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Batch 53

MOCK EXAM 3

Pak Affairs

Part II

Q No 2

Discuss the major economic challenges facing Pakistan and propose strategies for sustainable economic growth and development

Outline:

I- Introduction.

II- Major Challenges facing Pakistan

A. Increase trade deficit

B. Inflation surge

C. Unemployment

D. Energy Crisis

E. Agricultural Backwardness

III- Strategies for sustainable economic growth

A. Policy making to attract FDI

B. Inflation Control

C. Job creation opportunities

D. Reforms in energy sector

E. Modernizing Agriculture

IV- Critical Analysis

V- Conclusion.

Ans:

I- Introduction:

Pakistan economy is facing many challenges that is hindering the sustainable growth and development of Pakistan. Pakistan is the country where resources are in abundance, but unfortunately, due to lack of attention and faulty policy making it is facing the challenges such as Increased trade deficit, Inflation, Unemployment, energy crisis and agricultural backwardness. These problems/challenges requires immediate solution such as making policies to attract FDI (Foreign Direct Investment), Inflation control, Job creation opportunities, reforms in energy sector and Modernisation of agricultural sector.

## II. Major economic challenges facing Pakistan:

### A. Increased trade deficit:

One of the major economic challenge is increased trade deficit of Pakistan. Firstly, According to economic survey report about \$19.52 bn<sup>1</sup> trade deficit of Pakistan. Secondly, Major reason behind increased trade deficit is large number of import and very small number of exports. Pakistan is importing oil, gas, petrol and other commodities. All the sale purchase carried out in dollars. Thirdly, there is a decrease in the value of rupee and surge in the value of dollars.

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Therefore, these reasons causing increased in trade deficit and became hurdle for the sustainable economic growth and development.

### B. Inflation surge

Continuous Surge in the Inflation is the major reason for decline in the <sup>economic</sup> <sup>na</sup> sustainability and development. First of all, Inflation surge happens due to more number of imports and less number of exports. Secondly, Oil is the largest trading commodity and Pakistan import oil from OPEC. According to OPEC trade conducted in dollars. When oil was purchase on high rates then automatically, the other commodities will be expensive. Therefore, Inflation surge is one of the major reason that is hindering economic growth and development of Pakistan.

### C. Unemployment

Another major challenge that Pakistan's economy is facing is unemployment. First of all, Recently in Pakistan there was an unavailability of internet has caused many <sup>online</sup> job holder to become job less. 50% of today's Pakistan growth was dependent on the online working class. But govt claims due to security concerns and installation

of firewall has caused this delay in availability of Internet. Moreover, Fives declare many online workers profile as an unavailable due to loss of internet connection. Secondly, jobs in Pakistan remains very less in number because the concept of bribery prevailed in the society. So there are no allocation, recruitment on the basis of merit. Therefore, in this sense unemployment is the one of the biggest challenge for economic development and growth of Pakistan.

#### D. Energy Crisis

Another major challenge that is hurdle in the economic growth and development of Pakistan is energy crisis.

Pakistan is facing energy crisis. It also causes surge in the electricity bills.

First of all, Pakistan import coal, gas, petrol for making energy these non-renewable resource are expensive and when energy generated through it is not sufficient.

Secondly, the <sup>one</sup> major reason is false transmission lines and distribution channels.

Energy generated got lost before reaching to its destination. Thirdly, there are conflicts of IPP's and govt. Therefore, energy crisis are exacerbating decline in economic growth and development of Pakistan.

### E. Agricultural Backwardness

Agricultural backwardness also becomes a major hurdle in the economic development and growth. Firstly, Pakistan's 80% GDP depends upon the agricultural sector. But unfortunately, due to backwardness in agricultural sector economic growth and development become halt. Secondly, there are lack of funds and lack of policy making regarding agricultural sector. Thirdly, lack of technology advancement in the field of agricultural sector. Therefore, agricultural backwardness is contributing in challenging the economic growth and development of Pakistan.

### III. Strategies for sustainable economic growth.

#### A. Making policies to attract FDI

One major way ~~can~~ <sup>could</sup> be by making policies that attract FDI. Firstly, Government of Pakistan should make policies that benefit FDI (Foreign Direct Investment) along with Pakistan. Such strategies should be adopted that attract foreign investors to invest in Pakistan. Secondly, CPEC is one of them, this project can also open doors for the revival of FDI's in Pakistan. Thirdly, new and better opportunities should be adopted that attracts foreigners for

## Investment in Pakistan.

### B. Inflation Control

Reforms and policies should be made to control the inflation rate in Pakistan. For this purpose, first of all there is need to understand that being dependent on other foreign countries for non-renewable resource Pakistan can never overcome its challenges. Dependency on foreign import should be less. Secondly, The government should promote the use of renewable resource that are cheaper in price and unlimited available. Therefore, these steps should be taken to control the inflation rate of Pakistan for the economic growth and development.

### C. Job Creation opportunities

Job creation opportunities could play vital role for boosting up the economic growth and development of Pakistan. Firstly, Government needs to make policies that promote small scale establishment of Industries and small scale business that create opportunities of job. Secondly, government should encourage public towards online job because through this the money would be in dollars and it will give boost to the Pakistan's economy. Therefore, government should pay attention towards policies making that creates opportunities

of job that would contribute to boost the economic growth and development of Pakistan.

### D. Reforms In Energy Sector

There is a need of reforms in the energy sector for the proper growth and development of Pakistan economy. Firstly, imports of expensive non-renewable resources should be discouraged. Secondly, Government needs to move switch towards renewable resources such as solar panels, wind, tidal and hydroelectric power generation. Therefore, in such way economic growth and development of Pakistan can be possible.

### E. Modernization of Agriculture sector

Modernizing agricultural sector can play vital role in the progress and development of Pakistan economy. Firstly, government needs to bring technological advancement in the field of agriculture. Such as use of modern equipment for the irrigation process such i.e. drip irrigation technique. In Secondly, efficient provision of fertilizers means provide those elements only that are required by the plants for their proper growth. Thirdly, there is need of spreading educating agricultural sector workers about new technological equipment to make agricultural growth better. Therefore, these steps could boost Pakistan economy.

#### IV. Critical Analysis

Critical analysis of this could be that there is a need to identify the major causes, or root causes behind this issue. and then find out the possible solution and practical solution to overcome this problem. Pakistan economy is dwindling day by day if it continued it would lead Pakistan to chaos and would face harsh consequence of it. Therefore, there is an intense need to realise the major causes of this problem, identify them and provide collective and practical solution for the progress and development of Pakistan's economy.

#### V. Conclusion:

In conclusion, however Pakistan is facing severe issues regarding growth and development of Pakistan's economy. Pakistan's facing challenges such as increased trade deficit, inflation surge, unemployment, energy crisis and agricultural backwardness. There are immediate solution of these challenges such as making policies to attract FDI, inflation control, Job creation opportunities, reforms in energy sector and modernising agriculture sector. Therefore, if these remedial steps were implemented practically it will give boost to economic sustainability growth and development of Pakistan.



## Q No 3

CPEC Phase-II demonstrates China-Pakistan's commitment to realize their shared vision of a prosperous future. The introduction of five new corridors - such as the corridors of Information, ..... infrastructure project. Elucidate.

Outline:

I- Introduction : overview of CPEC Phase I.

II- Major Corridors of CPEC- Phase-II

A- Corridor of Information

B- Corridor of Job creation

C- Innovation

D- Green Energy

E- Inclusive Regional development

III- Strategic Implication of CPEC Phase II

A- Enhanced Economic Resilience

B- Strengthening Relations with China

C- Enhanced global relation

IV- Challenges

A- Political Instability

B- Internal and external Security threats

C- Dwindling Pakistan's Economy

V- Critical Analysis

VI- Conclusion.

Ans.

Introduction:

After the completion of CPEC Phase I under BRI project. First of All, CPEC is the sub-part of project of BRI (Belt and Road Initiative). CPEC is the

the project that can boost Pakistan's economy tremendously. Under this project Infrastructure formation is being carried out, including clean energy projects and establishment of SEZ's (Special Economic Zones) and in the transportation sector through Bullet train project. Furthermore, China has started CPEC Phase II that comprised upon five major corridors - such as the corridor of information, corridor of job creation, innovation, green energy and Inclusive Regional development. It will benefit Pakistan's in numerous perspective including enhanced economic resilience, strengthening China Pak relation and also enhanced global relations.

## II- Major Corridors of CPEC Phase II.

### A. Corridor of Information.

In this corridor, information sharing will be focused through the use of technology. Establishment of infrastructure of technological hubs would be made. This corridor would mainly concerned about the use of technology and related its information sharing will be focused.

### B. Corridor of Job Creation

As in CPEC first Phase-I, there were number of SEZ's establishment were carried out. Now those Special Economic Zones will provide job opportunities for the people. Small and large scale industries

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were established for making more and more creation of job opportunities.

### C. Innovation Corridor

In this corridor, innovation were being carried out. Research-based information would be carried out. Creativity and innovative mind set would be build through this corridor. Different hubs would be established for research based discoveries.

### D. Green Energy

In this corridor green energy initiative were taken. It means those methods of energy generation would be adopted that could not harm the environment.

In this CPEC-Phase II, mainly concerned would be clean energy project through solar, wind, hydroelectric power generation.

## III. Strategic Implication of CPEC Phase-II

### A. Enhanced economic resilience

CPEC Phase-II would have strategic implication on Pakistan as it enhances economic resilience. As Pakistan is facing economy crisis due to many prevailing issues. But CPEC Phase-II will give boost to the economy of Pakistan in numerous ways by making more job opportunities, share of information, green energy and inclusive regional development.

### B. Strengthening relation with China

CPEC Phase-II would give boost

to the Pakistan's neighbourhood and Friend China.

Long term project such as CPEC Phase I and CPEC Phase II will flourish the relation between Pakistan and China. Further more, As China is emerging as world <sup>largest</sup> economy so it will also benefit Pakistan if china become super power.

### C. Enhanced Global Relations

CPEC Phase-II would also enhances global relation with Pakistan. Due to dwindling economy Pakistan's relation are not much good with other countries. Secondly, there is also wrong image of Pakistan was portrayed by the enemies that Pakistan is an terrorist state.

But China's CPEC Phase II would enhances relation with other world countries and also prove help's help helpful for changing perspective of people that Pakistan is not terrorist state.

## IV - Challenges

### A. Political Instability

Political Instability is one of the major reason of Pakistan bad economic condition. Firstly, there are many internal conflict happening between the political parties. Secondly, involvement of establishment in the affairs of government is also exacerbating political instability.

### B. Internal and External Security threats

Internally, militants attacks started

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exacerbating. That is making foreigners afraid of it because of their security. Secondly, there is an increasing tension between the Middle East Region, such as Israel Palestine War and Martyrdom of Ismail Haniya. These factors become major hurdles in the prosperous prospects of CPEC Phase II.

### C. Dwindling Pakistan's Economy

Pakistan's dwindling and unstable economy also becomes a major challenge in the CPEC Phase II. Because it is necessary for any country to have a stable economy for attracting FDI (Foreign Direct Investment). But Pakistan's weak economy makes them think twice before investing in Pakistan.

### V. Critical Analysis

On the basis of critical analysis, CPEC Phase II is the most beneficial project for Pakistan's economy. It will benefit Pakistan in the field of Technology, Science, Environment, energy and job opportunities. If the Government of Pakistan shows keen interest and responsibility towards CPEC Phase II, it would be a life-changing project for Pakistan. There is a need of responsibility to show towards CPEC Phase II for gaining its fruitful consequences.

### VI. Conclusion:

In a nutshell, CPEC Phase II demonstrate China-Pakistan's commitment to realize their shared vision of prosperous future. The introduction of five more major corridors such as corridor of information, corridor of job creation, corridor of innovation, green energy and inclusive regional development. This project have wide range of fruitful benefit for Pakistan in many ways such as enhanced economic resilience, strengthening relation with china and enhances global relation of Pakistan. Therefore, government and authorities should pay attention on CPEC Phase II for gaining its fruitful consequences.

### Q No 8

The demographic indicators of Pakistan indicate that the notion of fiscal responsibility and social expectation are growing. Explain.

Outline:

I. Introduction

II- Demographic Indicator of Pakistan

A. Population growth rate

B. Age structure (young population)

C. Urbanisation

III- Fiscal Responsibility

A. Demand for public services

B. Sustainable economy

C. Taxation and revenue generation

#### IV - Growing Social Expectation

- A. Education and employment opportunities
- B. Public service and healthcare opportunities
- C. Better quality of life.

#### V - Challenges

- A. Political Instability
- B. Internal and External security

#### Threats:

- C. Lack of funds

#### VI - Critical Analysis

#### VII - Conclusion.

### Q No 6

Discuss the evolution and growth of Muslim Nationalism in subcontinent. Clearly elucidate<sup>at</sup> the role of leadership in it.

#### Outline:

#### I - Introduction

#### II - Pre era of Muslims in subcontinent

- Historical overview

#### III - Role of Sir Syed Ahmed

- Two-nation theory
- Institution Establishment

#### IV - Role of Allama Iqbal

- The saying, writing of him
- Efforts for awareness of people

#### V - Role of Quaid-e-Azam

- Muslim League
- Lahore Resolution 1940

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VI- Role of religious Reformist

A. Sheikh Ahmed Rishi

B. Shah Wali Ullah

C. Syed & Ahmed Shaheed.

VII- Critical Analysis

VIII - Conclusion