after its withdraw from Afghanistan. and Indo-US Strategic Partnership:-

Pakistan was an important stakeholder in Afghanistan peace process. However, after withdraw of USA from Afghanistan Pakistan's relations with USA greatly affected. In world politics, there is no permanent friends or enemies. ~~but~~ Pakistan is witnessing ^{USA's} tilt towards India. **US** is giving India diplomatic, strategic support in the South Asia to counter China. Both have strategic partnership that is seriously threatening Pakistan's security interests.

India's hegemonic ambitions:-

Pakistan and India share strained relations throughout the history. Both had fought wars, border skirmishes, issue over water, territorial border issues and with each other. As India has strategic partnership with USA, enjoy Russian's support and much bigger economic power. It has hegemonic ambitions that threaten's Pakistan security. Recent Pulwama attack is an ~~ex~~example of its hegemonic ambitions.

military
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5th generation warfare against Pakistan.

India is involved in misinformation, false propaganda in Pakistan. Hybrid warfare is seriously threatening to Pakistan's national security, integration and soft image of Pakistan.

Economic instability:-

Pakistan is a developing state. Its economy is weak. It usually takes loans to meet its requirements. Such dependency on foreign actors are hindering hindrance in Pakistan's security. As in order to have loan it had to follow certain conditionalities that threatens its national interests sometimes.

Climate Crisis:-

Pakistan has been a victim of climate change. Floods of 2022, 2010 and earthquakes all damage Pakistan's infrastructure, progress, economy etc. It diverts states attention towards a climatic catastrophe. Pakistan's national security undermines because of it.

Political instability:-

Pakistan is facing political instability. As opposition parties and treasury benches are involved in power struggle. There is no optimistic opposition from opposition parties. All were involved in degrading each other & very few government completed its democratic tenure in

the history of Pakistan.

Iran's and Russian's Sanctions impact our energy needs.

Due to Ukraine war, Russia has been under sanctions. Moreover, due to Iran's sanctions we can't ~~we~~ take energy from these states to meet our energy needs. West pressure on Pakistan has limited ^{our} options for energy needs. Thus, it is impacting our economy.

Conclusion:

Pakistan has been facing serious threat to its national security. All above challenges are contributing to the set backs of the country. Such factors are in favor of our adversaries. Meanwhile, affecting our growth, integration, security and prosperity.

(Q: 8)

Introduction:

South Asia has a great potential for trade. In the world, there are examples of region which were involve in conflicts, wars and after liberalizing trade these regions become the leading examples for others. For example, Europe was involved in looting, plundering, wars. However, after liberalizing trade ~~they~~ it has become one of the progressed region of the world. However, South Asia is one of the

Unstable region in terms of Economic Stability. This region is dominated by Conflicts, wars, border skirmishes among states. According to World Bank, intraregional trade accounts for barely 5 percent of South Asia's total trade compared to ASEAN region where interregional trade makes up to 25 percent. Trade among South Asian countries currently totals just \$23 billion which is far below an estimated value of at least ^{trade potential} \$67 billion. Due to constraints throughout region ~~is~~ ^{is} seriously hindered.

Regional cooperation failed:-

As explained above, despite trade potential South Asia is least lagging behind. This region almost has the same culture, food, traditions that it can become one of the progress regions in the world by indulge in trade. However, mistrust prevail between states. Here are few examples;

a) India Hegemonic Ambitions:-

India ^{considers itself as} a hegemon in the South Asia. It has bilateral conflicts with States. India's hegemonic ambitions is seriously threatening peace of the region. Its hegemonic ambitions are promoting unilateralism in the region rather than multilateralism. SAARC ^{progress} is also threatened due to Indian hegemonic ambitions.

b) Bilateral Conflicts:-

(i) India and Sri Lanka :-

India and Sri Lanka share shared mistrust over Tamil tigers. Both have strained relations with each other.

(ii) India and Nepal :-

India and Nepal both have dispute over 200 km border strip.

(iii) India and Bangladesh :-

Bangladesh is lower riparian state. Fracking barge, river linkage project has resulted in mistrust between both states.

(iv) Pakistan and Afghanistan :-

Both Pakistan and Afghanistan relations are like roller coaster. Due to Taliban national government, Pakistan is facing insurgency in Pakistan. Pakistan claimed that TTP has safe heavens in Afghanistan. Moreover, Durand line issue, Dardistan are serious challenge to their relations.

(v) Pakistan and India :-

Both India and Pakistan are ~~adversary~~ adversaries of each other. They shared historic relations. India is involved in proxy war, hybrid warfare, provoking insurgency against Pakistan. Kalbasha Yathar, Pulwama incident are such examples. Recently India provoked Article 370 of Kashmir to further aggravate the situation. There

has been government (political) lockdown. Even recent, visit of foreign minister of Pakistan Bilawal Bhutto Zardari ~~vis~~ to India ~~f~~ on SCO platform is was not much appraised by India. Further, Hinduva ideology renders anti-Muslim stance hurt the sentiments of Pakistani population.

In addition to this, water issues also causes mistrust in relations.

c) Rigid trade barriers:-

States has imposed ~~on imports~~ ^{on imports} restrict trade measures to protect their local industries. Due to tariffs [^] it was more feasible for states to import from other regions rather than importing goods from South Asian regional states.

d) Dependency on industrial products:-

Most of the states in South Asia are agrarian or service based economies. Globalized world ^{demand of} and technology in states also affected regional trade potential. There is no ^{major} industrial or manufacturing ~~states~~ industries in most of South Asian states particularly, related to latest technology. As a result, all states are dependent on foreign import from major powers.

e) Political instability:-

Political instability leads to economic stability. Recent, Sri Lanka also bankrupted due to it. Mostly states are economically instable in South Asia that hinder trade potential.

Afghanistan also facing economic instability as it's banking sector is bankrupted. Then, how such region can involve in trade, where most of states are facing economic instability.

f) Lack of Intra-road networks:-

Apart from, strict trade tariffs there is no proper road network between states. There is danger of looting of products and goods. Proper road networks are key to trade liberalization and prosperity. Without effective transportation trade becomes expensive process.

g) Factors with respect to Pakistan:-

Apart from the above some factors, Pakistan is facing political, economic instability. Pakistan has recorded 38% inflation in May, 2023 highest inflation since its 76 years history. Rupee devalue because of IMF conditionalities. It is facing energy crisis. Gas, oil prices skyrocketed. Exports are less. There is trade deficit. # Population explosion, less agricultural exports, imported hydrocarbons are all factors resulting in balance of payment crisis. Such menace is challenging Pakistan's trade potential. Moreover, political polarization is also challenging country's trade potential and regionalism in South Asia.

Conclusion:-

~~Pakistan's~~ South Asia is a least integrated

region. Although, it has the trade potential however, bilateral conflicts, mistrusts, poor road networks, high tariff barriers are hurdles in trade liberalization. Despite SAARC platform, this region has failed to liberalize in terms of trade.

(Q:4)

Introduction:

Pakistan is facing multi-facet challenges in economic sector. Recently, in May 2023, highest inflation has been recorded - approximately 32% in its history. Trade deficit, balance of payment crisis, Debt servicing are contemporary challenges.

a) Budget deficit:

In fiscal year 2021-2022 total budget deficit was 5.3tn Pkr. it was excluding the provincial share. While expenditure was 2.1tn Pkr. ~~that~~ shortfall was in 2020-2021 was 4tn Pkr. while last ten fiscal years our average ~~was~~ deficit was 3.6tn Pkr.

There are various reasons behind it. One of the major among them is flawed taxation system. The economy of our country is not properly documented as a result, tax evasion & tax avoidance is common. Hotels, real estates are major tax evader. Private industries, hospitals, private educational institutes also avoiding tax.

b) Subsidies to state-owned enterprises or institutions.

State has owned 34 state enterprises. Those include: Steel Mill, PIA etc. In 2021-2022, 1.6 trillion subsidies were given by states. Such measures are serious challenge to our economy.

c) Debt servicing:

In 2021-2022, our expenditure was 8.4 trillion where 3.4 trillion was debt servicing.

d) Improper use of natural resources:

Due to capital shortage, our natural resources are remain un-utilize, mis-utilized - lack of skill technology and knowledge and backwardness of our economy is the cause of serious.

e) Security issues:

Due to insurgency and terrorism investors from all over the world hesitate in Pakistan. Such issues have damaged the image of Pakistan across the world and setback to our economy.

f) Cost of doing business is high:

Usually the small and medium business have serious problems at the hand of bureaucracy. This is due to non-availability of gas and water. Cost of business is very high. No water, electricity available.

d) Export more Import less

This issue is also adversely affecting country's economy. According to World Bank, our import in year 2021-2022 were 80bn\$ while our exports were only 36bn\$. Exports are less and mainly of raw materials while imports are usually hydrocarbons, machinery that cost high. Thus, we have to pay off in dollars as a result, we are facing heavy trade deficit.

h) We consume more and Save less:

Pakistan saving rate is much less than other states we consume more and save less. We are lacking behind in saving.

g) Energy and Water Shortages:

Pakistan is not generating enough electricity. It is facing water shortages. Both are hurdles in the way of economic development.

4) Pensions to people:

In 2021-2022, Pakistan has given 600bn\$ per pensions which is also burdening its economy.

Recommendations to overcome the above challenges:

Following are recommendations to overcome challenges:-

- 1) Privatize few state-owned enterprises.
- 2) Proper documentation of economy.
- 3) Transactions of plots must be online.

(4) Trade and trace system of 2021 must be efficient.

(5) Need to transform our agricultural, IT sectors.

(6) Electricity sectors need reforms.

(7) Further steps should be taken to increase remittances.

(8) Regularized non-registered money exchanges.

(9) on certain products, there is need to impose protectionist measures for short-term period to stabilize economy.

(10) Need to hold fresh elections.

In this way, Pakistan can overcome challenges of economic sector.