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Pakistan is repeatedly hit by devastating floods. Critically evaluate its reasons and recommend policy option for the nation to follow.

Pakistan is facing unprecedented challenges due to flooding, which is becoming a new normal. This is a manifestation that Pakistan is under the throes of climate change. This repeated flooding is due to Extreme Weather Event (EWE), irregular monsoon pattern, glacial melt, and Pakistan not building dams and reservoir to store water. In light of these challenges, it is imperative that Pakistan implement both short term and long term solutions: building dam, investing in early warning system, adaptation and mitigation strategy. So, that the devastation caused by flooding can be ameliorated and contain.

Reasons of flooding in Pakistan

1) Climate change

Pakistan is the most vulnerable nation to climate change. According to German watchdog Global Climate Risk Index, Pakistan, is the most vulnerable nation to climate change, which is exacerbating ^{Pakistan} flooding phenomena.

2) Rapid Glacier Melting

Pakistan is blessed with mighty glacier wealth. But due to sudden change in temperature these reservoir of water are melting at an unprecedented pace, which is leading recurring flooding phenomena.

3) Recurring Extreme Weather Event.

Extreme weather events are becoming a new normal. These extreme weather events (EWE) are giving impetus to flooding phenomena.

4) Irregular Monsoon patterns

The monsoon patterns in Islamabad have changed completely. According to Ministry of Climate Change, monsoon are becoming intense and arriving earlier before the timeline. This is another reason of flooding.

5) Absence of Dam and Reservoir

Pakistan has not worked on long-term strategy of building dams and reservoir. In these flooding event, it is becoming imperative that investments

must be done in building dams, canals and barrages to contain flooding menace.

6) Rampant Deforestation

In Pakistan major cities like Lahore, Peshawar, and Faisalabad deforestation has led to soil erosion. Moreover, no new projects beside Billion Tree Tsunami project has been initiated. Hence, efforts must be made in that regard.

7) No Financing in Adaptation and Mitigation Strategy

Successive governments in Pakistan have not invested in adaptation and mitigation strategies. Moreover, focus is only on post-flooding not on pre-flooding strategy. This has led to policy inconsistency, making the nation prone to flooding.

8) Absence of climate resilient infrastructure

In Pakistan, ^{building} climate resilient infrastructure discourse is completely missing. This makes the existing system highly susceptible to flooding.

9) India discharge of water in Pakistan

New Delhi belligerent attitude and release of water in Pakistan territory has led to flooding. More recently, India released water in River Ravi which

destroyed fields, crops and houses

10) Failure to invest in Early Warning System

Successive governments in Pakistan have failed to invest in early warning system (EWS). Their failure to not invest has led to unprecedented damages in Pakistan.

Policy option For Pakistan

① Built Dams and Reservoir

Pakistan must build new dams, reservoir, barrages and canal to control flow of water. In that regard financing from World Bank must be made to ensure Pakistan water solvency.

② Invest in Early Warning System

Pakistan must invest heavily in technology of early warning system (EWS) so that timely, precisely flood can be predicted which can lead to minimum losses.

③ Invest in Adaptation and Mitigation

Islamabad must invest in adaptation and mitigation strategy.

Like, building climate resilient building can be one solution. Moreover, mitigation strategy must involve aid, grants related to carbon financing.

④ Building climate Resilient infrastructure

To stop floodings, it is important climate resilient infrastructure must be built. Moreover, flexible building code and evacuation mechanism must be kept in place.

⑤ Allocating climate resilience and adaptation clause in NFC

The current National Finance Commission (NFC) don't consider climate vulnerability as an indice. Hence, a clause should be incorporated, so that regions, susceptible to climate change can be given more funding.

⑥ Ensuring Indus water treaty (IWT) remain in effect

Islamabad must hold India liable for its failure to give advance notice to Pakistan, when it is preparing to release water in Pakistan territory. Institutions like world Bank platform should be use to make India abide by agreed rules.

⑦ Ensure massive Afforestation drive

Islamabad must work on afforestation drive. Projects like Billion Tree Tsunami must be continued so that forest cover can be increased. Research shows Forests are natural barrier to flood, so indigenous natural techniques must be adopted.

⑧ Operationalize District Disaster Management Authority (DDMA)

An effort must be made to empower DDMA's. As DDMA's are first line of defense, so capacity building and technical expertise must be shared with these institutions.

Conclusion

Pakistan is under the weather of climate change where flooding is becoming a new normal.

Moreover, Islamabad inability to incorporate early warning systems, DDMA's, adaptation and mitigation has made matter worse hence, effort must be made on these element.

So, that a climate resilient Pakistan can emerge.

Q7

The economic revival of Pakistan would be an elusive dream until extensive structural reforms are not introduced.
Explain.

The Fiscal Year (FY) 2024-25 has been an economic success for Pakistan. As inflation came down from 32% to 4% (June, 2025). Moreover, interest rate has come down from 21% to 17% (SBP). Similarly, the Pakistan Stock Exchange (PSX) has crossed 150,000 index manifesting that economy has rebounded at an unprecedented scale. But beneath these success, the structure of the economy is still the same. For instance, Pakistan energy rate is high in the region, circular debt is an enigma and 44% of population live below poverty line. Unless, Islamabad implement structural reforms the dream of a sustainable growth will remain a dream.

Pakistan Economy revival
in 2024-25

1) Single Digit Inflation

Inflation in Pakistan has come down to single digit that is 4% in July 2025 (Ministry of Finance) from 32% last year. This shows that Pakistan economy has rebounded successfully.

2) Interest rate in decline

Similarly, interest rate has come down from 21% to 10% (State Bank of Pakistan). This has increased consumer spending and people income.

3) Stock exchange breaking records.

The Pakistan stock exchange (PSX) is breaking record. The Index in August crossed 150,000 points manifesting investor's confidence in Pakistan's economy.

4) Credit rating agencies increased trust in Pakistan

Credit rating agencies like S&P Global, Fitch, Moody's have increased Pakistan profile for credit and trust in economy indicating trust that Pakistan is moving in right trajectory.

5) Unprecedented tax collection

The Federal Board of Revenue, Pakistan tax agency has collected close to 70 trillion rupees in FY(25) indicating improved tax capability in the body.

Challenges to Pakistan Economy

1 - High Energy Cost.

Pakistan has one of the highest energy cost in the region. Due to which Pakistan's exports at times become expensive. The high generation per unit cost is denting Pakistan export competitiveness.

2 - Elusive Privatization

Privatization of loss making state owned enterprises (SOEs) remain elusive today. Enterprises like Steelmills, PIA, Discos are bleeding money.

3 - Missed tax targets

Similarly, FBR is consistently missing tax target. For instance, in last fiscal year, Pakistan failed to 300 Billion Rupees

4 - Informal Economy Prevalent.

Informal economy still today occupy large portion of economy. Failure to digitize and ~~make~~^{add} it into formal economy has made the dream of economic growth elusive.

5 - High debt servicing

Similarly, debt servicing occupy and take major portion of economy. Pakistan debt-GDP ratio stand at 67%. (Ministry of finance)

which makes Pakistan ability to invest in social sectors constrain

Proposed Structural Reforms to revive the economy.

1) Privatize loss making DISCOs
Loss making ^{energy} distribution companies must be privatized and a room should be open for competition. As loss making DISCOs are bleeding money and their privatization will open new room for private sector growth.

2) Invest in transmission and distribution infrastructure

Energy sector mispractices is the enigma of Pakistan economy. It is imperative that transmission and distribution system losses close to 17% must be solved which would reduce energy cost.

3) Focus on Export

Pakistan must invest and promote industries, in which it has competitive advantage. Thus textile sector, agricultural and service sector must be incentivized and promoted to rejuvenate growth.

4- Reduced
from
Allocation
of Decentralized
Funding
massive
Sector
must

5- Digital
Similarly
toward
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and K

6- Tax
Agriculture
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revision
agricultural
avoid
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7- Business
eco
Likewise
adoption
create

4- Reduce Government foot print from the economy.
According to Pakistan Institute of Development Economics, Pakistani govt footprint is close to 67%. This massive footprint discourage private sector to invest. So, footprint of government must be reduced to unlock growth.

5- Digitize the economy
Similarly, efforts must be made toward digitization. Moreover, SBP must ensure that ^{high} payment of retailers and traders must be track to monitor and know size of economy.

6- Tax retail, real estate and Agriculture

Similarly, tax amnesty and tax evasion in retail, real estate and agriculture sector must be avoided. Bringing these sectors will yield greater tax which will lead to better service delivery.

7- Building Knowledge Based Economy

Likewise, investment in ^{modern} skills adoption for youth will help create Pakistan a knowledge

Meanwhile, based economy. The assimilation of think tanks, research institutes and universities can bridge this gap.

8) More credit to private sector. Currently, govt. is the biggest borrower from banks. Hence, an effort must be made to discourage this ratio. So that investment-to-GDP ratio can increase from 13.4% to 20% (SBP). This will lead to more growth and employment for youth.

Conclusion

Pakistan is again at crossroads. The economy has indeed stabilize but is highly vulnerable to external shocks. Moreover, to unlock sustained economic growth Pakistan must address its chronic challenges pertaining to energy sector and focus on export to rejuvenate growth. Furthermore, private sector should take the charge so that economy gets back to become Asian tiger.

Q.6

How do you see the challenges and opportunities for China in the trade tariffs imposed by US on both adversaries and allies?

President Donald Trump imposition of tariffs on both allies and adversaries has changed the rules of engagement. Moreover, this US reshift has opened opportunities as well as challenges for other great powers like China. China see it as a strategic opening, whereby, it can access new European markets and present itself as a reliable partner. However, the challenges which looms over China is extensive, as United State (US) is its export destination. Also issues of capacity threatens Beijing ability to project itself as an economic engine of the world.

Challenges for China amid US tariffs.

1- Loss of American market
For China American market is the most favored attractive

destination. China has \$Billions of Dollar trade surplus with United States. The imposition of tariff makes Chinese goods less attractive for American consumers, which will lead to loss of export earning.

ii) Issues of capacity in China
China has an capacity issue. Being world manufacturing engine, China has the capacity but ^{domestic} consumption will not earn it. This is a formidable challenge for China's economic solvency.

iii) Fear of economic slowdown
Imposition of high US tariff will tweak the demand of Chinese good. This will lead to low manufacturing & exports. Resultantly, economy will slow down.

iv) High reliance on domestic consumption

Amid Sino-US tariff, Beijing will need to rely heavily on domestic consumption to fuel growth. This high reliance on consumption will lead to cost-push inflation making matters for consumers worse.

v) Fear of rising unemployment

The 100% plus tariff duties on Chinese goods will surely lead to closure of many industries and factories, which used to export products to US. This will lead to unemployment. As firms will start laying people off from jobs.

Vi - Fear of devaluing Yuan further
The looming threat of devaluing Yuan is a pervasive issue for Chinese exporters. As when Yuan devalues, the products also devalue further and this makes the product uncompetitive in the international market.

Opportunities for China amid US tariff imposition on both adversaries and allies.

I - Advance Belt and Road Initiative further

The imposition of tariff by US on both adversaries and allies have opened strategic opening for China. It can advance narrative of US being an unreliable strategic partner and further its Belt and Road initiative.

2- Opportunity to access European markets.

China can provide European better deals by lowering tariff to Zero percent. As China has production surplus it can export its product to Europe on a more better rate than us.

3- Strategic recalibration toward South Asia and East Asia

US imposition of tariff have made case for China to deepen in East Asia and South Asia. It can strike bilateral beneficial deals and can solve outstanding issues to reduce US influence in the region.

4- Case for transaction in currencies other than \$

US instrument of tariff is the dollar (\$) hegemony. China can argue that deals be made in currencies other than \$ so that tariff threat can be reduced.

5- A case for stronger BRICS
US ^{high} imposition of tariff on all member BRICS nation is an opportune time for China to advocate for a currency swap other than \$, so that \$ influence can be contain.

6- Strategic opening to solve issues with India
US imposition of 50% tariff on Indian goods shows that India is no longer in the US game plan related to Indo-Pacific. China can leverage from this opening and strike a new deal to solve long standing issues

7- opportunity to take the center stage

The US tariff trade war has given Beijing, an opening to take the center stage and act as a responsible great power, which respect rules, treaties and shared common interest

Conclusion

The US imposition of tariff on allies as well as on adversaries has given a new strategic opening to China. whereby, Beijing can leverage itself to gain access to European markets. Moreover, it can present itself as a responsible great power that respect sovereignty and global rules but for that to happen Beijing must address its economic structural issues

Q. 8

US has imposed double tariffs on India. Critically evaluate its economic and geopolitical implications on regional and global politics.

The US imposition of 50% tariffs on Indian goods manifest that US relations with all nations and in particular ^{with} India is transactional. India's view of being a counterweight to China has gone to dust by US imposition of tariff. Similarly, this event has regional and global ramifications. As it provide states like Pakistan a strategic opening and relevance in the global sphere. Moreover, it tarnish New Delhi view of itself as regional policeman.

Economic and implications on the region and the globe

- ① Impact on Indian Economy
India runs trade surplus with the United States. In the event of tariff imposition, Indian exports will become expensive for American consumers which

will lead to potential export loss.

② Pressure on domestic industries reliant on export

Indian services sector is heavily reliant on American economy.

As relocation and outsourcing of services to India from US brings immense dividend. Such sectors are

facing unprecedented pressure in wake of tariff

③ risk of foreign exchange reserve loss

Similarly, India's ability to ^{earn} in wake of exports will be constrained due to tariff. This foreign exchange earning loss will lead to budget deficit in the future.

④ Job losses in export sector

Indian textile sector is at the most disadvantage, as it exports will become competitive & expensive.

Providing opportunities to low tariff nation like Pakistan to fill the gap.

⑤ Potential supply chain disruption

Tariff imposition will exacerbate supply chain disruption. ^{This} will increase inflation as cost of export to US will increase.

i - Strain US-India relations
In the wake of US tariff imposition relation between Washington and New Delhi has fallen to lowest level. High mistrust prevail between both.

ii - Loss of India relevance in US Indo Pacific calculus
Similarly, the imposition of US tariff underlines deeper faultlines between US-India relation. The US tariff imposition manifest, New Delhi has lost relevance in US Indo-Pacific calculus, with US no longer viewing New Delhi counterweight to China.

iii - New South Asian Architecture unfolding.

The deepening of ties between China-Pakistan-Bangladesh manifest that a new regional architecture is in effect. The entry of China and Pakistan win over India in May conflict has downgraded India's global stature.

iv - India opportunity to tilt toward Anti-US platform

The US imposition of 50% tariff has given New Delhi a reorientation to deepen ties with BRICS, SCO platform to diversify its potential.

V - chance to shift to dollarisation
The US tariff imposition has given all nations an opportunity to shift to other platforms of currency other than dollar. India can play a role in making that shift and transition to more pragmatic foreign policy.

Conclusion

The US imposition of tariff on India has shown that US views tariff as a zero sum game. Moreover, it tries to see relation as transaction. New Delhi's concept of strategic autonomy has blown to pieces as time has come for it to join blocks. Moreover, tariff imposition manifest deeper faultlines of India becoming strategic irrelevant for the US in the Indo-Pacific strategy. Moreover, a new regional South Asian architecture is occurring, where India find itself nowhere if it remain in this trajectory.