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Q3.

Introduction :

Power sector has historically been a major concern for Pakistan and it continues to be so in the current year as well. According to Power Division of Pakistan, per unit price for electricity was Rs. 16 in 2021 (largely due to subsidies). However, the prices have soared to over Rs. 65 per unit. Pakistan sells one of the most expensive electricity in the world to its consumers and most expensive in the South Asian region. The problems of power sector start from the usage of expensive import sources of production, to unsustainable agreements with IPPs (independent power producers), to power theft, transmission losses and piling circular debts. All these problems contribute to making electricity extremely expensive for a common man. The consequence of this is eventually negative implications on the economy, social and political life of the country. However, with the natural resources available to a country like Pakistan, the proper utilisation of resources, alongwith will to remedy our ills and moving towards the right direction can ease the burden

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of power sector and the common man.

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The escalation of power prices:

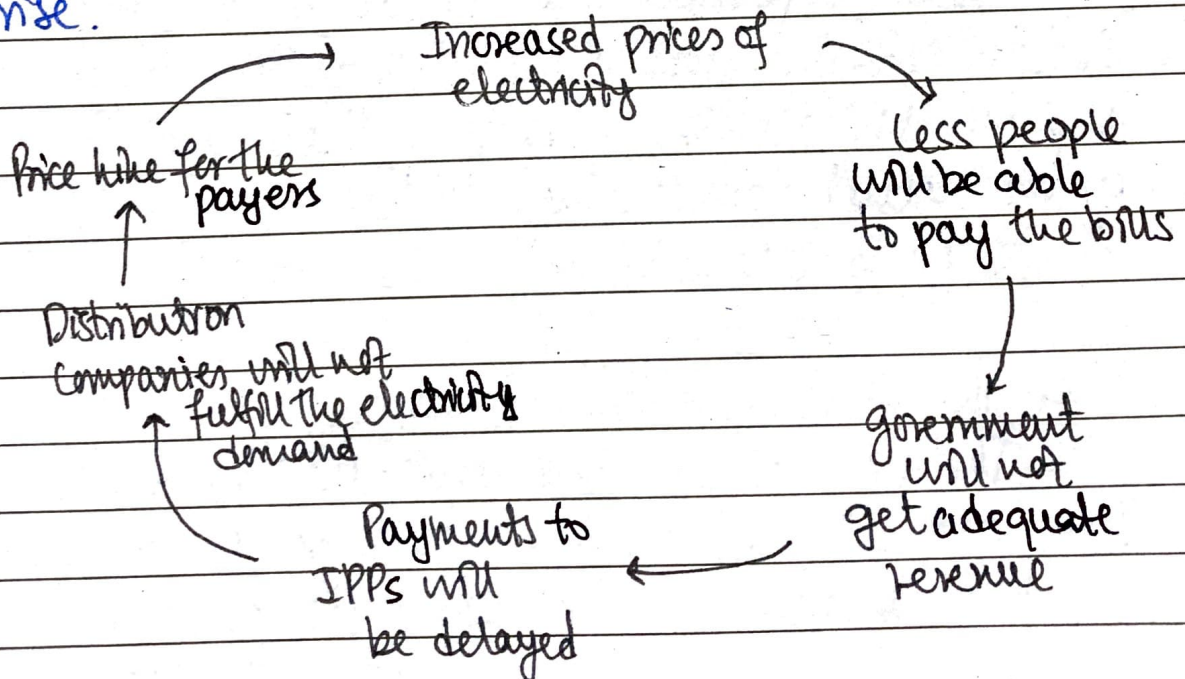
Pakistan suffers from power shortage and energy crisis. With a demand of over 28000 MW it is not producing electricity upto the demands of its people. The use of fossil fuels to produce more than 60% of our electricity is the greatest reason, we have expensive electricity. As the global fuel prices rose owing to Russia-Ukraine conflict, it was imminent that electricity prices in Pakistan will rise. However, the presence of subsidies kept the prices curtailed in 2021-22. But with the looming threat of default, Pakistan had to concede to IMF demands to get a bailout package. The ~~real~~ result of this has been the exponential rise of electricity prices. Moreover, with devaluation of our currency and the burden of imports means that all those hefty burdens trickle to the energy sector. Furthermore, government chooses to tax the energy sector to increase its revenue. So the result of already existing structural problems amalgamating with the recent economic

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crisis is reflected in the hike in electricity prices.

Negative implications on economy:

The power sector and economy are trapped in a vicious cycle. The crisis in economy adversely affects the power sector, whereas the downfall of power sector causes the economy to be stagnated. This rather marriage of inconvenience between the two presents a great dilemma for our country. The rising electricity costs mean that the circular debt that exists will continue to rise.



This vicious cycle will continue to persist, until or unless ~~ext~~ structural reforms are not

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employed and short and long term mitigation goals are not formulated and implemented.

Negative implications on social life :

The apparent effect of increasing electricity bills will be that people will not pay their bills. This may result in power disruptions. Those who pay the bills will be at hand to mouth managing other domestic expenses. The growing despair and agitation will mean people will protest, as already witnessed in different cities. In mega cities like Karachi, ~~some political parties have~~ people have come out to protest, or others have just given up the will to live. Hence, there are grave social repercussions to the rising electricity bills.

Negative implications on political life :

The unit of the government will be tested. There are political parties who have used this situation to rally the masses. Government will be under pressure to take strict measures. The pressures from domestic stakeholders as well as the pressures from IMF to continue

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Raising the taxes on energy sector means that the country will suffer political instability. It will be a test of those at helm of affairs to take appropriate policy decisions.

Recommendations to remedy the cement dilemma:

There's cure to every ill and likewise the problems with power sector can be resolved if sincere efforts are made. No messiah can take us out from this conundrum, but we need to help ourselves out of this quagmire.

i) More towards renewable energy sources:

Pakistan needs to utilise its hydel, thermal and wind resources to produce energy. The fossil fuels are no longer sustainable for our economy. We need to build more dams and incorporate hydroelectric power plants with them. The building of Kalabagh dam could bring more than 4500 MW to the power sector. Moreover, Dasu dam could bring in additional 4100 MW of energy. We have a vast coastal belt which can be utilized for the production of wind energy. Moreover, solar energy can be utilized to produce electricity. If these renewable resources are used, we will lessen the cost of

our electricity bills and also protect environment.

ii) Renegotiate terms with IPPs

The country is grossly in debt with IPPs. The issue of capacity payments and payments to foreign investors in dollars has created a serious crisis for us. The state needs to renegotiate with the IPPs and formulate terms that are feasible for both.

iii) Change the transmission lines

The losses due to old and dysfunctional transmission lines is about 17% in Pakistan compared to that of 9% in India and Bangladesh. Pakistan needs to revamp its energy infrastructure. Be though it will have initial costs, in the long run it is an inevitable expense that state has to bear for sustainable electricity supply.

iv) Control electricity theft

In times that we confront today, it is an unpardonable sin that those who steal electricity from the bill payers are not brought to justice. The state needs to enforce its unit and ensure that electricity bills are paid and those who use illegal means to obtain electricity are severely punished.

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v) Reforms in the billing structure :

The government should ensure that those who can not afford to pay high prices of electricity are given relief. This includes possible installment payments. Moreover, large industries and agriculture sectors need to be billed adequately to get the revenues for power sectors.

Conclusion :

Therefore, it can be concluded that power sector of Pakistan faces a multitude of problems ranging from expensive imports to power losses. This has resulted in expensive electricity. Expensive electricity disrupts the social, economic and political systems of a country. To alleviate these we need to reform the power sector and work towards green energy for a brighter future.

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Q7. Introduction:

WWII resulted in the decline of many global powers of the Europe, However, one nation that emerged as a superpower was USA. Since then US has been regarded as the most powerful nation of the world. After the disintegration of USSR in 1991, US further established its position as the hegemon of the global order. The bipolar world was completely unipolar with no power even close to its might. But since the beginning of 21st century, the world order has slowly but surely taken a shift. With rise of China as an economic power of the world, US Russia regaining its military strength, growth of multilateral organisations and the emerging global south - The global order is moving towards multipolarity. Recent events such as diplomacy in middle east, rise of BRICS, China's economic corridors have also contributed to this view. Despite, all these development, the military, technological and economic might of US is not to be taken lightly.

China and its global economic policy:

China factor has been the greatest threat to

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the hegemony of US. China had emerged as an economic giant and one country that is at same footing with US. The model of Chinese growth has not only been unilateral growth, but ~~here~~ it has created different economic routes and corridors that provide opportunities to other countries as well. China has assumed the role of leader of the global south. Gone are the days where global north used to exploit the south for resources to boost its growth. Yes, China keeps its own vested interests in mind, but it has provided opportunities to global south to grow as well. With its flagship initiative - Belt and Road Initiative - China seeks to economically connect three continents of Asia, Europe and Africa. It has created a wide network of economic links to boost the global economy. Hence, the outcome of this is that only China is growing on its own but has also lifted many countries with itself.

The diplomacy in middle east :

Middle east has always been a crucible of conflicts. Every power trying to get hold of its natural energy resources. The Persian gulf alone has 40% of the world's oil reserves. In the

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past US was seen as a major player in the region. US has also been involved in direct and proxy confrontations in the region. However, the recent Saudi-Iran rapprochement due to China, highlights that China is becoming a diplomatic leader as well. Through soft power diplomacy it has achieved what US's hard power diplomacy could not. Moreover, US's biggest ally in the region, Saudi is also on a path of reform owing to its 2030 vision. Saudi now seeks a balanced approach. Hence, the decline of US's diplomacy in the region is testament to the fact that US is not a global superpower it once was.

Spring of multilateral organisations:

Current world order is moving towards multilateralism and regionalism. Many regional and multilateral organisations are taking the news highlights. The expansion of BRICS, which now has greater than half the world's population is an evidence to this. Moreover, global order is shifting from geopolitics to geoeconomics. Countries want to engage more in economic ties that involve in unnecessary disputes. Moreover, the important

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thing to notice is that new key players are coming to limelight. It is no longer just US or western world, but also the african nations, latin america, south east asia and the developing nations of global south that are at the forefront of new developments.

India - World's most populous country:

As a fast growing economy and the most populous country of the world, India has taken a central stage in the world politics of 2023. The conduct of SCO, G20 summits have also brought India to the world's attention. The recent landmark achievement of India to land at the south pole of the moon also reflects its technological prowess. India is the market that all the other nations are looking to explore. Whereas previously India was not at forefront of world politics, it is now. The US is also looking to strengthen its ties with India. Hence, India is also a major player in this growing multipolar world.

Russia standing its ground

Despite US's numerous calls to sanction

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and isolate Russia and not Ukraine, the ground realities are that US has been able to play a successful role in receding back Russia into its own territory. Rather, Russia has build nexus with other nations such as China, Iran, Turkey and South Africa to continue running its affairs. Hence, US failure to convince the world to isolate and condemn Russia have also not succeeded completely.

The military strength of US is unparalleled :

Although countries have gained clout against US over past few years, US continues to be a global leader. The greatest reason is its military might. It still controls global satellites system, has the most sophisticated weaponry and a established army which can ~~hold~~ hold its end against any opponent.

US continues close ties with global north :

If not the global south, global north still regards US as its leader. US leads the western countries in multiple platforms.

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The recently created AUKUS in 2021 and QUAD organisations enable it to keep an eye on China. It also plans to contribute to middle eastern and south asian diplomacy by maintaining close ties with its allies.

US on the lookout for its own economic corridors:

To counter China's BRI, the recent G-20 summit had proposed India - Middle East - Africa - Europe economic corridor. This corridor is of great interest to US too which seeks to invest in it and have influence over strategic trade routes and seaports. Hence, it is not just a China show in Asia and Middle East, but US continues to play its role.

Global order is still US-centric:

Although attempts to change the ~~change the~~ global order are in place, US continues to lead the global order. Efforts of de-dollarisation have not picked pace. US continues to sway the economic order of the world. The dollar hegemony is here to stay. Moreover, the US based financial institutions, IMF, WB etc,

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determine the global monetary and financial policies. US also gives loans and aids to several countries and has home bases in many states as well. Hence, the global order is still dominated by US.

Conclusion :

Therefore, it can be concluded that the present day world is witnessing a decline in US hegemony to a certain extent and there is increased multipolarity due to the rise of "middle powers". However, US is still one of the great super powers. No country can claim to be superior to it. So while the global order is slowly and steadily shifting, for the time being US continues to dominate.

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Introduction :

Q8. The recent summit of BRICS in Johannesburg, admitted new members to its organisation. These included middle eastern powers of Iran, Saudi Arabia and UAE, Latin American Argentina and an emerging African economy of Ethiopia. This increase in the BRICS membership has both geo-economic implications as well as geopolitical implications. Geo-economically, BRICS is becoming an association of the emerging developing economies. If a collaboration between them is successful then they will reap richly benefit from each. From a geopolitical standpoint, BRICS can counter the global north association of G-7. Moreover, it can play a role to change world order by de-dollarisation. However, it faces several hurdles before its success. The success of BRICS will only be determined by sincere cooperation between its members. Moreover, mutual trust will be needed to grow the economic prosperity within their countries keeping aside their imperialistic agendas.

Geo-economic implications :

BRICS is a very essential organisation in terms of geo-economics. It houses these

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than half the world population and greater than 25% of the world GDP. Moreover, the recent expansion adds to this statistic. The prominent points about the expansion from an economic perspective is that it has added emerging economies from Latin America and Africa and moreover, the expansion is driven by agenda of energy cooperation. Therefore, middle eastern states of Iran, Saudi and UAE are a part of it. This will provide the organisation a great opportunity to increase the energy trade and also allows it members to explore trans-continental markets.

Another aspect of importance with respect to economy is de-dollarization. The global south and developing nation have suffered from the hegemony of dollar for far too long. BRICS have already proposed a launch of new ~~common~~ currency to deal with their trade. Moreover, countries are already trading in their local currencies such as Chinese Yuan or Indian rupee. Therefore, with expansion of BRICS more countries will get a chance to break loose from chains

of dollar economy and seek new avenues.

Geopolitical implications :

Critics have already started to label BRICS as a counter to G7. The schism between the global north and global south has been for far too long. Global north has exploited south for resources to increase its growth at behest of developing countries. Now it is time for these developing countries to unite and stand on their own feet to utilise their resources for their own benefit alone. Hence, BRICS can be a counter to G7. Moreover, with Russia in BRICS, it allows Russia to continue trade and growth despite the sanctions of the west. This is crucial with respect to the ongoing Russia-Ukraine war. Moreover, by making BRICS a transcontinental organisation, it can become a strong geostrategic organisation for its member countries if they decide to change their narrative.

Hurdles in the way of organisation :

The path to sail for BRICS will not be without some storms. BRICS consists of

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major players of global world each with their own interests and ideologies. India is seeking to achieve south asian hegemony and strengthen its economical and global political standing. Russia sees BRICS as an strategic alliance to propagate its agenda of a revisionist state. BRICS can act as a buffer for Russia against the west. For China, BRICS is another tool for deepening its economic control of the global order and to counter US. Considering the differing motives of BRICS major players it is hard to say whether they can successfully achieve their goals. Moreover, China and India have a longstanding tussle over border issues. This makes position of BRICS a little jittery as it can easily be engulfed by the power struggles of major powers. Apart from this the role India seeks to play ~~in~~ in BRICS is unambiguous. It seeks to strengthen ties with the west, US especially, and US would not want an organisation with China in it to succeed. Therefore, India will be in a position of conflict of interest and it will have to maintain a very fine

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balance. Another hurdle is the ~~volatility~~ volatility of middle east. As the global hub of energy, different powers have interests in middle east. It can easily become an area of conflict. Therefore, how middle east remains stable is a ~~question~~ matter to be closely monitored. Lastly, for BRICS to succeed it will need to ensure that each member is given equal importance. Expansion of the organisation should be seen as a means towards increasing cooperation in trade, energy, investments and cultural exchanges. It should not be a source of friction of organisation. With more members it should not get stuck with red tapism rather it should collaborate based on mutual trust and cooperation.

SWOT analysis of BRICS expansion:

The following illustration summarises and conceptualises the strengths, weaknesses, opportunities and threats of BRICS expansion.

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Strengths

- An alliance of global south
- Emerging economies
- Greater than half the world population
- More than 25% world GDP
- Transcontinental
- Resource rich nations

Weaknesses

- Differing agendas of member countries
- Ongoing conflicts between some members
- Imperialistic motives
- Lack of mutual trust
- Polarisation

Opportunities

- Trans-continental free trade
- Transformation of global economic order
- Rise of the global south
- More expansion in the future
- A leading world organisation

Threats

- US schemes against its success
- India's alliance with the west
- Volatility of middle east
- Russia's imperialistic designs
- Divergence of interests due to expansion

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Conclusion :

Therefore, it can be concluded that expansion of BRICS transform the geo-economic and geopolitical landscapes and has positive and negative implications. BRICS needs to focus on equitable economic growth of its members and set aside imperialistic notions. If it is able to conquer mutual trust deficit and set its path straight, it will be a leading world organisation and an instrument of glory of global south.

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Q6. Introduction:

CPEC was hailed as the gamechanger for the region of central and south asia and considered to be a masterplan of the economic order of 21st century. As a subset of BRI (Belt and Road Initiative) of China, CPEC seeks to connect China's Xinjiang region with Pakistan's Gwadar, and promote trade from Gwadar to Middle East, Europe and Africa. As a decade of CPEC ends, there are features and successes associated with the project and the successes need to be carried forward and the failures need to be addressed so that as it enters a new phase it can be more beneficial for both the countries.

Successes of CPEC:

- i) Infrastructure development: CPEC has allowed Pakistan to develop its infrastructure. The highways and motorways from Xinjiang towards Pakistan's Karachi and Gwadar have been completed.
- ii) Building of energy sectors: CPEC has allowed

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to development of new power plants and increase the capacity of existing ones. Pakistan was facing severe energy crisis in 2008-15 era. It was only after the Chinese help that Pakistan managed to establish power plants to fulfil the energy demands of the country.

iii) Building of Industries: The goal of CPEC has been to promote trade and industry. With the establishment of special economic zones (SEZs) and furthering of the projects in Phase II, Pakistan has been able to setup and operationalise industries and encourage foreign direct investments to enhance its exports and economy.

iv) It has created many jobs: Reports suggest that as many as 6 million jobs have been created due to CPEC and related projects. Increase in employment helps to improve the overall socio-economic outlook of the country.

v) Increase volume of trade: The biggest advantage of CPEC has been that it has increased the trade volume between China and Pakistan and between other countries of middle east, Europe and Africa. These

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trade increases have allowed Pakistan to grow its economy and improve development.

vi) Pakistan maintain its geostrategic

importance: As a transit corridor, CPEC has allowed Pakistan to sustain its geostrategic relevance. Not only from trade point of view, but also from a political and strategic purpose, CPEC continues to be a success in the hindsight.

vii) Strengthening of Sino - Pak relations:

CPEC is without a doubt a project that expresses Pakistan and China's strong relations. Both countries are mutually benefiting from it. The project has allowed in the development of China's Xinjiang province and allowed it easier trade route. Pakistan has been able to get infrastructural and economic support as well. So, therefore, mutual ties have strengthened.

Failures of CPEC:

i) It has not been a success story that was envisaged: The potential of CPEC has remained untapped. The progress

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has not been at pace it was hoped for. The swaying political conditions of Pakistan, and China's interests in other partners mean that CPEC has not achieved its potential.

ii) It is regarded as a debt trap for Pakistan: The projects associated with CPEC have put Pakistan into great debts. Despite the ~~economic~~ developments, the country finds it ^{infrastructure} difficult to cope with the present economic crisis. Instead, it is stuck in a vicious cycle of debt trap.

iii) The project's trade volume is low: The project was envisioned to be a great success of trade. However, it has not been able to fulfill the promises. The security concern in Pakistan and role of foreign actors has also played a role in this.

iv) Energy deficits in Pakistan continue: The project was supposed to solve Pakistan's energy crisis by expanding network of power plants. Yet, Pakistan still faces an ongoing energy ~~deficit~~ deficit to fulfill

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Its demands.

v) Trade with Middle East and Africa is curtailed due to Indian influence: India has developed its link with Iran and Chabahar port. So the trade that was supposed to happen through Gwadar has shifted elsewhere. Moreover, different political and security handles have been placed against the success of CPEC.

vi) Pakistan has failed to reap benefits of CPEC: Pakistan continues to grow with borrowed fund, instead of using CPEC as an opportunity to develop self sufficient industries. Hence, the goal of economic prosperity through CPEC is not achieved.

Conclusion:

Therefore, it can be concluded that CPEC has been with its successes and failures, yet to achieve its full potential both China and Pakistan need to play a constructive role.