

## General Knowledge - II CURRENT AFFAIRS

### Subjective Part - Part II

#### Question no. 3

##### (A) Introduction

The Nationalization of industries in 1970s gave a massive blow to the economy and the business sector of Pakistan. Many large scale industries shifted abroad to places that offered better opportunities and those that remained, deteriorated with time. Ever since then, the state owned enterprises have been a persistent burden on the budgetary economy of Pakistan. The only solution to this issue is privatization that need to be carried out in swift fashion.

##### (B) STATE OWNED ENTERPRISES: A PERSISTENT BURDEN

###### (1) Permanent Budget

A permanent amount of budget is set for these enterprises irrespective of their performance.

## (2) Permanent Jobs

The employees of these enterprises are employees of the Government who receive pay even if they do not deliver. This sets a wrong precedent for everyone as nobody feels compelled to work.

## (3) Lack of Accountability

There is no process of holding people accountable for their actions or inactions.

## (4) Decrease in Productivity

As nobody is held accountable, the overall productivity of the employees decreases.

## (5) No checks and Balances

State owned enterprises lack the mechanism of checks and balances due to which the enterprises deteriorate with time.

## (6) No Quality Control

Since there are no checks and balances, the quality of products and services drop with time.

## (7) Decrease in Market value

As the quality drops, the value and

demand of products and services decrease.

### (8) Parasite for the Country

With time, these enterprises become a burden and a parasite in true sense for the country.

### (9) Example

One of the best examples of this is Pakistan International Airlines (PIA). The airline that once trained airlines of other countries has now deteriorated to the point that nobody is willing to buy it.

### (10) SWOT Analysis

#### Strengths

- Job security
- Standard budget
- facilities

#### Weaknesses

- Decreased productivity
- Wastage
- Quality drop
- lack of Accountability

### Obstacles

- permanent jobs
- Lack of Accountability
- No enforcement Mechanism

### Treatment

- Privatizations
- Accountability
- Transparency
- Incentives
- Quality Control

## (D) WHY THESE ENTERPRISES SHOULD BE PRIVATIZED?

### (1) Decrease Burden

To decrease burden on budget of Pakistan, it is essential that they should be privatized

### (2) Increase Output of Enterprises

To increase the output of enterprises, it is essential that they must be privatized

### (3) Increase Productivity

When the workers will feel threatened about losing their jobs if they do not

delivered, they will work efficiently, increasing the productivity of enterprise.

#### (4) To improve checks and balances

Checks and balances would improve significantly if they are privatized.

#### (5) Improve Quality

By improving checks and balances, the quality of products and services would greatly increase.

#### (6) To improve market value

When the enterprises would be forced to compete, they would work effectively in improving their market value.

### (E) HOW TO PRIVATIZE ?

#### (1) Flourishing Business Sector

The government would need to improve the business sector to attract the investors.

#### (2) Building Trust

The government need to build trust of investors so that they invest in the market.

These headings are not self explanatory

### (3) Selling Shares

The government should initiate by selling shares instead of selling the whole enterprise at once.

### (4) Improve quality of Enterprises

Steps should be taken to improve quality of enterprises so that they start generating profit.

### (5) Filtering out extra staff

Workers and staff who do not meet the standards of the company should be fired.

### (6) Increase Accountability

Once the people would be held accountable, they would start working effectively.

### (7) Sell once the business has boomed

Once the business starts flourishing, the companies should be sold so that they become even more successful.

### (F) CONCLUSION

The process of privatization is a long and time-consuming task but it is not impossible.

It will surely prove fruitful for the nation.

## Question no. 2

### (A) INTRODUCTION

USA and Israel are persistently trying to increase their influence in Middle East by throttling the proxies of Iran. One of the most recent example manifesting this agenda is of the HTS Islamist rebels backed by USA and Israel who have toppled down Iran and Russian backed Bashar al Assad regime in Syria. The reasons and their far reaching implications would be discussed below.

### (B) REASONS FOR HTS TAKEOVER OF SYRIA

#### Geostrategic Reasons

##### (1) Throttling Proxies of Iran

To increase influence in Middle East, Israel has been trying to defeat and crumble the proxies of Iran.

##### (2) Disrupting supply chain of Iran

Iran uses Syria as a trade route to supply weapons and economic aid to its proxies in Lebanon and Gaza. By disrupting the route, Israel is throttling the proxies.

### (3) Increasing Influence of Israel in Middle East

Proxies of Iran pose greatest challenge and threat to Israel. By defeating those proxies, Israel is making way to its domination in the region.

### Political Reasons

(1) Iran backed Bashar ul Asad regime  
The government of Bashar ul Asad was back by Iran who was using Syria to supply its proxies. Israel viewed this as a threat to its security and hence helped the HTI rebels to topple the government.

### (2) Russo - American Rivalry

The government of Bashar ul Asad reg was also backed by Russia and Russia had built military bases in Syria to increase its influence in Syria. America viewed it a great threat and helped the rebels to topple the government.



## Economic Reasons

### (1) Resources of Syria

Middle East is an energy rich region. By taking control of Syria, US and Israel would now be able to control the resources of the region.

### (2) US Weapon Industry

The weapon industry of USA plays a huge role in its economy. Due to which, US never lets go of a chance to wage a war.

## (C) IMPLICATIONS OF HTS TAKEOVER

### (1) Increased Influence of US and Israel in Middle East

The main resistance to Israel was by the proxies of Iran. By slowly destroying the proxies, Israel and USA are taking control of the energy rich region of Middle East.

### (2) Exploitation of Resources in Middle East

The US and Israel will exploit the resources of Syria and Middle East for their own benefit.

### (3) Expansion of Israel

The war that started in Palestine is slowly expanding to the rest of Middle East where Israel is playing a dominant role. The expansion of Israel poses a significant threat to the rest of Middle East.

### (4) Imbalance of Power

Israel is slowly dominating over the region, giving rise to the imbalance of power.

### (5) Humanitarian Crisis

The increasing number of war crimes and resource scarcity is leading toward humanitarian crisis in the region.

### (D) PESTEL ANALYSIS

#### POLITICAL

- Dominance of HTS rebels backed by US and Israel

#### ECONOMIC

- Resources of Syria in control of US and Israel

## STRATEGIC

- Imbalance of Power
- Dominance of Israel in the Region

## TECHNOLOGICAL

- America selling weapons and technology to rebels

## ENVIRONMENTAL

- Pollution
- Disease Breakout
- Climate Change

## LEGAL

- humanitarian crisis
- Violation of International Law

## (E) CONCLUSION

The HTS rebels toppling down Bashar al Assad regime would significantly increase the influence of USA and ~~Iran~~ Israel. This is a wake-up call for rest of middle Eastern countries to take action against the expansion of Israel before it is too late.

## Question no. 4

### (A) INTRODUCTION

The growing economic, strategic and geo-political collaboration between Russia and China has posed significant threat to US-led world order by paving the way for multipolarity. ~~US is~~ US is doing everything in its power to maintain its dominance by imposing protectionist policies and high tariffs on Russia and China. US has also imposed significant sanctions on these countries to curb their economic growth.

## (B) GROWING COLLABORATION OF RUSSIA AND CHINA

### (1) Economic Collaboration

#### (a) Hydrocarbons trade

When US imposed heavy sanctions on Russia, China ignored those sanctions and increased hydrocarbons trade with Russia. This saved the Russian economy from collapsing in times of war.

#### (b) BRICS

The BRICS has provided a platform for emerging economies including China and Russia to collaborate, significantly threatening the US-led world order.

### (2) Strategic Collaboration

#### (a) Weapons trade

The weapons trade between Russia and China has increased significantly in recent times.

#### (b) Joint training programs

The joint training programs between the two nations has ~~is~~ strengthened their relations.

### (3) GEOPOLITICAL Collaboration

(a) Cordial relations among leaders  
The cordial relations among leaders of the two countries present a positive outlook for future collaboration.

### (b) Increased Negotiations

The increased negotiations in recent times between the leaders has produced positive results in the form of multiple collaborations on different platforms.

### (C) CHALLENGES TO US LED WORLD ORDER

#### (1) Rise of Multipolarity

The countries of China and Russia are growing rapidly in terms of their economy and their joint collaboration is posing further threat to US led world order and it is giving rise to a multipolar world order.

#### (2) BRICS Currency

To tackle the issue of dollar monopoly, the BRICS countries are working on introducing their own currency. This would be a significant step towards dedollarization of international market.

### (3) Decreased Monopoly of USA

The other emerging economies are threatening the monopoly of USA in international market.

### (4) Increased Opportunities in International Market

The countries now have more options to improve their relationships with other states and increase their trade. They do not have to rely solely on USA.

### (D) Conclusion

The emerging economies are rapidly changing the world order by paving way for multipolarity and threatening the US led world order. The world is now witnessing decrease in domination of US on the international stage. This is opening new avenues and opportunities for other countries for investment and trade.

## Question no. 5

### (A) Introduction

US has used dollar and swift bank against Global South by imposing sanctions. By doing so it has maintained its influence on the world. Nonetheless, the platform of BRICS+ is threatening the US-led world order. It is working towards dedollarization of International market by introducing its own currency and bank system. Once BRICS+ successfully carries out these steps, the western exploitation would end on permanent basis.

### (B) HOW DOLLAR IS USED AS WEAPON?

#### (1) Dollarization of International Market

All the trade in International market is carried out in dollar. This has allowed US to maintain its influence on the world. All the countries feel compelled to maintain good relations with US for the sake of their trade.



## (2) Economic Imperialism

US has exploited the countries and maintained economic imperialism by through loans and bailouts in the form of dollars using IMF and WB.

## (3) Sanctions

US imposes sanctions to whichever country it pleases. This causes tremendous harm to its rivals and helps maintain its dominance.

## (C) HOW SWIFT IS USED AS WEAPON

### (1) International Bank

Swift is completely dominated by US. It consists of a number of banks. All the international trade transactions are carried out by these banks.

### (2) Trade Sanctions

Whenever a country threatens the dominance of US, it imposes trade sanction on the country and prevents Swift from carrying out trade transactions of the country.

## (D) How BRICS+ can counter it?

### (a) Dedollarization of International Market

The BRICS+ need to work on the dedollarization of International market to get rid of US monopoly.

### (b) BRICS+ currency

The BRICS+ should introduce its own currency to be used in international market.

### (c) BRICS+ banks

Banks, similar to swift banks, should be introduced that handle the transactions of BRICS+ countries and their collaborators.

### (d) Collaboration with Global South

BRICS+ should collaborate with other global south countries to bring them all on common front.

### (e) Economic Independence of Global South

BRICS+ should help the countries of global south become economically independent so that the west does not exploit them.

(c) free trade  
The BRICS+ should work in free trade between its members.

### (E) CONCLUSION

Global South has been exploited by the US through dollar and swift for a long time. ~~But~~ BRICS+ can bring an end to it on permanent basis by introducing its own currency and banks. Moreover, by working on free trade, global south can become economically independent.

Good attempt  
Keep length of all answers same i.e 5 to 6 pages  
Add maps where it is suitable  
Add references for competitive edge