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Mock 6 → Current Affairs
(Part - II)

(1)

(Q3) Introduction:-

The power sector in Pakistan has been facing severe problems for more than three decades now. However, owing to the after effects of the IMF deal, the price of electricity units has been fueling social outrage for almost a month now. The statement highlights a critical issue in the power sector of Pakistan, where problems and loopholes in the inept decision-making have led to expensive electricity, with far-reaching negative implications on the economy, society and politics in general. Critical evaluations with all these implications in mind, along with workable recommendations are given below.

Economic Implication:-

1. Reduced Industrial Productivity:-

High industrial cost has hindered industrial growth and productivity in Pakistan. Industries that rely heavily on electricity such as manufacturing, production and processing,

Face higher operational costs. This makes these industries less competitive in the global market as well.

2. Inflation:-

High electricity prices contribute to inflationary pressures as well, drastically affecting the cost of living for ordinary citizens. Inflation has been substantially eroding the purchasing power of the population and a decrease in the general standard of living has also been observed.

3. Foreign Investment:-

Unstable power supply and expensive electricity can discourage the foreign investors to think of Pakistan as a reliable and opportune country. This is because investors seek stable and cost-effective infrastructure to set-up and expand their businesses.

Social Implications:-

1. Quality of life:-

Expensive electricity has led to extreme power shortages and load shedding in Pakistan which has disrupted daily life, causing discomfort and affecting education, healthcare and overall well-being.

2. Income disparities:-

(2)

High electricity prices have disproportionately affected low-income households in the country with a large number of people receiving 2/3^{rds} of their income as the utility bill. This exacerbates income inequality and pushes the poor even further down the poverty line.

3. Social outrage & hopelessness:-

The significant hikes in electricity prices have caused people to resort to violent public protests and to some extent, civil disobedience via public burnings of the utility bills. An increase in the number of suicides ^{has} also been observed, which showcases the irrefutable evidence of a general environment of hopelessness and confusion, surrounding the general public.

Political implications:

1. Public dissatisfaction:-

Frequent power outages & expensive electricity leads and has led to public dissatisfaction and unrest. This has been manifested, as discussed earlier, in the form of protests, strikes and political instability, arising from social uncertainty.

2. Political accountability:-

Political parties and leaders have faced criticism and backlash for their inability to address the issue underlying the broken power sector. This severely affects the popularity, and electoral prospects and mandate of the political parties.

3. Political evolution:-

Since provision of electricity and power is a basic fundamental right these days, the lack of this provision acts as a major hurdle towards the political learning and growth of a state. Only after the citizenry has been provided with all of its basic needs, can the leaders, along with their followers, move towards growth and performance in terms of their "politics", in the true sense of the word.

Recommendations:-

1. Infrastructure investment:-

The power infrastructure should be expanded and upgraded to meet the growing demand for electricity. This includes improving transmission and distribution networks and investing in new power generation capacity, including renewable energy sources like wind

and solar

2. Energy Efficiency:-
Energy efficient practices and technologies

should be implement to reduce energy wastage.

At the same time, consumers and industries should be encouraged and incentivized to use and adopt energy-efficient appliances and systems.

3. Energy source diversification:-

Dependency on single energy source such as hydrocarbons should be reduced and a mix of energy sources should be invested in such as renewables, natural gas and coal, to ensure a stable and cost-effective energy supply.

4. Tariff rationalization:-

Tariffs on electricity should be rationalized in a manner that reflects the true cost of generation and distribution. This may involve gradually reducing subsidies and providing targetted support to vulnerable populations.

5. Transparent governance:-

Transparency and accountability in the power sector should be improved which would help in addressing issues of corruption,

mismanagement, and political interference that have plagued the power sector in the past.

6. Public Awareness:-

The public should be educated about the importance of energy conservation and responsible electricity usage. A culture of energy efficiency at all levels of society should be promoted.

7. Foreign investment:-

Foreign investment should be attracted in the power sector through favourable policies and incentives. This can be carried out by implementing critical infrastructural projects and financing through public-private partnerships.

8. Regulatory reforms:-

Regulatory bodies should be strengthened to ensure fair competition, prevent monopolies and enforce standards in the power sector. Independent regulators can help maintain transparency and fairness.

9. Long-term planning:-

A comprehensive, long-term energy policy should be developed, taking into account the country's energy needs, environmental concerns and economic goals.

Conclusion:-

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Addressing the problems in Pakistan's power sector requires a multi-pronged approach, involving government commitment, private sector participation, and public engagement. These recommendations aim to promote sustainable, affordable and reliable electricity for the country, ultimately improving the overall quality of life, economic stability and political harmony.

(Q4) Introduction:-

Tension between the US and China including the issues related to Taiwan and the semi-conductor industry have remained a complex and contentious aspect of their bilateral relationship. This has far-reaching consequences not only for the nations involved but on the entire landscape of the nation states as a whole. The dispute resolution between the two nation states on Taiwan is a humongous feat, but it is achievable, nonetheless.

The Taiwan Issue:-

Taiwan, officially known as the Republic of China (ROC) has been a longstanding point of tension between the US and China. The US maintains unofficial diplomatic relations with Taiwan while recognizing the People's Republic of China (PRC) as the legitimate government of China, a position known as the "One-China" policy. However, the US has also pledged to help Taiwan defend itself, leading to increased arms sales and support.

Semi-Conductor industry significance:-

Taiwan is a crucial power in the global semi-conductor industry. Taiwan's TSMC (Taiwan's Semiconductor Manufacturing Company) is one of the world's largest and most advanced semi-conductor foundries. Producing a significant portion of the world's semi-conductor chips. Semi-conductors are vital components in various electronic devices such as smartphones, computers and automotive technology.

How the situation could be diffused:-

1. Dialogue and diplomacy:-

Engaging in diplomatic talks and maintaining open lines of communication is essential. Encouraging dialogue between U.S. and Chinese officials on various contentious issues, including Taiwan, can help prevent misunderstandings and miscalculations.

2. Confidence-Building Measures:-

Implementing confidence-building measures that promote transparency and reduce tensions can be beneficial. Both sides can agree on measures to prevent accidental military encounters and conflicts in sensitive areas.

3. International co-operation:-

Multi-lateral co-operation should be encouraged on issues of global significance such as climate change and pandemic response. Collaborative efforts can create common ground and foster a more constructive relationship.

4. Trade relations:-

Trade issues should be addressed through negotiations rather than trade tariffs.

and restrictions. Finding mutually beneficial trade agreements can reduce economic friction and improve relations.

5. Respect for international norms:-

Both countries should uphold international norms and principles such as respecting the sovereignty of other nations and adhering to international law. This can help reduce conflicts in areas like Taiwan.

Conclusion:-

It is important to emphasize that diffusing tensions between two global superpowers like US and China is a complex and on-going process. It requires a commitment from both sides to prioritize dialogue, co-operation and diplomacy over confrontational actions. The international community also has a role to play in encouraging peaceful resolutions to conflicts and promoting stability in the Asia-Pacific region and beyond.