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Batch - 53

MOCKS - EXAM

Part - II

Q No 2:

Does the Belt and Road Initiative (BRI) signify China's political growth or is it reflective of the developing world's inclination towards economic connectivity. Discuss.

**Belt and Road Initiative (BRI):** BRI is the one of the largest project of 21st century through which china wants to connect different part of world with each other. This project consist of 6 corridors. This project has cost of 1.3 trillion dollars. It connect different parts of ASIA with Europe. China want to achieve major objective through BRI project. Investment done in many sectors such as energy sector, transport sector, special economic zone sector and agriculture sectors.

**Six Corridors:**

1. China - Russia - Central Asia - Europe Corridor.
2. China - Azerbaijan - Turkey - Georgia - Europe Corridor
3. China Pakistan Economic Corridor (CPEC)
4. China - Central Asia - Iran Corridor.
5. China - ASEAN Corridor



6. China - Myanmar - India - Bangladesh corridor.

## Investment in different sectors:

(b) Investment in Energy sector: Through BRI project China did investment in energy sector in different parts of world. Investment in Caspian Sea (All countries around the Caspian sea included in it), Persian Gulf Region (All countries around the Persian Gulf region are included in it) and Iran, Saudi Arabia, Pakistan and GCC countries. Mostly investment is done in hydrocarbon projects (oil and gas).

Secondly, China invested in "clean energy project" especially energy through wind and solar in Pak, Iran, Saudi.

Thirdly, China also invested in "Civil Nuclear Technology" projects with Pakistan, Saudi Arabia and Iran.

(c) Investment in transportation sector: Firstly, China invested in Bullet train projects through which trade would be done in future. These project started in the 6 corridor countries. Secondly, China focus on sea port and did investment in the sea port transportation sector e.g Karachi sea port, Gwadar Sea Port etc. Thirdly, series of motor ways and high ways



would be constructed in 6 BRI Corridor countries. Lastly, investment in the dry ports is being carried out.

### (iii) Investment in Special Economic Zones

(SEZs): Special Economic Zones means Industrial zones. Around 150-200 special economic zone would be built in the 6 corridor countries. Out of which 9 industries are built in the Pakistan. Industries would be built in the countries where raw material is in abundance e.g. cotton, textile, marble, tiles, food etc.

### (iv) Investment in the Agricultural sector:

Huge investment is done in agriculture sector. Especially, it is done with those countries that have water resources in abundance e.g. river water, and underground water reserves.

Firstly, focused on crops such as wheat, maize, cotton, fruit, vegetables. Secondly, livestock such as sheep, buffaloes, milk, cow, meat and fisheries are also included in it.

### Objectives of BRI:

(i) Shortest access to the market: China wants to have shorter access to western market. Through BRI this objective would be obtained. China's



investment in bullet train project, sea ports, highway and motorways would help to access global market easily. Usually Chinese ship takes 49 days to reach England from Shanghai. But Bullet train will take 11 days to reach England from Shanghai which reduces the cost of fuel and the time as well.

(ii) **Alternative trade route:** China wants to build alternative trade routes through BRI project with 6 corridor countries. Usually, there is most commonly only one route for trading that is through sea ports but through Bullet train project, dry port and motorway and highway construction would allow China to have different alternative routes for trading.

(iii) **China wants to become transit corridor:** Through BRI project as China will cover large area of world for trading e.g. Central Asia, Europe, Asia, Russia, Persian Gulf and Caspian Sea Region etc. It would lead China to become transit corridor. China could become in center and all the trading would happen through these region.



which will help China ~~eco~~ economically and politically.

(iv) Through BRI China wants to adopt strategy of collective economic growth:

As after World War II, and Cold War US adopted the strategy of collective economic growth by expanding its investment in different project across the world. China has adopted

the same strategy for collective economic growth. SEZ's initiative

would help china to achieve its objective.

Constructing industries in different parts of world such as Pakistan, Iran, Saudi Arabia would <sup>not only</sup> help those

countries also improves global economic growth.

(v) Investment diplomacy is the key tool of any nation for expanding the role of country and decision making policy of respective nation:

China is influenced by the US investment diplomacy and apply all that strategy to achieve its goal.

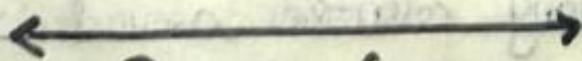
As the China would become major and central route for trading it would improve role of China

across the world and also improves decision making policy of



China. When all the trade happens through China every country will have to make policy according to China. It would help China in an international decision making.

(vi) **China wants to expand "Cultural Expansion"**: Countries that are in dominating always wants to expand their cultural expansion. Political and Economic expansion must be carried out by the powerful countries. But China wants to expand its cultural as well across the world. Almost all of the country that are under BRI project they have opened Chinese school, colleges in which Chinese language courses are introduced. In Pakistan NUML and many other Universities giving course of Chinese language, to spread Chinese cultural across the world.



Q No 6

Identify and explain the energy issues and explain the strategy to deal with them.

Energy security and self-sufficiency are the fundamental prerequisites for the progress and prosperity of



any nation. Countries that are self-sufficient in energy supplies enjoy prosperous status in world's comity.

As capacity to do work, energy fuels economic activities and holistically influences the social, political, psychological and developmental aspects of life. Energy is used in society include household, transportation, offices, manufacturing industries and agriculture sector. The sources of energy supply are renewable and non-renewable sources. The former comprise fossil fuels (oil, gas, coal) which are costly, limited and hazardous to environment.

Where as non-renewable sources which are unlimited, cost friendly and environment friendly due to their natural restorative process it includes biofuels, solar, winds, hydro, tidal, geothermal and nuclear.

### Energy Crisis in Pakistan:

Many countries around the world are facing energy issues. Unfortunately, Pakistan is one of them. There are many interconnected and overlapping causes behind the Energy Crisis in Pakistan. These includes lack of political will and consistent pragmatic policies; economic instability



and technical expertise; outdated transmission line and faulty infrastructures; power loss and power thefts; inefficient energy use and its wastage; excessive reliance on non-renewable resources and costly fossil fuels (59% of the total energy mix); overpopulation and growing demand; corruption and inefficiency in general, are some of the major contributors in energy crisis of Pakistan.

(i) **Lack of political will and consistent pragmatic policies:** One of the major contributors in energy crisis is the role of political powers and the policies made by <sup>lack of</sup> non-<sub>non-</sub>them. Political will and their serious attitude towards energy crisis lead Pakistan to such stage. Secondly, old and consistent pragmatic policies contributed a lot in Pakistan energy crisis. With advancement changes made by government but Pakistan's policies are old and outdated.

(ii) **Economic instability and technical expertise:** Pakistan economic condition is very severe now a days. Pakistan become under huge debt of IMF. IMF bailout lead Pakistan to impose high duties on



almost everything, high inflation which broke the backbone of Pakistan badly. Economic instability is one of the major reason of energy crisis.

Secondly, there is extreme lack of technical expertise people who works in energy sector. They are old people and not well educated and they are unable to adapt new things which is major problem that causes lack of technical expertise.

### iii) Outdated transmission line and faulty infrastructure:

Outdated transmission line and faulty infrastructure <sup>also</sup> causes energy crisis. Firstly, transmission lines that carry electricity are damaged and outdated. These transmission lines are damaged with the passage of time and there is no repair mechanism for them which causes loss of energy.

Secondly, infrastructure of transmission through which energy is transferred from one place to another is faulty. In world wide energy transmission infrastructure is build underground but Pakistan's infrastructure is onground



which is affected with the passage of time and due to changing patterns of weather and due to temperature changing.

(iv) **Power loss and power theft:** Firstly, power loss due to poor infrastructure and outdated transmission lines causes energy crisis. Energy that is being produced it loses before it reaches to its destination. Secondly, power theft by the people is also big issue due to high bills people go towards such activities. It severely affecting the energy sector of Pakistan.

(v) **Inefficient energy use and wastage of energy:** Inefficient energy use and wastage of energy also causes energy crisis in Pakistan. People do not turn off their lights, TVs, laptops after using them which causes wastage of energy. It causes energy loss because when you are not doing any important work it's one's duty to turn off electronic gadgets.

(vi) **Excessive reliance on non-renewable resources and costly fossil fuels:**  
Across the world every country rely on non-renewable resources



that are limited in amount due to their limitation are provided to countries on very high prices. Fossil fuels are high in price and are hazardous to environment. But unfortunately there is excessive reliance in Pakistan on fossil fuels which lead Pakistan energy crisis also economic crisis.

### (viii) Overpopulation and Growing demand.

One of the biggest problem in Pakistan is overpopulation which will cause not only energy crisis but also economic crisis, food crisis and water crisis as well. Due to growing population demand of electricity/energy also increased. It makes difficult for Pakistan to meet demand and supply needs. There is already supply is insufficient and increasing population put more burden on Pakistan.

### (viii) Corruption and Inefficient:

Corruption is happening world wide but it severely damaging the roots of Pakistan. There have been many corruption practices involved in the energy sector.

This inefficiency lead Pakistan to face major problems like energy



crisis. Due to technological advancement need of electricity/energy also increased. If in this crucial time corruption practices happens. It would lead Pakistan to chaos in upcoming years.

### Strategy to deal with energy crisis:

- Political will and pragmatic energy policies switch towards renewable energy and utilization of indigenous energy resources.
- Resilient energy infrastructure and diversifying energy mix.
- Upgrading grids and overhauling outdated transmission infrastructure.
- Checking power theft and preventing line losses.
- Building small and medium-sized dams and energy preservation.
- Transparency and curbing corruption.
- Technical and technological education must be provided to people of energy sector.

Above mentioned strategy/steps are some measures that would help Pakistan to get rid of energy crisis. The energy crisis is undoubtedly a serious issues faced by Pakistan. Nevertheless, it is addressable and if above mentioned steps are followed it will help



Pakistan to tackle with energy

crisis.

Strategy to deal with energy