

Q2

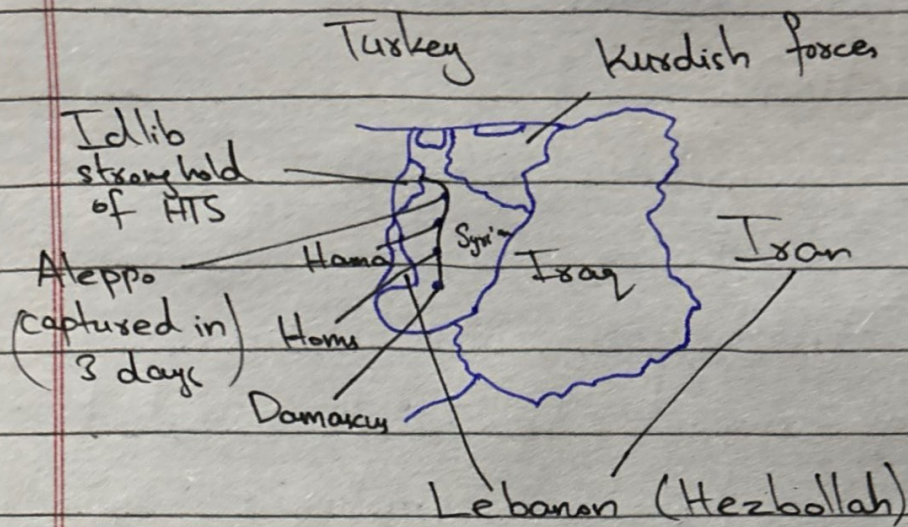
## HTS Islamist Rebels

### 1. Introduction

In December 2024, HTS Islamist Rebels started a lightning offensive and captured all areas under Syrian government. The rebels started from their homeland capturing Aleppo, Hama, Homs and Damascus in a week. This offensive resulted in fall of Asad regime in Syria who flew to Russia. The ongoing global conflicts are viewed as a major reason behind the success of this offensive. Russia, a strategic partner of Asad regime, was unable to safeguard its interest in Syria. Likewise, Iran who has a long-term strategic interest in Syria, through which it maintain its influence and strength of axis of resistance, also failed to save Asad.



## 2. Lightning Offensive



## 3. Reasons of Unprecedented change

### i) Russia weakened in War

Russia who was a strategic partner of Assad regime and held military post for its presence in Mediterranean sea is now in a long attrition war with Ukraine.

Lack of Russian support in this conflict, that was able to save Assad earlier during civil war, was one of the main reason of this unprecedented change.

### ii) Weakening of Hezbollah in Israel-Lebanon conflict



Iran's axis of resistance, that was used by Iran to support Syria and fight against Israel was significantly pushed back during Lebanon conflict. The HTS Islamist rebels viewed whole situation as an opportunity. It is evident from the fact that HTS started its offensive on the day when Israel announced ceasefire in Lebanon by pushing and destroying Hezbollah capability to fight.

iii) Lack of internal support for regime  
Asad ruled Syria with authority suppressing political voices that demanded democratic regime. He crushed Assad Spring uprising with brute force. Moreover, the horrors of Saydnaya prison tells how brutal his regime was in suppressing opponents. This resulted



Lack of civil support for the regime who viewed regime change as blessing. Moreover, reported by Reuters, Army units left their areas without fighting rebels shows lack of support for Assad.

#### iv) Turkish support to Rebels

Turkey was a proponent of HTS rebels as Turkey is fighting Kurdish forces that demand autonomous region from Turkey. Moreover, Turkey wanted a buffer zone between Syria and their border to control terror attacks. This support strengthened HTS who took control of a Syria within a week.

### Implications of change in regime

#### i) Change in Balance of Power

Iran that exerted significant



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influence in the region through its axis of existence has now lost its power. Moreover, Iranian forces have pulled out of Syria weakening support for Palestine, Hezbollah and Hamas.

### ii) Strategic Loss for Russia

HTS rebels have asked Russia to move out of Syria. On December 16, 2024, Russian forces were viewed leaving Syrian port which they held for a long time. (Al Jazeera)

### iii) Expansion of Israel

Soon after the capturing of Damascus by rebels, Israel forces entered into Syria breaking the agreement mediated by UN and between Syria and Israel. Israel captured the buffer zone and destroyed all the Syrian military equipment with huge bombardment.



iv) Fear of Spillover of terrorism and instability in other regions

After the change in regime, Uighur Muslim fighters fighting in Syria announced their return back to fight for the people and Muslims of Uighur who are under strict control and detained by Chinese authorities.

v) Sigh of Relief for Turkish authorities

Many Syrians are living on the border side of Turkey in refugee camps putting a significant strain over economic resources. Syrian people have celebrated change of regime and wanted to return back to their homes. Almost 3 million Syrian refugees are living in Turkey whose return will be a positive change for Turkish government.

**Conclusion**

HTS rebels toppled down



Asad regime in a significant move within a week. Weakening of long term strategic partners of Asad and internal conflict resulted in success of HTS rebels. This change will have significant implication in region which will change the balance of power and can result in spillover to other countries. This spillover can further exaggerated instability in the world which reminds of a Stalin saying.

"These are decades when nothing happens and there are weeks when decades happen"



Q3

## 1. Introduction

Pakistan's economy is grappled with significant challenges. One of the most significant challenges for Pakistan is burden of State owned enterprises that have resulted in consistent losses. These losses have resulted in a huge sum on the national exchequer that has to face debt challenges. The import led economy has resulted in low market competition and created a balance of payment crisis. These SOEs have to be privatized for to improve their health and efficiency in the market.

## 2. Reasons for Privatization

### i) Huge Economic Losses

All the government owned



SOEz are facing losses from a long time. These losses are mainly due to the poor economic situation of the country. According to PIDE report, SOEz resulted in Rs. 458 billion loss in 2023. This loss is resulting in expansion of circular debt further aggravating the situation.

### ii) Significant tax breaks

Government owned entities are responsible for huge numbers for tax breaks. This tax evasion is costing huge sum of money to the revenues of the government. According to Finance Minister of Pakistan, top companies are responsible for half of the tax evasion that <sup>also</sup> includes government owned SOEz.

### iii) Inefficient management

These enterprises are mixed



with inefficient management resulting in significant customer loss. The brand image of the entities is deteriorated by their inefficient customer services. State owned Discos have been inefficient so far to control the theft of electricity which has reached the level of 6%.

#### iv) Low Market Competition

Government controls entities account for 40 percent of GDP. However, these entities demand number of subsidies and incentives from the government which result in low market competition and low trade. Pakistan's current account deficit in 2023 was \$22 billion due to its dependent on economy.

#### v) Import led economy

According to Mian Atif,



~~with~~

Pakistan-American economist, Pakistan's economic decline is due to low exports, high imports, huge pension liabilities and zombie power sector. Low competition of market due to SOE<sub>2</sub> can be reduced by privatization. This increase in competition can help Pakistan's economy to significantly increase its exports.

### 3. Method to Privatize

#### 1) Safeguarding Foreign Investment

Pakistan authorities need to make sure that the FDI of foreign investors is secure and utilized for its proper means. This measure can help investors to put trust in the economic sector. Ensuring civic justice and implementation of laws can help in securing investment for



privatisation.

ii) Safe and secure business

By protecting the properties and businesses of investors, government can ~~help~~ improve its ranking in the list of ease of doing business. Pakistan stand at the rank of 101, according to the Ease of Doing Business country list index. Ensuring safe environment can help in privatization.

iii) Political stability to pull FDI

Pakistan's political parties need to a political consensus or signing an economic charter to enhance political stability.

According to Moody's, Pakistan's political challenges are obstructing its growth in economy with significant reduction in FDI post-2022.



## 4. Conclusion

State owned enterprises have been persistent in damaging the economy. Huge losses, tax breaks, inefficiency, low competition with high imports have strangled the budgetary economy of Pakistan. Due to these huge losses, government is unable to spend on development of people. These state need to be privatized to reduce their losses, effectively putting them under tax bracket, improving its efficiency and running a export led economy.

Q5

BRICS+

### 1. Introduction

BRICS - a name introduced in a report of Goldman Sachs report • in 2005 - includes held its



first conference in 2009 in Russia with Russia, Brazil, India and China as starting members. It was named as BRIC but with the inclusion of South Africa in 2010 it becomes BRICS. Recently, five countries have been added to the organization including Iran, Saudi Arabia, UAE, Egypt, Ethiopia. Now called as BRICS+, the group primary purpose is to represent global south and counter west-led order-based order. The countries in BRICS+ indicate 45 percent of global population and 35 percent of global economy. All these countries demand more equal representation in global order. Recent BRICS+ meeting in Russia has emphasized to get rid of western exploitation mostly because



## 2. US Dollar Dominance on Global South

From influence of dollar dominance US exert significant influence through its financial institutions and its dollar dominance. Moreover, it controls Belgium based SWIFT payment system. US use these tools as weapon to counter Global South countries creating and enhancing unequal opportunities.

According to World Economic Forum, US has sanctioned third of the countries in Global South mostly affecting middle income countries. The major countries sanctioned by US include:

### i) China

US has sanctioned China over its stance in Taiwan Strait. However, experts view these sanctions to contain economic expansion of China.



ii) Russia

US has frozen Russia's assets due to its declaration of war in Ukraine.

iii) Iran

US has put economic sanctions over Iran due to its stance over nuclear weapons.

iv) Pakistan

However, not a member of BRICS, but represents Global South. Pakistan has sanctioned by US due to its commitment of long range missile programs.

3. Measures to counter Western Exploitation on Permanent Base

i) Increase in Geopolitical Influence

BRICS have announced inclusion of Saudi Arabia and UAE recently. Both these countries



maintain large reserves of oil. BRICS + can use this tool to counterbalance unequal behaviour of Western world. Moreover, China's BRI expansion can help exert geopolitical influence to counter Global North.

## ii) Countering Financial Institutions

BRICS have announced development of New Development Bank to counter IMF. This bank has granted loan of \$32 billion to BRICS countries. However, small amount but in future this can help significantly.

## iii) Expansion of BRICS

BRICS need to expand and include more countries from Global South for true representation of its objective. Recently, inclusion of



It can showcase the viewpoint of BRICS that demands equal representation in world order.

#### iv) De-Dollarization

BRICS institutions have called for de-dollarisation. Russia and China trade in their respective currency to counter US economic sanctions. Furthermore, BRICS countries need to develop a unifying economic system that represents equal opportunities for all the countries.

#### v) Building Trust

US dollar is used by 80 percent countries in economic trade because of its stable position. This trust is a significant obstacle that puts BRICS countries in a significant challenge.



to introduce BRICS currency. Moreover, China renminbi is a potential currency to counter US dollar but India hesitates to accept Chinese dominance.

#### 4. Conclusion

US as a global hegemon and a leader in Global North control the flow of dollar and exerts its influence by putting unequal sanctions on Global South. These sanctions of US can be countered effectively by increase in geopolitical influence, capability of financial systems and increase in representation of Global South in BRICS. Furthermore, de-dollarizing is often termed by BRICS leaders as effective approach which requires unifying economic system with ~~no~~ trust on one another.