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Batch - 53

MOCK EXAM 3

Current Affairs

SUBJECTIVE PART

Part - II

Q No 4

A complex political situation has emerged in Pakistan where opposition, coalition government, military and judiciary are increasingly confronting each other. Critically evaluate the situation and give workable solutions.

Outline:

I. Introduction

II. Analysis of key players and their roles

A. Opposition

B. Coalition Government

C. Military

D. Judiciary

III. Consequences of the Current Political Tensions

A. Governance Paralysis

B. Erosion of democratic Norms

C. Increased political violence

D. Economic and Social Impact.

IV. Critical Evaluation of underlying issues

A. Lack of Political Maturity

B. Power struggles among key institutions

c. Flaws in political system.

V - Workable Solutions

A. Political reconciliation and dialogue

B. Strengthening democratic institutions

C. Accountability

D. Economic stabilization and social welfare

VI - Conclusion

Ans:

Pakistan is facing many challenges. One of them is complex political situation in Pakistan. Pakistan's political instability is due to conflict among opposition, coalition government, military and judiciary. It is severely damaging Pakistan political stability and flaring to many new challenges to rise up. There is a need of critical evaluation of problem and formulation of practical solution that ensures the democratic stability and national unity.

I. Analysis of Key players and their

Roles:

A. Opposition

One of the key players is Opposition that is exacerbating the complex political situation of Pakistan. Firstly, opposition's challenging role in the decision making of government is giving more flame to complex political situation of Pakistan. Any role or

policy made by government is opposed by the opposition. That is causing situation of halt to progress of Pakistan. Secondly, opposition put allegations on the government role that they do not fair play. Therefore, opposition is playing its negative role that is exacerbating Pakistan's political to become more worst.

B. Coalition Government:

Second key partner that exacerbating complex situation of Pakistan is Coalition government. Firstly, Coalition government do did not build unity among coalition partners. The biggest challenge is due to internal conflict and external pressures. Secondly, coalition government role raised dissatisfaction in public and caused lack of economic management. Therefore, coalition government is also one of the key players in complex political situation of Pakistan.

C. Military

Third key partner that is flammings the air of political instability in Pakistan is the role of military. Firstly, in our historic review we can see that military have great influence in the government. Military continuous involvement in the governmental affairs is one of the major cause of complex situation. Secondly, there is an

Increasing tension between civilians government and military establishment. Therefore, this is also key player in critical situation of Pakistan.

D. Judiciary

Lastly, Judiciary is also key player in the critical situation of Pakistan. Firstly, judicial role towards the state should be fair and transparent. But unfortunately, in Pakistan role of judiciary becomes suspected. Secondly, Judicial activism led country in chaos. Because a country's prosperity based on fair trial but unfortunately, it is declining due to external pressures on judges to modify their decision making.

II- Consequences of Current Political Tension:

A. Governance Paralysis

One of the biggest consequences of current political tension would be governance paralysis. Because of multiple actors trying to govern the state and everyone is trying to implement their perspective on the Pakistan. It is severely damaging the roots of Pakistan and causes governance paralysis in which Pakistan becomes at halt position and cannot work/grow properly.

B. Erosion of democratic norms:

Current situation of Pakistan is causing erosion of democratic norms. There are some norms and values for democratic state but unfortunately, due to multiple actors involvement in country's policies and decision is eroding the democratic norms of Pakistan.

C. Increased political violence:

If the current situation of Pak's remains the same, it would have extremely bad consequence of increased political violence. When many power holder people exercise power based on their greedy interest then it would turn into political violence. Then government control would remain in few men's hands and no any other person would come up.

D. Economic and Social Impact.

Present critical condition of Pak had would have consequence of Economic and social welfare dwindling. Firstly, success of any nation is based on the economic stability and social welfare of public. But in this context Pakistan is lacking.

III. Critical Evaluation of underlying

issues:

A. Lack of maturity

Reason behind these underlying issues is ~~are~~ lack of maturity. Firstly, Government honest and mature attitude towards their national interest and success plays vital role in progress and stability of country. But unfortunately, Pakistan's current critical situation is lack of leadership. There is no sincere and honest intention of political leader toward success and prosperity of Pakistan. Political leader's only concerned revolve around their greedy practices they donot think about the welfare of citizens.

B. Power Struggles among key institution

Another reason that is contributing to worsen Pakistan's political situation is power struggles among key institutions. The major institution of Pakistan are only concerned about power holding. This power struggle among the key and major institution led Pak to such worst condition.

C. Flaws in Political System

One major reason of Pakistan worst condition is flaws in the Political system. There are many flawed practices in the political.

system of Pakistan. Policy making done by legislature denied by opposition, military etc. That's why no efficient policy making carried out in Pakistan. False and corrupt practices involved in the political system of Pakistan.

IV- Workable Solutions.

A: Political Reconciliation and Dialogue.

To overcome and for the revival of better Pakistan there is a need of political reconciliation and dialogue. The government, judiciary, military and opposition needs to be on one page and ^{try to} settle their disputes on the table of dialogue. It is necessary for the progress and success of Pakistan.

B. Strengthening Democratic Institutions

For the progress and success of Pakistan there is a need of strengthening democratic institutions. All the stake holder needs to understand their responsibility and must serve their duty fairly and for the betterment of Pakistan. If internal democratic institution are weak it may raises other external enemies. So, there is need of harmony among all the democratic institutions.

C. Accountability

Accountability and transparency is the key to success in political system. Current situation of Pakistan is facing such severe challenges due to lack of accountability. Everyone should be equal before law. and everyone should be accountable for his conduct and responsibility. If the concept of accountability prevails in Pakistan as it was in the time of Hazrat Umar (R.A). Then no internal or external power can stop Pakistan from succeeding.

D. Economic Stabilization and Social Welfare

Economic stabilization and social welfare is the key to success. Country's growth and progress is determined by the economic stabilization and social welfare. Pakistan^{govt} needs to stabilize economy through their effort and also make policies for the social welfare of citizens of Pakistan.

Conclusion:

In conclusion, Although there has an emerged situation in Pakistan due to many conflicts among opposition, coalition government, military and judiciary. These only solution is

It requires reconciliation and dialogue between government and opposition. It also requires strengthening of democratic institution. Furthermore, there is a need of accountability and economic stabilization and lastly, welfare of social. social welfare. Government and other institutions need to realise the importance of unity and working in collective manner.

Q No 5

US-CHINA rivalry is shaping into increasing currency war where US wants to continuation of dollarisation of international trade while china wants to de-dollarize it. Analyze it.

Outline:

- I. Introduction.
- II. Understanding terms
 - A. Dollarisation
 - B. De-Dollarisation.
- III. US perspective over Dollarisation
 - A. Domestic trade happen in dollars
 - B. Agreements carried out for long time
- IV. China perspective over De-dollarisation.
 - A. China wants currency swap
 - B. Alternative currency for trading
- V. US efforts for Dollarisation
 - A. Petro Dollar Agreement & Establishment of IMF, WB
 - B. OPEC Resolution Passed related trade

conducted in dollars.

C- Making Dollars as Banking Currency.

D- GATT Agreement

VI- China's efforts for de-dollarisation

A- Currency Swap Agreement.

B- BRI project

C- Making Yuan as International trading currency.

D-

VII- Consequences of these Efforts.

A- International trade pattern shuffled

B- Currency swapping may be difficult

C- Multiple International trading currency.

D-

VIII- Conclusion

Ans:

China and US rivalry is shaping into increasing currency war where as China wants to de-dollarise and US wants to dollarise. In past trade between countries was conducted through share of commodities. For example, if Pakistan import oil from Iran then Pakistan will give wheat and rice to Iran as share of commodities. It is called as Barter Trade means (Give and Take). After that UK pounds was used as

International trading currency because of the colonies comes under UK trade with each other in pounds.

But due to WWI and WWII the UK pounds trading reduced. After that American Dollar was used as an international trading currency. As China is rising develop country it started efforts to de-dollarise hence new rivalry was started between US - China.

II. Understanding the terms

A. Dollarisation

US currency called dollar is the international trading currency.

So the term dollarisation is used in this sense. All the international trade among the countries concluded through the dollars.

B. De-Dollarisation

De-Dollarisation means to give another alternative currencies for the international trading instead of dollars.

China is playing key role in de-dollarisation. Especially by trying to make Yuan as an alternative currency against dollars.

III. US perspective over dollarisation

A. Domestic trade happen in dollars

According to US perspective

over dollarisation is that internationally domestic trade conducted in dollars.

It would be difficult globally to switch dollar currency into another currency for trading purposes. According to US it would be time taking process. Therefore, US claims that dollar should be the domestic trading currency.

B. Long term agreement carried out already in dollar currency

Another perspective of US ~~was~~ is that ^{across} world wide there is long term agreement carried out already in dollar currency. It would be difficult to change these agreement. According to US it would be in time taking process to change international trading currency.

IV- China's perspective over de-dollarisation

A. Currency Swap

China claims that there should be multiple currency options for international trading. China want to implement the strategy of currency swap through which china wants to make Yuan as international banking currency as well.

B. Alternative currency for trading

China claims there are alter-

natives in every aspect/field of life. There should be alternative international currency that would be used for international trading among countries. Therefore, choice wants to have alternative currency instead of uni-polar currency.

V. US efforts for Dollarisation

A. Petro dollar agreement and Establishment of IMF and WB

In 1945, US Britton Woods established the organisations such as IMF (International Monetary Fund) and WB (World Bank) that helps in the rise of dollar. After that in 1970, there was an Petro-dollar agreement between US and Saudi Arabia. It was kept secret and ^{was} not announced by the countries but, In 1972, Saudi Arabia announced this agreement by claiming that oil trade held in dollars.

B. OPEC Resolution passed related to trade conducted in dollars:

When UAE Saudi Arabia announced petro-dollar agreement it also prevailed among other Arab world countries. As Arab countries are the producers and exporters of oil to world. They are also member of OPEC.

After sometime a resolution was passed in the OPEC that states international trade of oil would be held in dollars. These efforts give rise in dollarisation.

C. Making Dollar as Banking Currency

US wants to make dollar as a banking currency. So dollar was printing currency against gold. Because dollar become once banking currency. Then automatically international trade would be conducted in dollar.

D. GATT Agreement

US also did GATT Agreement for the rise of dollar. GATT stands for General Agreement on Trade Tariff. Through this agreement doll US can control on trade tariff.

VI. China's efforts for de-dollarisation

A: Currency Swap Agreement

China did currency swap agreement with more than 40 countries across the world for international trade. It means trade between China and Russia would not be in dollars it would be Yuan and Rubble, China-Turkey

trade would be in Yuan and Lera,
and ^{most importantly,} trade between China and
Saudi would be in Yuan and
Riyal. The world's 58% trade
conducted in dollars but from the
last decade there was an rapid increase
in Yuan.

B. BRI project

China's another major effort in
de-dollarisation is the project of
BRI. BRI stands for Belt and
Road Initiative Project. China wants
to make alternative trade route
that is faster and cheaper than
the previous one. It comprises upon
the middle East region, European
countries etc. If this project becomes
successful then china's international
influence would be increased then
Yuan automatically become international
trading currency.

c. Making Yuan as an International trading currency:

China's initiative is to make
Yuan as an International and
alternative trading currency. China
also assured that it could
make e-Yuan as an alternative
trading currency. Such initiatives
by china could surely help

VII. Consequences of these efforts

A. International trade Pattern shuffled

As there were two international currency it would generate a shuffle in international trade pattern. Especially, for the new traders because of its documentation and currency swapping would be time taking process.

B. Currency swap may be difficult

As previously discussed that currency swap would be time taking process because up-till now the international trade was conducted in dollars. Due to, currency swap it takes time for traders to become use to alternative currency.

C. Multiple international trading currency

There would be multiple international trading currency. That would benefit to those countries who are poor countries and cannot afford to conduct trade in dollars. Here alternative currency would help to such countries in this scenario.

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DATE: ___/___/___

VIII: Conclusion:

In conclusion, US-China rivalry is changing into increasing currency war where US wants continuation of dollarisation of the International trade while China wants to de-dollarise it. However, both have ~~so~~ their respective perspective, this war would give innovation to traditional trading pattern. Due to currency swapping, it would be great idea.