

Part - II

Q. 6

Is Pakistan ready for economic take off? If not, what hinders this? Elaborate

The economy of Pakistan has gone through a shock therapy in the past years or so. In Fiscal Year (FY) 2023-2024, inflation was touching 31%, current account was in deficit, growth was low, and debt was high. However, in FY 2024-25, situation has changed with macro indicators posing positive trajectory. But nonetheless, the economy is still not out of the woods, as structural reforms like privatization, low government foot print, high debt and mixed tax targets remain elusive. Unless, these structural reforms are not curtailed Pakistan's economy will remain dependant on foreign support.

Pakistan's economy is ready for economic take off

1) Inflation in control

Pakistan inflation has come down to 4% in July, 2025 (Ministry of Finance) from 31% in June 2024

This control of inflation has given space to more growth. Reflecting confidence in the economy.

2) Current Account in surplus

For the past six months, Pakistan's current account is in surplus that is Pakistan is importing less and exporting more. This shows that more space is available to expand the export sector.

3) Interest rate falling to single digits

Last year interest rate was 21% (CSBP) and it has fallen to 7% by August. This monetary easing reflects that economy is ready to take off for growth.

4) ^{Financial} International Institutions (IFI's) growing confidence on Pakistan economy.

The IFI's like Moody's, S&P and Fitch rating agencies have upgraded Pakistan outlook. This growing IFI's confidence on Pakistan economy manifests that Pakistan must shift trajectory to growth.

5) Pakistan Stock exchange (PSX) breaking records

Similarly, the PSX index has crossed all time high 15,000 benchmark. This crossing of 150K shows growing investor confidence in the economy.

6) Collection of unprecedented tax targets

The Federal Board of Revenue, Pakistan main tax collection authority has collected 10 trillion tax in FY 25-26. Manifesting that huge potential exist for growth

7) Privatization in ^{full} effect

The long due Privatization of loss making state-owned-enterprises is in effect. The current dispensation is making headways in privatizing PIA, Pakistan steel mills and Discos.

8) Circular debt in contain

Similarly, efforts have been made to contain the enormity of circular debt. Reports indicated that circular debt will be lowered from 2.3 trillion to 1.6 trillion.

Challenges hindering this economic take off.

1- High energy cost.

Pakistan produces the most expensive electricity in the region. This high cost energy makes Pakistan's exports uncompetitive unless, this problem is solved the issue will remain.

2- High inefficiencies and transmission losses

Pakistan energy sector is ridden with high inefficiencies in transmission and distribution system. These losses are close to 17%. which is consuming the bulk of Pakistan's economic potential.

3) Unsustainable Circular debt

Similarly, the Pakistan circular debt is an enigma, where resolution remain bleak. currently, the circular debt stand at 2.3 trillion which is making the economic situation less likely to change.

4) Low Growth trap

Pakistan is trap in low growth trap the economy is still not able to recover. currently, growth stands at 2.6% and population is growing at 2.3%. This

(5)

Slow pace shows that ^{growth} population will not be absorbed in the economy. If growth remain stuck at 2.6%.

5) High dependence on Import for manufacturing.

Like wise, Pakistan's major exports like textiles remain heavily dependent on import. So, if that problem is not curtailed by capacity and technical building Pakistan will remain stuck in dependency of imports.

6) Dependence on Loan and Aid.

Pakistan economy is dependent on loans, grants and aid on IMF. Unless, economy does not get out from this menace Pakistan will not be able to take off.

7) Limited Export potential

Pakistan only produces low-value added exports in textile sector.

More over, Pakistan occupy low space in global supply chain. Unless, Pakistan expand its base and move to high value export goods. The economy will remain stuck.

8) Absence of Knowledge based economy

Similarly, the concept of knowledge based economy is completely missing

From national discourse Pakistan's University^{ies}, schools, and colleges curriculum does not take into consideration that it must incorporate^{industry} skills that address modern needs. Unless, focus is not shifted to human development. The idea of economic take off will remain just an idea.

Conclusion

The economy of Pakistan has stabilized in the recent years. But structural issues pertaining to economy are still intact. Focus on privatization of SOEs, Discos and low government foot print can lead to better economic conditions. Moreover, circular debt and energy inefficiencies are constraining Pakistan economic potential. Unless, these aforementioned issues are not solve the idea of growth will remain only a pipedream.

Q.3

The recent floods have shown the ill-preparedness of governments at all level. Explain the importance of Disaster Management for Pakistan.

Pakistan is under the throes of climate change, where recurring floods are becoming the new norm. Moreover, successive government's inability to equip National Disaster Management Authority (NDMA) with the required skill set, funding and technical facilities exposes deeper faultlines in our disaster response. Likewise, failure to empower ^{district} disaster management board and local bodies shows that the issue is more of mismanagement rather than climate change.

Current Landscape of Pakistan climate Response

1- Pakistan climate vulnerability

As per German Watch Dg climate Risk Index of 2025 Pakistan is the most vulnerable nation to climate. This manifest that

investments must be made in building climate resilient infrastructure

2) Non-operational District Disaster Management Authority (DDMA)

DDMA's are ill-equipped and don't have the required necessary technical expertise. More over, scarce funding highlight the gravity of the issue

3) Support to Encroachers

In Pakistan, many hotels, resorts and restaurants are built on the bank of river. This illegal encroachment has destroyed the flow of river and natural habitat.

4) Lack of technical expertise

Successive governments know that climate change is a reality. Yet, none has made effort to build the NDMA organization technical expertise.

5) Less focus on Adaptation

Pakistan is under the thrdes of ~~the~~ irregular monsoon patterns.

Yet, no focus or incentives have been given to adaptation, or on building climate resilient infrastructure

6) Mitigation Elusive

Similarly, mitigation or post-flood mechanism is yet another issue which shows that the NDMA authority has failed to mitigate the flooding threat due to funding or technical issues.

7) Failure to install early warning system

Though substantial efforts have been made to install early warning system but this should have been done after 2010 floods. If EWS has been installed at the time the situation would have been different.

8) Failure to empower local bodies and connect to DDMA.

Local bodies establishment is the backbone of good governance. But in Pakistan, local bodies remain non-functional, and under funded. If they would have been empowered and linked to DDMA's better and effective adaptation could have been possible.

Ways Disaster Management
could have solved or mitigated
climate crisis

1- Linking Local bodies with DDMA's
DDMA's must be link with empowered local bodies. As local bodies are true representatives of the people so, if both entities are linked this would lead to greater mitigation and adaptation.

2 - More funds for DDMA's
DDMA's must be given more funding, and must be entrusted with the responsibility of policy implementation. Moreover, NDMA should only give policy guidelines and funding should be given to DDMA's

3- Focus on Adaptation and Mitigation

Similarly, adaptation and mitigation should be the center stage of Disaster management. So, that realities of climate change can be better encounter.

4- More focus on Pre-Disaster management

Efforts must be made toward pre-disaster management mechanism. This focus will lead to implementation of better plans that will mitigate the coming flooding.

5- Restructure National Finance Commission (NFC)

NFC must be restructured, where allocation to climate vulnerability index must be incorporated. Moreover, more funding should be allocated for climate vulnerable regions.

6- Build More Early Warning System (EWS)

As climate change is a reality so building EWS is the need of the hour. This would ^{help} make better disaster response policy.

7- Focus on training Personnel

NDMA and DDMA's personnel must be trained on ways to tackle the flooding situation. By building technical expertise in these personnel a resilient strategy can be made.

8- Focus on building climate Resilient Infrastructure

A new disaster strategy must be made, where building climate resilient infrastructure should be focus. This would strengthen adaptation and mitigation measures.

Conclusion

The recurring flooding phenomena in Pakistan is more of an administrative issue. As successive governments failed to empower DDMA's and NDMA. Moreover, less focus on building EWS, Adaptation and mitigation strategy made matters worse. Unless, Pakistan work on solving these structural issues no amount of foreign funding will help ameliorate the crisis.

Q4

Population explosion, food insecurity and climate atrocities are new National security challenges for Pakistan. Discuss.

Pakistan is facing a polycrisis of population explosion, food insecurity and climate change. These new crisis have changed the Pakistan's National security paradigm. Also, it shows a shift that non-traditional security threats is the new existential crisis to Pakistan solvency. Hence, a multi pronged strategy must be adopted and implemented to get Pakistan out of this abyss.

A - Population Explosion a national security challenge

2) ^{Frustrated} Idle Youth

The Youth in Pakistan comprises 60% plus. This shows immense opportunities as well as threat. This is because most are idle due to economic stagnation. As per PIDE, 31% of undergraduate are unemployed. This shows that an challenge is unfolding.

2) high population a ticking bomb
Pakistan has the highest birth rate in the South Asian Region. The population growth rate is 2.3% while the economic growth rate is 2.6%. Showing that a large population will remain unemployed.

3) Strain on constrained resources
Already resources are constrained in Pakistan. For instance, Pakistan is the most water stressed country speak volume of an challenge that will pose a national security threat

4) Low growth and low jobs
Due to population explosion, more

and more people are adding while the pie of the economy is becoming less and less. Moreover, as per World Bank 44% of population is living below poverty line. This shows that the gravity of problems.

B- Food Insecurity a National Security challenge

1- Agriculture in Decline

Pakistan agriculture sector, which was once the backbone of the economy is in decline. This is due to climate change, low production and low yield. Currently, Pakistan is importing wheat and staple crops to feed its population.

2- Constrained water resources

Water resources are fast depleting. Pakistan is the most water stressed country as per UNICEF. Moreover, existing ground water resources are fast depleting.

3- Climate change a new reality

Like wise, climate change is an existential threat to Pakistan national security. climate change

has altered monsoon patterns,
glacial melt and induced extreme
weather event

4 - Less emphasis on hybrid
seed

Similarly, farmers in Pakistan
still rely on indigenous farming
technique whereby, yield often
time is low. The refusal to
accept new farming method
has made food security a cherished dream

C - Climate change a New National Security Threat

1 - Irregular Monsoon pattern
Climate change has altered Pakistan
Monsoon patterns. This change has led
to flooding and destruction of
standing crops. The Ministry of
climate change had earlier predicted
of intense monsoon season

2 - Recurring Extreme weather Event (EWE)

The extreme weather events (EWE)
are becoming a new feature for
Pakistan national security. Intense
summers, glacial melt and
drought are making economic
crisis worse

3- Destruction of Infrastructure
climate change is destroying the existing infrastructure. For instance, flood of 2022 led to \$30 Billion loss to Pakistan economy.

4- Loss of life and livelihood.
The most sad reality of climate change is the loss of life and livelihood. The 2022 floods led to 3000 plus fatalities and added 9 million people more into poverty.

D- Ways to approach this crisis.

1- Focus on population control
Efforts must be made toward population control. Moreover, contraceptives, mass movement and curriculum education should be used as a tool to control this crisis.

2- Reduce Population share from NFC

currently, NFC occupy 82% of weightage. This proportion should be reduced and provinces should be awarded that reduce them.

3- Adopt Hybrid modern farming technique

Similarly, modern farming technique involving hybrid seed adoption, ~~the~~ Drip irrigation, and drone technology should be used to get better yield.

4- Reduce water intensive crops and subsidies

Efforts must be made to discourage crops ^{like sugarcane} that absorb too much water. Moreover, subsidies to such sectors must be revoked and private sector should be given space for competition.

5- Build climate resilient Infrastructure

By building climate resilient infrastructure, Pakistan can do adaptation as well as mitigation. Moreover, encroached on river-bed must be removed.

6- Link Local bodies with DDMA

By linking local bodies and DDMA together, Pakistan can better solve the menace of climate change. Moreover, increased funding should be made

to ensure efficiency and effectiveness

5- Conclusion

The new realities of climate change, food insecurity and population explosion is an existential threat to Pakistan national security. Thence, it is imperative that efforts must be made to solve such non-traditional security threat by adopting whole of government approach. By adopting and implementing this only then the security of Pakistan can be ensured fully.