

Q. NO. 02

Introduction:

Taiwan is a potential conflict between the China and USA. Owing to its significance in the realm of chip industry and at the cross-roads of south china sea Taiwan has significance for the USA. On the other hand because of its historical festers and the one-china policy, China consider Taiwan its part. Due to much importance China and USA wants to maintain hegemony on Taiwan. Because of enough importance there arose a conflict between China and USA. However, by implementing one china policy and the interventions of international organizations the two countries may avoid the conflict.

Reasons of Conflict over Taiwan between China and USA:

I. Economy → Chip Industry

Taiwan is a leading producer of chips worldwide. Taiwan chips manufacturing company earns over \$400bn revenues yearly. This industry is the backbone of Taiwan economy. USA is in a strong need of these chips to manufacture highly efficient mobile phones and computers. China is also dependent on Taiwan for chips. Therefore, a conflict arose between China and USA.

2. South China sea - To Maintain Hegemony over China:

South China sea is a potential area to contain China. USA is using the military bases of the Philippines, Vietnam and Japan to make a triangle to contain China. Otherwise, China considers South China sea as its territorial part. To maintain hegemony Taiwan can be used by USA to contain China. According to Reuters:

Indo-pacific Ocean and South China sea will determine a new world order.

3. Taiwan's bid to join NATO:

As China considers Taiwan its territorial part and according to one China policy, it will annex Taiwan. However, Taiwan's tendency to join NATO is an alarm for Chinese officials. As a result of this USA is increasing its footprints in Taiwan.

According to USA president:

We will welcome and defend Taiwan in case of any conflict between China and Taiwan

4. Demographic Shift - More tendency towards USA:

Taiwan is a country of 9m residents. Historically as a part of China, its citizens were inclined towards China. Now, due to the strong influence of USA and visit of US vice president and investment heavily in Taiwan, its population is more leaning towards

USA which is alarming situation for the China.
According to statistics.

More than 60% of
Taiwan's population are
inclined towards USA.

5. Territorial significance of
Taiwan - Important for both
USA and China.

Strategically, Taiwan is located at the junction between the Japan, Philippines and Vietnam. USA is a major collaborator of Japan and Philippines in the alliance of Quad. Thus, China has a conflict with Philippines over maritime so both countries are fighting diplomatically to have a say in Taiwan.

Resolution of the Conflict:

1. USA must implement its foreign policy in true spirit.

USA has said in many

fronts that it accepted the one china policy of china. But diplomatically USA is increasing its presence in Taiwan. Therefore USA must implement its policy.

2. United Nations must intervene to determine the fate of Taiwan:

United Nations must intervene to resolve the conflict between China and USA.

According to UN Secretary General:

Taiwan engulfed in a civil war, have to resolve according to one china policy.

However, in true spirit the implementation of one china policy will be a significant step.

3. Establish a Consensus Government in Taiwan:

In Taiwan, some governments

are pro western thus increasing the boy of western countries and some are pro-china. To build peace, then it is essential to make a government with consensus between China and USA.

4. China must stop its military Exercises over Taiwan:

China is continuously doing military exercises in Taiwan to deliver message to west that it is his territory. Therefore, china must adopt peaceful ways to regain Taiwan. In case of any conflict, there will not any winner.

Conclusion:

In a nutshell, Taiwan due to its economy, territorial significance & it is a flashpoint between china and USA. So, by implementing one china policy the potential conflict can be resolved.

Q. NO. 04

Introduction:

Pakistan's economy revolves around its major contributors. Among these agricultural, industrial, IT power sector and real systems holds a major contribution to economy. Like agricultural roughly holds more than 20% of GDP. But owing to absence of structural reforms in the aforementioned sectors Pakistan's economy is in a declining stage. Implement structural reforms like improve cost in availability of cheap labor, cheap electricity, spreading internet data, addressing the EOPs engage and include the agriculture and real estate into tax net, are major structural reforms in the above discussed sectors.

Structural Reforms in Industry:

1. Make sure the availability of electricity:

Electricity is a major hindrance because of its prices in the smooth running of industries. As a result, the cost of production will increase thus inflation.

According to a local firm:

More than 20 textile units have been closed due to un-availability of cheap electricity in Faisalabad.

2. Shape macroeconomic policies to Boost Investment:

Such policies are needed which remove hindrances in sustaining foreign direct investment. Companies are reluctant due to red-tapism, terrorism and tariffs. So make a comprehensive policy to address structural reforms.

3. Promote Green Investment:

Industries are running on the

imported fuel not only this fuel is costly but also adds in the environmental pollution. To counter this promote green infrastructure development.

2. Structural Reforms in Agricultural Sector:

2.1 Improve Irrigation system:

More than 90% water consumption is in agriculture sector and most of this water is being wasted due to inefficient irrigation. Promote drip irrigation in this regard.

2.2 Make sure Availability of quality seeds:

Extension department is lacking in providing the quality seeds to the farmers. This resulted in the reduced growth and spread of diseases. Therefore quality seed must be ensured.

2.3 Train the Farmers to Use efficient Machinery:

Farmers are using traditional methods of crop production. This in turn increases the cost of production and bring less profit to farmers. So farmers should be trained to use the machinery for crop production.

3. Structural Reforms in IT Sector:

3.1 Build IT based Infra-structure:

To promote IT industry in Pakistan, build IT based infrastructure. This will attract FDI and train the students in this sector. In this regard building an IT hub in Lahore is a welcoming step.

3.2 Maintain Availability of Smooth Internet:

Smooth internet system is essential to promote IT industry. This will boost the inflow of dollars in country but in case of non-employment.

Around 41.3 bn loss occurred
due to one day interest
breakdown.

4. Structural Reforms in Power Sector:

4.1 Reduce dependence on imported fuel:

Power sector mostly operated on imported fuel. Which causes the cost of electricity high. In return causes the environmental loss. So, promote renewable energy in power sector.

4.2 Renegotiate Contracts With Independent Power producers:

Capacity payments are a major flow to Pakistan's economy. According to NEPRA:

Capacity charges will account around 40% of the total in the coming year.

So, renegotiate with IPPs and adjust charges on consumption.

5. Structural Reforms in Tax System:

5.1 Broaden Tax Base:

Broaden tax base instead of tax rate - include the agricultural sector into tax net. According to statistics:

Agricultural sector accounts for 20% of GDP but its contribution to tax is only 1%.

5.2 Digital Taxation System:

Federal Board of Revenue should be digitalised so that the tax breaches should be avoided.

Conclusion:

To conclude, industries, IT, agricultural sectors needs structural reforms in the case of increasing maximum benefit and preventing loss, then the economy will flourish.

Q. NO. 05

Introduction:

Pakistan, in the mid of october, hosted the heads of government meeting of the SCO. In which almost three prime ministers of nominated countries and 7 ministers participated. In the realm of mutual cooperation, climate change and terrorism, 8 MoUs have signed. Pakistan has successfully addressed the aforementioned challenges in the meeting. I will recommend Islamabad to implement the RATS structure in terms of eliminating terrorism, enhance cooperation with india and advocate for climate resistant infrastructure.

Evaluation of Major Takeaways for Pakistan:

1. Mutual cooperation to address Economic challenges:

According to the charter of

SCO, all the member will fully collaborate in terms of economic downfall. Now, this step is important for Pakistan as it will bring FDI and just investors to invest in Pakistan.

According to PM of Pakistan:

Mutual Cooperation in terms of investment is necessary for economic revival.

2. Mutual Cooperation to Address Terrorism:

As it was mentioned by Indian foreign minister, terrorism is a major hindrance in building relations with Pakistan, so, Pakistan has initiated operations to combat terrorism and under the RPT mechanisms all the member will collaborate to curb terrorism globally.

3. Mutual Cooperation to Address climate change:

Climate change caused a

huge loss to economy of Pakistan. In 2022 floods, Pakistan's economy suffered \$38bn. So, in order to build resilient infrastructure and for humanitarian assistance the member countries will cooperate.

4. Mutual Cooperation With CARs Countries to Address the Issue of Energy Shortage:

Energy shortages is a chronic problem in Pakistan while the Central Asian states like Turkmenistan and Uzbekistan are rich in the natural resources like oil and natural gas. TAPI gas pipeline is an important project to address the energy shortages.

Measures to Address the Challenges through SCO:

1. Build a Security Mechanism to Combat Terrorism:

China, Russia and Pakistan are engulfed in terrorism for ISIS, IED and many more therefore to address this common challenge

build a NATO like security mechanism to combat terrorism.

2. Make a climate Fund Program to address the work of Developing countries:

All the SCO member countries should start climate fund and all the member states are obliged to participate in it. This would help to build climate resilient mechanism.

3. Promote Free Trade Agreements to Uplift Economy:

All the member states should sign free trade agreements. This will enhance the current trade potential of SCO member countries to double.

4. Pakistan should effectively address Kashmir Issue through Diplomatic Pressure:

In the SCO meetings and the help of China and Russia

Pakistan should address the issue of Kashmir effectively by putting diplomatic pressure on India.

5. Improve Relations With Iran and Russia in terms of energy.

Pakistan is not enhancing its relations with Russia and Iran due to fear of American sanctions. Using SCO Pakistan must collaborate with Russia and Iran to complete the Iran-Pakistan Gas Pipeline and to harness the energy potential of both countries.

Conclusion:

In a nutshell, SCO will be a game changer for Pakistan in terms of addressing economic, climate and terrorism challenges. So by collaborating with China, Russia in terms of combating terrorism and with CARs to meet energy needs are important takeaways for Pakistan.

Q. NO. 03

Introduction:

US is providing every assistance necessary not only for its self defence but also to wage a war with other neighbouring countries. US is assisting Israel militarily, economically and diplomatically. This has tarnished the image of the US in the Arab countries. Various Arab countries including USA and Jordan has expressed their anger by not meeting the US secretary of State. Arab countries are calling USA, a hypocrite. In this way China and Russia are increasing their foot prints in the region to maintain a say in the Muslim World.

Reactions of Arab Countries to the Unconditional Support of USA to Israel:

I. Reaction of Kingdom of Saudi Arabia (KSA):

KSA has reacted in the

unconditional support of USA to Israel. USA sustained itself from the normalisation of relations to the Israel. In addition to this there is not any advancement witnessed in the construction of state. Further USA foreign Minister said:

USA is standing firmly behind Palestine and it will not accept Israel until a two state solution is implemented.

2. Reaction of Turkiye:

President Erdogan has repeatedly called on the USA government to stop funding Israel and urged the Muslim world to unite for the cause of Palestine. Further, he arranged various peace talks between Israel and Hamas to build peace.

3. Reaction of Egypt:

Egypt has northern border with Gaza due to its neighbour.

hood Egypt allowed thousands trucks of aids to enter into Is-
 rael. Further, Egypt will deploy
 its weapons in case of any attack
 with its bordering region. Egypt
 clearly supported Palestine in
 ON.

4. Reaction of Iran:

Iran through its proxies
 in the Gaza, Lebanon and
 Yemen has retaliated in case
 of Israel attack. As Israel is
 the proxy of USA and same
 is the case with Hamas, He-
 zbollah and Houthis.

Tactics of China in creating Space among Arab countries:

7. Represents itself a sole
 peace negotiator → Fatah and Hamas
 Deal:

China is presenting itself
 a sole peace builder in the
 region. Due to its efforts
 a peace deal has been done

between Palestinian factions Hamas and Fatah paving a way to build local government in Palestine. Also brokered a deal between Iran and USA.

2. Creating a soft image by supporting Palestinian cause:

China by its verbal statements and at the UN supported the cause of Palestine. Thus creating a soft image as it is opposing war.

Russia's Tactics to Penetrate into Middle East:

1. Providing Humanitarian Assistance:

Russia is providing humanitarian aid to the Palestine thus creating a soft image as it is supporting the cause of Palestine.

2. Pen. Military Penetration in the name of Iran:

Russia is penetrating into the region militarily by supporting the Iran and its proxies. Recently USA claimed the Russian weapons are being used in the conflict from Iranian side.

Conclusion:

To conclude, USA is tarnishing its image by supporting Israel in Palestine by economically militarily and diplomatically. This is taken a huge advantage by Russia and China to represent themselves as peacemakers and supporters of Palestine.