

Q. NO. 8

1) Introduction Answer

Political instability in Pakistan is creating socio-economic crisis in the country. There are various causes which is occurring in economy due to Political instability such as Balance of Payment crises, depleting foreign exchange reserves, skyrocketing inflation, and exchange rate depreciation. However, there are numerous remedies for the country whereby Pakistan can solve the economic crises. Creating political stability in the country can be possible to conduct fair and free election which will bring economic stability in the country.

2) Overview of economic crisis in the country

Economic stability and political stability are continues in the country. The economic fallout is leading to political crisis. Pakistan has gone to the door of IMF at 28th time.

2)

In Pakistan, in 2022, first time the history of Pakistan Imran Khan was removed by opposition through vote of no confidence whereby economic crises of the country increased such as inflation reached 35% and petrol prices directly hit at 200.

(3) How political instability leads to socio-economic crises in Pakistan?

(i) Decreasing foreign reserve

The trade deficit, current account deficit and dried up dollar flow into the country coupled with the burden of foreign loans. According to State Bank of Pakistan, the foreign reserves of the country have reached \$ 19.308 billion.

(ii) The value of Pakistani rupee is decreasing

The rupee of Pakistani value is decreasing due to dollar price of

the country is increasing. For instance, in 2022, dollar hit the rupee and reached 200. In 2023, dollar crossed the figure of 300 and rupee value decreased.
Reason:

The rupee value decreased due to political instability in the country. The PDM took vote of no confidence against Imran Khan.

(iii) Delaying in revival of IMF Programme

The country is dependent on IMF loan and it has gone 23 times at the door of IMF. In 2023, Pakistan officially wanted \$3bn from the IMF. But it did not get due to inflation in the country.

Reason

In 2019, the Imran Khan govern^{ment} had get agreement with IMF for 6bn dollar. In 2019, the country received \$3bn. But in 2022, due to ousting of Khan

Government IMF delayed the programme.

(iv) Skyrocketing Inflation

The declining exchange rate growth is enhancing inflation in the country due to rising commodity prices such as fuel prices and food prices. In 2022, Pakistan inflation increased 27%.

Reason

Before regime change scenario, Pakistan inflation was same as 19th. After regime change, political instability increased and inflation reached 27%.

(v) Balance of Payment crises

Pakistan import bill prices increased due to fuel prices at global level. The current account fiscal deficit has worsened \$ 9bn. Due to balance of payment crises, Pakistan GDP growth increased 0.2%.

Reason

The balance of Payment increased due to political instability in the country.

4) Recommended Policy for Political instability in the country

(i) **Strengthening democratic institutions**
Pakistan should focus on strengthening democratic institutions to promote political stability. This includes ensuring free and fair election and strengthening the rule of law and promoting transparency and accountability.

(ii) **Addressing Security Challenges**
Developing a comprehensive strategy to address security challenges including terrorism and insurgency. This may involve enhancing law enforcement capabilities, improving border security, and addressing root causes of extremism.

(iii) Political reconciliation among Political Parties

Encouraging dialogue and consensus-building among Political Parties can help mitigate Political tensions. This could involve efforts to address grievances, promote inclusivity and create avenues for Constructive Political engagement.

(iv) Creating social safety nets

Establishing effective social safety nets can protect vulnerable populations from the adverse effects of economic downturns. Programs such as cash transfer, food assistance and health care subsidies.

(iv) Promote civic engagement and civil society

Encouraging civic engagement and supporting civil society organization can foster accountability, transparency,

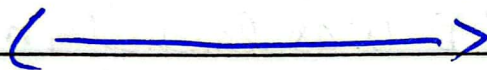
and good governance. Civil society plays a role in advocating for the rights of citizen and holding government

5) Conclusion

In Pakistan, political instability has been deteriorating the socio-economic since its inception. Political parties and opposition have been playing main role. Balance of payment crisis, foreign reserves are main example.

The country has potential to bring political stability for economic opportunities.

The country can conduct dialogue among political parties for stability. Besides, addressing the issues of governance can bring huge opportunities in political culture of the country.



Q. No. 3

Answer

1) Introductory Remarks

The BRI is a

Chinese Project which was launched in 2013. Its cost is 8 trillion. Total countries in this project are 150. On the other hand, BRI all projects are land based and major project is CPEC. Besides, IMEC is built by the collaboration of the USA and India. Its total cost about \$20bn. Its only route India to Europe. Its includes ship, sea and land based project.

2) Compare and Contrast the BRI and IMEC

(i) BRI and IMEC Genesis and Purpose
BRI

BRI was launched in 2013 by China with multibillion dollar. Its aim to promote economic opportunities across the globe such as Asia, Middle East, Europe and

9)

South America.

IMEC

IMEC is launched by the collaboration of the USA and India. Its cost is few billion dollar. Its purpose is to contain China in middle east and Europe.

(ii) Geographical coverage

BRI spans multiple continents covering more than 70 countries across in Asia, Europe and Africa. On the other hand, IMEC focuses only on enhancing connectivity between India and Europe.

(iii) Geopolitical implications

BRI has raised concerns among some countries about China expanding its influence, debt sustainability and geopolitical motives.

IMEC could potentially change India's strategic and economic

with middle eastern countries.

(iv) Funding and Investment

BRI has an estimated value of around \$8 trillion through loans, grants and investment.

On the other hand, IMEC emphasizes investment in few billion dollar through Public and Private sector investment.

(v) Scope and objectives

BRI encompasses a wide range of infrastructure projects, including roads, railways, ports, energy, pipelines and digital connectivity.

On the other hand, IMEC aims to develop a dedicated corridor linking India with the middle east through highways, railways and ports.

(v) Modes of transportation

BRI has a diverse network with 7% focused on land based routes. On the other hand IMEC emphasizes sea transportation envisioning shipping lanes and rail and road connection.

(vi) Challenges for both projects

BRI: BRI has faced criticism for issues such as debt sustainability, environmental concerns, lack of transparency and allegation of promoting Chinese geopolitical interest.

IMEC: IMEC faces challenges related to data collection, capacity building and decision making.

3) Contrast between BRI and IMEC

(i) The BRI is a global initiative led by China involving broader range of countries and sectors. On the other hand, IMEC

- focuses on Middle east and India.
- (ii) BRI has faced more international scrutiny and criticism due to scale and Chinese influence. Besides, IMEC has received relatively less attention on the global stage.
- (iii) BRI has diverse project in multiple region and sectors. On the other hand, IMEC focus on maritime and land routes.

4) Future Prediction of BRI

- (i) BRI's success will hinge on addressing criticism improving transparency ensuring sustainability development outcomes.
- (ii) Geopolitical shifts, economic trends and global governance will also influence its trajectory.
- (iii) The success of BRI will depend on China ability to manage debt risk

manifesting geopolitical challenge and mutual benefits for participating countries.

5) Future prediction of IMEC

(i) The future of IMEC will depend on India's ability to secure funding build infrastructure and foster partnership with countries in Middle east.

(ii) IMEC has the potential to strengthen economic ties between India and Middle Eastern countries in areas such as trade, investment and energy cooperation.

6) Concluding Remark

BRI and IMEC

aim to enhance connectivity and cooperation across the regions. They differ in terms of scope, objective, and geopolitical implications. IMEC aims to contain China and in

Middle east and Europe. However, both BRI and IMEC can spread in the world through proper strategies and counter solutions. China can enhance its BRI's projects through counter debt challenges. on the other hand IMEC can spread due to more connectivity and eradicate challenges.



Q.No. 7

Answer

1) Introduction

The Islamic republic of Pakistan has been facing problems with its three neighbours such as India, Afghanistan and Iran. These problems are impacting on Pakistan's foreign policy which are creating hurdles such as strategic miscalculations with its neighbours, security concerns and economic dependency. However, the country has potential

to solve the foreign policy hurdles and failures such as balanced engagement in the region and conducting dialogue and diplomacy.

2) Failures and hurdles in the foreign policy of Pakistan

(i) overreliance on China

Pakistan heavily relies on China in particularly CPEC project.

It has been causing more concerns with regional players including India, Afghanistan and Iran.

This overreliance may have limited Pakistan's ability to maintain balanced relations with its neighbours.

(ii) Security concerns overshadowing economic cooperation

Security issues particularly terrorism and border conflict have often overshadowed the potential for

Economic cooperation such as CRPE
Failure to address these security
Concern has hindered progress in
Economic Partnership.

(iii) Lack of regional diplomacy

Pakistan foreign Policy may have
lacked effective regional diplomacy
aimed at fostering good relations
and addressing mutual concerns
with neighbouring countries. Tension
with India on Kashmir, border
scrimish with Afghanistan and
Iran have all contributed to the
current state of affairs.

(iv) Domestic instability affecting foreign relations

Political instability, economic
crises including governance issues
and military and internal
conflicts are creating foreign
policy challenges and failure.

(v) Balancing act in the Middle East

Pakistan's foreign policy often finds itself in a delicate balancing act between regional powers such as Iran and the USA. Tensions between these countries can put Pakistan in a difficult situation.

(vi) Economic dependency and Political instability

Over-reliance on external powers particularly China for economic support and infrastructure development may expose Pakistan to vulnerabilities.

Internal political instability can hamper Pakistan's foreign policy for diplomatic efforts.

3) Recommendations to address foreign policy's hurdles and failure of the country

(i) Addressing internal Challenges

Pakistan must prioritize efforts to address internal challenges including governance issues, economic development, and security threat. Strengthening institutions and creating political stability can enhance foreign policy.

(ii) Conflict resolution through dialogue

Pakistan should prioritize dialogue and conflict resolution mechanisms to address outstanding disputes with neighbouring countries particularly with India on Kashmir issues and Afghanistan.

(iii) Balancing security and economic interests

Pakistan needs to strike a balance between addressing security concerns and promoting

(vi) Diversification of foreign relations

Pakistan should aim to diversify its foreign relations beyond its traditional allies. Strengthening ties with other regional players such as Russia, Central Asia, Gulf states could provide economic and diplomatic support.

(4) Conclusion

Pakistan is located in South Asia. Its foreign policy has been facing hurdles due to its neighbours tension such as Iran, India and Afghanistan on the other hand, CPE has slowed due to failure of foreign policy. The country has potential to eradicate these hurdles to create dialogue with neighbour. Besides, over reliance on China should be ended. Engagement should be enhanced on Multilateral forum.