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Q NO # 2

US is facing the mounting debt crisis and at a verge of get another economic crisis - critically evaluate the reasons and its implications - Recommend Policy options for US to follow

U.S debt crisis and Economic crisis

U.S facing the debt crisis now a days. U.S debt crisis is a long standing issue. As of September 2021 the U.S national debt stood over ~~30~~ 20 trillion \$. This debt was the result of extra spending.

The national debt the total amount of money owed by the federal government due

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to budget deficit and borrowing.

These are many factors responsible for U.S. Economic crisis.

Reasons behind economic crisis

There are many reasons stands responsible for U.S.A economic crisis.

① Inflation

Inflation hit the 40 year ^{Peak} crisis were elevated consumer sentiment plunged and market fell by 20%. Still United nation states manage to avoid the a recession

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(4) Spend ^{on} Defence

Because U.S.A want to be super power, so he ~~spend~~ spend more and more budget on Defence.

(5) Oil Price hike

After covid-19 and Russia Ukraine war oil price have jumped about 16% to 82.30 \$ on Friday.

A gallon of gas costs 3.83 \$ doll today up about \$0.05 ever past month, reversing a month long trend of declining prices after hitting record.

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⑥ Afghan war

Afghanistan war has contributed to significant economic setbacks in the United States. Hundred of million billions dollars invested in military assets such as ships and air craft during the first decade of the war.

war spending financed entirely by debt has contributed to higher interest rates charged to the borrower such as new home owners.

Recommendations

① cut the imports

if U.S want to boost economy he should cut the imports

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from other countries.

Because high volume
Imports
economy Impact on
economy.

② Pay the loan

Pay the loan.

Because interest on loan
increasing day by
day. And not get
more loan. Because loan
is the entrance gate
of economic crisis.

③ Promote industries

U.S. should
announce the mega
projects of industries. So
that U.S. can produce
more and more jobs
in Pakistan.

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(19) Strong Foreign Policy

Strong Foreign Policy with China and Russia can make

Stronger U.S. Economy.
Because foreign Policy is the key to road for map.

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Q No # 3

Balance of Payment crisis has become increasingly severe that has adverse implications on the economy of Pakistan. critically evaluate the chances of bailout deal with IMF. Also recommend other Policy options for Islamabad to follow.

Balance of Payment crisis in Pakistan

Balance of Payment crisis occurs when a country not meet the international obligations, Pakistan has faced balance of Payment crisis from last years.

There are many reasons for stands responsible for Payment crisis. Usually balance of Payment of crisis occurs when a country experiencing

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Deficits in current accounts.

In recent years, Pakistan has experienced recurring balance of Payment crisis.

Reasons:

① Inflation in Pakistan

Pakistan is import based country that's why inflation rate is high in Pakistan.

every year Pakistan import high volume of oil and pay in dollar \$. Inflation is the major cause of devaluation of Rupee.

② More Printing Notes

Extra Printing currency notes is the major of Payment crisis.

③ Imports

Because Pakistan is import based country, so it imports most of things from other countries and pay in dollars \$. Pakistan imports high CPEC machinery, Agriculture machinery, and heavy industrial machinery.

④ Loans From IMF

Pakistan is developing country. High volume of loan from IMF is the major cause for the Payment crisis. There are many reasons for getting loans.

- our industry is weak.

- our Agriculture is weak
- For construction grow

(5) Trade Deficit

Trade deficit is the big problem for Pakistan. Because every year Pakistan imports high volume of oil to fulfill his needs.

In Year 2022 trade deficit was 44 bn \$

Implications

(1) Increase Remittances

To make stable economy increase Remittances from overseas Pakistanis.

Pakistani 10 million people send money to home

and registered money exchange.
 For Remittances improve banking Tax should be finished on Remittances.

② Take more loans

For Economic stability to take more loans from IMF. Take loans for increasing industrializations.

③ cut the imports

cut the imports of luxuries can make stable economy of Pakistan.

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(4) Bring Dollars \$

Bring dollars in the country through exports, Remittances aid and IMF loan.

(5) Transmission of energy sources

made obligatory to the conversion of energy sources from oil to solar and wind protect.

Bailout deal with IMF

The literature on the effectiveness of the bailout has not shown any clear evidence of a direct improvement in economic growth in short terms.

PM Shabbaz Statement comes as Pakistani seeks.

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Pakistan seeks immediate
release of 1.1 \$ bn from
IMF, part of a
36.5 bn bailout package
the country signed
up for in 2019.

Q No #4

Elaborate the idea of "Loss and damages fund" established at Sharmul Sheikh climate conference Egypt. What role Islamabad played in it and how would it benefit Pakistan.

COP-27

COP are the conference of the Parties refers to the annual meeting held by countries convention on climate change

COP -27 introduced in 2021 - it was held in Sharm ul Sheikh Egypt.

Aim was the conference to negotiate global effort - to address climate change between b/w developed countries -

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Loss and damages

not single country meet the target of cut hydrocarbon
China miss the target of hydrocarbon emission cut Plan.

U.S ALSO missed the target by a huge margin.

Also Europe remain fail to achieve the target.

Also Germany and Canada not meet the cut carbon target.

Islamabad Role

Islamabad played vital role to mitigate the target Plan of hydrocarbon cut emission.

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One Billion Tree Tsunami was a great initiative to achieve the target ~~clean energy~~, clean green that 30mn Tsunami was a good Step.

now government is focusing on olive trees and Palm trees.

• Pakistan has introduced other projects like solar project will help to reduce use of hydrocarbon emission for electricity.

wind projects and cpec mostly help to clean energy projects.

Pakistan has introduced electric cars allocation of fund for disaster was lead by Pakistan to

the latest COP. Islamabad
is seeking investment
in clean energy projects.

Q No # 8

critically evaluate the
factors to determine
the strength and weakness
of an organization and
apply that as a case
study on SAARC.

Introduction

SAARC is
an regional organization
of countries of
South Asia. It was
made in 1985.
The aim of organization

was to secure the
Political ~~and~~ social,
security and economic
issues.

SAARC Strength

The strength
of SAARC lies in its
potential to foster cooperation
among the countries.

Here are some key

Strength of SAAR.

- ① Regional Cooperation
- ② Market Potential
- ③ Cultural diversity
- ④ Poverty alleviation
- ⑤ Regional connectivity
- ⑥ Forum of dialogue.

Weakness of SAARC

It faces the several challenges and weakness.

Here are some of weakness of SAARC.

- ① Bilateral conflicts
- ② Limited decisions
- ③ Slow Progress and limited implementation.
- ④ Unequal development level
- ⑤ Limited development sources
- ⑥ Non participation and withdrawal
- ⑦ overlapping regional organizations