

09 Jan 2024

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MOCK - Jan 2024

Subject = GK-2 (CURRENT AFFAIRS)

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SUBJECTIVE PART.

Q#01 China and Pakistan are celebrating the Decade of CPEC. Critically evaluate the success and failures of the Project:-

Answer: Introduction

China-Pakistan

Economic Corridor (CPEC) is the part of world largest infrastructural program Build and Road Initiative (BRI) initiated by China. It has opened the doors of opportunities and progress. It has brought a lot of employment and other opportunities for Pakistan in its first 2 phases and are also expected in Phase III. China and Pakistan are celebrating a Decade of CPEC. Its 10th anniversary was celebrated in year 2023.

1. Brief overview of CPEC:-

CPEC is the largest in infrastructural and development project of Pakistan during its history. It provides opportunities for both China and Pakistan. It provides short trade route to China. China need shortest access to international market. But it has faced a lots of

2024/01/07 15

hurdles and conflicts in the ^{other} route of South China sea and east-China sea. It ^{has} connected the Chinese city of Kashgar with the Qaidam port of Pakistan in Balochistan. On the other hand Pakistan got developmental opportunities in infrastructure, Special Economic Zones and energy sectors.

2. Evaluating the success of CPEC in the Decade—

CPEC has made progress in different fields and sectors. It has completed several energy projects, infrastructural and industrial projects and developed special economic zones.

3. Energy sector.

It has launched several projects of energy sectors in Pakistan. Many of them have almost completed. Through CPEC China will produce energy of 18000 MW for Pakistan.

(i) Hydral-power Projects

Under CPEC several hydro-power projects have been completed in Pakistan. There are five operational hydral projects in Gilgit Baltistan, with each producing energy of 100 MW. Besides this Sukkunan, hydral project, Kohala, Kohat are operational.

(ii) Coal Projects.

There are three recent coal power projects. All three are completed. All three are producing 1800 MW of power each.

(iii) Nuclear Power Projects.

~~None~~ Nuclear power projects are completed. They are producing power of 1100 MW each. K-2, K-3 and Chasma - 5 are working.

(iv) - Wind Power Projects.

Wind power projects have been launched for the coastal areas of Sindh and Balochistan. Most important among them is working in Dalbandeen producing power of 800 MW.

(v) - Solar Project.

There is one solar project which produces energy of 900 MW.

4) - Special Economic Zones.

Under CPEC China announced to produce Special Economic zone about 200 in Pakistan. Largest SEZ is Atfama Iqbal Special Economic zone Faisalabad. It has

provided economic and employment opportunities to the population

5) - Ports :-

QPEC is working on ports. Cawader is the world largest deepest sea port. China made developments on Cawader.

6) - Clean Energy.

Under CPEC China has launched clean energy projects. Except coal projects all are environmental friendly. It is the great success of CPEC.

7) - Employment Opportunities

CPEC has provided larger employment opportunities. Especially in the energy sector, opportunities for engineers, labour and in the special economic zones.

8) - Economic Opportunities.

Pakistan has gained a lot of economic opportunities through QPEC. It has attracted largest investment in the form of QPEC. QPEC has also attracted

Foreign investments in different sectors of Pakistan.

9.) Geo-Strategic options.

Pakistan has gained geo-strategic importance because of CPEC. China has got shortest trade route and in turn Pakistan gained access to energy rich landlocks central Asian republics and middle-eastern countries.

W)- ~~Est~~ Evaluating failures of CPEC.

(i) - Delay in completion of the projects.

China has launched several projects under CPEC among them almost half are under-construction. Completed projects also have low efficiency. It is the failure of CPEC - that all the projects have not yet been completed in 10 years.

(ii) Energy Sector.

Several energy projects have been completed but still Pakistan has not overcome its energy crisis. Energy crisis

Should be over ideally but crisis are increasing day by day.

(a) - Corruption in the energy sector.

Because of high level corruption energy sector under CPEC become unable to succeed.

(b) Line loss / Power loss

In completed projects of energy sector, much of the power have been loss due to fractures in the lines or because of exceeding their capacity.

(iii) - Problems in the Special Economic zones.

Among the Special Economic zone few have been completed. largest SEZ, Allama Iqbal Special Economic zone is still under construction.

(iv). ~~Gap~~ Unemployment.

Under CPEC there was the estimate of providing 2 billion jobs to Pakistan public but in 10 years less the 1 million jobs have been provided.

11) Challenges to the CPEC

a). Stereotypes attached with CPEC.

Some people considered CPEC is another East India Company. They considered that China has aim to control resources of Pakistan. This is the reason CPEC face during its completion. Specially people of Baluchistan are resisting CPEC and resisting work on Gawader. For example Civil Society and Lawyers have protested against Chinese officials.

b). Terrorist attack on Chinese

Chinese have faced several target attacks in Pakistan from the Baluchistan Liberation front and other non-State-actors. Such type of risk is dangerous for the progress of CPEC.

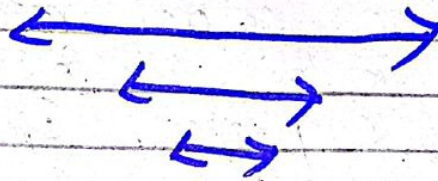
c). Corruption

Corruption is the biggest problem. It should be eliminated for progress. There should be accountability on CPEC.

Conclusion

CPEC has produced

lots of opportunities for Pakistan and China. But it has faced several challenges from the corruption non-state actors and some from the system. However, CPEC should provide more opportunities and employments through some steps taken by the management.



Q#041-

KSA - Iran rapprochement would have far reaching positive implications on the conflicts in the Middle East but would also have far reaching impacts on Pakistan. Discuss.

Ans: Answers

Introduction 1.

Kingdom of Saudi Arabia and Islamic Republic of Iran were trapped into the rivalry between the two Islamic powers. Their rivalry of about more than four decades have been ended with help of negotiation generated by China. KSA-IRAN rapprochement have far reaching positive implications and impacts on the middle-east Islamic world and also for Pakistan.

① - Brief overview of Past relations between the two countries:

KSA and Iran have bitter relationships since the Iranian revolution 1979. Saudi Arabia is the supporter of strict Sunni-Islam Wahabism and had anti-Shiism motives. While 90% of population of Iran is Shi and basis of republic of Iran are on Shiism. Both countries became rival on the basis of sectarian grounds. Each of them considered itself the leader of Muslim Ummah. It was the serious concerns for the muslim world. Because both countries had started proxy wars in Yemen, Syria, Palestines. However, both countries have better their ties with the help of china.

2) - Role of china in The negotiation between KSA and Iran.

China has played an important role in bettering the ties between two countries. Unlike United states china has played the role of leadership. It has become a great negotiator of peace. Both countries have made peace agreement with the help of china. KSA and Iran have

exchanged their ambassadors in 2023.

3)- Implications of rapprochement on the Middle-East.

Bettering of ties between the two countries will have positive implications on Middle-East. There will be the end of proxy war and peace will exist in middle east.

(i) - End of Proxy wars.

Because of KSA - Iran agreement proxy war might be ended in the middle east. Proxy wars that have been started by KSA and china in the Yemen, Syria and Baghdad etc. It will have a positive impact.

(ii) - Sectorial conflicts might be minimized.

Sectorial conflicts in the middle-east might be minimized because of good relationships between the two countries.

(iii) - Stabilizing Peace.

Partnership of both of the countries will contribute in

the development of peace in the region

4) - Implications for Pakistan

Both Iran and KSA are the emerging economies and energy rich countries. Their good relationships will exert positive impacts on Pakistan. Pakistan will be able to develop the good relationships with both of the countries.

(i) - Options for Foreign Policy

of Pakistan.

Determinants of foreign Policy will be calculated based on the national interests of Pakistan. National interests of Pakistan demand great shift of geostrategic policy to geo-economic policy. Pakistan should review its foreign policy and should develop a good and neutral foreign policy for both of the countries. Pakistan could make good agreements with the countries.

(ii) - Economic opportunities

Pakistan has found many economic opportunities from both of the countries. Pakistan should make policies which would attract

2024.01.07

investments from both of the countries.

(iii) - ~~Oppm~~ Implications for energy sector of Pakistan.

KSA and Saudi Arabia are enriched with natural resources. Pakistan is trapped in the energy crisis. It has imported very expensive hydrocarbons. Pakistan can make agreements with both countries and might import hydrocarbons on discounted rates.

(iv). Revival of Organisation of Islamic Council (OIC).

Good relationships of KSA and Iran will have positive impact on Muslim World. Pakistan may play a role in uniting the muslim countries on the platform of OIC. And Pakistan could play a leadership role along with KSA and Iran in this case.

(v). Support on Kashmir -

Pakistan has a greater chance to take the support of both countries on the issue of resolution of Kashmir. Saudi Arabia and Iran could play a

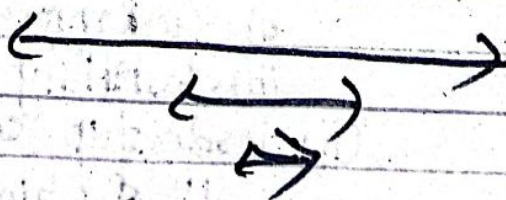
better role in supporting Pakistan in matter of Kashmir.

(vi) Cultural exchange Programs.

Pakistan should initiate a cultural exchange programs with both of the countries for students, teachers and different professionals. In this way there will increase cultural understanding and ~~com~~ acceptance between the countries. It will generate different opportunities for Pakistan.

Conclusion :-

Approachment of Iran and KSA has far reaching positive implication for Pakistan. Pakistan could make good relationships with the both countries. It will have different economic and strategic opportunities for Pakistan. Pakistan should ^{share} revive its foreign policy and develop it according to the changing global dynamics. Therefore, Iran and KSA good ties have positive impacts on Pakistan.



Q31. Critically evaluate the causes of US debt crisis. What do you think how it would affect US global leadership in the days to come.

Answer Outline.

1. Introduction

2. Causes of US-debt Crisis

(i) - War on Terror

(a) - decade of War

(b) - Expenditures

(ii) Covid - Pandemic

(a) - lock-down

(b) - break in Trade

(c) - Deflation

(d) - Inflation

(e) - Demand & Supply

(iii) Russia - Ukraine War

(a) - Russia - oil exporter

(b) - Ukraine - largest grain exporter

(c) - Ukraine largest oil exporter of US

(iv) . US first produced nuclear power

(v) - Trade still in dollar

(vi) US hold on World Institutions

(a) - WB (vi) - trade route

(b) - IMF

(iv) . Rise of China

a) - Market Products

(b) - ~~BEI~~

(c) - Delta Dedollarisation

v - US - still a leader of world.

3. Impacts of Debt Crisis

(i) - US - debt ceiling

a) - Government Shutdown

(b) - Instability

(ii) : leadership competition b/w US & China.

(iii) - US has still largest

a) - Navy

b) - Army

c) - Air Force

Conclusion.

2024.01.07 15:41

1. Introduction

United States of America is the world largest economy. It has hegemony over the world. Dollar is the currency of international trade. US has caught in debt crisis because of War on Terror expenditures, Covid-19 pandemic, Russia Ukraine war and some other consequence. US debt crisis has impacts on its leadership because China is growing in its competition. There is a future prediction for the leadership of China. However, in a current scenario US is still the hegemon.

2. Causes of US-debt Crisis.

There are different causes of US-debt crisis including War on Terror, Covid-19, Russia Ukraine war and other factors.

i). War on Terror in Afghanistan.

United States have fought for about two decades against terrorism in Afghanistan. Post 9-11 war has consumed huge amount of expenses.

(ii). A decade of war

War on Terror was a preemptive warfare technique of US to eliminate terrorism. Decades of war causes US to trap in debt crisis because of excessive budget of war.

b) expenditures of War.

War is not an easy option. It destroys peace as well as economic destruction. However, US war on Terror has cost high expenditure and it was a burden on US Treasury department. According to the US - Treasury Department War on Terror cost more than 7 trillion USD till 2022. This high expenditure becomes the cause of US-debt crisis.

(ii) Covid-19 Pandemic

Covid-19 pandemic is one of the biggest reasons behind the crisis of US economy. Lockdown was imposed because of it.

(a) Lockdown

Lockdown was imposed because of Covid-19 which suddenly stops all economic activities around the world.

(b) break in trade

Due to lockdown during the pandemic, it suddenly stopped all the domestic and international trade. Which cause

to increase the US-debt crisis

(c) - Deflation

Because of stopping trade, price of commodities fall down. No one was buying products due to lock down. It causes deflation in the market.

d) - Inflation

When lockdown ^{was} lifted it causes to increase demands of goods. It cause high inflation. Price of hydrocarbons become doubled, kitchen crisis, food products and fabric etc doubled their prices.

e) - Demand and Supply.

Crisis occurred due to the increasing demand and lesser supply which causes inflation in the international market. And US take support of debt to meet the demands of the market.

(iii) - Russia - Ukraine War.

Russia-Ukraine war become of the the largest reason behind the US-debt crisis. Ukraine was the importer of US-goods and exporter of oil. It causes increasing debt.

a) - Russia - Oil exporter

Russia was the largest oil exporter to the Western countries. Due to conflicts between Russia and US, Russia sanctions were imposed on Russia.

b) - Ukraine - largest oil exporter.

Ukraine was the largest oil exporter of the US. Russia destroyed Ukrainian oil field during war. It causes crisis for US to meet the oil demand.

(c) - Ukraine - largest grain exporter.

Ukraine is the world largest oil producers and exporter. Attack of Russian on Ukrainian ^{agriculture} field cause a food crisis in the world especially America.

Moreover US has to support military and financially to Ukraine. It also has caused debt crisis.

(iv) - Rise of China.

China is emerging as the largest competitor of US in every field. It has caused threat to the US economy.

a) - Market Production

China is producing competitive products on cheaper rate and quality wise good. More supply and purchase of chinese good has created threat to US economy.

b) - Dedollarisation

Dedollarisation is a major threat to the US economy. Different countries has started trade in currencies other than dollar. For example China made an agreement of hydrocarbon with UAE in chinese Yuan.

3 - Impacts of Debt-Crisis.

(i) US-debt ceiling.

US-debt ceiling is approximately 31 trillion dollars. US has crossed its debt ceiling in June 2028. It has created different problems for US government.

(a) - Government shutdown

If US-debt has crossed its ceiling it will causes government shutdown. It means break in all economic activities, which could default the country.

(b) - Instability.

Government shutdown will

will cause instability in the country. However, US - Congress with the two-third majority can remove the debt ceiling, which is the only option to save the country from default.

(ii) leadership competition between US and China.

There is a strong leadership competition among the US and China. China is the world second largest economy and is going to be the world largest economy in 2030. However, it raises concerns for US economy.

a). US has still largest Navy

US has the still largest and strongest navy. It has a hold over the world trade route and over oceans.

b) - largest Arm forces

It has the world largest and strongest Arm forces. US has still the world largest defense budget.

c) - largest Air force

US has the world largest and strongest Air force. It has the modern technologies of warfare.

iv.) It has first produced nuclear power

US has first produced atomic bomb. It has world largest technologies

(v). Trade

World trade is still in dollar. Dollar is still the international currency.

(vi). US hold World institutions

US has hold over the world strongest institutions. Dollar is the currency of such institution.

a)- International Monetary Fund (IMF)

IMF has controlled the world economy. And it is under US - control

(b)- World Bank.

World economy is dependent upon World Bank. US has hegemony over World Bank

(vii). US is still a leader of The World.

US is still the leader of the world. Although US is trapped in debt crisis but it still strongest in other aspects. It is still the largest power of the world

Conclusion

US is trapped in the debt crisis because of several factors like terrorism fight, covid and other issues. But US is still the leader of the world.

Ques How do you see Pak-Afghan relations in the wake of repeated attacks by TTP and ISKP in Pakistan using Afghan land against Pakistan & in return Islamabad decided to pull out Afghan refugees?

Answer

Introduction

Pakistan and Afghanistan relations are oscillating day by day. There was hope of normalizing their relations but because of increasing terrorist attacks in Pakistan it has lost. Non-State Actors are using the soil of Afghanistan to attack Pakistan.

1. Resurgence of Tehrike Taliban in Pakistan TTP.

Resurgence of TTP has raised several concerns for Pakistan. With the establishment of Taliban government in Afghanistan there is sudden increase in the terrorist activities of TTP. Pakistan foreign office has warned Taliban government. But Taliban foreign office has responded that they are not encouraging TTP in Afghanistan.