

## PART II

Q:2: Does the Belt and Road Initiative (BRI) signify China's political growth or is it reflective of the developing world inclination toward economic connectivity discuss?

### Belt and Road Initiative (BRI)

Belt and Road Initiative is a game changer project for south asia and middle east. In Pakistan China Pakistan economic corridor (CPEC) is also a project of Belt and Road Initiative (BRI). Belt and Road Initiative (BRI) is composed of six corridors which are

Belt and Road Initiative (BRI)

1- China Europe Corridor

2- China Central Asia Corridor

3- ASEAN Corridor

4- China ASEAN Corridor

5- China Economic Corridor

6- China, India, Bangladesh, Myanmar Corridor

China Pakistan Economic Corridor

BRI comprise upon transport projects like Bullet train project, Network of motorways and highways, Dry ports and series of <sup>sea</sup> ports. Another major project of BRI is the investment in energy sector like investment in the oil and gas fields, oil and gas pipelines. Clean

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Clean energy like solar and wind projects and in certain cases there are civil nuclear projects too.

Third major dimension of Belt and road initiative (BRI) is the investment in special economic zones. There would be 150-200 special economic zones will be neighbouring nations of china like central and south asia and ASEAN etc.

Fourthly there would be investment in the Agriculture sector of neighbours of china especially in south and central Asia in crops, livestock and fisheries.

#### OBJECTIVES OF BRI

1. Shorter access to the market.
2. Alternative trade route for china.
3. China has adopted the strategy of collective growth.
4. China want to influence the decision making process of government of BRI countries.
5. Through BRI china wants its social-cultural influence.
6. To transform china into a transit corridor.
7. China needs to fulfill its Agri demands.

#### (A) Shorter Access to the market:-

China traditional trade route is lengthy. It takes more than 39 days by chinese ships to reach england from shanghai. whole china europe corridor will decrease the distance to

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just 11 days. Similarly it takes 26 days to reach from Shanghai to Saudi Arabia while through EPEC it will be reduced to 10-11 days and will decrease route by 12000 km. It will have a lot of benefits for China like less transportation cost will decrease and timely access to the market.

### ② Alternative Trade Route for China

China has only one trade route South China Sea, Bay of Bengal, Arabian Sea and beyond. China has security issue due to Strait of Malacca, which is heavily guarded by United States of America through its Allies. In case of war US can choke the Strait of Malacca. Therefore China is shaping alternative and shorter and safer corridor which will provide it shorter and faster access to the market. Secondly the sea route being controlled by US Navy in the International water therefore, China decided to develop land routes comprising upon bullet train projects shorter and faster. This would encourage the different parts of Asia to trade with each other through BRI. Future trade between Asia and Europe will be transfer to this corridor.

### ③ China has adopted the strategy of collective growth

US linked the development of Europe, Japan, Australia Korea and ASEAN with its own development. China

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has also adopted the same strategy. It has linked the development of South Asia, Central Asia, ASEAN African region, Russia and Eastern Europe by developing the industrial, agricultural, energy and transport infrastructure.

(4) China wants to influence the decision making process of government of BRI countries.

US influenced majority of its allied countries to the provision of loans, aid, industrialization etc. resultantly the decision making process of the pro-US countries was influenced by Washington in its own favour.

China has adopted the same strategy, it is making investments in agriculture, transport and energy sector of BRI countries. Resultantly more than 60 countries decision making process will be influenced by China.

(5) Through BRI China wants its socio-cultural influence.

The economic outreach is always accompanied by socio-cultural expansion. US made investment and provide loan and aid to series of countries across the world. This was accompanied by expansion of English language, increasing number of Americans visiting these countries and most important transforming the political systems of these countries. The same seems to be the strategy of Beijing. The project has resulted in increasing

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number of chinese employees in BRI countries. Increase in chinese learning programs and confucius schools being opened across BRI countries that will promote chinese ideology.

(6) To Transform China into a Trans corridor

The six corridors will connect different parts of Asia on one hand and Euro Asia on other. All these countries will start trading through BRI because the routes will be shorter and faster. It will be a better alternative to all these countries than sea. All these countries will pass through China and particularly western China Xinjiang. China will become a transit corridor for more than 60 countries of Asia and Europe.

(7) China needs to fulfill its Agri Demand

China is one of the largest producers of Agri goods in the world but at the same time world largest consumer. Therefore, its local demand cannot fulfill the local demand so it becomes largest importer of Agri goods. Majority of goods are imported from USA. Furthermore, there has been tremendous increase in Agri demand of China in last two decades. In 2015 the total Agri consumption was around 800 bn USD. While in 2025 it would be around 1300 bn USD.

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Therefore china has to invest in Agri sector of its neighbour countries in order to meet its demands.

Q:6:- Enlist and explain the energy issues and explain the strategy to deal with them?

Ans: The power sector electricity is faced with two major problems.

① Load shedding.

② Expensive electricity generation cost.

(1) Loadshedding

Pakistan has been facing persistent Loadshedding for the past two or more decades. In summer 2023 loadshedding in the urban center was 4 to 5 hours a day and 10-12 hours in the rural areas of Pakistan because of the overall shortfall was approximately 7000 MW. In summer 2022 Loadshedding in the urban center was 6-8 hrs a day and 14-18 hrs in the rural areas because the overall shortage was around 10000 MW. From 2007 till 2016 the total loadshedding varied from 6-8 hrs in the urban centers and 14-18 hrs in the rural areas because the overall shortage varied from 5000 - 8000 MW.

The Loadshedding become higher because

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of multiple factors. From 2007-16 majority of load shedding was due to the installed capacity was less. Secondly, higher loadshedding was resulted because the IPP reduced their electricity generation because they did not get the required money from the government of Pakistan. Thirdly and most recent Pakistan has declining dollar reserves and it cannot import the required volume of coal, oil and gas needed for the electricity generation, therefore loadshedding occur.

### ② Expensive Electricity Generation costs

The pm of Pakistan says, Pakistan generates more expensive electricity in Asia and third most expensive in the world. per unit electricity cost in the domestic sector consumers consuming less than 100 units is around 24 PKR consuming less than 300 units is around 34 PKR consuming less than 600 units is 42 PKR consuming more than 600 units is 55 PKR consuming more than 1000 units is more than 72 PKR. per unit cost for the commercial unit varies from 46 to 72 including taxes and all other charges.

Reasons for expensive electricity.

- ① overwhelming dependency on hydrocarbons
- ② importing of gas.

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③ The expensive agreements with IPPs

(4) Agreements with IPPs signed in dollars.

④ Transmission and distribution cost.

(1) Overwhelming dependency on hydrocarbons :-

More than 60% of electricity in Pakistan is generated from thermal sources. There is more than 12000 MW installed capacity of diesel units, more than 6000 MW installed capacity of LNG projects, more than 6700 MW installed capacity of coal. They generate more electricity needed in summer and less in winter. Diesel is the most expensive source, LNG is second most expensive source. More than 60% of Pakistan electricity produced annually from three expensive sources. The hydrocarbons used for generating electricity is imported. In year 2023 per day oil requirement was 588000 barrels. 83000 was locally produced the rest was imported.

(2) Importing of Gas :-

secondly on BCF (Billion cubic feet) was the need of gas per day 36% was locally produced and the rest was imported. All the oil and gas used for electricity generation is imported. The prices of hydrocarbons has been exponentially increased in the international markets. Furthermore, Rupee has devaluated



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Against dollar. In June 2021 one dollar was equal 178 PKR and today one dollar is equal to 280 PKR. 1 billion dollar of oil imported in 2021 had a cost of 178 bn PKR. It cost more than 283 bn PKR.

### (3) Expensive Agreement with IPPs:-

60% of total electricity of Pakistan is produced by IPPs. Many of them are internationally old like IPP from China, US, UK, UAE etc. and some are locally owned IPPs of Pakistani businessmen like MIA Mansha etc. The major chunk of IPPs were installed in 1994, 2005, 2011, 2015. All these IPPs produce electricity from diesels. The IPPs installed in 2015 are mostly LNG and coal based. There are series of problems in the agreements with IPPs one and the major problem is of capacity payment. The agreement with an IPP is broadly decides the price and the number of megawatts in three heads. The maximum and minimum demand in summer. The maximum and minimum demand in moderate weather March, April, Oct. and November. The maximum and minimum demand in winter. The government has to pay the price of minimum agreed demand. The problem in summer is that the demand is very high approximately 28000 MW while demand in winter is less than 14000 MW. It has to pay more money to IPPs than the total units they produce. Still

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does not purchase the minimum press hold. in June 2023, the total capacity payment was well above 2.3 trillion PKR.

(4) Agreements with IPPs signed in dollars:-

Second major problem with IPP the agreements is signed in dollar with both international and local IPPs. The government has to pay them in dollars per unit, per MW, per GW. While the govt state collect money from the peoples in PKR. The problem is rupee is abnormally devaluated against dollars. Resultantly electricity get expensive.

(5) Transmission and distribution cost:-

it is the major factor contributed to the higher price of electricity of Pakistan. Firstly the transmission line or NTPC. The total average loss is 17%. 100 MW is being produced 17 MW is being lost in the lines. This is the highest in Asia. Afghanistan 12%, Bangladesh and India 9%, China 3%. While in Pakistan it is 17% plus.

The cost of 17% (loss) electricity had to pay by consumers or state. Secondly distribution system equally contributes to the problem. 16% loss in the distribution system of the total electricity being produced. It is contributed primarily by electricity thefts that amounts around 10% areas in Pakistan.

which do not pay bill. 2% of Government departments they are exempted or pay lesser bill

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4% are pending bills. The total loss is 33%. Which is borne by the state and consumer.

## SOLUTIONS.

### ① RE-NEGOTIATE THE AGREEMENTS WITH IPPS

The agreement of 1994 and 2005 must <sup>re</sup>negotiate long ago. But unfortunately they were not until 2010. It was decided that no more capacity would be made to IPPs and local IPPs would be paid off in PKR. But the major problem still remain as more than 65% of the IPPs being installed in 2011 and 2015 and their time period would complete in 2027-28.

### ② MORE focus on cheaper electricity

Energy vision 2030, 1500 MW energy would be produced from hydro sources. Diamer Basha would contribute 4500 MW. Dasu dam 4300 MW. Mmand 800 MW, Sulicikani 883 MW etc per unit cost would be less than 5 PKR. Secondly 4500 MW would be produced from wind energy in coastal belt of Sindh and Balochistan. 300 MW would be produced from solar and average per unit cost would be 8 PKR. 5000 MW from civil nuclear project and 7000 MW from local coal of Thar and per unit cost would be 14 PKR.

(3) Revamp The Transmission Lines.

most of the transmission lines are outdated they have expired but they are still using by the government instead of replacing them. in order to get rid of 17% loss it is an expensive phenomenon and would cost at least 45 bn USD and would take 7-10 years.

(4) Resolve The Problems of distribution sector:-

The writ of the state must be strong to overcome the electricity theft and other patterns of non-payment of electricity bills. The government department must be made to pay timely and complete bills. It would even better to privatize all the DISCO's and the state should play the role of regulator only.

Conclusion:

The economic, social, political future of Pakistan is overwhelmingly dependent on the reforms in the energy sector.



Q:7:- in modern day democracy, the role of higher courts is vital in development of democratic values. Discuss.

Ans.: In modern democracies higher courts play a very important role in the development of democratic values as by definition democracy means "the government of the people by the people". So the influence of higher courts extends across different aspects of governance and rule of law. Some points describing the role of higher courts in developing democratic values are discussed below:

### (1) Upholding the Rule of Law:-

Higher courts are instrumental in ensuring & ensuring that the civil people and government officials are same within law. By interpreting law and order impartially, they can maintain a system where laws are applied consistently which protects citizens and ensure accountability.

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### (2) Fundamental rights protection:-

Higher courts depends peoples basic rights & and there freedom for example freedom of thoughts, freedom of speech and the right for a fair trial. if so any individual believes that his right is being violated, they can request to higher courts for justice.

(3) Balancing Power powers :-

Higher courts acts as checks and balance on the other governmental departments

like president, prime minister and parliament etc for what they are doing keeping eye on them. They must need to ensure

The cases which is passed by these institutions is not violating the Acts of the constitution which is the highest law of the territory.

(4) Reviewing law and Action:

Higher courts must maintain the power of law interpretation and reviewing. it means that they can decide whether a law is fair and inline with democratic principles if a law is found to be unconstitutional they have the ability to ~~str~~ strike that law down.

(5) Ensuring fair elections:

Higher courts helps to make the elections inside the country free and fair without any ~~etc~~ rigging this is the responsibility of higher courts to make it possible in due time to avoid the situations of law and order in the territory. Higher courts

needs to ensure the democratic process transparent and trustworthy.

### ⑥ Protecting minority rights:-

Democracy is not about the majority rule. It also involves the minority population within the country. Higher courts need to protect the rights of minorities and make sure justice with them and to not be treated unfairly.

### ⑦ Promoting Transparency and Accountability

Higher courts can order the government officials and institutions to be transparent and accountable no matter how much power is held by the government officials or institutions they must obey the orders of higher courts and they are bound to them. By providing a final and fair decision.

### ⑧ Resolving disputes:-

Higher courts must need to help to resolve the serious disputes, they must need to play their role positively - whether they are between individuals, organizations or even government bodies.

By providing a final and fair decision, they can help to maintain peace and order in society.

### ⑨ Building trust

Higher courts need to build trust among the peoples. When people see that higher courts are fair and are not bound to any one independent, they trust the legal system and the government more. This trust is healthy for essential for a healthy democracy because it encourages people to respect the law.

### Conclusion

Higher courts are essential for the development and maintenance of democratic values. They ensure laws are just protect individual rights, balance government powers and building public trust. In doing so they help to create a fair and stable society where democracy can thrive.

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