

Date: 10th July, 2024

Part - II

Q. NO. 6

Load shedding and ballooning electricity prices badly hit the economy of Pakistan. Critically evaluate the statement and give possible recommendation.

Introduction:

Pakistan is confronted with the perennial power crisis. Currently, the sweltering heat and ensuing long hours of power cuts had left the public in the lurch. Long outages are proving detrimental to the national economy. Nevertheless, with the adoption of robust and swift measures, Pakistan can get rid of the deeprooted and widespread cancer of loadshedding and sweating power tariffs.

Causes of load shedding and Ballooning Electricity

Prices:

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Following are the chief causes of ballooning power tariffs and load shedding:

1- Outmoded Infrastructure:

The Electricity transmission infrastructure is colonial era which has become dilapidated. It results in power losses during the transmission of electricity.

2- Electricity Theft

According to Power division about 60 percent of electricity is being stole by the consumers. This huge chunk loss results in long hours of power outages.

3- Low Recovery of bills:

The discos are unable to recover the bills of electricity from the rural and urban centres causing the power cuts.

4- Line losses

Due to antiquated power transmission lines, the major portion is being lost.

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5- Costly agreements with IPPs

The agreements with IPPs during 1990s and more recently in 2014 results in costly manufacturing of electricity. And the burden of such expensive falls on the shoulders of consumers.

6- Generation of Electricity from non-renewable sources:

Pakistan generates about 60 percent of electricity from non-renewable energy sources like coal, diesel, petroleum etc.

7- Capacity Payment:

As per the agreement with the IPPs Pakistan has to pay the capacity payment according to the present rate of dollar that overwhelms the consumers with ballooning power tariffs.

8- Devaluation of Rupee:

In recent times, Pakistan has seen the historic decline in the value of rupee against dollar 271 /dollar. This devaluation and payment to IPPs in dollars results in rise in per unit ~~cost~~ cost of electricity.

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Impacts of loadshedding and Expensive Electricity

1. Decline in Exports:

Due to long hours of loadshedding to industrial result in decline in production ultimately fall of exports.

2. Rise in Imports:

When indigenous industries do not fulfill the demand of consumers due to load shedding consumers resort to foreign industrials results in rise in imports.

3. Skyrocketing Inflation:

High power tariff have heavy toll on the inflation in the country. Daily commodities are costly, owing to the plague of loadshedding.

4. Regressive living Standard:

High cost of per unit of electricity causes the salaried class to devote about 60% of their income to the payment of bills that result in decline of living standard.

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5. Aggravating Trust - deficit b/w Federation and the units:

Frequent / long hours of load shedding cause a rift between federal and provincial governments. Recently, KP's CM was seen threatening federal govt of the repercussions of undue powers cuts.

6. Decline in Standard of living:

load shedding caused the decline in the living standard of life. It has become difficult to have two times meal on table.

7. More IMF Programmes:

The rise in electricity, decline in exports, rise in imports and flight of foreign reserves left the country with nothing but to seek more IMF programmes to fulfil the government expenditures and payment of foreign loans and to cover its imports.

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8. Civil unrest:

Load shedding has caused the patriots to lose temperance & to come out of homes in the streets to voice their grievances. If not addressed their concerns could lead to a massive civil unrest.

Recommendation

1. Overhauling of infrastructure:

The overhauling of the infrastructure is the most pressing need of the hour to compensate and overcome the huge losses.

2. Crackdown against power thefts:

A stern campaign must be launched against the culprits of power theft. They must be brought to justice & make an example for generation.

3. Renegotiations with IPPs:

The renegotiations with the IPPs is the need of the hour. Govt must hold latest series of talks with IPPs to renegotiate the terms of agreements.

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4. Shift towards renewable Energy

A shift towards a renewable energy sources would be beneficial for the country. Renewables generate electricity with cheaper rates and also contribute to curb the menace of climate change.

5. Exercise of Restraints by Power Elites:

The power elites must show tolerance for the unavoidable load shedding and high power tariffs.

Once the restraint exercised by the elite class over the issue of electricity provision with an amicable resolution of the problem emerges out.

Conclusion:

Conclusively, the causes of power crises are myriad.

Power theft to costly IPPs agreements are majorly responsible for the current hell of the affairs of electricity in the country. With prudent measures, the country can bid adieu to the power crises it faces today.

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Q. No. 7.

CPEC projects have become increasingly slow. Critically evaluate the reasons and find out its solutions.

Introduction:

The multibillion dollar project of CPEC launched in 2013, just showed the jet's progress but recently it is on the turtles speed. The reasons for slow speed are myriad. Such reasons can be addressed judiciously to bring back the speed of CPEC.

Reasons of Slow Progress:

1. Terrorist Attacks on Chinese Nationals:

The rise in terrorist attack on Chinese nationals have vaporized our trust of China in the promises of Pakistan. Worst attack on the engineering working in Dasu dam.

2. Inconsistent attitude of the Government:

The previous government showed white feathers to the CPEC projects that resulted in the decline in the progress of CPEC in Phase II.

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3. Indian factor

India is majorly behind most of the CPEC related attacks in Pakistan. It infurates the disgruntled baluch against the foreign nationals.

4. Red-tapism

Moreover, red-tapism or red-tapism causes undue hurdles in the expeditious approval of the CPEC projects.

5. Threatening attitude of the US

The US constantly threatens Pakistan with consequences if it followed the CPEC in full spirit. Such threats although repudiated by Pakistan but cannot be overlooked.

Solutions:

1. Implementation of SIFC

The launch of SIFC to facilitate the investors in Pakistan by the creation of investor conducive environment can help fast track the CPEC projects.

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2. Launch of Azm-o-Istehkam operation:

To counter the menace of terrorism the Azm-i-Istehkam operation against militant would ensure the security of ~~our~~ not only our nationals but also the whole of the country.

3. Grievances of locals be addressed

The grievances of the locals must be addressed in good faith so that they may not fall prey to the dishonest motives of the Indians.

4. Consistency in Government Attitude:

Government must show consistency in his attitude if it wants to uplift the economic plight of the country. ~~They are~~ Politicians must end the internal bickering and think for the national good of the country.

Date: _____

Conclusion:

Conclusively, It is an open secret that Chinese nationals are being targeted every now and then by the terrorists. This will have detrimental impacts on the progress of CPEC - The Government must take stern measures to nip the terrorists in the bud before they raise their heads and challenge the writ of the State.

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Q. NO. 8

If Trump wins the upcoming election how would that influence US policies towards Ukraine, Nato, Middle East, China & Climate politics?

Introduction:

The win of Donald Trump in 2024 would see a seismic shift in the US' policies towards Ukraine, Nato, Middle East, China and Climate politics.

Trump's win & US Policies towards:

Ukraine Nato

The US would see an end to all the wars of world. He is a peace loving leader. He would try end the war in Ukraine and prevent East European countries from seeking Nato's members which is a major

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concern of Russia that resulted in
Ukraine Russia war.

Middle East:

The peace in middle
East hinges upon the victory of
Donald Trump in upcoming
election. He would try to
implement the Abraham Accord
signed in 2020 for seeking the
lasting peace in middle East.

China

~~to~~ Trump will going
to adopt an aggressive policy towards
China. He has been vocal of
Taiwan's independence and the
 plight of Uighur muslim concern
him the most. The use of
technology further fuels the fire
of the strained relations between
the two countries.

Climate Politics:

The climate politics
is not in the books of Trump.
He is inclined on making
America the great overlooked
all the threats and the burning of
tariffs fuels to the world. He might

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Human indifferent to climate
Politics.

Conclusion:

on the whole, the
Trump is going to see a
120° degree shift in the
US policies towards the
major world going on in the
world.