

Q2

Answer 1- Introduction

"The Dilemma of the twenty-first century will be over energy."

(Serageldin)

Unfortunately, increasing capacity payment to IPPs has made electricity hyper-expensive in Pakistan. Pakistan has caught in a vicious cycle of energy crisis. They need very strong recommendations to cope hyper-expensive electricity.

2- A glance at the massive energy crisis in Pakistan

"Pakistan has been facing energy crisis since 2007."

(Pakistan Bureau of Statistics)

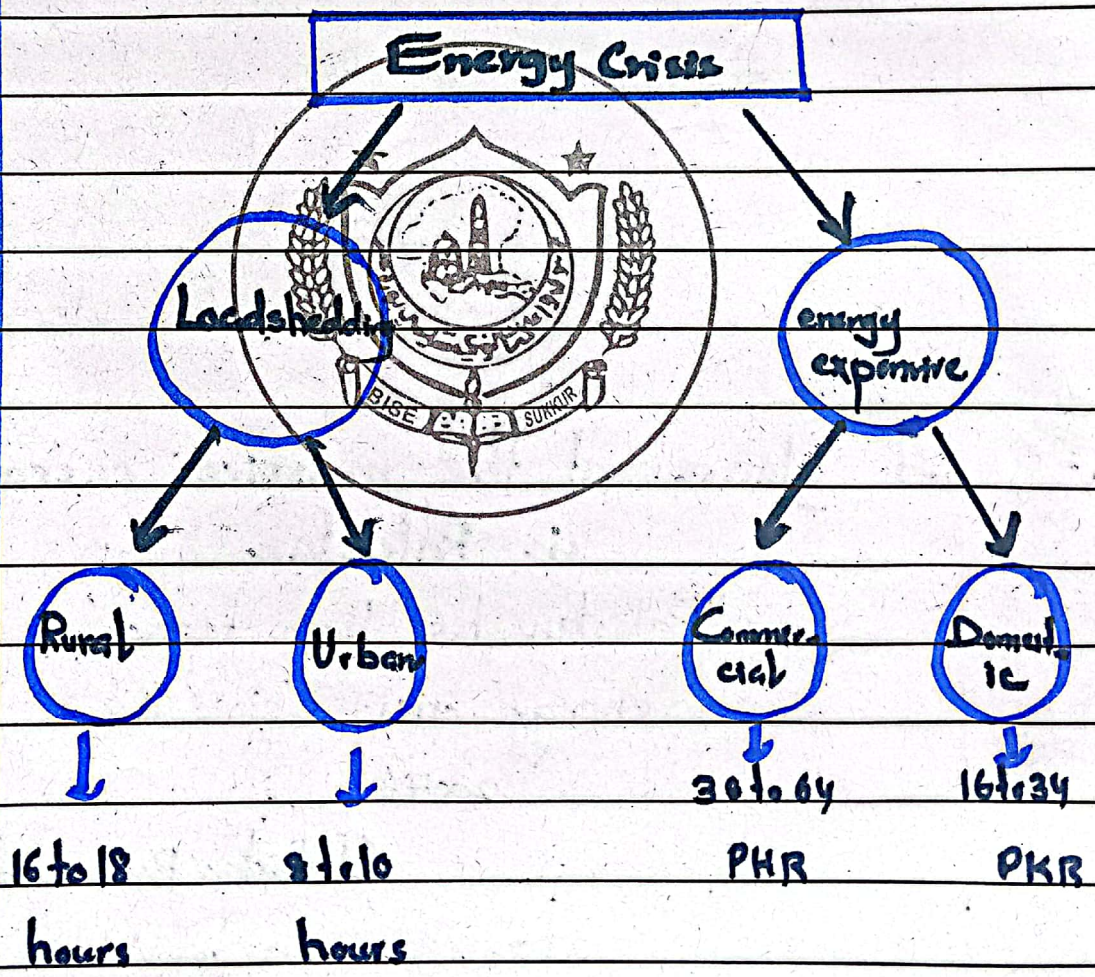
Pakistan, undoubtedly, is facing the severe energy crisis. Expensive electricity and the massive loadshedding

are examples of it.

"The 2022's year is the worst of facing loadshedding."

(Geo News, 2022)

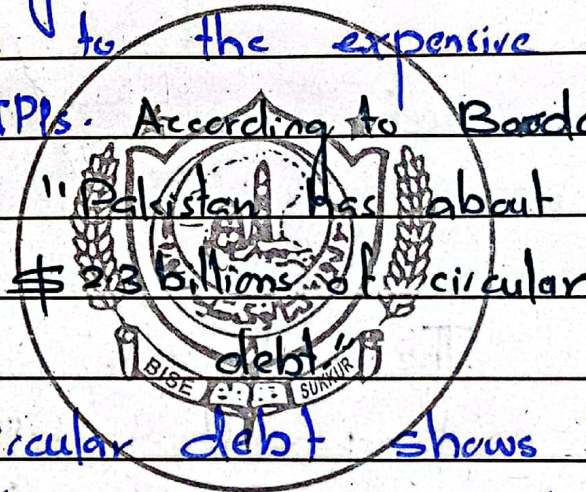
Below a cyclic representation as:



3- Increasing capacity payment to IPPs has made electricity hyper-expensive. Following are its evidence:

a) Circular debt

Increasing circular debt has caught Pakistan in trouble. This is due to the expensive agreements with IPPs. According to Barclays Bank,



Thus, circular debt shows that agreements with IPPs have made electricity expensive.

b) Unprecedented Loadshedding

Further, unprecedented loadshedding is also due to the agreements with IPPs. Expensive agreements have contributed to loadshedding!

"Pakistan is facing almost 10 to 15 hours loadshedding."

(The News - 2022)

Thereby, unprecedented loadshedding is also a result of agreements with IPPs.

c) Expensive electricity

Moreover, increasing capacity payments to IPPs also lead to expensive electricity. This has become a growing emundrum news.

"The country-wide protest, firing electricity bills, is an evidence of unbearable expensive electricity."

(Toqueer Hussain,

A Political Analyst, 2024)

Hence, expensive electricity is a negative outcome of agreements with IPPs.

unprecedented
loadshedding

expensive
electricity

circular
debt

Capacity Payment to IPPs and Expensive Electricity

4- Proactive Recommendations to cope capacity payment to IPPs and expensive electricity

Following are strong recommendations:

a) Renegotiation of agreements with IPPs
Pakistan needs to renegotiate agreements with IPPs. In fact,

8
Pakistan should play its strong and active role.

"There should not be capacity payment - but 'to give' and 'to take' phenomenon."

(Imran Khan - Former premier, 2020)

Moreover, with renegotiation of agreements,

"Pakistan can save billions of dollars."

(Imran Khan - Former premier, 2020)

This shows the need of renegotiation of agreements with TPPs.

b) Renewable energy generation

Secondly, renewable energy generation is another way to go away from IPPs. In fact, Pakistan should focus on its natural sources of energy generation.

"Pakistan can produce
60pc of energy by 2030
from renewable
Sources."

Sources."

(Pakistan Bureau of Statistics)

Thus, Pakistan needs to shift towards
renewable energy sources.

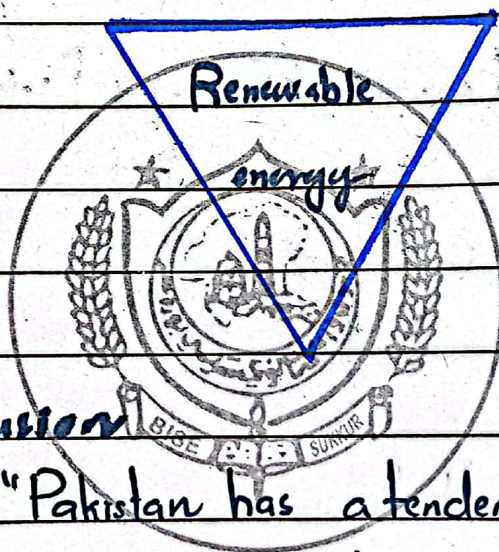
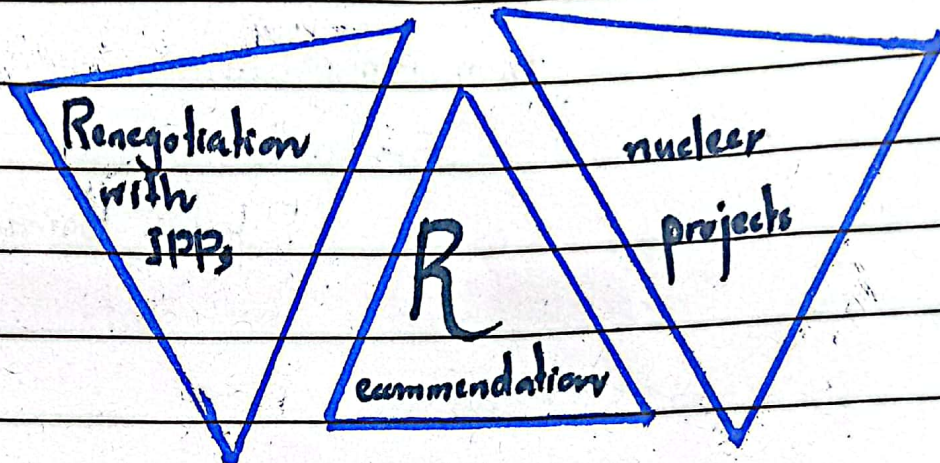
c) Civil Nuclear Energy Projects

Additionally, Pakistan
should enhance nuclear energy projects.
With this nuclear generation, Pakistan
can get rid of IPPs relations.

"Pakistan can produce
1000 MW energy
from nuclear source by
2030."

(Pakistan Bureau of Statistics)

Thereby, Pakistan needs to generate energy
from nuclear source.



5- Conclusion

"Pakistan has a tendency to cope with energy crisis."

(The World Bank)

Pakistan, unfortunately, has caught in hyper-expensive electricity trouble. This energy conundrum has a huge impact on Pakistan. However, some proactive strategies can cope with expensive electricity generation.

Q:5

Answer 1- Introduction

"The world is ever-evolving,
what's new today,
will be old
tomorrow."

(Hina Saleem)

US-Sino rivalry is shaping into increasing currency war where US wants the hegemony of dollarization. On the contrary, China is promoting its effort to de-dollarize of international trade. This highlights the rivalry on currency shaping between US-Sino.

2- US-Sino Economic Competition: An Overview

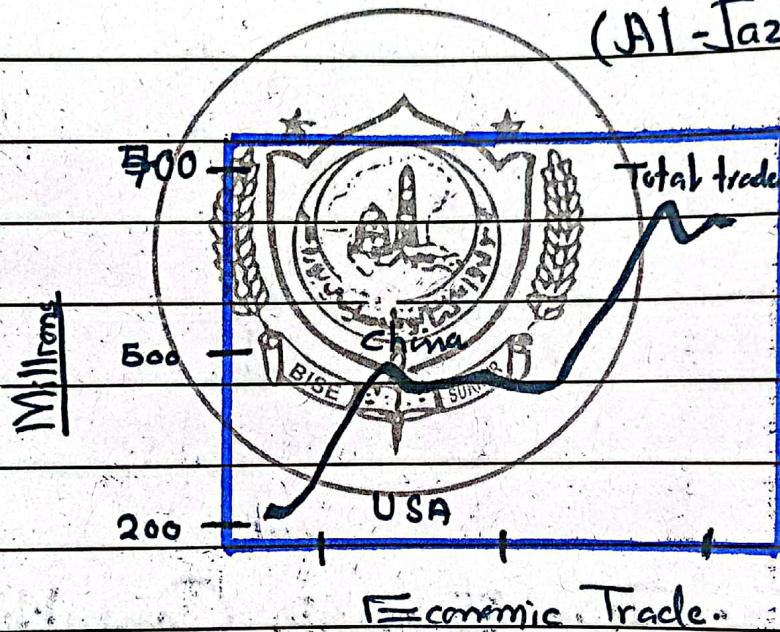
"The US is still the world's
side economic
power."

(Professor Laski)

China is tackling the USA in economic market. Due to its cheap products - China products are increasing in world countries.

"US-Sino trade of about \$700 million, China has \$200 millions of extra benefit."

(Al-Jazeera - 2022)

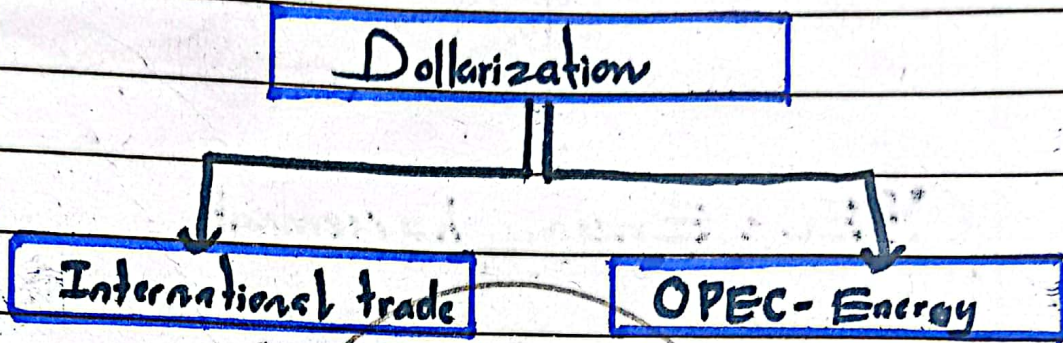


(The News - 2022)

Thereby, US-Sino are competing each other in economic market.

3- The USA Concern: Dollarization of International Trade

The USA wants to continue dollarization of trade:



a) Dollarization of International trade

Dollarization of international trade is a major concern of the US. Almost global trade is measured in dollars.

"The US is still maintaining its dollarization of policy."

(- Barak Obama)

This can be proved from following evidence:

"The US has the world's largest bank reserves with \$23 billions in 2022."

(Forbes, 2022)

Thereby, international trade is heavily dollarized.

b) OPEC: Energy Agreements

Additionally, OPEC energy agreements have also linkage with dollarization. USA and OPEC signed energy deal in dollars.

"1970's OPEC - energy has enhanced

dollarization."

(The New York Times)

This shows the US - dollarization hegemony in international market.

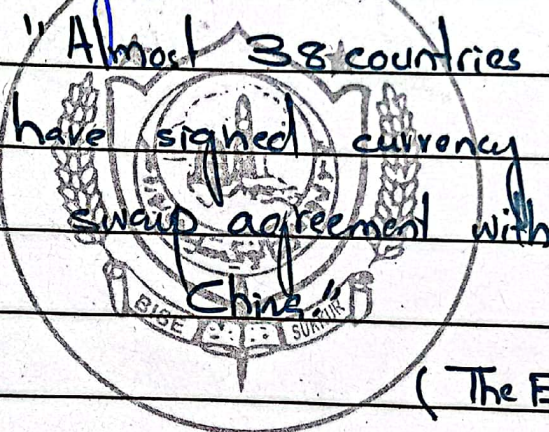
4- China's growing concern: ~~Dedollarization~~
China's dedollarization

concern is growing as:

a) Currency Swap Agreements

China has signed currency swap agreement to promote trade in Yuan. Several global countries are shifting towards trade in Yuan.

"Almost 38 countries have signed currency swap agreement with China"



(The Economist, 2022)

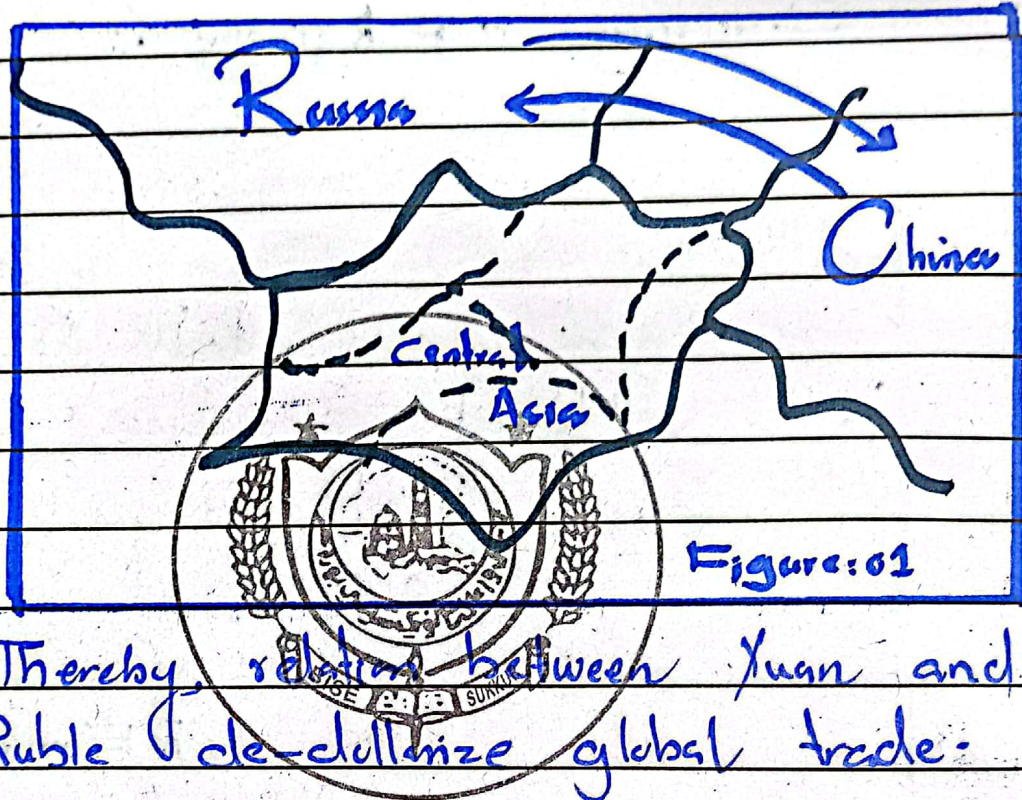
Hence, currency swap agreements are hitting dollarization.

b) Relation between Yuan and Ruble

Similarly, China and Russia have also agreed with domestic currency trade. Both countries are dedollarizing global market.

"Yuan-Ruble trade is
a victory of China's concern
of de-dollarization."

(Fischer, S.P, Moody)



Thereby, relations between Yuan and
Ruble de-dollarize global trade.

c) Energy in Yuan

Additionally, China
need a huge energy to run its
economy. For this sake, China has
promoted import of energy in Yuan.

"China is ready to
buy energy from

Iran and UAE in
Yuan."

(China's Bureau of Statistics)

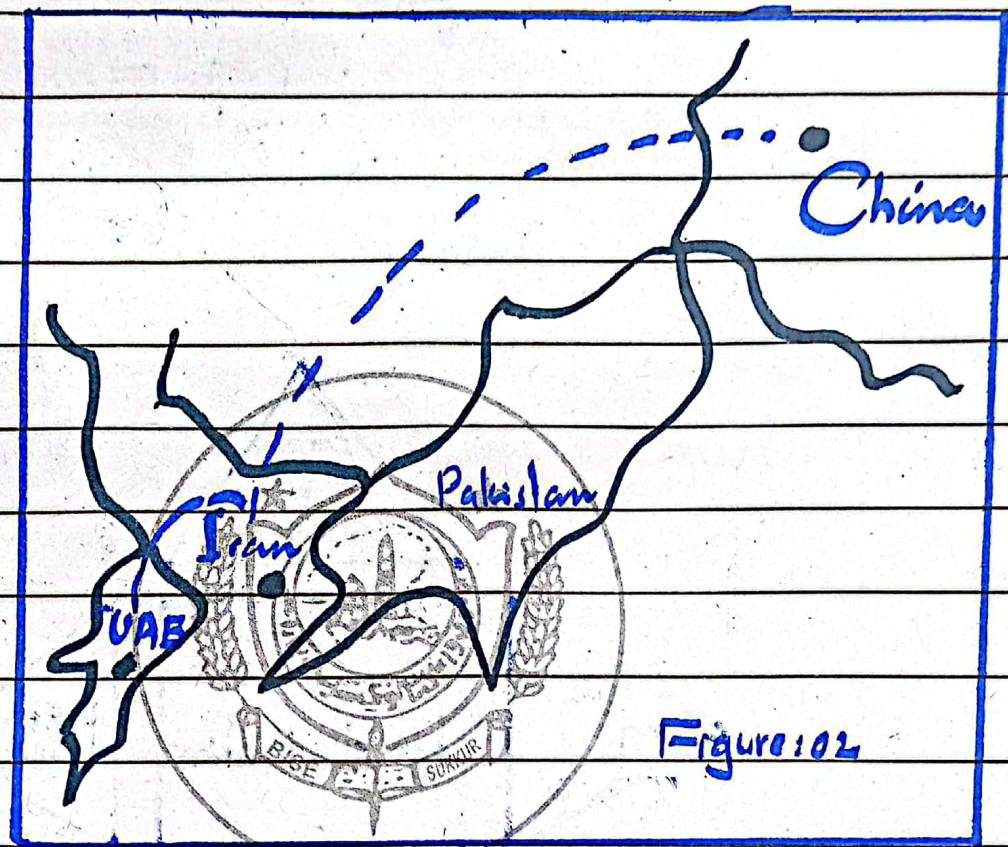


Figure 102

Thus, energy in Yuan also support de-dollarization.

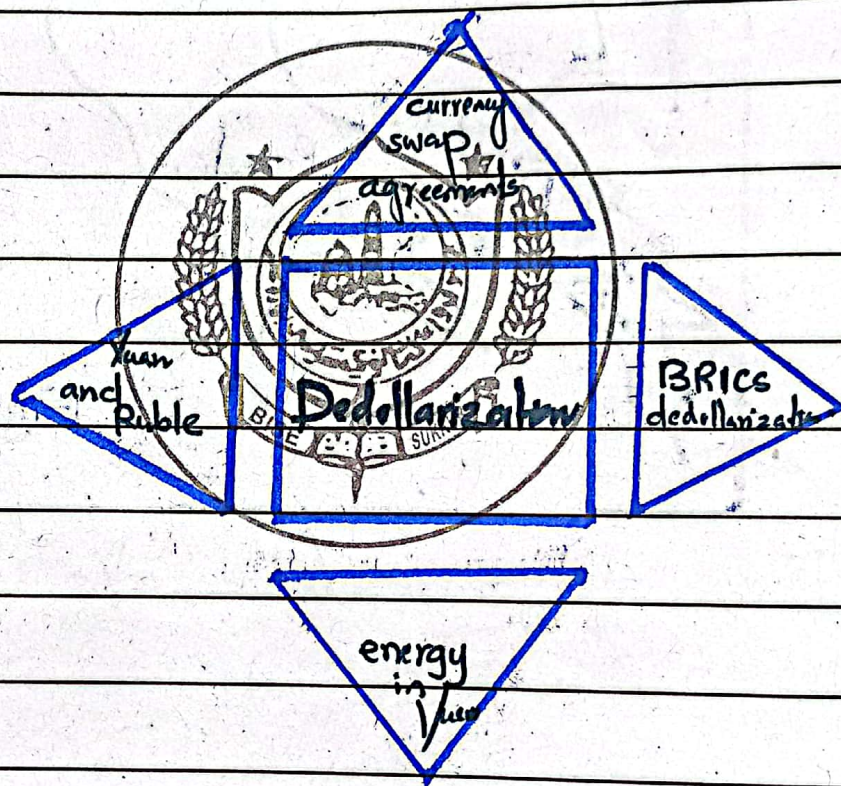
d) BRICS and de-dollarization

Moreover, BRICS expansion has also supported dedollarization. Enhancement of BRICS has promoted trade in Yuan.

"BRICS expansion has
promoted multi-lateral
trade in domestic
currencies!"

(The Economist, 2023).

This encourages China towards the
continuous dedollarization.



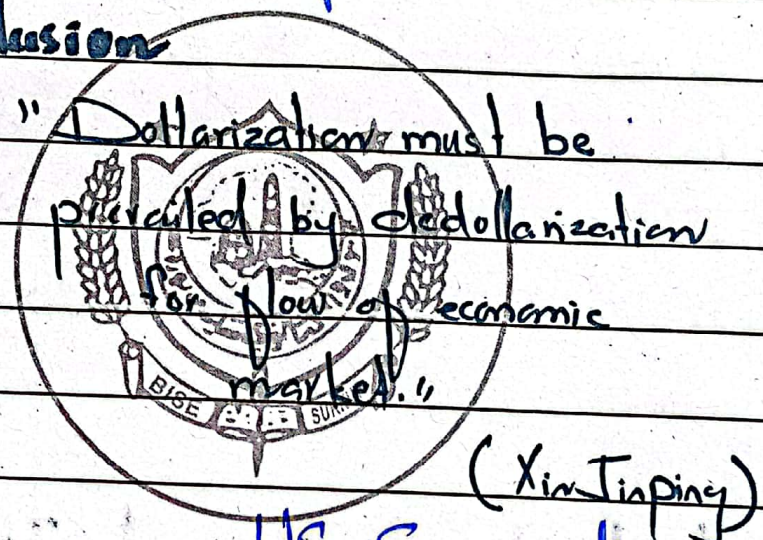
5- Critical Analysis

No matter, international
trade is dollarized. But, China's growing
economic concern is really dedollarizing

global market. According to Fischer,
"China has become the
world's second largest economy
with 19.9 \$."

Thereby, China's concern and the USA's
concern towards dedollarization and dollariza-
tion are prevailing in international trade.

6- Conclusion



US-Sino rivalry is slipping into increasing concerns towards currency war. In fact, the US wants continuation of dollarization of international market; however, China is competing dollarization. This shows currency war of dollarization and dedollarization between US-Sino.

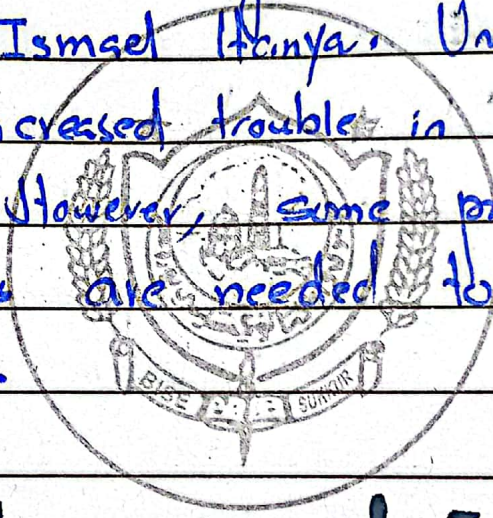
Q:7

Answer 1- Introduction

"In the heart of Middle East, an unending battle is ongoing."

(Al-Jazeera)

Iran-Israel Tensions have tremendously increased after the killing of Ismael Haniya. Unfortunately, this has increased trouble in the Middle East. However, some proactive, rational measures are needed to reduce these tensions.



2- A bird's eye view of Iran-Israel Tensions

Since Hamas challenging Israel, rivalry between Iran and Israel has increased. Both are accusing of several inhumane attacks on each other.

"Iran's proxies are responsible for Israel - 9/11."

(Israeli Defense Minister)

Below is a detailed view:

Iran-Israel Tension

• Hezbollah - support
in Lebanon

• Iran's
involvement in Syria
Government

• Iran - Israel direct
attacks in April - 2024

This shows Iran-Israel rivalry in the
Middle East.

3- Explanation of evolving situation in the
Middle East

explanation:

Following is its

a) Tension Amidst Lebanese Territory
In between Israel -

Palestine and in between Israel-
Iran tensions, Lebanon is facing
severe conundrum. This has a huge
impacts on Lebanon-border.

"Lebanon is multi-sided
affective territory in
tension."

(Al-Jazeera, 2024).

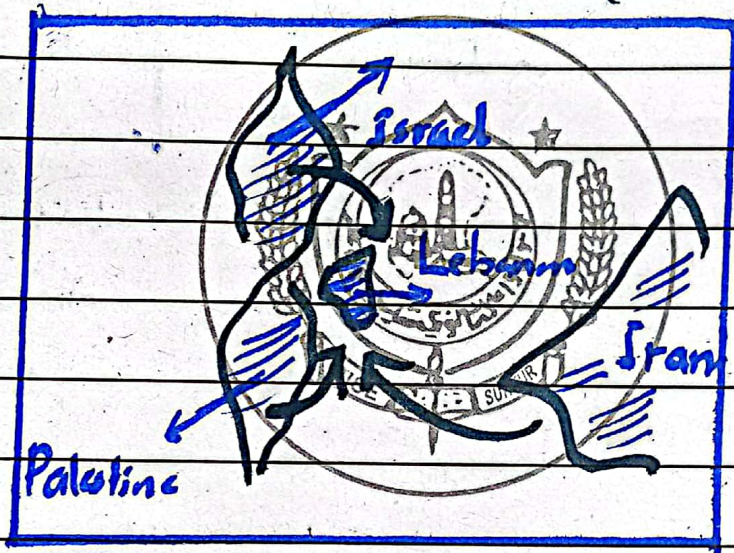


Figure 1

This shows evolving tension in the
Middle-East.

b) Gaza on fire

Undeniably, Gaza is
on the continuous fire. Massive human
casualties are its evidence.

"Gaza seems the worlds
highest and largest
battle ground."

(The World Health Organization)

Moreover,

"More than 34,000 people
have lost their
lives."

(Al-Jazeera, 2024)

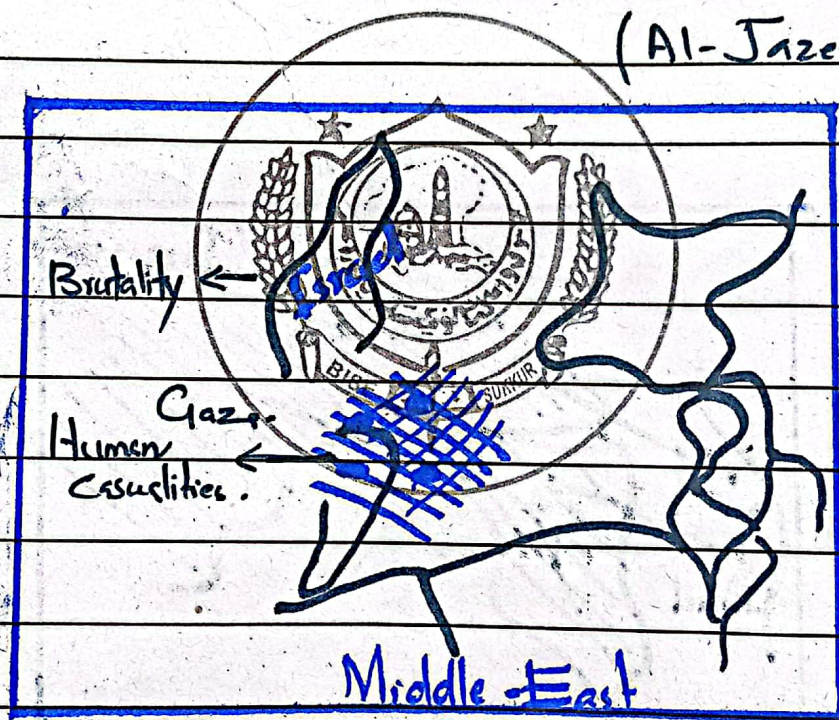


Figure 3.02

Thus, Gaza is on increasing fire.

c) **Proxies in Iraq and Syria**

Additionally, proxy
conflicts are also growing in the

middle-east. Syria and Iraq have faced proxies-led challenges.

"Syria due to Iranian involvement and Iraq with Iranian relations have accusations of proxy-players."

(The News - 2024)

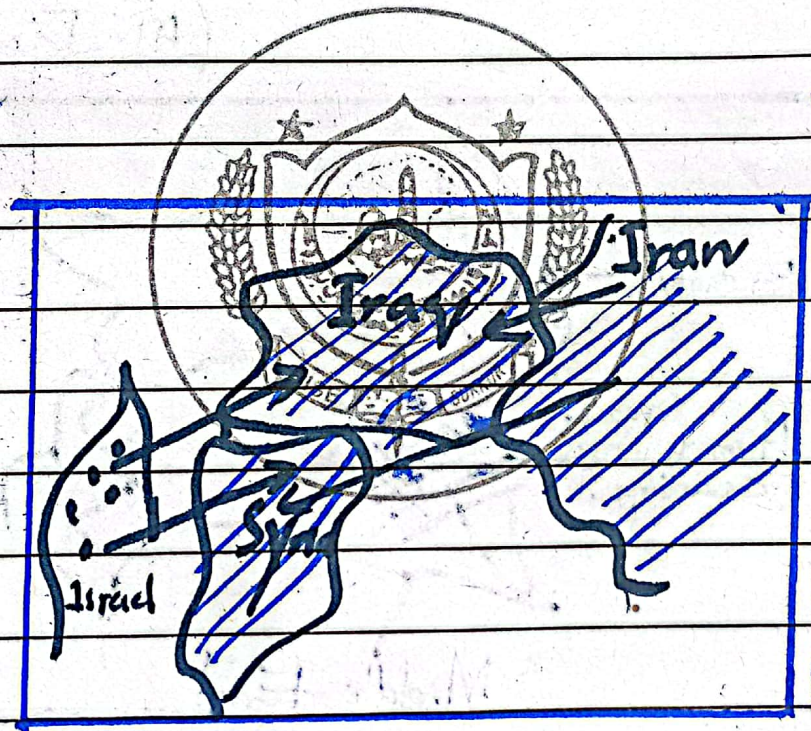
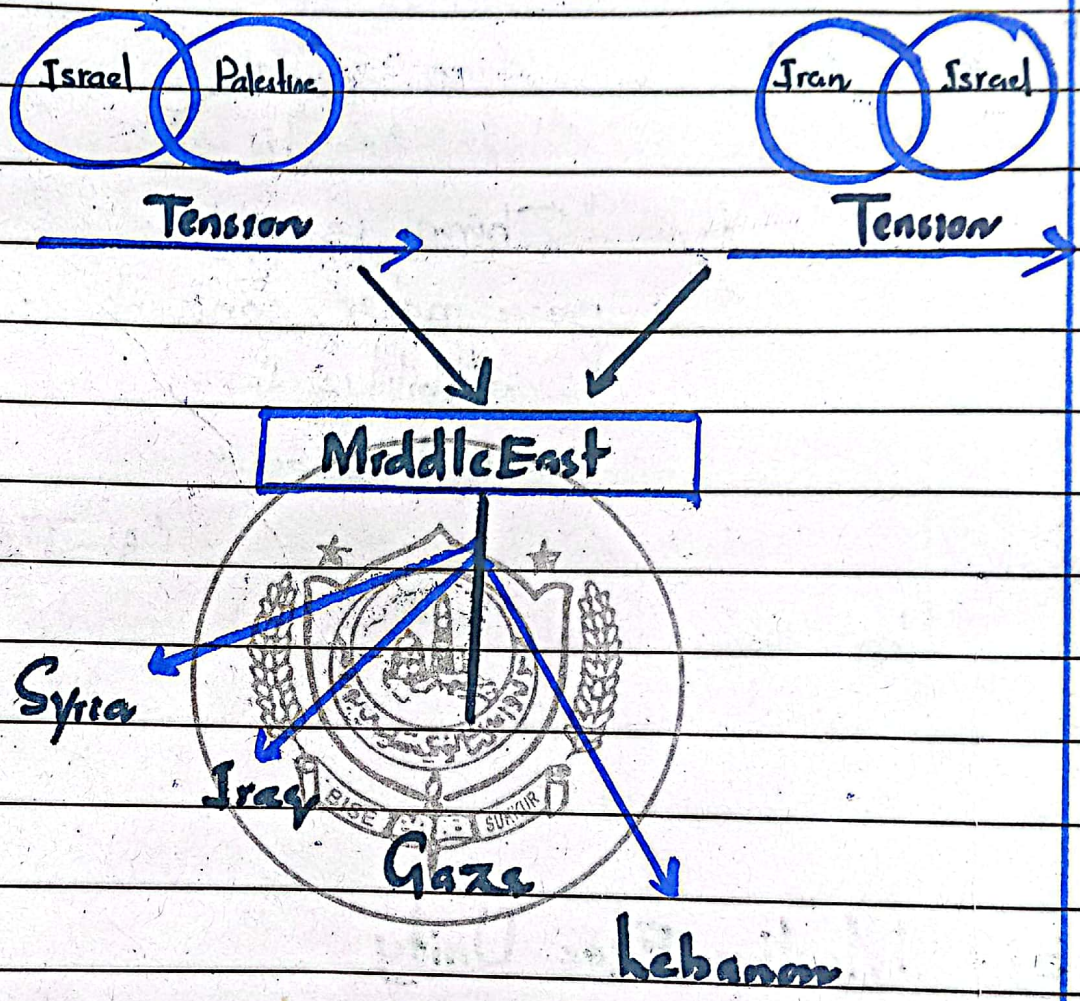


Figure: 03

Thereby, growing proxies in the Middle East are increasing tensions.

Middle-East Tensions.



4- Methodologies to reduce tensions between Israel and Iran

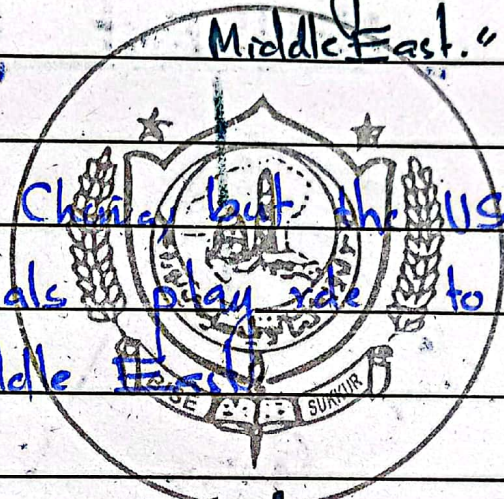
Following are its explanations:

a) Global leadership Role

Global leaders should play their role to reduce tensions between Iran and Israel. This will ensure stability in the Middle-East-

"China is global peace-maker, can enhance stability in the Middle East."

Not only China but the US and Russia should also play role to end tensions in the Middle East.



(Al-Jazeera)

b) Muslim Bloc Unity

Secondly, Muslim bloc unity can also ensure peace in the Middle-East. Role of OIC to increase Muslim cooperation can reduce tensions.

"OIC is a beacon of hope for Muslim Ummah"

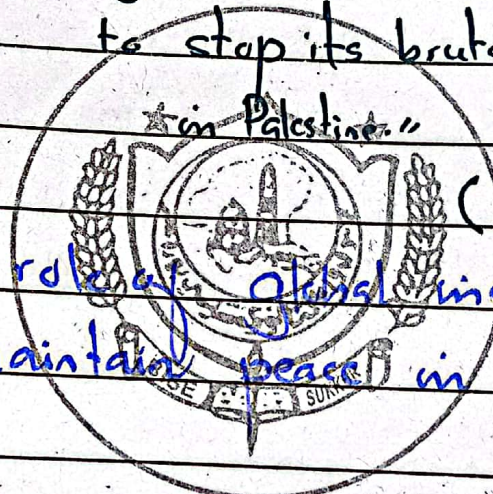
(Imran Khan)

Thereby, Muslim bloc unity can also maintain peace.

e) Role of International Court of Justice

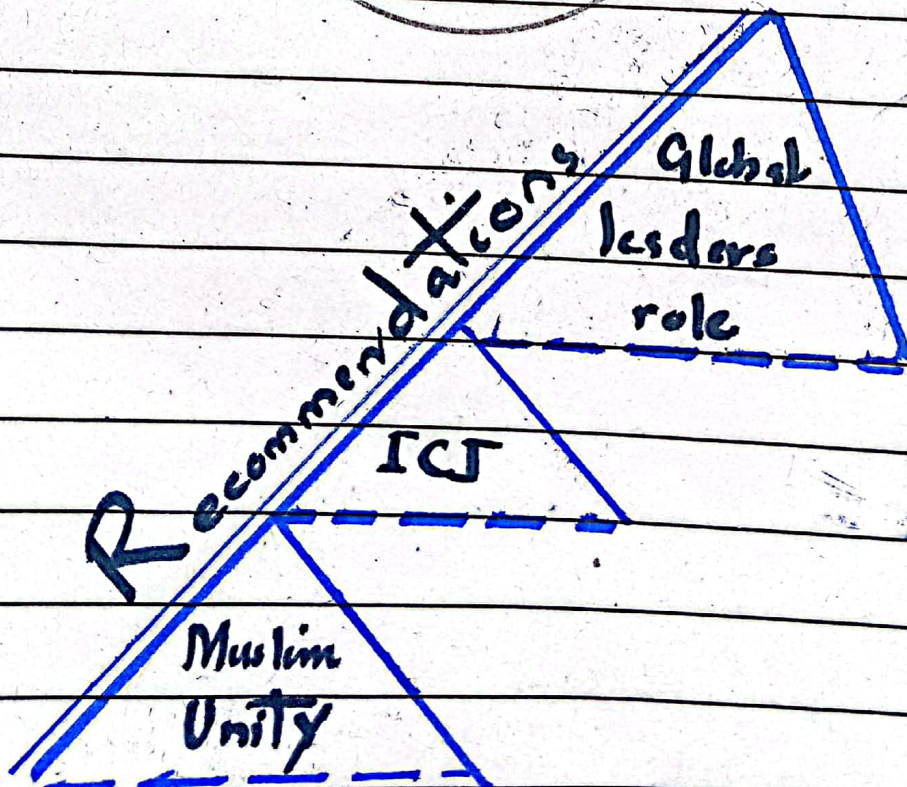
Similarly, role of ICJ can ensure peace. This not only ensure peace, but can also end conflicts.

"In July 2024, ICJ warned Israel to stop its brutality



(The News - 2024)

Hence, role of global institution, ICJ can maintain peace in the Middle-East.



5-

Conclusion

"There must be respect
to humanity."

(Antonio Guterres)

Iran-Israel Tensions

have tremendously increased after the killing of Israel Hana. Undeniably, this has increased tensions in the Middle East. However, above recommendations can end tensions in the Middle East in order to maintain peace.

