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Name: Nawshad Khan

Paper: Current Affairs

Batch: 012

Date: 21-9-2023

## Q.3

### 1) Introduction

The power sector of Pakistan has been facing severe crisis from last few years. Currently, it has taken the shape of a huge snowball in the form of increasing in bills. That has resulted economic loss in the form of less productivity and unemployment. Moreover, the people are mentally disturbed from loadshedding during harsh weather conditions. Beside this it has also reduced the political scoring of PDM.

### 2) The Causes of Problems in the Power Sector

There are some prominent

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Causes which created problems in the energy sector are given below.

### i) Agreement with International Monetary Fund (IMF)

One of the main causes in the power sector of Pakistan is IMF. IMF gave loan to the country in May, 2023. Who enforced the government to raise the electricity bills without suggesting any positive way forward to invest that money on the power sector to make it more convenient and efficient.

### ii) Expensive Generation of Electricity

In Pakistan the electricity is from the oil. According to water and power Development Authority that Pakistan is making 65% electricity from non-renewable resources. Due to which the government is unable to provide it round the clock and loadshedding are increasing.

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### iii) Short term Policies

Any government which comes into power is using short term policies. These policies are only limited to their five years term.

### iv) Energy theft

Energy problems in the country remains as it is due to the energy theft. Government is generating energy through expensive ways while in return it did not get as much and the problem exceeds with every passing years.

### v) Lack of education

Most of the citizens are unaware from the importance and the crisis through which the country passes. Therefore, they use it recklessly the & left "on" the home appliances without any necessity.

## 3) Crisis in the power sector and its Implications on Economy

Problems in the power sector has has negatively impacted the

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the economy of Pakistan. Some of the negative repercussions on economy is below:

i) Rise in the circular debt

Circular debt in Pakistan is increasing with every passing year. The government is unable to do payment to the power producer companies. The circular debt increase to 2.31 trillion (June, 2023).

It is expected to reach at 5 trillion upto 2025. Which is one of the biggest challenge to the economy of Pakistan.

ii) Severe loadshedding and the reduction on productivity

The problems in the energy sector leads to 8-12 hours loadshedding round the clock. That negatively impacted the industries and its production. Therefore, the country imported \$82 bn and exported only \$39 bn. which resulted a severe repercussions on the current account of the country.

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### iii) Inflation

Due to energy crisis industries cannot produce enough to meet the demands of its citizens. They import the products through high dollar rate while the prices of that products are very high in the local currency. According to the State Bank of Pakistan in last two years 40% rise in inflation at the country.

### 4) Problems in power sector and its Social Implications

Energy crisis not only negatively impact the economy but also the social life of an individual. Some of the social implications of energy crisis given below:

#### i) Unemployment

When there is an energy crisis the industries cannot run that results unemployment in the country. According to the Pakistan Immigration and Overseas Department that in 2023, 7,65,000 people left the country due to the lack of economic opportunities.

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ii) Rise in the ration of crimes  
When there is the lack of job opportunities, people are using illegal ways for earning. That results in a rise in the ratio of crimes. The whole society becomes unstable and insecure.

iii) Loadshedding in harsh weather and psychological impacts on the people  
People get disturbed when there is a loadshedding in the warm weather of the year. That results in mental and psychological disturbance on the people.

## 5) Political Implications

i) Rise in Bill is a political suicide for some parties.  
The last PDM government approved to rise the price of electricity up to 7%. That resulted in a reduction on their rank.

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ii) Lack of trust on the Representative

From last two decades the policy makers are unable to solve the issue of energy crisis. That resulted the lack of trust and confidence of the public on these representatives.

iii) A challenge to the next Government

Currently, the country is facing through a fragile energy situation. Whenever, the next government come into power after elections, they will be facing a challenge to address this issue. Otherwise, they will lose their political scoring.

b) Recommendations to tackle the problems in the Power Sector:

i) Renegotiate the agreements with Independent power producers (IPP.)

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The country should renegotiate the agreements with IPPs. It should be enforced that the government will pay in the local currency rather than in dollars. Moreover, it should also be ensured that the payment will be done on the basis of energy production.

ii) Formulate long term policies

The government should formulate long term policies irrespective of their five years tenure. There should be the construction of Kalabage dam and some other local dams to fulfill the needs of that respective areas.

iii) Strict punishment on the Energy theft

Law enforcement agencies should strictly punish the people who are involved in the energy theft in one way or another.



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#### iv) Utilizing Renewable Energy Resources

Pakistan should shift from non-renewable energy to renewable energy resources. Pakistan has the capability to generate 60,000 MW electricity through ~~non-renewable~~ renewable energy resources. Pakistan has good spots for wind and solar energy installations such as in Thal, Thar desert and hilly areas for the wind energy.

#### v) Create Awareness and Education

The government should introduce a minor subject at school to aware the st youth about the importance and conservation of energy.

Add facts

#### 7) Conclusion

Improve first part and link with expensive electricity

Pakistan has been facing severe problems in its energy sector. Which has negatively impacted on social, political and economic sphere of the country. This crisis can be eradicated, if the policy makers utilized renewable energy resources, long term policies and create mass awareness.

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Q. 8

## 1) Introduction

BRICS is a new economic alliance against the USA and the hegemony of dollarization. In 2023, five countries non-officially joined it while 40 other countries have shown interest to join it. This organization will have a far reaching geo-economic and geo-political implications on the whole world. Moreover, USA and its alliance try to locate maximum hurdles in the way of BRICS to maintain their own hegemony.

## 2) Understanding BRICS

BRICS is an economic organization comprises of Brazil, Russia, India, China and South Africa. The member countries extended willingness to cooperate with each other on economic and trade issues.

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### 3) Objective and goals of the BRICS

The main objective of the BRICS is to expand economic, trade and financial ties with one another. Moreover, they are also intending to introduce a new currency against the dollar. China has reserved 102 ~~kg~~ <sup>kg</sup> gold, India 80 kg and Russia 90 kg to launch their new currency.

### 4) Expansion of the BRICS

Initially the organization was consisted of four countries, while South Africa joined it recently.

i) The addition of Five more members

In a recent summit of the organization has shown willingness to approve the membership of five other countries such as; Iran, Egypt, Ethiopia, Argentina and UAE.

ii) The name will be change after expansion or not

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The name BRICS is given to the organization after the first alphabet of each country. Now the question arises that after the membership of these five countries, the name will be remained or the same. It is still pending for discussion and official announcement.

(iii) Forty other countries willing to join the BRICS

Beside these five countries 40 other countries including Saudi-Arabia and other South American and African countries has shown willingness to join the organization.

iv) Pakistan and BRICS

China wanted to include Pakistan in the organization. But the presence of India and its hostile attitude toward Pakistan's made it difficult for the country to join it.

## 5) Geo-economic Implications of the BRICS

i) Economic war  
BRICS is an economic war between the east and the west. Big powers in the east is China and Russia who want to eradicate the economic, political and diplomatic hegemonic position of USA.

ii) De-dollarization  
BRICS has entered into the phase and in near future they will announce their new currency. The member countries will be bound to trade on that currency rather than to use dual trade on the dollar.

iii) Cooperation in Trade  
The member countries will trade with one another with minimum tariff and trade laws.

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iv) Increased in FDI and build up of infrastructure BRICS countries will invest with each other countries and it will also provide an opportunity to boost up one another infrastructure.

## 6) Geo-political Implications

i) A Threat to USA Position  
BRICS is a threat to the USA hegemonic position. This position was maintained by its stronghold on the international economy. BRICS will replace the hegemonic economic position of USA.

ii) Eastern Vs Western  
BRICS is mostly comprises of Eastern powerful countries. The perception is found that the organization is formed against the Western countries who exploited Eastern countries in every aspects.

### iii) New Confrontation

The formation and extension of BRICS will cause a new confrontation among the global powers such as China, Russia and USA. May be the other minor countries will side in one way or another to further escalate the conflict.

### iv) New Alliances

BRICS provided an opportunity and choice to the small countries to select one side over the other. This will divide the world into two and that will have a far reaching economic, political and social consequences on its members.

## 7) Conclusion

BRICS is a new economic alliance which is formed against the USA hegemony. The success of this organization will have far reaching economic and political repercussions. Moreover, USA is trying to create maximum hurdles in the way of it to counter its influence on the other countries.

## Q. 7

## 1) Introduction

The world is shifting from unipolarity to multipolarity. While, in 1991 this aspect was only restricted to unipolarity. While, in 21st century the emergence of china has challenge the position of USA. China and Russia trying to reduce the influence of China USA in one way or another. But upto some extent China is successful in this goal. While, USA is still to maintain its position.

## 2) Multi-polar world and USA

After 1991, the dissolution of USSR into 40 minor states the world was fixed into a unipolar. USA became the only super-power. While, with the emergence of china as a second largest economy challenged the hegemonic position status of USA. China extended its soft power to influence other countries especially in the middle east. Where it reduced USA influence.



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### 3) Multi-polar world and the decline of USA Hegemony

i) USA decline position in the middle east

USA was the only power in the middle east from last four decades. Where, they brought destructions, war and political chaos. China replaced them with soft power of investment infrastructure and trade.

ii) China influence in the middle east

China invested is investing in the middle east \$ 35 bn in KSA, Iraq and Iran, \$ 25 bn and \$ 13 bn respectively.

iii) Saudi lack of trust on Washington at the seapproach-ment deals with Iran

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China negotiated between Iran and Saudi which shows the lack of trust of Saudi on USA.

iv) USA in the Trape of debt

USA is trapped on debt. According to world Economic forum debt on USA is \$ 31 trillion. Moreover, it is also facing economic challenges from its rival countries especially from the BRICS.

4) The maintenance of USA hegemonic position

i) Sanctions on Russia  
Despite the struggle of China and Russia to decline the status of USA. It maintained its position and imposed heavy sanctions on Russia after involving in war with Ukraine.

ii) Strong alliance and NATO  
USA still have has' strong alliance

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with the western countries and  
and its NATO members.

(iii) Influence on International  
Institutions.

USA maintained its position  
while, it still controlling the  
international institutions.  
It pressurizes other countries with  
help of these institutions.

(iv) Xi-Jinping and Biden  
Meeting

Both the president of China and  
USA met at the end of  
2022. China president announced  
that we do not intend to  
challenge the current world order  
or the hegemonic position  
of USA.

5) Conclusion

To sum up it can be  
said that China is emerging as  
an economic, political and military  
power which challenged the status  
of USA. But USA still maintained  
its hegemonic position in  
the world.

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## Q. 6

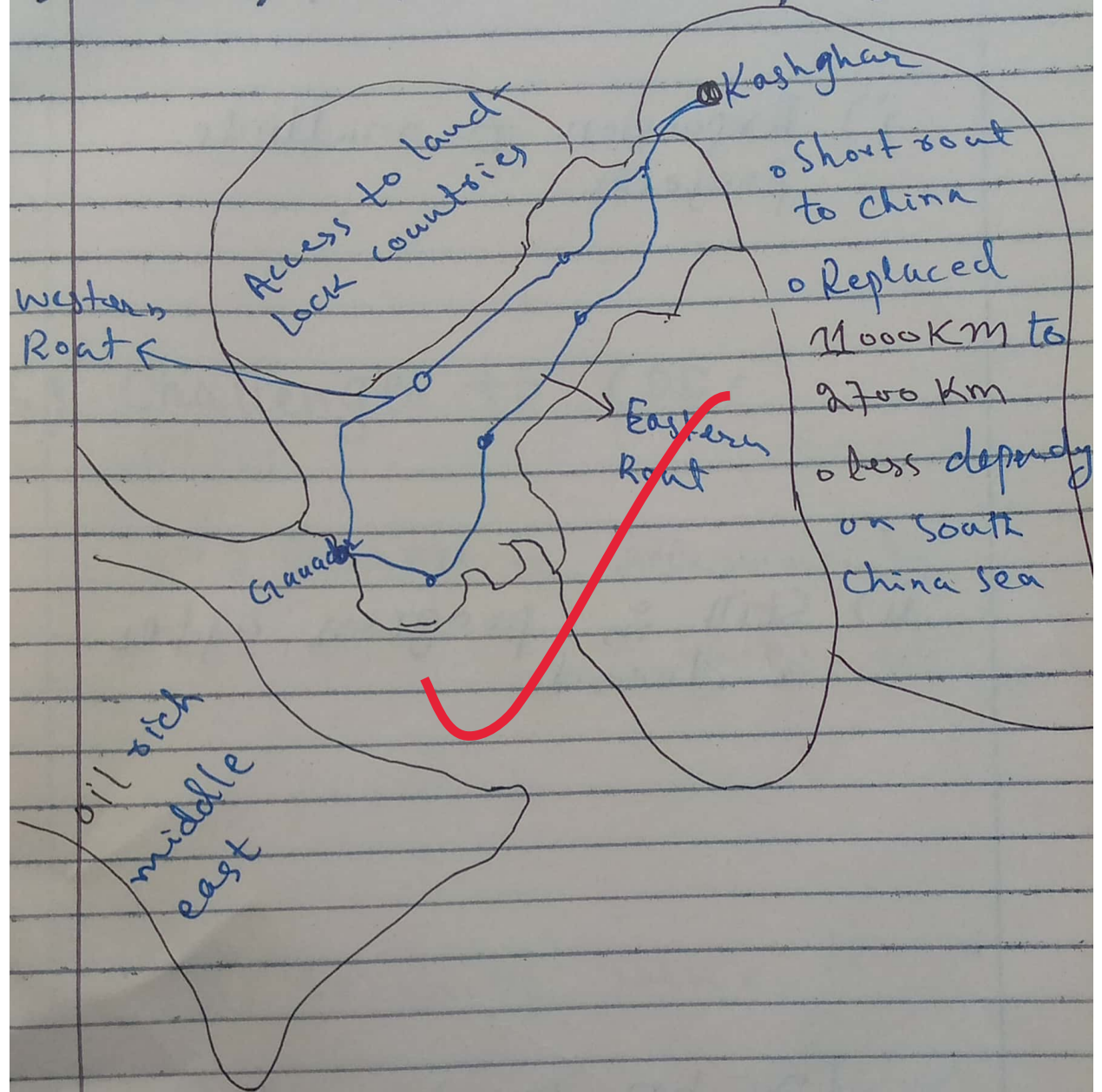
### 1) Introduction

China and Pakistan celebrated a decade of CPEC project in July, 2023. The project is in its way to progress according to its planning which achieved some success. On the other hand, it is a failure. Despite a decade only 20% work is done despite the both countries cooperation and support.

### 2) The Background of CPEC project

CPEC project was launched in July, 2013. When China president visited Pakistan. He announced that they will invest \$ 43bn in the project. Which is increased to \$ 62 bn in 2018.

### 3) Map of CPEC project



- Short route to China
- Replaced 11000 KM to 2700 KM
- Less dependency on South China Sea

Western Road ←

→ Eastern Road

oil rich middle east

### CPEC Map

## 4) The Success of CPEC

i) Expansion to multiple projects

ii) Still in progress after a decade

iii) \$25 bn investment completed.

iv) Further improvement in ties

## 5) Challenges to CPEC

i) Changes in Governments

ii) Security issues

iii) Threat from ~~China~~ or USA and India

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iv) ~~or~~ climate change.

6) Recommendations to further improve the efficiency of the project

i) Eradicate Terrorism

ii) Strong the ties.



## General instructions for attaining good marks in current affairs

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### Important Note:

Marks would be given on the following economic parameters

a- Content 60% References 15% Subject specific language 15%. Graphs and charts 10%

Add 12-13 headings in each question

the questions carry 3\_4 parts... each part has equal weightage so discuss all equally

Give examples from present events to justify answers

### 7) Conclusion

Give attractive introduction and Conclusion as well

always give headings from the question statement.. take words from the statement

link each of the argument to the asked part in the question... if you fail to do so, no matter how accurate content is, if your heading is not align with what is asked in the question, it won't be accurate

Good Luck