

## PART-II

Q. NO. 02

### Introduction:

Pakistan is now going through the complex economic situation. Ranging from the fiscal policies to budgeting investment in Pakistan. All these problems are being faced by Pakistan. Despite the different proposals came to bring Pakistan out of the crisis but of no use. Recently, Govt of Pakistan has announced Economic Rehabilitation plan. However, this plan like other plan seems not to be implemented in true letter and spirit. In order to cope with these challenges some strategies like promoting SME, increasing exports, bring more remittances and also bring more foreign direct investment. So, the above discussed steps could bring Pakistan out of this crisis of vicious cycle.

### Major Economic Challenges Facing Pakistan:

1. Despite Assurances low Foreign Direct Investment of GCC countries.



Pakistan is facing a severe shortage of low foreign direct investment. PM Shahbaz Sharif visited the GCC countries calling them to invest in Pakistan but no concrete steps are still taken in this regard.

According to Ministry of Economic Affairs:

UAE and KSA have vowed to invest \$25b and \$10b respectively.

## 2. Less Exports - Due to the poor performances of SMEs:

The low export of Pakistan is a severe economic problem. Currently, the total exports of Pakistan stand at \$29.5bn half of the Bangladesh exports. In this regard small and medium enterprises have not contributed upto the mark.

According to Reports:

SMEs accounts more than 30% of GDP.



### 3. Increase in Proportion of Shadow Economy - Unregistered Retailers:

Shadow economy or informal economy is increasing its proportion. Due to this this economic sector is not under the tax net.

According to Reports of World Bank:

Shadow's Economy accounts for more than 54500 in Pakistan.

Due to its huge potential to contribute to the economy, it is posing a serious economic challenge.

### 4. Less Increase in the Tax Base:

The economic sector is facing a major setback of not increasing the tax base. Major sectors like agriculture, and retail sectors have larger share of GDP but contributing less.

According to Reports:

Agriculture's share in GDP is 21% but in tax less than 1%.



## 7. Capacity Payments to the IPPs:

Independent power producers are posing a major blow to the economy of Pakistan. Due to the long un-negotiated agreements despite the load-shedding their capacity payments are increasing.

According to reports of PILPAT:

Total capacity charges to be paid to IPPs accounts for 2.2tr. Add more arguments in this part

## Strategies for Sustainable Economic Growth and Development:

### 1. Create Suitable Environment for Foreign Direct Investment:

Investors are hesitant to invest in Pakistan due to the harsh economic policies of government. Therefore, it is necessary to create the suitable environment for the FDI.

### 2. Concentrate on SMEs to Boost Exports:

Small and medium enterprises account more than 50% of GDP. However, there is a large poten-



trial to boost exports. Therefore, government should adopt policies to give boost to SME.

### 3. Increase in the Tax Base:

Under collection of tax is a major problem to economy. In this way government is not able to complete for its expenditures. Recently Government of Pakistan has announced:

To launch a Dost Program App to increase tax base

### 4. Re-negotiate the Capacity Payments with the IPPs.

Capacity payments are need to be re-negotiated. By re-negotiating the agreements, not only the money have saved but also cheaper electricity will be available to the consumers.

According to press briefings:

Government is ready to re-negotiate the agreements with IPPs

### 5. Build a Peaceful Environment by Tackling the Menace of Terrorism.



Chinese investors are fearing of the terrorism in Pakistan. It is likely to the party member of communist party:

Terrorism is the only major obstacle in the investment from Chinese investors.

So, in order to harness the full potential of CPEC. It is necessary to cope with the threat of terrorism.

Conclusion:

To conclude, Pakistan's economy is facing numerous challenges ranging from fiscal to investment. However, the government has announced some economic revival plans. But it is the time to take concrete steps. Like give loans to the small and medium enterprises, increase in the tax ~~and~~ and the increase in the exports. Last but not least increase the FDI.

A 20 marks answer should have around 15 subheadings



Q. NO. 03

Introduction:

China-Pakistan Economic Corridor is an flagship project of Belt and Road Initiative of China. It mainly consists of the three phases, starting from the phase of connectivity to the development of GROWTH. Now, Pakistan has entered into a second phase called the phase of special economic zones. In this phase special economic zones of shared importance would be built to boost the exports. Besides this, there lies the new corridors since the corridors of information, job creation, innovation, green energy and the inclusive Regional Development. These new corridors give diversification of the infrastructure. Although these new corridors are the part of the all the three phases of development.

Illustration of CPEC's Strategic Diversification Beyond Traditional Infrastructure Projects:

1. Building a Corridor of Information:

Aligning the infrastructure



projects there lies the spreading of 5G network along the entire road connectivity. This major breakthrough will be crucial for the long unresolved issue of internet connectivity.

According to official statements:

There was spreading of 5G lines along the CPEC infrastructure connectivity.

## 2. Building Corridor of Job Creation:

Besides the advantage of infrastructure it is evident that the project has created multiple jobs for the Pakistan.

According to Reports:

85000 Pakistanis have compensated on different levels of jobs.

## 3. Building an Era of Innovation:

In the second phase, there will be establishment of special economic zones. These zones will prove a centre for the innovation.



In these the locally produced raw materials have been used and new methods in collaboration of the Chinese scientists will be observed.

#### 4. Building of Projects Focusing on Green Energy:

Besides infrastructure projects there lies the building of the green energy projects. These projects focused on the wind energy, nuclear energy, solar and hydropower.

The most prominent example is the Guaido-Azam Solar Park in BWR.

#### 5. Fostering Inclusive Regional Development:

By building CPEC there lies the benefit of inclusive regional development. This is important along with China other neighbouring countries should also grow with the speed of China. Thus fostering inclusive regional developments.

#### 6. Getting Diplomatic Support of China:

In addition to this infrastructure projects China has helped Pakistan.



- on the diplomatic front. This is most prominent in the issue of Kashmir.

China has reiterated its support for Kashmir and defend their right to self determination.

## 7. Building Gwadar an International Port City:

Gwadar has gained much importance since the arrival of CPEC. Because for China it is the shortest route to reach the GCC countries. Due to this importance China is building international airport, bus pilots and many power projects there.

## 8. Receiving Defense Support:

Besides CPEC Pakistan is receiving defense support from China. This support includes the weaponry, tanks, aircrafts, shells. According to reports:

Pakistan has been the second largest Receiver of Defense support from China.



## 9. Avoidance of Default in terms of Economy:

China has helped Pakistan in the times of economic default. Recently, Pakistan has received the amount of \$1.2 bn to support Pakistan.

Pakistani Finance Minister also negotiated power projects.

## 10. Boosting Chinese culture:

Despite infrastructure projects, China is also building Confucius institutes to the promotion of his culture and language. In addition to this:

China is giving 10000 students a post-graduate scholarship.

## Conclusion:

To conclude, China has been extended its influence beyond in the infrastructure. Razing from the corridor of information to the corridors of regional development. In this second phase, China has diversified its supports also including the scholarships to the Pakistani Post-Graduates.



Q. NO. 07

## Introduction:

In the adoption of 1973 constitution Pakistan has become a parliamentary democracy consisting of two chambers. Upper chamber is Senate and the lower one is National Assembly. In the theory of separation of powers and the founders who adopt parliamentary democracy that it is the sole prerogative of the parliament to make laws. Government will not have any influence in the law making. However, in Pakistan there is not any defined limits of the institutions. Govt has mainly interfered in the parliament and obstructs the law making process. Therefore, it is hard to say that the government will not interfere in law making because all the cabinet ministers including the PM is first of all the member of parliament. In this way government influences the parliament.

## Functioning of Parliamentary Democracy in Pakistan:

### 1. Composition of Parliament:

Parliament in Pakistan is



bicameral consisting of the two chambers. Upper chamber is senate consisting of 100 seats. Its sole purpose is to give equal representation to all the provinces regardless of their size and population. The lower chamber is the national assembly consisting of its members directly elected. Its major function is the law making, amending and making new laws. Its sole duty is to approve the budget of the federation.

2. Functions of National Assembly - Lower House to Maintain Parliamentary Democracy:

A. Bill Initiation

National Assembly is the lower house in bicameral legislation. It consists of members which are directly elected. The bill is initiated from any side of the treasury or opposition benches and after approval of 2/3 majority then go to senate.

B. Debating on Any National or Local Issue:

If any member of National Assembly sought to debate on any issue relating to the constituency or any national issue opposition can also seek any answer from the members of treasury benches.



Add and highlight references/examples against these arguments

C. Approving of Budget - A true representation of Democracy:

Budget is presented, debated and approved by the members who are directly elected by the people. It is the sole prerogative of NA to approve the budget.

D. Cabinet and PM are also the members of NA:

NA represents the members elected by the people. Therefore it is mandatory that the PM should have firstly the membership of NA. Moreover, the cabinet ministers are also the part of NA, showcasing the strength of democracy.

E. Government is Answerable to the NA:

If the government takes any initiative related to the foreign or national issue it is answerable and keeping in his confidence in that step. Therefore, it is obvious that the government is indirectly responsible and answerable to the people of Pakistan.



## 2. Role of Senate in Upholding Parliamentary Democracy in Pakistan

### A. Representation of All Provinces:

Senate is proposed and materialized for the equal representation of the all provinces. Regardless of their size and population. Thus, indirectly representing the people of all the provinces.

### B. Can Debate, Pass and Initiate a Bill:

Senate has the power to debate, amend the bill passed by the NA. After approval of the Senate the resolutions go to the President for the final approval. After the signing of the President it will become law.

### C. Chairman Can Act as an Acting President:

In case of absence of the President or any sudden death or removal of President, the Chairman of Senate can act as the acting President of the country.



### 3. Government has leverage in Law Making in NA:

As any party which has the majority either simple or absolute can form the government. Then there is no doubt that government has the majority in the NA. By having this majority government has leverage in law making.

### 4. Government also has the Authority to Issue Ordinances:

Government also has the authority to bypass the parliament by issuing ordinances which is also called the temporary law. In the absence of opposition last year government has issued many ordinances.

### 5. Hurdles in Upholding the Parliamentary Democracy:

#### A. Sluggish Opposition:

Inactive and sluggish opposition is also a major obstacle in the upholding of parliamentary democracy. They cause a major hindrance in the passing of law and deny useful solutions to the national interest.



## B. Hoarse Trading:

Selling or changing the loyalty of members to other parties is a major hindrance to the parliamentary democracy. Therefore, a serious legislation is needed to stop this trading.

## C. Interference of Military and Judiciary officials:

There are evidences that the military and judiciary officials hinder the law making process through influencing its members or through its decisions.

In 2022 calling of N.A. by the vote of no-confidence supreme court has called the N.A.

## Conclusion:

To conclude, bicameral legislation in terms of Pakistan has played a key role in upholding parliamentary democracy. But due to the interference from the government, military and judiciary leaderships hinder the way in upholding the sovereignty of parliament.



Q. NO. 04

## Introduction:

After the failure of Round Table conferences in 1930, then a white paper was issued which was formed the base of the Government of India Act 1935. According to this act elections were held in eleven provinces of sub-continent. In these elections of 1937 Congress won with absolute majority. In most of the provinces leading to the formation of government of Congress known as Congress ministries. During its government posed a significant problems to the minorities especially the Muslims. Thus, turning a revolt against the rule of the Congress. During the reign of Congress ministries a narrative against the Hindu rule was become prominent thus leading to the creation of major rift between the Hindus and Muslims. Formed the basis of creation of new state.

## 1. Formation of Government India Act 1935:

The Indian act of 1935 came into being after the repeated failure



of the Round Table Conferences. Finally a white paper was issued and there had been a debate in the British Parliament. Therefore, after a long debate Government of India Act 1935 was adopted assuring the autonomous status of provinces. Securing this autonomous status election were held in 1937.

## 2. The Elections of 1937:

According to Indian Independence Act 1935 elections were held in 1937. The results were announced on Feb, 1937. According to these results Indian National Congress won majority in five provinces including Madras, Orissa and the All India Muslim League did not win majority in any province.

## 3. Formation of Government:

Congress formed the government in provinces with absolute majority and also in other provinces with coalition. In other provinces like Punjab and Bengal A.I.M.L. formed the government. However, due to absolute majority Congress ruled over the self-Governments.



4. Policies of Congress Ministers 1937 which paved the way for a separate state:

A. Bande Matram - A National Anthem:

In order to strengthen Hindu Nationalism Bhandarkar was declared a national anthem. It was recited before the start of official businesses. This created a sense of prejudice in Muslims.

B. Wardha Scheme and Hindia Mandar Scheme:

These schemes were shaped to develop a high respect among the young minds about the Hindu Heroes and religious leaders. However, these schemes also aimed to convert Muslims to non-Muslims. These steps were paving the way to realize the Muslims' desire for their separate identity.

C. Rise in Hindu Muslim Riots:

Congress made organized attempts on the honour, property and lives of Muslims. In addition to their houses of Muslims were burned and their women and children were



abducted. These actions of Congress acted as spark in the riots between the Hindus and Muslims.

Add more arguments in this part

## 5. Response of Muslims:

### A. The Mirpur Report:

In March the Council of AIME appointed a committee to highlight the atrocities of Congress Ministries. The report published in November 1938 and highlighted the atrocities in seven provinces.

### B. The Sheriff Report:

In March 1939, the report mainly collected the facts of ill treatment of government with the Muslims in Bihar.

### C. The Fazl-ul-Haq Report:

This report highlighted that the Congress had forbidden Azan, attacks on mosques were common and the forbidding of the cow slaughter.

### b. End of Congress Ministries:

In the second world war the British government had asked the Congress Ministries to participate



in war. But the Congress denied  
ahead of certain demands. Then the  
British Government refused to do so  
in response to it Congress Ministers  
Resigned in November 1939. And  
Quaid-e-Azam declared the 22nd  
of December 'A Day of Deference'.

## 7. AN EYE OPENER FOR MUSLIMS:

These atrocities and their cycle  
are the eye opener for the Muslims.  
AIML re-defined their objectives  
and made them more clear and  
made the two nation theory a  
base of its policies. This is  
evident in the Lahore Resolution  
where a separate state is dem  
anded for the Muslims.

## Conclusion:

To conclude, these are the  
autocratic rule of the Congress  
that made the AIML state how  
the Congress are discriminating the  
Muslims. When Muslims realized  
in publicly different reports they  
started demanding for the separate  
state, where their rights could  
be protected.